EXHIBIT C

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT

INTERMARK FABRIC CORPORATION, Plaintiff,	:	
vs.	:	Case No. 302 CV 1267 AVC
MICROFIBRES, INC., Defendant.	:	

DEPOSITION OF PETER M. HADLEY, a witness called on behalf of the Defendant, taken pursuant to the Federal Rules of Civil Procedure before Carol H. Kusinitz, Registered Professional Reporter and Notary Public in and for the Commonwealth of Massachusetts, at the Offices of Hinckley, Allen & Snyder LLP, 28 State Street, Boston, Massachusetts, on Thursday, July 31, 2003, commencing at 1:35 p.m.

PRESENT:

Cantor Colburn LLP
(by Charles F. O'Brien, Esq.)
55 Griffin Road South, Bloomfield, CT 06002, for the Plaintiff.

Hinckley, Allen & Snyder LLP
(by William R. Grimm, Esq.)
1500 Fleet Center, Providence, RI 02903-2393, for the Defendant.

* * * *

later.

Q. And when did you destroy the notes?

A. A few days after the October 31st meeting.

Q. Did you bring your notes to the October 31st, 2002, meeting?

A. I definitely had them present, yes.

Q. Did you show your notes to any other Board members at the October 31st, 2002, meeting?

A. I didn't.

Q. Pardon me?

A. I did not.

Q. Why not?

A. The question came up, and there was no challenges. One other person had her notes, and they were saying the same, and other people either didn't have notes or didn't have -- either didn't take notes, or when they took notes, they didn't have this in it.

Q. Did you ever see Laura Ouimet's notes of the August 1st, 2002, meeting?

A. I can only say I don't think so. I don't remember seeing any.

Q. Did you ever see the notes of any other Board member of the August 1st, 2002, meeting?

A. No, I did not.

Q. Now, you were aware, were you not, that Mr. Fulks denied making the statement --

A. Yes, he did deny it.

Q. And you were also aware that the alleged statement might be relevant to the dispute between Microfibres and Intermark in some fashion?

A. Yes. When he made that statement at that meeting, yes, I realized that.

Q. And despite the fact that Mr. Fulks denied the statement and you knew that it was relevant to the dispute between Microfibres and Intermark, you destroyed your notes sometime after October 31st, 2002, correct?

MR. O'BRIEN: Objection.

A. Uh-huh.

Q. And by October 31st, 2002, you knew there was actually a lawsuit pending, correct?

A. Uh-huh.

Q. And you also had been offering assistance from at least June of 2002 to Intermark, correct?

A. June 27th or something like that.

Q. What did you do when you received Ms. Strisik's e-mail of August 8th, 2002?