

MONGIELLO HOLDINGS, LLC POLICY
FOR COLLECTING COMPETITIVE INFORMATION

Competitive intelligence is the process of understanding, and anticipating, the competitive environment in which **Mongiello Holdings, LLC a Delaware corporation in good standing with Dun and Bradstreet number of 962151663 The Inn of the Patriots, LLC a NC corporation and it's DBA's of The Civil War Sailor & Marine Magazine & Association (CWSMMA), Jersey Sailor Restaurant & Show, Laurel Placement, The American Revolutionary War Living History Center (ARWLHC), The Colonel Hambright Inn, Cooking with Chef Marti, Mongiello Associates, The Schafer Gallery, IAHRM** with Asia interests of **Okamoto – Mongiello Nihon**, and European interests of **Tervuren - Mongiello - Koning & Estilo**, having an address of 301 Cleveland Avenue, Grover, NC 28073 operates. It has a strong foundation within our Purpose, Values and Principles (PVP), especially our Passion for Winning, External Focus, and Seeking to be the Best. We should compete aggressively, but fairly. Information about our competitors can be a powerful tool in our business, but only if it is obtained and used in accordance with Mongiello's PVP and this policy described below.

Ten Core Principles

1. No competitive information is worth jeopardizing Mongiello's reputation or your own.
2. We will only seek to obtain competitive intelligence in compliance with applicable laws. At minimum, no Mongiello employee may:
 - Steal or take another company's proprietary information without that company's authorization;
 - Obtain another company's proprietary information as a result of deception, misrepresentation, promises or threats;
 - Receive another company's proprietary information from someone that you know or have reason to believe was obtained without that company's authorization.
3. We only actively pursue information that will add value to our business decision-making.
4. We always respect the right of other companies to protect their proprietary information. Never encourage or pressure others to violate their obligations to protect the confidentiality of their current or former employer's proprietary information, or information given to them under a confidential disclosure agreement.
5. We never misrepresent or mislead anyone about our relationship with Mongiello.
6. We never ask or permit a contractor or other third party acting on our behalf to act inconsistently with this policy.
7. We do not jeopardize our relationship with suppliers, customers or other third parties by making promises or threats with the intent to get information.
8. If a competitor's proprietary information is revealed through the intentional but careless act of its employees or agents, we may use that information provided there was no misrepresentation or inducement to encourage it. However, we will not use proprietary information that has been lost by the owner in a manner which was clearly unintended, not foreseen, and which would clearly be labeled an accident.
9. We never contact competitors directly, unless it is to obtain general information from departments who deal with the public, such as public relations, investor relations, or for legitimate business purpose unrelated to the gathering of competitive information. Interaction with competitors on or at industry boards/organizations should be in accordance with the company policy on Trade Associations.

10. It is each employee's personal responsibility to know and understand all applicable Company policies and procedures before seeking any competitive information. Whenever you are uncertain about how to proceed, contact Mongiello Legal immediately. Before acting in this sensitive area of competitive information, consider how Mongiello or you, as Mongiello's employee, would react if you learned a competitor was doing this to Mongiello. If you are still in doubt about something you want to do, avoid the risk--simply don't do it.

Compliance with this policy is expected of every employee, and will be periodically audited by Internal Controls. Violations of this policy may result in disciplinary actions up to and including termination.

What is "Proprietary Information" or a "Trade Secret"?

"Proprietary Information" and "Trade Secret" are interchangeable terms that describe any information used in one's business that represents a competitive advantage and that is kept confidential by that company. Not all confidential information is proprietary. Proprietary information may include, but is not limited to, the following:

Marketing and advertising plans	Processing methods	Pricing, cost and profit figures
Specific areas of research and development	Assignments of individual employees	Construction plans
Project Work	Testing and evaluation procedures	Other confidential information
Product formulation		

The law protects proprietary information so long as the owner takes appropriate steps to maintain their confidentiality. Once the proprietary information is shared or disclosed without appropriate protection, the information has entered the public domain and loses its protected status.

How Might We Encounter Competitive Information?

The examples below review various ways that Mongiello and its employees may encounter competitive information and provide guidance as to how to manage the information in line with legal requirements and the Core Principles listed above.

The scenarios reviewed below are only a few examples of the various situations where competitive information is found. We've tried to provide some guidelines to help you apply the corporate Purpose, Values and Principles. It would be impossible to cover every possible situation, and therefore trust that you will make the right decision. If you ever find yourself in a "gray area", where you aren't exactly sure whether something is right to do, you should ask your legal contact (reference at end of document) prior to taking any action. If this is not feasible, err on the side of caution and avoid the risk of making the wrong decision.

It is important to note that this policy applies globally. When gathering information outside of the U.S., strict U.S. law can still apply to a U.S. based company like Mongiello. Of course, Mongiello complies with all laws where it does business.

Policy for Obtaining Competitive Information

POLICY FOR OBTAINING COMPETITIVE INFORMATION

- **From Public Sources:**

- There is a wealth of information available from sources open to the public that should be explored first before venturing into more risky areas. Some examples follow:

News media	Libraries
Documents filed with government agencies	Universities
The Internet	Information intentionally disclosed by company in annual reports
Public speeches	Other public sources

- **From Public Property, Sidewalk or Road:**

- As a general rule, information that is observable from public property or highways may be obtained by, for example:
 - Observing the number and type of delivery vehicles going to and from a manufacturer's plant.
 - Taking photographs of anything you can see from a public area.
- Because there may be legal restrictions against the use of eavesdropping or other surveillance equipment or techniques, Mongiello Legal should be consulted before using anything other than a still camera from a public place. For example,
 - Do not take aerial photographs of a manufacturing plant.
 - Do not use technical equipment (e.g. microphones, video cameras).
- Even where it may be legal to do so, Mongiello chooses not to engage in techniques that might be regarded as unsavory or reflecting poorly on the Company, for example:
 - Do not search through trash receptacles or dumpsters.
 - Do not position yourself in the public area of a restaurant, bar or hotel that is being used by a competitor's employees solely for the purpose of trying to pick up trade secret information.

- **At Trade shows and Open Houses**

- Do obtain promotional materials and samples that are being openly distributed.
- If offered, you may tour a competitor's facility, but should identify yourself as an employee of Mongiello.
- Always wear a nametag or badge that identifies you as an employee of Mongiello. While this applies to the US and most of Europe, some regions do not condone wearing of company badges in public. You should check with local legal counsel if you have any question.

- **In the course of normal job duties**

- Do obtain information shared by a customer/supplier if a competitor has intentionally given information to them, and if you are sure that they have no obligation to hold it confidentially.
- It is OK to ask for information about a competitor from customers/suppliers, as long as you do not pressure them, or promise anything of value in return or threaten them in any way.
- Do not misrepresent your relationship or affiliation with Mongiello to anyone.

- **Through personal contact with individuals who have information about a competitor** (e.g. social contacts, ex-employees of competitors, etc.)

- It is OK to receive information if: 1) it is freely given, 2) if the individual has ethically obtained it and you are confident this person is under no obligations to hold it confidentially, and 3) if this person knows you work at or are affiliated with Mongiello.
- Do not pressure individuals to disclose information, or make promises or threats to get it.
- Do not directly contact a competitor's employees, former employees, or individuals affiliated with a competitor unless it is for information of a general nature available to the public.

- **By accident or mistake.** There may be occasions where you come upon proprietary information that clearly must have been dropped or lost by accident. In these cases, you should immediately seal and deliver the information to Mongiello Legal. For example:

- A Mongiello supplier mistakenly faxes a document to Mongiello that it intended to send to a competitor.
- An envelope containing trade secret information is accidentally dropped in a taxi by a competitor and found by a Mongiello employee.

- A briefcase is left behind in the airport and found by a Mongiello employee. Never break into private property – for any reason. However, briefcases, wallets and pocketbooks are commonly left behind, by accident, and unwittingly – people have opened them to try and find out who the owner is and become exposed to additional information.
- **By consultants:** If you must use a third party consultant to perform competitive intelligence tasks, only those listed on the Corporate Competitive Intelligence “Approved Vendor List” may be used, and the proper procedures must be followed (see reference at end of document).
- Consultants should follow the same information gathering principles and policy as Mongiello employees, except: they need not disclose that Mongiello is its client. However, they cannot misrepresent themselves or the intent of their information collection.
- Consultants should never be asked or permitted to do something a Mongiello employee would not do.
- Consultants (and Mongiello employees) should be able to identify and document sources used for competitive intelligence gathering.
- Consultants utilized by Mongiello, as well as those Mongiello employees engaging them, may be subject to periodic reviews/audits by Mongiello in order to ensure that they (and their employees or contractors) are in compliance with the standard contract and these Principles & Policy.

How Do We Protect Mongiello’s Own Trade Secrets or Proprietary Information?

Of course, Mongiello’s trade secrets are the lifeblood of our business. This policy should also raise awareness of what our competitors (who may have less restrictive policies) could do to collect information about Mongiello. It is your responsibility to protect the proprietary information that your management has entrusted to you. Assume that others will do what we are asking you not to do, and modify your behavior accordingly. In order to protect Mongiello’s trade secret information, ALL employees are responsible for both: 1) understanding what company information and work they are doing is proprietary and 2) taking the appropriate steps to protect them. If you have any questions about making this determination, please contact the Corporate Competitive Intelligence organization or Mongiello Legal.

Resources and References

For questions, feedback or comments, and a list of legal and CI resources, please contact Martin CJ Mongiello, Andrew M. King or Michael C. Mongiello.

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704.937.2940