

APPENDIX TO CONTRACT OF EMPLOYMENT

STANDARD TERMS AND CONDITIONS OF EMPLOYMENT

The following are Watts Group PLC (“the Company”) Standard Terms and Conditions of Employment (the “Standard Terms”):

1. FREEDOM TO CONTRACT

You represent and warrant to the Company that you are entitled to enter into the Agreement and carry out its terms, and that by doing so you will not be in breach of any obligation (contractual or otherwise) to any third party which would:

- 1.1 entitle that third party to damages or any other remedy; or
- 1.2 which may in any way restrict or prohibit you from entering into the Agreement; or
- 1.3 from performing your duties under the Agreement.

2. OBLIGATIONS DURING EMPLOYMENT

2.1 You shall during your employment with the Company (unless prevented by sickness or injury):

- 2.1.1 devote the whole of your time, attention, skill and ingenuity during working hours to your duties under the Agreement;
 - 2.1.2 faithfully and using your best endeavours carry out all work required of you;
 - 2.1.3 faithfully and diligently perform such duties and exercise such powers consistent with your position as may be assigned to or vested with you by the Company;
 - 2.1.4 comply with all reasonable and lawful requests made by the Company;
 - 2.1.5 use your best endeavours to promote and protect and extend the business, reputation, welfare and the interests of the Company and the Group;
 - 2.1.6 comply with all the Company's rules, regulations, policies and procedures as are in force at any time;
 - 2.1.7 promptly give to your manager or the Board or anyone else it shall nominate (in writing if requested) all information and explanations that you know about concerning the affairs of the Company and the Group;
 - 2.1.8 report to your manager or the Board any matters of concern that come to your attention, in particular relating to acts of misconduct, dishonesty, breach of the Company rules or breach of any of the rules of any relevant regulatory bodies, committed, by any member of staff or anyone else. A failure by you to act in accordance with this provision will be treated as a disciplinary matter, which may lead to your summary dismissal;
 - 2.1.9 travel on Company or Associated Company business in the United Kingdom or overseas as the Company or Associated Company may from time to time request. This may include travelling outside normal business hours.
- 2.2 You must not (except as is necessary in the course of your employment) disclose to any person, or make public either during or after your employment:

- 2.2.1 the affairs of the Company's clients, or the fact that the Company acts for any particular client; or
- 2.2.2 the methods of work or costing, details of the organisation, precedent forms of the Company or the Group, business dealings, or affairs generally of the Company.
- 2.3 You shall take all steps in the care and control of client matters for which you have responsibility as are necessary to comply with professional standards.
- 2.4 You shall not without the written permission of the Company, either alone or with anyone else, be involved (directly or indirectly) in any profession, trade or business other than that of the Company.
- 2.5 You shall keep proper records of your duties, including keeping a record of all money paid and received in respect of any business or matter which is entrusted to you, and of all business and transactions undertaken or transacted by the Company under your management.
- 2.6 You shall not without consent of the Company (either directly or otherwise) be involved in dealing in real, leasehold or other immovable property except by way of investment of a permanent nature or as a residence for you and your family.
- 2.7 Notwithstanding any other provision of the Agreement:
 - 2.7.1 the Company may during your employment, without further payment to you, make your services available to another party within or outside the Group, at such locations and for such periods and on such terms as the Company and you shall reasonably agree. You agree to enter into any agreement with such other party as the Company may reasonably require in order to give full effect to such arrangement; and
 - 2.7.2 the Company may at any time during your employment appoint another person(s) to act jointly with you to undertake your duties.
- 2.8 The Company reserves the right to suspend all or any of your duties and powers on such terms as it considers expedient (including a term that you shall not attend the Company's or any Associated Company's premises and/or that you shall not contact or have dealings with any customer, client, supplier or employee of the Company or any Associated Company).
- 2.9 The Company may also require you to carry out the duties of another position, either in addition to or instead of your normal duties. The Company shall be under no obligation to assign any duties to you, and shall be entitled to exclude you from its premises. You shall remain bound by your obligations of good faith, fidelity and loyalty to the Company during any such period of suspension.
- 2.10 The Company reserves the right to assign its rights and obligations under this Agreement to any Associated Company. If the Company does this, then any reference to the Company in the Agreement shall then be a reference to the Associated Company.

3. INTERESTS IN OTHER BUSINESSES

- 3.1 Unless the Company has given you consent in writing, during your employment you shall not (either directly or indirectly) carry on or be concerned, engaged or interested in or assume responsibilities or duties for anyone else other than being:
 - 3.1.1 interested as a holder (directly or through nominees for investment purposes only) in any securities quoted on a recognised stock exchange, provided that none of the holdings shall exceed 3% of the value of stock issued; and

- 3.1.2 concerned or interested in another business provided always that:-
- 3.1.2.1 the business does not conflict nor compete with (and is not likely to conflict or compete with) the Company or any Associated Company; and
 - 3.1.2.2 your concern and interest in such a business does not and is unlikely to interfere with the proper performance of your duties under this Agreement.
- 3.2 You are not entitled to receive or obtain (directly or indirectly) any inducement, discount, rebate or commission in respect of any sale or purchase of goods or other business transacted (whether or not by you) by or on behalf of the Company or any Associated Company. If you (or any Company or Company in which you are interested) obtain any such discount, rebate or commission, you agree to account to the Company or the relevant Associated Company for the amount received.
- 3.3 You shall not, and you agree to ensure that nobody you are connected to shall, enter into any transaction, arrangement or agreement with the Company or any member of the Group without the prior written consent of the Board. You agree that you will promptly notify the Board of any such actual or proposed arrangement. For the purposes of this sub-clause a person is connected with you if:
- 3.3.1 they are a relative (meaning spouse, sibling, ancestor or descendant) or partner of yours; or
 - 3.3.2 either you or they are a trustee of a settlement, and the other is a settler or beneficiary of that settlement; or
 - 3.3.3 you are a partner or officer or employee of the Company in question.
- 3.4 You shall not (without the consent of the Company) do any of the following during your employment:-
- 3.4.1 give any security or undertake to pay money on account of the Company other than in the ordinary course of the Company's business;
 - 3.4.2 sign, draw, endorse, or negotiate any bill, promissory note, bond or other security or become surety for any person, or do or knowingly permit to be done anything by which may cause the capital of the Company to be charged, taken in execution, or put in jeopardy;
 - 3.4.3 lend any money belonging to or give any unusual credit on behalf of the Company.

4. HOURS OF WORK

- 4.1 Whilst it is not anticipated that this would happen, in line with the Working Time Regulations (UK opt-out), you agree whenever necessary to work longer than 48 hours per week (averaged over 6 months), although you may withdraw your consent to working in excess of 48 hours per week on 3 months' written notice to the Company.

5. REMUNERATION AND BENEFITS

- 5.1 Your Basic Salary shall accrue from day to day, and shall be payable by 12 equal monthly instalments in arrears, on the last working day of each calendar month by credit transfer direct to your bank account.
- 5.2 You agree and hereby authorise the Company to deduct from your wages (as defined in Part II of the Employment Rights Act 1996) any sums due from you to the Company or any Associated Company.

6. EXPENSES

The Company shall reimburse you for all reasonable travelling, accommodation, entertainment and other out-of-pocket expenses wholly and necessarily incurred by you during your employment in the proper performance of your duties. Payment of your expenses will be subject to you providing receipts or such appropriate evidence of payment as the Company may require.

7. HOLIDAYS

- 7.1 If you are employed for part of the holiday year, your holiday entitlement will be calculated pro-rata to the actual period that you have worked for the Company during the holiday year.
- 7.2 Your holiday entitlement is to be taken at such times as shall have been approved by your manager or another duly authorised person.
- 7.3 The Company's holiday year is from 1 May to 30 April.
- 7.4 You shall not be entitled to carry forward any unused annual holiday entitlement into another holiday year without the prior written consent of the Company.
- 7.5 You may not take more than 15 days continuous holiday between 1 May and 31 October in any holiday year.
- 7.6 On the termination of your employment your entitlement to accrued holiday pay shall be calculated on a daily basis of 1/260th (pro-rata for part-time workers) of your Basic Salary, provided that where:-
- 7.6.1 you have taken more holiday than your accrued entitlement, the Company is hereby authorised (for the purposes of Part II of the Employment Rights Act 1996) to make an appropriate deduction from your final salary payment;
- 7.6.2 your employment is lawfully terminated without notice (in accordance with Clause 13.3.1 or Schedule E) you shall not be entitled to receive any pay in lieu of accrued holiday in excess of your accrued statutory entitlement.
- 7.7 The Company shall be entitled to withhold any entitlement to holiday pay in lieu if you fail to give the Company proper notice of termination or if you leave before such notice has expired. In such a case your holiday pay in lieu shall be reduced by the number of days notice not worked. In any case where the Company agrees to waive the requirement for you to work out your notice, this sub-clause shall not apply.

8. SICKNESS AND INJURY

- 8.1 If at any time during your employment with the Company you are absent from work due to sickness or injury you shall promptly forward to the Company, a self-certificate form (available on the intranet) as satisfactory evidence of such sickness or injury. If you are absent for more than 5 days, you shall on the 6th day send the Company a medical certificate, and thereafter further medical certificates every 7 days.
- 8.2 If any incapacity is caused by any alleged action or wrong of a third party and you decide to claim damages from that third party, you agree to use all reasonable endeavours to recover damages for loss of earnings over the period for which Company Sick Pay has been paid (and will be paid) to you by the Company. You agree to account to the Company for any damages recovered (less any costs borne by you in achieving such recovery) up to but not exceeding the actual salary paid or payable to you by the Company.

8.3 You agree to undergo a medical and/or psychological examination by a doctor(s) of the Company's choice, and that the Company will receive from the doctor(s) the results of any such medical examination, including copies of any documents referred to in any such reports. You will have the right to a copy of any report produced under the Access to Medical Reports Act 1988. The Company agrees to keep any such reports confidential, except to the extent that it is necessary to disclose the results for the purpose of obtaining or maintaining any policy of insurance, or as required by law.

9. CONFIDENTIALITY

You agree to comply with the Confidentiality provisions at Schedule A.

10. RECORDS

You agree to comply with the provisions relating to Records as provided for at Schedule B.

11. INTELLECTUAL PROPERTY

You agree to comply with the intellectual property provisions contained at Schedule C.

12. PROTECTIVE COVENANTS

You agree to comply with the post termination protective covenants contained at Schedule D (if appropriate).

13. TERMINATION

13.1 The Company shall be entitled, during the period of any notice given under the Agreement (and without limiting the Company's right to suspend any of your duties and powers under sub-clause 2.8 of the Standard Terms), to require you to cease to attend at the premises of the Company or any Associated Company, or to undertake any work during all or any part of the period of notice ("Garden Leave").

13.2 During Garden Leave you shall:

13.2.1 remain available to perform any duties and/or to exercise any powers, authorities and discretions (if any) if and when called upon to do so by the Company;

13.2.2 remain bound by the remaining provisions of the Agreement which shall continue to remain in full force and effect;

13.2.3 not be entitled to any payment in damages or be entitled to make, bring or base any claim or counterclaim whatsoever as a result of the exercise by the Company of its rights;

13.2.4 continue to receive your salary and other benefits (if any) should the Company exercise its rights;

13.2.5 remain bound by your obligations of good faith, fidelity and loyalty to the Company such that you shall not compete against the Company, solicit customers or clients of the Company to transfer their business to you or any third party, or otherwise make any secret profit, or solicit members of staff to leave the Company's employment, or breach your obligations not to reveal to any third party Confidential Information.

13.3 The Company may at its absolute discretion elect to terminate your employment with immediate effect by paying your Basic Salary only in lieu of notice (excluding any benefits or emolument referable to your employment). The Company may in its absolute discretion pay the payment in lieu of notice in equal monthly instalments in

arrears on the dates on which your Basic Salary would usually have been paid and if the Company elects to make such payment by instalments, your entitlement to any further instalment payments of your Basic Salary shall cease immediately on the date on which you receive an offer of alternative employment or engagement; you shall as soon as reasonably practicable notify the Company in writing of any such offer. For the avoidance of doubt, the right of the Company to make a payment in lieu of notice, whether as a lump sum or by way of instalments does not give you any right to receive such a payment or payments.

- 13.3.1 Your employment may be terminated by the Company with immediate effect without payment in lieu of notice for the reasons specified at Schedule E.
- 13.4 Your employment shall terminate automatically and without prior notice on your 65th birthday, unless otherwise agreed.
- 13.5 You agree that immediately upon the termination of your employment you shall confirm in writing to all persons who have appointed you as a surveyor pursuant to section 10 of the Party Wall etc Act 1996 (or as amended) that you are "incapable of acting" pursuant to your statutory appointment.
- 13.6 If you are absent from work due to sickness or injury or other incapacity for periods in excess of 90 days in aggregate in any consecutive period of 52 weeks the Company may terminate your employment by giving you not less than the statutory minimum notice in accordance with section 86(1) Employment Rights Act 1996.
- 13.7 Upon termination of your employment for whatever reason:
 - 13.7.1 you shall not take away, conceal or destroy but shall immediately deliver up to the Company all Property, Records and Confidential Information in accordance with Schedule B;
 - 13.7.2 you shall not at any time thereafter make any untrue or misleading oral or written statement concerning the business or affairs of the Company or any Associated Company, nor represent yourself nor permit yourself to be held out as being in any way connected with or interested in the business or affairs of the Company or any Associated Company; and
 - 13.7.3 you shall immediately repay all outstanding debts or loans due to the Company or any Associated Company. The Company is hereby authorised to deduct from your wages (as defined in Part II of the Employment Rights Act 1996) a sum equal to any such debts or loans together with any interest thereon as appropriate; and
 - 13.7.4 you shall upon request by the Company immediately resign from your office as a director of the Company (if applicable) and from all your other offices and appointments in or on behalf of the Company or any Associated Company in each case without compensation for loss of office.
- 13.8 Any of your rights or obligations, or those of the Company or any Associated Company under the Agreement which are expressed to continue or are capable of continuing after the date of termination of your employment, shall continue in full force and effect notwithstanding the termination of your employment.

14. CORPORATE CHANGE

If your employment is terminated by reason of the liquidation of the Company for the purpose of reconstruction or amalgamation or as part of any arrangement for the amalgamation or reconstruction of the Company not involving liquidation, and you are offered employment with any concern or undertaking resulting from this reconstruction or amalgamation on terms and conditions which taken as a whole are not less

favourable than the terms of the Agreement, then you shall have no claim against the Company in respect of such termination.

15. DISCIPLINARY AND GRIEVANCE PROCEDURES

- 15.1 A copy of the Company's disciplinary and grievance procedures have been given to you with the Agreement.
- 15.2 The Company shall be entitled, in order to investigate any complaint made against you, to suspend you on full pay for so long as may be necessary to carry out a proper investigation and hold a disciplinary hearing.
- 15.3 For the avoidance of doubt these disciplinary rules and procedures, grievance and appeal procedures adopted by the Company or notified to you, will not form part of your contract.

16. USE OF ELECTRONIC COMMUNICATIONS

- 16.1 You shall have access to the Company's email, Internet and telephone systems, mobile telephone and other forms of electronic communication in order to carry out your duties, provided that you shall not send any emails of a defamatory or abusive nature or which constitute sexual, racial or any other form of harassment. You are not to download any sexually explicit, pornographic or other offensive material, and you agree to indemnify the Company during and after your employment against all liability arising from your breach of this sub-clause.
- 16.2 The Company reserves the right to monitor all electronic communications sent and received by you and to monitor your Internet access. In addition, the Company reserves the right to open attachments related to business, and if appropriate other emails and any files or other material downloaded from the internet during and outside office hours, whether for personal or Company use.
- 16.3 This Clause is without prejudice to your obligations under Clause 17 (Data Protection) below.

17. DATA PROTECTION

- 17.1 For the purposes of complying with the Data Protection Act 1998, you agree to provide the Company or any Associated Company with any personal data and sensitive personal data relating to you that either may request, and you further consent to the holding and processing (in manual, electronic or any other form) of such data by the Company and/or any Associated Company and/or any agent or third party nominated by the Company and bound by a duty of confidentiality, for the purpose of:
- 17.1.1 employee related administration;
- 17.1.2 processing your file and management of its business;
- 17.1.3 compliance with applicable procedures, laws and regulations;
- 17.1.4 providing data to external suppliers for the provision and administration of your remuneration and any benefits; and/or
- 17.1.5 to evaluate the efficiency of the Company's and any Associated Companies' business systems.

18. NOTICES

- 18.1 Notices to be given to either party under the Agreement shall be given in writing by hand or post addressed, in the case of the Company, to its registered office for the time being marked for the attention of the Personnel Department or, in your case, to your last known address.
- 18.2 Any such notice sent by post shall be deemed (in the absence of evidence of earlier receipt) to have been received 2 days after posting (6 days if sent by air mail) and in proving the time such notice was sent it shall be sufficient to show that the envelope containing it was properly addressed, stamped and posted and any such notice delivered personally shall be deemed to have been given at the time of such delivery.

19. POWER OF ATTORNEY

- 19.1 You hereby irrevocably and by way of security grant to the Company (with power for the Company to grant a separate power to any Associated Company on behalf of you) power of attorney on your behalf to sign all such documents, execute all such deeds and do or refrain from doing all such things as the Company exercising the power or such concurrent power may in its entire unfettered discretion consider appropriate convenient or necessary in any part of the world for the purposes of fulfilling your obligations under the Agreement. You shall grant such separate powers of attorney in such form or forms as the Company (or the relevant Associated Company) may reasonably require for such purposes, and the power granted by this Clause shall empower the attorney to grant such further powers in your name and on your behalf.
- 19.2 Notwithstanding the foregoing and merely as a matter between you and the Company (or the relevant Associated Company), the powers granted by you under this Clause shall not be used except with your consent or following your failure to sign or execute the relevant document or to do or refrain from doing the relevant act upon request made to you in writing.

20. MISCELLANEOUS

- 20.1 You acknowledge that any breach by you of any of the terms of Schedules A, C, or D may inflict irreparable damage to the Confidential Information and/or Intellectual Property referred to in those Schedules and entitle the Company or an Associated Company to an injunction as well as to damages, costs and other relief.
- 20.2 The failure to exercise or delay in exercising a right or remedy under this Agreement shall not constitute a waiver or right or remedy or a waiver of any other rights or remedies. No single or partial exercise of any right or remedy under this Agreement shall prevent any further exercise of the right or remedy or the exercise of any other right or remedy.
- 20.3 In the event of any Clause or sub-clause or parts thereof contained in this Agreement being held invalid or unenforceable by any judicial, arbitral, regulatory or other authority of competent jurisdiction all other Clauses or sub-clauses or parts thereof contained in the Agreement shall remain in full force and effect to the fullest extent permitted by law and (subject as aforesaid) shall not be affected thereby.
- 20.4 Any reference in this Agreement to a person shall also include companies, unincorporated bodies including any company, association, partnership, trust, society or charity.
- 20.5 Any reference in this Agreement to any "party" or to the "parties" are to both you and the Company.

- 20.6 Unless expressly otherwise stated, expressions and words which are defined in the Companies Act 1985 shall have the same meanings in this Agreement.
- 20.7 The terms of this Agreement may only be altered in writing signed by you and a duly authorised signatory of the Company.
- 20.8 The right of any party to agree any amendment, variation, waiver, or settlement, under or in respect of this Agreement, or to terminate this Agreement, shall not be subject to the consent of any other person who has rights under this Agreement by virtue of the Contracts (Rights of Third Parties) Act 1999.

21. DEFINITIONS

Schedule F provides a list of definitions that apply to this Agreement.

SCHEDULE A - Confidentiality

- 1.1 The following is a non-exhaustive list of matters, which in relation to the Company or any Associated Company are considered by the Company or any Associated Company to be confidential, and you agree such matters are confidential:
 - 1.1.1 all trade secrets of the Company or Associated Company;
 - 1.1.2 any and all information relating to prices, discounts, mark-ups, marketing, future business strategy, tenders and any price-sensitive information of the Company or any Associated Company;
 - 1.1.3 any and all customer lists, supplier lists, details of contracts with or requirements of customers and suppliers, and any details relating to information on the Company or any Associated Company's database;
 - 1.1.4 any and all details about the Company or any Associated Company's products, publications, processes, technologies, inventions, analysis or research;
 - 1.1.5 any and all information relating to any computer software (both source code and object code) and other Intellectual Property of the Company or any Associated Company;
 - 1.1.6 any and all technical data, know-how, information or operations manuals of the Company or any Associated Company; and/or
 - 1.1.7 any and all information in respect of which the Company or any Associated Company is bound by an express or implied obligation of confidence to any third party.
- 1.2 You shall not (other than in the proper performance of your duties, with the prior written consent of the Company, or required by a court) at any time either during your employment or afterwards disclose or communicate to any person or use for your own benefit or the benefit of any person or through any failure to exercise all due care and diligence cause, enable, authorise, assist or permit any unauthorised use or disclosure of any Confidential Information, or attempt or purport to do any of the foregoing.
- 1.3 All Records relating to any Intellectual Property or Confidential Information shall be and remain the exclusive property of the Company or the relevant Associated Company.
- 1.4 The provisions of this Schedule shall not apply to any Confidential Information which:-
 - 1.4.1 is in or enters the public domain other than by breach by you of the Agreement; or
 - 1.4.2 is obtained from any third party who is lawfully authorised to disclose such information.
- 1.5 You shall at all times both during your employment with the Company and afterwards use your best endeavours to prevent the unauthorised use, publication or disclosure of any Confidential Information. You agree to inform the Company of any actual, suspected or threatened use, publication or disclosure of any Confidential Information as soon as you know about it, and agree to provide such assistance to restrain such further use or disclosure as the Company may request.

SCHEDULE B – Records

- 1.1 During your employment you shall not (otherwise than for the Company or any Associated Company):
 - 1.1.1 make, copy or reproduce in any form any Records in whole or in part;
 - 1.1.2 use or permit any Records to be used by or for the benefit of any other person; or
 - 1.1.3 attempt or purport to do any of the foregoing or cause, enable, permit, authorise or assist any other person to do any of the foregoing.
- 1.2 During your employment you shall observe and comply with all security measures introduced by the Company or any Associated Company, in particular those that safeguard and protect the Records from theft or unauthorised access by any person, or from loss or damage caused by computer bugs or viruses.
- 1.3 You shall if requested by the Company, and in any event immediately upon termination of your employment:
 - 1.3.1 deliver up to the Company or any Associated Company; and/or
 - 1.3.2 if requested, destroy, erase or delete from any data storage medium, including without limitation, from any computer hard disk or drive or any floppy disk or CD or memory stick in your possession, power, custody or control

all Records and/or Confidential Information, which you have made, copied, or reproduced in any form, and all other documents, papers, materials or property belonging or relating to the Company or any Associated Company in your possession, power, custody or control.

You also agree that you will confirm in writing that you have complied with this clause.

SCHEDULE C – Intellectual Property

- 1.1 You shall immediately notify the Company in writing of the general nature of any discovery, invention, idea, development, secret process or improvement in procedure made or discovered by you during your employment with the Company (irrespective of whether it was made or discovered during normal working hours or using the facilities of the Company or any Associated Company, and irrespective of whether or not you consider that by virtue of Section 39 Patents Act 1977 (or any similar provision) that it fails to vest in the Company or any Associated Company) and which in any way relates or may be related to any product, service, work, method or process of the Company or any Associated Company or to any Confidential Information ("Invention").
- 1.2 The entitlement to any Invention shall be determined in accordance with the provisions of the Patents Act 1977.
- 1.3 You shall promptly provide to the Company or any Associated Company with full written disclosure of any Invention. If required by the Company or any Associated Company so to do (whether or not during your employment) you shall at the expense of the Company or any Associated Company but without additional payment to you apply or join with the Company or any Associated Company in applying for letters patent or other equivalent protection in the United Kingdom and in any other part of the world and do execute such documents as the Company or any Associated Company may reasonably request.
- 1.4 It is agreed that (subject only to sub-clause 1.2 of this Schedule C) the Company or any Associated Company shall be solely and exclusively entitled to the entire and unencumbered Intellectual Property in all works, processes, methods, Inventions and/or products (including without limitation any computer software) made by you during the Term and which are connected with or relate in any way to the business of the Company or any Associated Company whether or not so made in the course of your employment under the Agreement and you:-
 - 1.4.1 undertake at the expense of the Company or any Associated Company but without any additional payment to you immediately to execute all documents and do all things as the Company or any Associated Company shall require for the purpose of confirming to and assuring in the name of the Company or any Associated Company such Intellectual Property;
 - 1.4.2 undertake immediately to inform the Company or any Associated Company of the creation or coming into existence of anything to which this Clause applies; and
 - 1.4.3 waive all moral rights in or to anything to which this Clause applies in favour of the Company or any Associated Company. For the avoidance of doubt this waiver shall extend to the licensees and successors in title of the Company or any Associated Company.
- 1.5 You shall at all times during your employment and afterwards inform the Company of any actual, suspected or threatened infringement of any Intellectual Property as soon as the same becomes known to you, and shall at the cost and expense of the Company render such assistance to restrain such further infringement as the Company may request.
- 1.6 All rights and obligations under this Clause in respect of any Intellectual Property made or discovered by you during your employment shall continue in full force and effect after the termination of your employment and shall be binding upon your personal representatives

SCHEDULE D – Protective Covenants
(applicable to Associates and Directors only)

- 1.1 You will not, for a period of 6 months after the Termination Date, canvass, approach or solicit or cause to be canvassed, approached or solicited for orders (in respect of any services provided or goods sold by any Business) or seek to entice away from the Company or any Associated Company any business or trade of a Customer with the intention of supplying goods or services to that Customer so as to compete or seek to compete with any Business.
- 1.2 You will not, for a period of 6 months after the Termination Date, supply goods, or services to, or otherwise have business dealings with, any Customer in the course of any business or entity which is, or seeks to be, in competition with any Business.
- 1.3 You will not for a period of 6 months after the Termination Date, for yourself or on behalf of any business or entity, which is in competition with any Business, employ or offer employment to an Employee, or in any way try to entice an Employee away from the Company or any Associated Company.
- 1.4 You will not, for a period of 6 months after the Termination Date contact or interfere or have dealings with any Supplier.
- 1.5 Nothing in this Clause shall prevent you from being engaged in or by, or participating in, any business or entity to the extent that any activities for such business or entity shall relate solely to matters of a type with which you were not materially concerned in the 12 months immediately preceding the Termination Date.
- 1.6 The restrictions set out in this Clause apply whether you are acting for your own benefit or on behalf of any person and whether you act directly or indirectly.
- 1.7 You hereby agree that you shall at the cost of the Company enter into a direct agreement or undertaking with any Associated Company whereby you shall accept restrictions and provisions corresponding to the restrictions and provisions in sub-clauses 1.1 to 1.5 of this Schedule D above (or such of them as may be appropriate in the circumstances) in relation to such activities and such areas and for such periods not exceeding that specified in these sub-clauses as such Associated Company may reasonably require for the protection of its legitimate business interests.
- 1.8 You agree that in the event of receiving from any person an offer of employment either during your employment or whilst the above restrictions are in force, you shall immediately provide to the person making the offer of employment a full and accurate copy of this Clause.
- 1.9 Any period spent by you on Garden Leave below shall be deducted from the period of restriction referred to in sub-clauses 1.1 to 1.5 of this Schedule D above.

SCHEDULE E – Summary Termination

Your employment may be terminated by the Company with immediate effect without payment in lieu of notice if you:-

- 1.1 commit any serious breach or non observance of any of your duties under the Agreement or otherwise; or
- 1.2 commit, (after warning) any persistent or continued breach or non-observance of any of your duties under the Agreement or otherwise; or
- 1.3 are guilty of any negligence, gross misconduct or dishonesty in connection with or affecting the business or affairs of the Company or any Associated Company for which you are required to perform duties; or
- 1.4 are guilty of conduct which in the reasonable opinion of the Company brings or is likely to bring you, the Company or any Associated Company into disrepute; or
- 1.5 are convicted of an arrestable offence other than a road traffic offence for which a non-custodial penalty is imposed; or
- 1.6 become bankrupt or makes any arrangement or composition with your creditors generally or have an interim order made against you pursuant to section 252 of the Insolvency Act 1986; or
- 1.7 cause any agreement entered into by the Company or any Associated Company relating to the provision of your services to be terminated without notice by any other party to such agreement; or
- 1.8 in the reasonable opinion of the Company become incapable by reason of mental disorder of discharging your duties; or
- 1.9 are or become prohibited by an applicable law or regulation from being a director of the Company or Associated Company or from performing any of your duties, are removed from office pursuant to the Company's articles of association (unless the removal is caused by sickness or injury other than mental disorder) or (except at the request of the Company) you resign as a director; or
- 1.10 in any other circumstances where the Company may legally terminate any directorship that you may hold; or
- 1.11 are guilty of any breach or non observance of any code of conduct, rule or regulation referred to in the Agreement or fail or cease to be registered with or authorised by (where such registration or authorisation is, in the opinion of the Company, required for the performance of your duties) any regulatory body in the United Kingdom or elsewhere.

SCHEDULE F - Definitions

This Agreement uses the following definitions:

"Agreement" means your contract of employment and the appendices to that contract (in particular the Standard Terms);

"Associated Company" means any Company, which is at any time a holding Company or a subsidiary (as defined in Section 736 of the Companies Act 1985) of the Company, or a subsidiary of any holding Company. A "subsidiary" shall also include a subsidiary undertaking (as defined in Section 258 of that Act);

"Board" means the board of directors of the Company or any Associated Company, including any committee or sub-committee of the Board;

"Business" means any businesses of the Company and any Associated Company at the Termination Date and with which you were involved to a material degree in the 12 months immediately preceding the Termination Date;

"Confidential Information" means any information which you know (or ought reasonably to know) concerns the business of the Company or any Associated Company, or any suppliers, agents, distributors, customers or others and which you acquired, received or made during your employment – this is regardless of whether the information is marked "confidential" or not. Examples of Confidential Information are given at Schedule A;

"Customer" means any person, who at any time in the 12 months immediately preceding the Termination Date, was a customer or client of or who had regular dealings with the Company or any Associated Company and with whom or with which you had material contact during that same period;

"Employee" means any person who, at the Termination Date, was employed or engaged by the Company or an Associated Company:

(a) at a senior or key level, at a level at least equal to your level and who was a person with whom you had material contact during; or

(b) in a position which reported directly to you either at the Termination Date or at any time in the 12 months immediately preceding that date;

and who could cause material loss or damage to the Company or any Associated Company if you were to be employed in any business competing or seeking to complete with any Business;

"Group" means the Company and the Associated Companies from time to time;

"Intellectual Property" means all copyright, moral rights, rights in the nature of copyright, trade secrets, patents, design rights, database rights, trade marks, service marks, logos, trading and business names, know how, other intellectual property rights and rights in the nature of intellectual property (regardless of whether or not registered) and all rights of protection of a similar nature or effect in any part of the world;

"Records" means notes, memoranda, tape recordings, films, photographs, plans, designs, drawings, computer data, software or any form of record (whether electronic or otherwise), material or document relating to the business, finances, management or administration of the Company or any Associated Company or any of their respective clients, customers, shareholders, employees, officers, suppliers, distributors and agents, or concerning any of its or their respective dealings, transactions or affairs.

"Supplier" means any person who was a supplier of the Company or any Associated Company at any time in the 12 months immediately preceding the Termination Date and with which you had material contact during that same period;

"Termination Date" means the date of termination of your employment.