**Template reviewed May 2021 and notes updated May 2024**

**DIRECTOR’S SERVICE AGREEMENT WITH DRAFTING NOTES**

**GENERAL DRAFTING NOTES**

**Using this template**

* This template is an employment contract (or service agreement) suitable for a director of a private company.
* The terms contained within fully comply with S1 of the Employment Rights Act and should be given to the employee on or before the commencement of their employment.
* It is based on the employment contract for a senior employee with the addition of director clauses.
* This agreement is not appropriate for a non-executive director or chairman.
* This template assumes that the parties are resident in the UK and the services are also being provided in the UK.
* There are a number of terms highlighted in yellow that will need to be completed as per the needs of the business.
* The template contains a number of optional clauses, also highlighted in yellow, which can be removed, if not needed.
* There are guidance notes throughout highlighted in blue, which will need to be removed from any final draft.

#### **Notes**

These templates are provided to members of the British Chiropractic Association for their sole use. Members must not allow any third parties to access, use or benefit from the templates in any way. They should not be shared outside the membership, under any circumstances.

The documents are incomplete and provide differing options [in shaded colour(s)], depending upon the circumstances and approach adopted by individual practices.

An employer is unable to alter the terms and conditions of employment without consultation and agreement.

Before entering into a contract of employment, either as an employer or employee, it is essential you ensure the contract in question is suitable for you and your circumstances, both from an employment (HR) and tax perspective. Further advice is recommended, according to your situation, before final amendment and population.

Template documents may refer to other documents, such as various policy documentation. Members are advised to also ensure that these are compliant and up to date.

##### **Sources of Advice**

* **Employers** can obtain **HR** telephone advice from Make UK. Call 0333 202 2221 Monday-Friday 9am – 5.30pm, and quote British Chiropractic Association (not your clinic name) and subscription number, 9000013410.
* **Employees (including self employed individuals)** can obtain **HR** telephone advice from Quinn HR. Call 07732 556315 or email [charlotte@quinnhr.co.uk](mailto:charlotte@quinnhr.co.uk) Monday-Friday 9am – 5pm. Someone will respond to you as soon as possible and within 24 hours.

All BCA members, whether in the position of the employer or employee can obtain advice on legal and tax matters through the ARAG element of their insurance.

* **Legal advice on business matters within UK law**  
   24 hours a day, 365 days of the year. Call **0344 571 7978** Quote policy number **500016**
* **UK tax advice**  
   9am to 5pm weekdays **0344 571 7978** Quote policy number **500016**

**Please note that any member requiring more complex advice regarding their tax position should seek independent advice from an accountant or tax specialist (some specialist solicitors can also provide this service).**

For more specialist/bespoke advice regarding employment matters and tax we recommend using the Law Society’s [Find A Solicitor](https://solicitors.lawsociety.org.uk/) tool.

If looking to appoint a tax specialist as your advisor or agent, HMRC has advice regarding [selection](https://www.gov.uk/guidance/how-to-choose-a-tax-agent).

Should you require contract or employee documentation writing services you can opt approach MAKE UK for this, chargeable, service or you may wish to retain your own, local, advisor.

DISCLAIMER: THE BCA PROVIDES THESE TEMPLATES IN GOOD FAITH FOR THE USE OF THEIR MEMBERS. WE ENDEAVOUR TO HAVE THESE REVIEWED AND REVISED AT REGULAR INTERVALS BUT WE DO ADVISE THAT SPECIALIST ADVICE IS RETAINED OR THAT, AT LEAST, ADVICE IS SOUGHT THROUGH THE HELPLINES MENTIONED ABOVE.

INDIVIDUAL MEMBERS ARE RESPONSIBLE FOR CHECKING THEIR TAX POSITION REGARDING EMPLOYMENT AS THIS CAN VARY GREATLY FROM PERSON TO PERSON.

**DATED**

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Service Agreement

[between/among]

[EMPLOYER]

and

[EMPLOYEE]

This deed is dated [DATE]

Parties

1. [FULL COMPANY NAME] incorporated and registered in England and Wales with company number [NUMBER] whose registered office is at [REGISTERED OFFICE ADDRESS] (Company / we / us)
2. [EMPLOYEE'S NAME] of [ADDRESS] (Employee / you)

Agreed terms

1. Interpretation
   1. The definitions and rules of interpretation in this clause 1 apply in this agreement.
2. Agreed Sum: an amount equivalent to the gross value of [one year's] basic salary as specified in clause 8 [less any sums paid to you by way of notice or payment in lieu of notice].
3. *[Optional insert if the contract has a change of control clause]*
4. Appointment: your employment by us on the terms of this agreement.
5. Associated Employer: has the meaning given to it in the Employment Rights Act 1996.
6. Board: the board of directors of the Company (including any committee of the board duly appointed by it).
7. Business Day: a day, other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.
8. Capacity: as agent, consultant, director, employee, worker, owner, partner or shareholder.
9. Confidential Information: information (whether or not recorded in documentary form, or stored on any magnetic or optical disk or memory) relating to the business, products, affairs and finances of the Company for the time being confidential to the Company and trade secrets including, without limitation, technical data and know-how relating to the business of the Company and/or any of its business contacts, including in particular: [INSERT DETAILS]
10. [The specific consideration should be given regarding the nature of its business and the type of information that it considers to be confidential. The definition should then be amended and expanded upon as appropriate.]
11. [Control: in relation to a body corporate, the power of a person to secure that the affairs of the body corporate are conducted in accordance with the wishes of that person:
    1. by means of the holding of shares, or the possession of voting power, in or in relation to, that or any other body corporate; or
    2. as a result of any powers conferred by the articles of association or any other document regulating that or any other body corporate,]
12. [Change of Control: occurs if a person who controls any body corporate ceases to do so or if another person acquires Control of it, but does not occur in the circumstances described in clause 37.]
13. [These clauses are optional Control and are only necessary if a Change of Control clause is used (see Clause 29)
14. This definition is based on the definition of "control" in section 1124 of the Corporation Tax Act 2010.
15. A change of control for these purposes essentially occurs where there is a change in the person who determines the affairs of the company (either by means of their shareholding, voting power or the terms of any constitutional document).
16. There is no change of control if there is an internal reorganisation of the company as defined in the reconstruction and amalgamation clause (Clause 37).
17. There is also no change of control if there is a business transfer under TUPE (rather than a transfer of shares). In the case of a business transfer, the employee will have statutory protection from dismissal under TUPE.
18. However, the parties should consider if the change of control clause should also apply if:
19. There is a change of control of the company's holding (or parent) company.
20. The company merges with another company which is not part of its corporate group.
21. This is likely to be a commercial decision, depending on the individual facts (including the relative importance of the holding company and the likelihood of a merger).]
22. [Dealing Code: the dealing code of [the Company **OR** any Group Company] restricting transactions in the securities of [the Company **OR** any Group Company] by directors and certain senior executives of the Company during certain times (such as closed periods) and setting out the procedure for obtaining clearance to deal in the securities of [the Company **OR** any Group Company]. A copy of the Dealing Code is [available from [POSITION] **OR** [attached to this Agreement]].]
23. *This definition is only relevant where the director is subject to restrictions on dealing in the company's securities under Article 19 of the Market Abuse Regulation (2014/596/EU)*
24. FCA: the Financial Conduct Authority and its successors.
25. Garden Leave: any period during which we have exercised our rights under clause 30.
26. Incapacity: any sickness, injury or other medical disorder or condition which prevents you from carrying out your duties.
27. Intellectual Property Rights: patents, rights to Inventions, copyright and related rights, trade marks, trade names and domain names, rights in get-up, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to preserve the confidentiality of information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which may now or in the future subsist in any part of the world.
28. Inventions: inventions, ideas and improvements, whether or not patentable, and whether or not recorded in any medium.
29. Qualifying Scheme: a pension scheme which is a qualifying scheme for the purposes of section 16 of the Pensions Act 2008.
30. Restricted Business: those parts of [our **OR** any Group Company's] business with which you were involved to a material extent in the [PERIOD] months before Termination.
31. Restricted Customer: any firm, company or person who, during the [PERIOD] months before Termination, was [a customer or prospective customer of **OR** was in the habit of dealing with] [the Company **OR** any Group Company] with whom you had contact [or about whom you became aware or informed] in the course of your employment.
32. Restricted Person: anyone employed [or engaged] by [us **OR** any Group Company] [at the level of [POSITION] or above and who could materially damage [our **OR** any Group Company's] interests if they were involved in any Capacity in any business concern which competes with any Restricted Business] and with whom you dealt in the [PERIOD] months before Termination in the course of your employment.
33. *[Advice relating to restrictive covenants and the best practice in drafting these is found on a separate document]*
34. Staff Handbook: our staff handbook as amended from time to time.
    1. The headings in this agreement are inserted for convenience only and shall not affect its construction.
    2. A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, or re-enactment and includes any subordinate legislation for the time being in force made under it.
    3. Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.
    4. [The schedules to this agreement form part of (and are incorporated into) this agreement.]
35. Term of appointment
    1. The Appointment shall commence on [DATE] and shall continue, subject to the remaining terms of this agreement, until terminated by either party giving the other not less than [NUMBER] [months' **OR** weeks'] prior notice in writing.

The first [NUMBER] [months' **OR** weeks'] of the Appointment shall be a probationary period and the Appointment may be terminated during this period at any time on [NUMBER] [months' **OR** weeks'] notice by either party or, in the case of the Company, payment in lieu of notice. We may, at our discretion, extend the probationary period. During the probationary period your performance and suitability for continued employment will be monitored.

* 1. If you are absent from work due to incapacity during your probationary period for a period which exceeds [one **OR** [NUMBER] weeks] your probationary period will be extended by the period of your absence to allow adequate monitoring of performance.
  2. At the end of the probationary period you will be informed in writing if you have successfully completed your probationary period. If you do not receive any written confirmation, you should assume that your probationary period continues.
  3. No employment with a previous employer **OR** Your employment with [NAME], which commenced on [DATE] counts towards your period of continuous employment with us.
  4. You consent to the transfer of your employment under this agreement to an Associated Employer at any time during the Appointment.

1. Professional qualifications
   1. It is a condition of this agreement that you hold [PROFESSIONAL QUALIFICATION] and shall continue at all times during the Appointment to be so qualified.
   2. You shall immediately notify us if you cease to hold [PROFESSIONAL QUALIFICATION] during the Appointment[, or become subject to any inquiry, investigation or proceeding that may lead to the loss of the qualification].]

*[This clause states that the employee must hold certain professional qualifications for a particular job.*

*If this clause is included, you may want to specify that ceasing to hold the relevant qualification may lead to summary termination, for example, by including this as an event of default in Clause 28.1(k)]*

1. Employee warranties
   1. You represent and warrant to us that, by entering into this agreement or performing any of your obligations under it, you will not be in breach of any court order or any express or implied terms of any contract or other obligation binding on you [and undertake to indemnify us against any claims, costs, damages, liabilities or expenses which we may incur as a result if you are in breach of any such obligations].
   2. You warrant that you are entitled to work in the UK without any additional approvals and will notify us immediately if you cease to be so entitled during the Appointment.
   3. You warrant that you are not subject to any restrictions which prevent you from holding office as a director.
2. Duties
   1. You shall serve us as [JOB TITLE] or such other role as we consider appropriate.

*[The job title or a brief description of the work for which the employee is employed is required by section 1 Employment Rights Act. It is advisable to draft the employee's duties and the job title as widely as possible to give the employer maximum flexibility. However, substantial variations to the employee's duties, or variations which require the employee to undertake duties which are not consistent with the employee's position within the organisation, are likely to require express consent]*

* 1. During the Appointment you shall:
     1. [act as a director of the Company [and carry out duties on behalf of any other Group Company including, if so required by the Board, acting as an officer or consultant of any such Group Company];]
     2. [comply with the articles of association (as amended from time to time) of [the Company **OR** any Group Company of which you are a director];]
     3. [abide by any statutory, fiduciary or common-law duties to [us **OR** any Group Company of which you are a director];]
     4. [not do anything that would cause you to be disqualified from acting as a director;]
     5. [do such things as are reasonable and necessary to ensure compliance by yourself and [us **OR** any relevant Group Company] with the Companies Act 2006[, the Listing Rules **OR** the AIM Rules for Companies][, the Market Abuse Regulation (596/2014/EU)] [and the UK Corporate Governance Code **OR** the Corporate Governance Guidelines for Small and Mid-sized Quoted Companies published by the Quoted Companies Alliance (as amended from time to time)];]
     6. [comply with all requirements, recommendations or regulations, as amended from time to time, of the [UK Listing Authority], the London Stock Exchange plc, the FCA, the Market Abuse Regulation (596/2014/EU) and any directly applicable regulation made under that Regulation or any regulatory authorities relevant to [us **OR** any Group Company] and any code of practice, policies or procedures manual issued by us (as amended from time to time) relating to dealing in the securities of [the Company **OR** any Group Company] [including the Dealing Code];]
     7. [neither commit or attempt to commit the criminal offence of insider dealing nor contravene Articles 14, 15 or 19 of the Market Abuse Regulation (Regulation 596/2014/EU);]
     8. comply with our anti-corruption and bribery policy and related procedures;
     9. unless prevented by Incapacity, devote the whole of your time, attention and abilities to our business [and the business of any Group Company of which you are an officer or consultant];
     10. faithfully and diligently exercise such powers and perform such duties as [we **OR** the Board] may from time to time assign to you [together with such person or persons as [we **OR** the Board] may appoint to act jointly with you];
     11. comply with all reasonable and lawful directions given to you by [us **OR** the Board];
     12. promptly make such reports to [[POSITION] **OR** the Board] in connection with [our **OR** any Group Company's] affairs on such matters and at such times as are reasonably required;
     13. report your own wrongdoing and any wrongdoing or proposed wrongdoing of any other employee or director of [the Company **OR** any Group Company] to [[POSITION] **OR** the Board] immediately on becoming aware of it;
     14. use your best endeavours to promote, protect, develop and extend our business [and the business of any other Group Company]; and
     15. comply with any electronic communication systems policy that we may issue from time to time.

*[This clause contains a list of the employee's general duties and obligations. It includes optional responsibilities which are applicable if the employee is a director and can be tailored as needed by the removal of any superfluous clauses]*

* 1. We take a zero-tolerance approach to tax evasion. You must not engage in any form of facilitating tax evasion, whether under UK law or under the law of any foreign country. You must immediately report to the Board any request or demand from a third party to facilitate the evasion of tax or any concerns that such a request or demand may have been made.
  2. You must at all times comply with our anti-corruption and bribery policy a copy of which is available in the Staff Handbook, which we may update from time to time.
  3. You shall comply with any rules, policies and procedures set out in the Staff Handbook, a copy of which is available from [POSITION]. The Staff Handbook does not form part of this agreement and we may amend it at any time. To the extent that there is any conflict between the terms of this agreement and the Staff Handbook, this agreement shall prevail.
  4. All documents, manuals, hardware and software provided for your use by us, and any data or documents (including copies) produced, maintained or stored on our computer systems or other electronic equipment (including mobile phones), remain our property.

1. Place of work
   1. Your normal place of work is [LOCATION] or such other place within [REASONABLE AREA] which we may reasonably require for the proper performance and exercise of your duties.

*[This clause gives the employer the flexibility to move the employee anywhere within a reasonable area. Courts and tribunals expect employers to exercise mobility clauses reasonably, or it could be a breach of the implied term of mutual trust and confidence. In the absence of a specific mobility clause, there is a limited right for an employer to make a temporary change to an employee's place of work]*

* 1. You agree to travel on our business (both within the UK or abroad) as may be required for the proper performance of your duties under the Appointment.
  2. During the Appointment you shall not be required to work outside the UK for any continuous period of more than one month.

1. Hours of work
   1. [Your normal working hours shall be [TIME] to [TIME] on [Mondays] to [Fridays] and these hours and days are not variable although you may be required to work such additional hours as are necessary for the proper performance of your duties. You acknowledge that you shall not receive further remuneration in respect of such additional hours.

**OR**

Your working hours and days shall vary and you shall work [NUMBER] hours each week at such times and on such days in the week as are agreed between you and us at least [one week] in advance. You acknowledge that you shall not receive further remuneration in respect of such additional hours.

**OR**

Your working hours and days shall vary and you shall work [NUMBER] days each week at such times and on such days in the week as are agreed between you and us at least [one week] in advance, provided that your total hours in such week do not exceed [NUMBER] hours. You acknowledge that you shall not receive further remuneration in respect of such additional hours.]

*[This clause provides three options. The first option assumes that the employee works full-time on fixed days each week. The second and third options provide for different patterns of work.]*

1. Salary
   1. You shall be paid an initial salary of £[AMOUNT] per annum (inclusive of any fees due to you by [us **OR** any Group Company] as an officer of [the Company **OR** any Group Company]).
   2. Your salary shall be payable monthly in arrears on or about [DATE] of each month directly into your bank or building society account.
   3. Your salary shall be reviewed by [POSITION **OR** the Board] annually. We are under no obligation to award an increase following a salary review. There will be no review of the salary after notice has been given by either party to terminate the Appointment.
   4. We may deduct from the salary, or any other sums owed to you, any money owed to us by you.
2. Benefits
   1. [In addition to the benefits set out elsewhere in this agreement, [and after successful completion of your probationary period, you **OR** you] may be provided with the following benefits during the Appointment, subject to any rules applicable to the relevant benefit:
      1. [BENEFIT];
      2. [BENEFIT];
      3. [BENEFIT].]

**OR**

We operate a flexible benefits system in accordance with rules in place from time to time where[, after successful completion of your probationary period,] you can choose a number of benefits up to a particular value[ which is currently £[AMOUNT]]. We set out the various benefits from which you can choose [below: [LIST BENEFITS] **OR** at Schedule 1 attached to this agreement].

**OR**

You are not entitled to any benefits during the Appointment.]

* 1. [Further details of these benefits are available [from [POSITION] **OR** the intranet **OR** in the Staff Handbook]. ]
  2. [We may replace or withdraw such benefits, or amend the terms of such benefits, at any time on reasonable notice to you.]

1. Expenses
   1. We shall reimburse (or procure the reimbursement of) all reasonable expenses wholly, properly and necessarily incurred by you in the course of the Appointment, subject to production of VAT receipts or other appropriate evidence of payment.
   2. You shall abide by our policies on expenses as set out in the Staff Handbook from time to time.
   3. Any credit card supplied to you by us shall be used only for expenses incurred by you in the course of the Appointment.
2. [Relocation expenses
   1. [Subject to production of VAT receipts or other appropriate evidence of payment, we shall reimburse you up to a maximum of £[AMOUNT] in respect of costs incurred by you in relocating to accommodation within [a reasonable daily travelling distance of **OR** [NUMBER] miles from] our offices at [DETAILS] (Relocation Expenses). Relocation Expenses may include [DETAILS] but shall exclude [DETAILS].]
   2. The first £8,000 of the Relocation Expenses shall be paid without deduction of income tax and National Insurance contributions to the extent that the Relocation Expenses qualify for the exemption set out in Chapter 7 of Part 4 of the Income Tax (Earnings and Pensions) Act 2003 and Schedule 3 of Part 8 of the Social Security (Contribution) Regulations 2001 respectively. For the avoidance of doubt, income tax and National Insurance contributions shall be deducted from the remainder of the Relocation Expenses (if any) in the usual way.
   3. You shall indemnify us on a continuing basis in relation to any income tax and National Insurance contributions (except employers' National Insurance contributions), including any related interest, penalties, costs and expenses, which may be incurred by us if the exemption referred to in clause 11.2 does not apply.
   4. Except in the circumstances set out in clause 11.5, you shall repay us as follows:
      1. if you cease employment during the period of 12 months after the first expenses payment made by us under this clause, 100% of the Relocation Expenses shall be repaid;
      2. if you cease employment more than 12 but no more than 24 months after the first expenses payment made by us under this clause, [66]% of the Relocation Expenses shall be repaid; or
      3. if you cease employment more than 25 but no more than 36 months after the first expenses payment made by us under this clause, [33]% of the Relocation Expenses shall be repaid.

Thereafter, no repayment shall be required.

* 1. clause 11.4 shall not apply if:
     1. we terminate the Appointment [in breach of the terms of this agreement **OR** other than for cause pursuant to clause 28.1]; or
     2. you terminate the Appointment in response to a fundamental breach of contract by us.]

*[An optional clause if the employer is going to contribute towards the cost of relocation, which can be tailored as necessary]*

1. [Bonus
   1. [We **OR** the Board] may in [our **OR** its] absolute discretion pay you a bonus of such amount, at such intervals and subject to such conditions as [we **OR** the Board] may in [our **OR** its] absolute discretion determine [from time to time **OR** taking into account specific performance targets, ][to be notified to you **OR** as agreed between you and [us **OR** the Board] from time to time].
   2. Any bonus payment to you shall be purely discretionary and shall not form part of your contractual remuneration under this agreement. If we make a bonus payment to you [in respect of a particular financial year of the Company (being the period from [DATE] to [DATE])], we shall not be obliged to make subsequent bonus payments [in respect of subsequent financial years of the Company].
   3. [We may alter the terms of any bonus targets or withdraw them altogether at any time without prior notice.]
   4. [Notwithstanding clause 12.1, you shall in any event have no right to a bonus or a time-apportioned bonus if:
      1. you have not been employed throughout the whole of the relevant financial year of the Company; or
      2. your employment terminates for any reason or you are under notice of termination (whether given by you or by us) at or before the date when a bonus might otherwise have been payable.]
      3. Any bonus payments shall not be pensionable.]

*[An optional clause if the employer is going to offer a bonus scheme, which can be tailored as necessary]*

1. [Permanent health insurance
   1. [After successful completion of the probationary period in clause 2.2] you shall be entitled to participate in our permanent health insurance scheme at our expense, subject to:
      1. the terms of our scheme, as amended from time to time;
      2. the rules or insurance policy of the relevant insurance provider, as amended from time to time; and
      3. you satisfying the normal underwriting requirements of the relevant insurance provider and the premium being at a rate which we consider reasonable.

Full details of the scheme are available from [POSITION].

* 1. We shall only be obliged to make payments to you under the scheme if [we have received payment from the insurance provider for that purpose **OR** you are not receiving benefits from the insurance provider directly].
  2. We in our sole and absolute discretion reserve the right to discontinue, vary or amend the scheme (including the level of your cover) at any time on reasonable notice to you.
  3. If the insurance provider refuses for any reason to provide permanent health insurance benefit to you, we shall not be liable to provide to you any replacement benefit of the same or similar kind or to pay any compensation in lieu of such benefit.
  4. If you are receiving benefits under our permanent health insurance scheme:
     1. [you shall resign as a director of [the Company **OR** any Group Company] if we so request;]
     2. we shall be entitled to appoint a successor to you to perform all or any of the duties required of you under the terms of the Appointment and your duties shall be amended accordingly; and
     3. any such benefits shall go towards discharging the Company's liability for holiday pay during the relevant period.]

*[An optional clause if the employer is going to offer a PHI scheme, which can be tailored as necessary]*

1. [Life assurance
   1. [After successful completion of the probationary period referred to in clause 2.2] you shall be entitled to participate in our life assurance scheme which shall pay to your dependants a sum equal to [NUMBER] times your salary if you die during the Appointment. Participation is subject to:
      1. the terms of our life assurance scheme, as amended from time to time;
      2. the rules or the insurance policy of the relevant insurance provider, as amended from time to time; and
      3. you satisfying the normal underwriting requirements of the relevant insurance provider and the premium being at a rate which we consider reasonable.

Full details of the scheme are available from [POSITION].

* 1. If the insurance provider refuses for any reason to provide life assurance benefit to you, we shall not be liable to provide to you any replacement benefit of the same or similar kind or to pay any compensation in lieu of such benefit.

We in our sole and absolute discretion reserve the right to discontinue, vary or amend our life assurance scheme (including the level of your cover) at any time on reasonable notice to you.]

*[An optional clause if the employer is going to offer life assurance, which can be tailored as necessary]*

1. [Private medical insurance
   1. [After successful completion of the probationary period referred to in clause 2.2] you [and your spouse or civil partner and children while aged under 18 years] shall be entitled to participate in our private medical insurance scheme subject to:
      1. the terms of that scheme, as amended from time to time;
      2. the rules or insurance policy of the relevant insurance provider, as amended from time to time; and
      3. you [and your spouse or civil partner and any children under the age of 18] satisfying the normal underwriting requirements of the relevant insurance provider and the premium being at a rate which we consider reasonable.

Full details of our private medical insurance scheme are available from [POSITION].

* 1. If the insurance provider refuses for any reason to provide private medical insurance benefit to you [or your spouse, civil partner or children] we shall not be liable to provide any replacement benefit of the same or similar kind or to pay any compensation in lieu of such benefit.
  2. We in our sole and absolute discretion reserve the right to discontinue, vary or amend the scheme (including the level of your cover) at any time on reasonable notice to you.]

*[An optional clause if the employer is going to offer private medical insurance, which can be tailored as necessary]*

1. Directors' and officers' insurance

During the Appointment and for six years following Termination you shall be entitled to be covered by a policy of directors' and officers' liability insurance on terms no less favourable than those in place from time to time for other members of the Board. A copy of the policy is available from [POSITION].

1. [Car
   1. [Provided that you hold a current full driving licence,] we shall supply you with a car of such make, model and value as is determined by [us **OR** the Board **OR** reference to our car policy from time to time] for your sole business [and private] use. [We may at our discretion permit the personal use of the car by your spouse or civil partner, but permission for such personal use may be withdrawn at any time.]
   2. We shall be responsible for payment of all reasonable standing and running costs of the car including insurance, tax, MOT, maintenance and repair and shall [bear the cost of fuel incurred during business [and private] mileage **OR** reimburse you for the cost of fuel properly incurred during business [and private] mileage [at an agreed rate **OR** at a rate specified in our car policy from time to time]].
   3. We shall replace the car at such times as are [decided by the Board **OR** specified in our car policy] from time to time.
   4. You shall:
      1. take good care of the car and ensure that the provisions of [our car policy as amended from time to time and] any policy of insurance relating to the car are observed;
      2. [pay all expenses directly connected with your [and your spouse's or civil partner's] private use of the car;]
      3. be responsible for payment of all fines incurred for traffic offences and parking fines;
      4. notify us of any accidents involving the car (whether or not these take place while you are on business);
      5. immediately inform us if you are convicted of a driving offence or disqualified from driving; and
      6. return the car, its keys and all documents relating to it to [our registered office] or such other place as we may reasonably stipulate immediately on the termination of the Appointment however arising or on you becoming no longer legally entitled to drive.
   5. We shall have the right to terminate the Appointment [without prior notice or payment in lieu of notice] if you are [convicted of a driving offence or] disqualified from driving.]
2. [Car allowance
   1. [Provided that you hold a current full driving licence,] you shall receive a car allowance for use of your own car of £[AMOUNT] per annum which shall be payable together with and in the same manner as the salary in accordance with clause 8. The car allowance shall not be treated as part of the basic salary for any purpose and shall not be pensionable.
   2. We shall reimburse you in respect of fuel costs for business miles at [our business mileage rate **OR** HM Revenue and Customs approved rates] [and reasonable private mileage].
   3. You shall immediately inform us if you are disqualified from driving and shall cease to be entitled to receive the allowance under clause 18.1 [or reimbursement of fuel expenses under clause 18.2].]

*[Optional clauses if the employer is going to offer a company car or a car allowance, which can be tailored as necessary]*

1. Holidays
   1. Our holiday year runs between [DATE] and [DATE]. If the Appointment starts or finishes part way through the holiday year, your holiday entitlement during that year shall be calculated on a pro-rata basis [rounded up to the nearest half day.
   2. You shall be entitled to [NUMBER] days' paid holiday in each holiday year [(calculated on a pro rata basis by reference to a full-time entitlement of [NUMBER] days' holiday each year)] [together with the usual public holidays **OR** which shall include the usual public holidays in England and Wales].
   3. All holiday requests must be approved in writing in advance by your line manager. Holiday must be requested in line with our holidays policy which can be found in our Staff Handbook.
   4. We may require you to take (or not to take) holiday on particular dates, including during your notice period. Any accrued but unused holiday entitlement shall be deemed to be taken during any period of Garden Leave under clause 30.
   5. You shall not carry forward any accrued but untaken holiday entitlement to a subsequent holiday year except as set out in our holidays policy unless you have been prevented from taking it in the relevant holiday year by one of the following: a period of sickness absence or statutory maternity, paternity, adoption, shared parental, parental or parental bereavement leave. In cases of sickness absence, carry-over is limited to four weeks' holiday per year less any leave taken during the leave year that has just ended. Any such carried over holiday which is not taken within eighteen months of the end of the relevant holiday year will be lost.
   6. We shall not pay you in lieu of untaken holiday except on termination of the Appointment. On termination we shall pay you in lieu of any accrued but untaken holiday for the holiday year in which termination takes place and any untaken days permitted to be carried forward from the preceding holiday year. Subject to clause 19.4 the amount of the payment in lieu will be calculated as 1/260th of your salary for each untaken day of the entitlement.
   7. If we have terminated or would be entitled to terminate the Appointment under clause 28 or if you have terminated the Appointment in breach of this agreement any payment due under clause 19.6 shall be limited to your statutory entitlement under the Working Time Regulations 1998 (*SI 1998/1833*) and any paid holidays (including paid public holidays) taken shall be deemed first to have been taken in satisfaction of that statutory entitlement.
   8. If on termination of the Appointment you have taken in excess of your accrued holiday entitlement, we shall be entitled to recover from you by way of deduction from any payments due to you or otherwise one day's pay for each excess day calculated at 1/260th of your salary.
2. Incapacity
   1. If you are absent from work due to Incapacity, you shall notify [POSITION] of the reason for the absence as soon as possible but no later than [TIME] on the first day of absence.
   2. You shall certify your absence in accordance with our sickness policy which is available in the Staff Handbook.
   3. Subject to your compliance with this agreement and the Company's sickness policy (as amended from time to time) and subject to clause 20.4, you may be eligible to receive sick pay in accordance with the Company's sickness policy as amended from time to time. This does not affect any entitlement you may have to receive Statutory Sick Pay (**SSP**) for the same periods of sickness absence, although any sick pay you receive from the Company shall be inclusive of any SSP due to you. Your qualifying days for SSP purposes are [Monday] to [Friday].

**OR**

After you have completed [[NUMBER] month[s'] continuous service **OR** your probationary period], subject to your compliance with this agreement [and subject to clause 20.4], you shall be entitled to receive your full salary during any periods of sickness absence up to a maximum of [NUMBER] weeks in any [NUMBER]-week period. This does not affect any entitlement you may have to receive Statutory Sick Pay (**SSP**) for the same periods of sickness absence, although any sick pay you receive from the Company shall be inclusive of any SSP due to you. Your qualifying days for SSP purposes are [Monday] to [Friday].

**OR**

After you have completed [[NUMBER] month[s'] continuous service **OR** your probationary period], subject to your compliance with this agreement [and subject to clause 20.4], you shall be entitled to receive sick pay from the Company on the basis set out below. This does not affect any entitlement you may have to receive Statutory Sick Pay (**SSP**) for the same periods of sickness absence, although any sick pay you receive from the Company shall be inclusive of any SSP due to you. Your qualifying days for SSP purposes are [Monday] to [Friday].

|  |  |
| --- | --- |
| **Less than one year's service:** | [Six] weeks' full pay [and [six] weeks' half pay] in any [12]-month period. |
| **One to two years' service:** | [13] weeks' full pay [and [13] weeks' half pay] in any [12]-month period. |
| **Two years' service or more:** | [26] weeks' full pay in any 12-month period. |

* 1. If you have been on long-term sick leave continuously for more than a year you will not qualify for sick pay from the Company again until you have returned to work for a total of [NUMBER] weeks. This does not affect any entitlement you may have to receive further SSP.
  2. Pension contributions will continue as normal while you are paid at the full rate in accordance with clause 20.3. If your pay during any period of Incapacity is reduced or you are paid SSP only, the level of contributions in respect of your membership of the pension scheme referred to in clause 34 may continue, subject to the relevant pension scheme rules in force at the time of your absence.
  3. [You will retain the use of any contractual benefits [for the first [NUMBER] weeks of any period of sick leave **OR** during any period of paid sick leave], after which they shall be continued at our discretion.]
  4. You agree to consent to medical examinations (at our expense) by a doctor nominated by us should we so require.
  5. If the Incapacity is or appears to be occasioned by actionable negligence, nuisance or breach of any statutory duty on the part of a third party in respect of which damages are or may be recoverable, you shall immediately notify the Board of that fact and of any claim, settlement or judgment made or awarded in connection with it and all relevant particulars that the Board may reasonably require. You shall if required by us, co-operate in any related legal proceedings and refund to us that part of any damages or compensation recovered by you relating to the loss of earnings for the period of the Incapacity as the Board may reasonably determine less any costs borne by you in connection with the recovery of such damages or compensation, provided that the amount to be refunded shall not exceed the total amount paid to you by us in respect of the period of Incapacity.
  6. Our rights to terminate the Appointment under the terms of this agreement apply even when such termination would or might cause you to forfeit any entitlement to sick pay[, permanent health insurance] or other benefits.

*[It is a legal requirement that terms and conditions relating to incapacity for work due to sickness or injury, including any provision for sick pay, For employees commencing employment on or after 6 April 2020, the section 1 statement must itself contain any particulars as to incapacity for work and sick pay or refer to another reasonably accessible document containing that information*

*There is no obligation to pay sick pay over and above SSP. If employers choose to pay contractual sick pay they can choose how long they want to pay it for, how it is to be calculated, and any conditions attached to payment. For example, some employers only make it available once the employee has passed their probationary period. The above provisions can be amended as needed by individual employers*

1. Other paid leave
   1. You may be eligible to take the following types of paid leave, subject to any statutory eligibility requirements or conditions and the Company's rules applicable to each type of leave in force from time to time:
      1. statutory maternity leave [and you may be eligible to receive Company maternity pay subject to the rules set out in the Company's maternity policy from time to time];
      2. statutory paternity leave [and you may be eligible to receive Company paternity pay subject to the rules set out in the Company's paternity policy from time to time];
      3. statutory adoption leave [and you may be eligible to receive Company adoption pay subject to the rules set out in the Company's adoption policy from time to time];
      4. shared parental leave [and you may be eligible to receive Company shared parental pay subject to the rules set out in the Company's shared parental leave policy from time to time]; [and]
      5. parental bereavement leave [and you may be eligible to receive Company parental bereavement pay subject to the rules set out in the Company's parental bereavement leave policy from time to time][.][; and]
      6. [OTHER TYPE OF PAID LEAVE].
   2. Further details of such leave and your pay during such leave are available from the Staff Handbook.
   3. We may replace, amend or withdraw the Company's policy on any of the above types of leave at any time.
2. Training
   1. You are not entitled to any training, but the Company will provide such training as is appropriate for the needs of the business from time to time
3. Outside interests
   1. Subject to clause 23.2, during the Appointment you shall not, except as our representative or with our prior written approval, whether paid or unpaid, be directly or indirectly engaged, concerned or have any financial interest as agent, consultant, director, employee, owner, partner, shareholder or in any other capacity in any other business, trade, profession or occupation (or the setting up of any business, trade, profession or occupation).
   2. Notwithstanding clause 23.1, you may hold an investment by way of shares or other securities of not more than [5]% of the total issued share capital of any company (whether or not it is listed or dealt in on a recognised stock exchange) where such company does not carry on a business similar to or competitive with any business for the time being carried on by us.
   3. You agree to disclose to us any matters relating to your spouse or civil partner (or anyone living as such), children or parents which may, in our reasonable opinion, be considered to interfere, conflict or compete with the proper performance of your obligations under this agreement.

[Implied into every contract of employment is a term that the employee will serve their employer with good faith and fidelity. This duty encompasses a duty not to compete with the employer until the employment ceases and extends to the employee's off-duty time. However, the extent of the duty is less onerous during the employee's off-duty time and only applies where competitive activity may cause serious harm to the employer. Also, a mere intention to set up in competition does not necessarily amount to a breach of the implied duty of good faith and fidelity, and employees may take preparatory steps provided they are not in active competition.

Given the imprecise scope of implied terms generally, it is advisable for an employer to include an express term controlling the employee's outside activities.]

1. Confidential Information
   1. You acknowledge that in the course of the Appointment you will have access to Confidential Information. You have therefore agreed to accept the restrictions in this clause 24.
   2. You shall not (except in the proper course of your duties), either during the Appointment or at any time after its termination (however arising), use or disclose to any person, company or other organisation whatsoever (and shall use your best endeavours to prevent the publication or disclosure of) any Confidential Information. This shall not apply to:
      1. any use or disclosure authorised by the Board or required by law;
      2. any information which is already in, or comes into, the public domain other than through your unauthorised disclosure; or
      3. any protected disclosure within the meaning of section 43A of the Employment Rights Act 1996.

*[These clauses expand the common law duty of confidentiality that is implied into every contract of employment. Employers can protect confidential information while the employee is employed. However, in the absence of an express provision, protection after termination will only extend to information which is so confidential as to amount to a trade secret*

*The clauses are drafted relatively widely, the individual employer should check to ensure they cover all types of information which it considers confidential and to which the employee would have access. In particular, the clauses should be amended if either the employer or the employee will have to enter into confidentiality agreements with the employer's business contacts (for example, clients) relating to their confidential information.]*

1. Intellectual property
   1. You shall give us full written details of all Inventions and of all works embodying Intellectual Property Rights made wholly or partially by you at any time during the course of the Appointment which relate to, or are reasonably capable of being used in, our business. You acknowledge that all Intellectual Property Rights subsisting (or which may in the future subsist) in all such Inventions and works shall automatically, on creation, vest in us absolutely. To the extent that they do not vest automatically, you hold them on trust for us. You agree promptly to execute all documents and do all acts as may, in our opinion, be necessary to give effect to this clause 25.1.
   2. You hereby irrevocably waive all moral rights under the Copyright, Designs and Patents Act 1988 (and all similar rights in other jurisdictions) which you have or will have in any existing or future works referred to in clause 25.1.
   3. You irrevocably appoint us to be your attorney in your name and on your behalf to execute documents, use your name and do all things which are necessary or desirable for us to obtain for ourselves or our nominee the full benefit of this clause.

*[This is a short-form intellectual property (IP) clause intended for use in a contract between an employer and an employee who, while not employed in a technical or creative role, will still inevitably create IP rights in the course of employment. If the nature of the employment makes it likely that the employee will create substantial IP rights or inventions as part of their duties, further advice should be sought for drafting]*

1. Ceasing to be a director
   1. Except with the prior approval of the Board, or as provided in the articles of association of the Company of which you are a director, you shall not resign as a director of the Company.
   2. If during the Appointment you cease to be a director of the Company (otherwise than by reason of your death, resignation or disqualification pursuant to the articles of association of the Company, as amended from time to time, or by statute or court order) the Appointment shall continue with you as an employee only and the terms of this agreement (other than those relating to the holding of the office of director) shall continue in full force and effect. You shall have no claims in respect of such cessation of office.
2. Payment in lieu of notice
   1. Notwithstanding clause 2, we may, in our sole and absolute discretion, terminate the Appointment at any time and with immediate effect by notifying you that we are exercising our right under this clause 27.1 and that we will make within 28 days a payment in lieu of notice (Payment in Lieu) to you. This Payment in Lieu will be equal to the basic salary (as at the date of termination) which you would have been entitled to receive under this agreement during the notice period referred to at clause 2 (or, if notice has already been given, during the remainder of the notice period) less income tax and National Insurance contributions. For the avoidance of doubt, the Payment in Lieu shall not include any element in relation to:
      1. any bonus or commission payments that might otherwise have been due during the period for which the Payment in Lieu is made;
      2. any payment in respect of benefits which you would have been entitled to receive during the period for which the Payment in Lieu is made; and
      3. any payment in respect of any holiday entitlement that would have accrued during the period for which the Payment in Lieu is made.
   2. We may pay any sums due under clause 27.1 in equal monthly instalments until the date on which the notice period referred to at clause 2 would have expired if notice had been given. You shall be obliged to seek alternative income during this period and to notify us of any income so received. The instalment payments shall then be reduced by the amount of such income.
   3. You shall have no right to receive a Payment in Lieu unless we have exercised our discretion in clause 27.1. Nothing in this clause 27 shall prevent us from terminating the Appointment in breach.
   4. Notwithstanding clause 27.1 you shall not be entitled to any Payment in Lieu if we would otherwise have been entitled to terminate the Appointment without notice in accordance with clause 28. In that case we shall also be entitled to recover from you any Payment in Lieu (or any instalments) already made.
3. Termination without notice
   1. We may also terminate the Appointment with immediate effect without notice and with no liability to make any further payment to you (other than in respect of amounts accrued due at the date of termination) if you:
      1. are disqualified from acting as a director or resign as a director from [the Company without the prior written approval of the Board;
      2. are guilty of a serious breach of the requirements, rules or regulations as amended from time to time of any directly applicable regulation made under any regulatory authorities relevant to us or any code of practice, policy or procedures manual issued by us (as amended from time to time) relating to dealing in the securities of the Company;
      3. fail or cease to meet the requirements of any regulatory body whose consent is required to enable you to undertake all or any of your duties under the Appointment or are guilty of a serious breach of the rules and regulations of such regulatory body or of our compliance manual;
      4. are in breach of our anti-corruption and bribery policy and related procedures;
      5. are in breach of your obligations under clause 5.3;
      6. are guilty of any gross misconduct affecting our business;
      7. commit any serious or repeated breach or non-observance of any of the provisions of this agreement or refuse or neglect to comply with any of our reasonable and lawful directions;
      8. are, in the reasonable opinion of the Board, negligent and incompetent in the performance of your duties;
      9. are declared bankrupt or make any arrangement with or for the benefit of your creditors or have a county court administration order made against you under the County Court Act 1984;
      10. are convicted of any criminal offence (other than an offence under any road traffic legislation in the UK or elsewhere for which a fine or non-custodial penalty is imposed) [or any offence under any regulation or legislation relating to insider dealing];
      11. cease to hold [PROFESSIONAL QUALIFICATION];]
      12. are, in the opinion of a medical practitioner physically or mentally incapable of performing your duties and may remain so for more than three months and the medical practitioner has given a medical opinion to the Board to that effect;
      13. cease to be eligible to work in the UK;
      14. are guilty of any fraud or dishonesty or act in any manner which in our opinion brings or is likely to bring you or us into disrepute or is materially adverse to our interests;
      15. are guilty of a serious breach of any rules issued by us from time to time regarding our electronic communications systems; or
      16. are unable by reason of Incapacity to perform your duties under this agreement for an aggregate period of [NUMBER TO BE THE SAME AS IN clause 20.3] weeks in any [52]-week period.
   2. Our rights under clause 28.1 are without prejudice to any other rights that we might have at law to terminate the Appointment or to accept any breach of this agreement by you as having brought the agreement to an end. Any delay by us in exercising our rights to terminate shall not constitute a waiver of these rights.
4. [Change of control

*Enhanced notice period*

* 1. [If there is a Change of Control of the Company and, within [NUMBER] months following the Change of Control [directly or indirectly in connection with it], we serve notice to terminate the Appointment (other than in circumstances in which we were entitled to rely on clause 28), the notice period required from us to terminate the Appointment under clause 2 shall increase to [NUMBER] months and any payment in lieu of notice payable under clause 27 shall be calculated by reference to such increased notice period.

**OR**

*Lump sum payment: breach of contract*

* 1. If there is a Change of Control of the Company and, within [NUMBER] months following the Change of Control [directly or indirectly in connection with it]:
     1. we terminate the Appointment in breach of the terms of this agreement (other than in circumstances in which we were entitled to rely on clause 28.1); or
     2. you terminate the Appointment in response to a fundamental breach of contract by us,

we shall, subject to clause 29.3 below, pay the Agreed Sum to you within [one month] following Termination. The Agreed Sum shall be payable less any tax or other statutory deductions which we are obliged to deduct.

* 1. The payment of the Agreed Sum shall be conditional on and in consideration of:
     1. you complying with the obligations in clause 31;
     2. you complying with (and continuing to comply with) your obligations relating to confidentiality, intellectual property and restrictive covenants as set out in clause 24, clause 25 and clause 32 respectively;
     3. clause 32 applying notwithstanding that the Appointment may, or without the payment of the Agreed Sum might, otherwise have been repudiated by us; and
     4. you executing such documents in a form reasonably acceptable to us as we may require.
  2. For the avoidance of doubt, the payment of the Agreed Sum shall not affect your entitlement to any of the following:
     1. any accrued but unpaid salary;
     2. any payment in lieu of accrued but unused holiday; or
     3. the reimbursement of expenses, provided that all claims for reimbursement are submitted within [four weeks] after Termination,

in relation, in each case, to the period before Termination.

* 1. To the extent that the Agreed Sum is damages (which is not admitted), the parties agree that the terms of this Clause 29 represent a genuine pre-estimate of the loss to you that would arise on termination of the Appointment in the circumstances described and does not constitute a penalty. [We waive any requirement on you to mitigate your losses in respect of such termination.] You shall, subject to clause 29.4, accept the Agreed Sum in full and final settlement of all and any claims that you may have arising out of the Appointment or its termination [excluding any personal injury claims of which you are not aware at Termination or any claims in relation to accrued entitlements under the pension scheme referred to in clause 34].

**OR**

*Lump sum payment: no breach of contract*

* 1. If there is a Change of Control of the Company and, within [NUMBER] months following the Change of Control [directly or indirectly in connection with it]:
     1. we terminate the Appointment other than in circumstances in which we were entitled to rely on clause 28.1; or
     2. you serve notice to terminate the Appointment in accordance with clause 2,

we shall, subject to clause 29.7 below, pay the Agreed Sum to you within [one month] following Termination. The Agreed Sum shall be payable less any tax or other statutory deductions which we are obliged to deduct.

* 1. The payment of the Agreed Sum shall be conditional on and in consideration of:
     1. you complying with the obligations in clause 31;
     2. you complying with and continuing to comply with your obligations relating to confidentiality, intellectual property and restrictive covenants as set out in clause 24, clause 25 and clause 32 respectively;
     3. clause 32 applying notwithstanding that the Appointment may, or without the payment of the Agreed Sum might, otherwise have been repudiated by us; and
     4. you executing such documents in a form reasonably acceptable to us as we may require.
  2. For the avoidance of doubt, the payment of the Agreed Sum shall not affect your entitlement to any of the following:
     1. any accrued but unpaid salary;
     2. any payment in lieu of accrued but unused holiday; or
     3. the reimbursement of expenses, provided that all claims for reimbursement are submitted within [four weeks] after Termination,

in relation, in each case, to the period before Termination.

* 1. To the extent that the Agreed Sum is damages (which is not admitted), the parties agree that the terms of this Clause 29 represent a genuine pre-estimate of the loss to you that would arise on termination of the Appointment in the circumstances described and does not constitute a penalty. [We waive any requirement on you to mitigate your losses in respect of such termination.] You shall, subject to clause 29.8, accept the Agreed Sum in full and final settlement of all and any claims that you may have arising out of the Appointment or its termination [excluding any personal injury claims of which you are not aware at Termination or any claims in relation to accrued entitlements under the pension scheme referred to in clause 34].]]

*[The above sets out a number of alternative clauses for an employment contract to provide that, where there is a change of control of the employing company, the employee will be entitled to enhanced notice or a lump sum payment on termination in certain circumstances.*

*A change of control clause is essentially a provision which is designed to give employees (usually senior employees or directors) additional protection if the controlling interest in their employer is transferred to another party. As the clause results in additional obligations for the employer,* ***it is not standard practice to include a change of control clause in a first draft of an employment contract for a senior employee*** *therefore due consideration should be given to the inclusion of this clause and further advice sought as necessary]*

1. Garden Leave
   1. Following service of notice to terminate the Appointment by either party, or if you purport to terminate the Appointment in breach of contract, we may by written notice place you on Garden Leave for the whole or part of the remainder of the Appointment.
   2. During any period of Garden Leave:
      1. we shall be under no obligation to provide any work to you and may revoke any powers you hold on our behalf;
      2. we may require you to carry out alternative duties or to only perform such specific duties as are expressly assigned to you, at such location (including your home) as we may decide;
      3. you shall continue to receive your basic salary and all contractual benefits in the usual way and subject to the terms of any benefit arrangement;
      4. you shall remain our employee and bound by the terms of this agreement (including any implied duties of good faith and fidelity);
      5. you shall ensure that [POSITION] knows where you will be and how you can be contacted during each working day (except during any periods taken as holiday in the usual way);
      6. we may exclude you from any of our premises; and
      7. we may require you not to contact or deal with (or attempt to contact or deal with) any officer, employee, consultant, client, customer, supplier, agent, distributor, shareholder, adviser or other business contact of ours.
2. Obligations on termination
   1. On termination of the Appointment (however arising) or, if earlier, at the start of a period of Garden Leave, you shall:
      1. resign immediately without compensation from any office or trusteeship that you hold in or on our behalf;
      2. transfer [without payment] to us or as we may direct any shares or other securities held by you in the Company as our nominee or trustee and deliver to us the related certificates;
      3. subject to clause 31.2, immediately deliver to us all documents, books, materials, records, correspondence, papers and information (on whatever media and wherever located) relating to our business or affairs or our business contacts, any keys, credit card and any other property of ours including any car provided to you, which is in your possession or under your control;
      4. irretrievably delete any information relating to our business stored on any magnetic or optical disk or memory and all matter derived from such sources which is in your possession or under your control outside our premises; and
      5. provide a signed statement that you have complied fully with your obligations under this clause 31.1 together with such reasonable evidence of compliance as we may request.
   2. Where you have been placed on Garden Leave you shall not be required by clause 31.1 to return until the end of the Garden Leave period any property provided to you as a contractual benefit for use during the Appointment.
   3. [You hereby irrevocably appoint us to be your attorney to execute and do any such instrument or thing and generally to use your name for the purpose of giving us or our nominee the full benefit of Clause 31.1(a) and Clause 31.1(b).]
   4. On termination of the Appointment however arising you shall not be entitled to any compensation for the loss of any rights or benefits under any share option, bonus, long-term incentive plan or other profit sharing scheme operated by us in which you may participate.
3. Restrictive covenants
   1. In order to protect the Confidential Information and our business connections to which you have access as a result of the Appointment, you covenant with us that you shall not:
      1. for [PERIOD] months after Termination solicit or endeavour to entice away from [us **OR** any Group Company] the business or custom of a Restricted Customer with a view to providing goods or services to that Restricted Customer in competition with any Restricted Business;
      2. for [PERIOD] months after Termination [in the course of any business concern which is in competition with any Restricted Business], offer to employ or engage or otherwise endeavour to entice away from [us **OR** any Group Company] any Restricted Person;
      3. [for [PERIOD] months after Termination [in the course of any business concern which is in competition with any Restricted Business], employ or engage or otherwise facilitate the employment or engagement of any Restricted Person, whether or not such person would be in breach of contract as a result of such employment or engagement;]
      4. for [PERIOD] months after Termination, be involved in any Capacity with any business concern which is (or intends to be) in competition with any Restricted Business;
      5. for [PERIOD] months after Termination be involved with the provision of goods or services to (or otherwise have any business dealings with) any Restricted Customer in the course of any business concern which is in competition with any Restricted Business; or
      6. at any time after Termination, represent yourself as connected with [us **OR** any Group Company] in any Capacity, other than as a former employee, or use any registered business names or trading names associated with [us **OR** any Group Company].
   2. None of the restrictions in clause 32.1 shall prevent you from:
      1. holding an investment by way of shares or other securities of not more than [5]% of the total issued share capital of any company, whether or not it is listed or dealt in on a recognised stock exchange; [or]
      2. being engaged or concerned in any business concern insofar as your duties or work shall relate solely to geographical areas where the business concern is not in competition with any Restricted Business[; or **OR** .]
      3. being engaged or concerned in any business concern, provided that your duties or work shall relate solely to services or activities of a kind with which you were not concerned to a material extent in the [PERIOD] months before Termination.
   3. The restrictions imposed on you by this clause 32 apply to you acting:
      1. directly or indirectly; and
      2. on your own behalf or on behalf of, or in conjunction with, any firm, company or person.
   4. The period[s] for which the restriction[s] in clause 32.1 apply shall be reduced by any period that you spend on Garden Leave immediately before Termination.
   5. If, during the Appointment or before the expiry of the last of the covenants in this clause 32, you receive an approach or offer to be involved in any Capacity in a business which competes with any part or parts of [our **OR** any Group Company's] business with which you are or have been involved to a material extent during the Appointment, you shall:
      1. notify [us **OR** the Board] [in writing] of the fact of the approach or offer and the identity of the person making the approach or offer as soon as possible; [and]
      2. [if requested, provide a copy of any written offer as soon as possible; and]
      3. give the person making the offer a copy of this clause 32 within [seven days] of the offer being made.

The obligations contained in this clause 32.5 are continuing obligations and shall also apply if, at any time subsequent to the relevant approach or offer being made but before the expiry of the last of the covenants in this clause 32, the business making the offer or approach so competes with [our **OR** any Group Company's] business.

* 1. [If, at any time during your employment, [two] or more Restricted Persons have left their employment, appointment or engagement with us to carry out services for a business concern which competes with, or is intended to compete with any Restricted Business, you will not at any time during the six months following the last date on which any of those Restricted Persons were employed or engaged by us, be employed or engaged in any way with that business concern.]
  2. The parties entered into the restrictions in this clause 32 having been separately legally advised.
  3. Each of the restrictions in this clause 32 is intended to be separate and severable. If any of the restrictions shall be held to be void but would be valid if part of their wording were deleted, such restriction shall apply with such deletion as may be necessary to make it valid or effective.
  4. If your employment is transferred to any firm, company, person or entity [other than a Group Company] (the "New Employer") pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006, you will, if required, enter into an agreement with the New Employer containing post-termination restrictions corresponding to those restrictions in this clause 32, protecting the [confidential information], trade secrets and business connections of the New Employer.
  5. [You will, at our request and expense, enter into a separate agreement with any Group Company in which you agree to be bound by restrictions corresponding to those restrictions in this clause 32 (or such of those restrictions as may be appropriate) in relation to that Group Company.]

*[Please see the separate guidance relating to restrictive covenants to amend the agreement as needed].*

1. Disciplinary and grievance procedures
   1. You are subject to our disciplinary rules and procedure, and our grievance procedure, copies of which are available in the Staff Handbook. These rules and procedures do not form part of your contract of employment.
   2. If you want to raise a grievance, you may apply in writing to [POSITION] in accordance with our grievance procedure.
   3. If you wish to appeal against a disciplinary decision you may apply in writing to [POSITION] in accordance with our disciplinary procedure.
   4. We may suspend you from any or all of your duties for no longer than is necessary to investigate any disciplinary matter involving you or so long as is otherwise reasonable while any disciplinary procedure against you is outstanding.
   5. During any period of suspension:
      1. you shall continue to receive your basic salary and all contractual benefits in the usual way and subject to the terms of any benefit arrangement;
      2. you shall remain our employee and bound by the terms of this agreement;
      3. you shall ensure that [POSITION] knows where you will be and how you can be contacted during each working day (except during any periods taken as holiday in the usual way);
      4. we may exclude you from your place of work or any of our other premises; and
      5. we may require you not to contact or deal with (or attempt to contact or deal with) any officer, employee, consultant, client, customer, supplier, agent, distributor, shareholder, adviser or other business contact of ours.
2. Pensions

*Where the employer intends to automatically enrol the employee:*

* 1. [You are eligible to be enrolled into the [NAME] pension scheme. Further details of the pension scheme are available from [[POSITION] **OR** the intranet **OR** the Staff Handbook].

**OR**

You are not eligible to be enrolled in a pension scheme.]

**OR**

*Where the employer operates an occupational pension scheme:*

* 1. [You may participate in our occupational pension scheme (**Scheme**) (or such other registered pension scheme as we may establish to replace the Scheme) subject to the rules of the Scheme and the tax reliefs and exemptions available from HM Revenue & Customs, in both cases as amended from time to time. Full details of the Scheme are available from [POSITION].

**OR**

You will become an active member of our occupational pension scheme (Scheme) (or such other registered pension scheme as we may establish to replace the Scheme) from the effective date of this contract, subject to the tax reliefs and exemptions available from HM Revenue & Customs, as amended from time to time. Full details of the Scheme are available from [POSITION].]

* 1. You shall pay such contributions to the Scheme as may be required by the rules of the Scheme as amended from time to time. The contributions shall be made by way of deductions from your salary.
  2. [We shall procure that any scheme that is set up to replace the Scheme will provide benefits which, taken as a whole, shall be no less favourable to you than the benefits to which you would have been entitled had you continued to be a member of the Scheme, subject to any statutory limitations on benefits or HM Revenue & Customs requirements as determined from time to time.]
  3. [We may invite you to participate in an employer-financed retirement benefits scheme, subject to the rules of such scheme as amended from time to time. Full details of the scheme are available from [POSITION].]

**OR**

*Where the employer operates a group personal pension scheme:*

* 1. [You may join our group personal pension scheme (**Scheme**) (or such other registered pension scheme as we may set up to replace the Scheme) subject to satisfying certain eligibility criteria and subject to the rules of the Scheme as amended from time to time. Full details of the Scheme are available from [POSITION].

**OR**

You will become an active member of our group personal pension scheme (Scheme) (or such other registered pension scheme as we may set up to replace the Scheme) with effect from the date of this contract. Full details of the Scheme are available from [POSITION].]

* 1. [If you join the Scheme, we shall contribute an amount equal to [PERCENTAGE]% of your salary [or, if lower, the contributions payable by you] to the Scheme during each year of the Appointment. Our contributions to the Scheme shall be payable in equal monthly instalments in arrears, and shall be subject to the rules of the Scheme and the tax reliefs and exemptions available from HM Revenue & Customs, as amended from time to time.

**OR**

We shall contribute an amount equal to [PERCENTAGE]% of your salary, and you shall contribute an amount equal to [PERCENTAGE]% of your salary, to the Scheme during each year of the Appointment. Any contributions paid will be sufficient to maintain the Scheme's status as a Qualifying Scheme.]

* 1. [Subject to clause 34.7, you may make contributions to the Scheme of an amount up to the lower of 100% of your earnings and the annual allowance set by HM Revenue & Customs from time to time.]
  2. Any contributions shall be payable in equal monthly instalments in arrears. Your contributions shall be made by way of deduction from your salary.

**OR**

*Where the employer makes contributions to an employee's existing personal pension scheme:*

* 1. [During each year of the Appointment, we shall contribute an amount equal to [PERCENTAGE]% of your salary [or, if lower, the contributions payable by you] to your personal pension scheme (or such other registered pension scheme for your benefit as you may notify to us in writing).

**OR**

You will become an active member of a personal pension scheme which meets the requirements of a Qualifying Scheme, and will complete such tasks as are required to ensure the personal pension scheme is, and remains, a Qualifying Scheme. During each year of the Appointment, we shall contribute an amount equal to [PERCENTAGE]% of your salary, and you shall contribute an amount equal to [PERCENTAGE]% of your salary, to the Scheme. Any contributions paid will be sufficient to maintain the Scheme's status as a Qualifying Scheme.]

* 1. [Subject to clause 34.10, you may make contributions to the scheme of an amount up to the lower of 100% of your earnings and the annual allowance set by HM Revenue & Customs from time to time.]
  2. Any contributions shall be payable in equal monthly instalments in arrears. Your contributions shall be made by way of deduction from your salary.

**OR**

*Where the employer operates a stakeholder pension scheme:*

* 1. You may join our stakeholder pension scheme (**Scheme**) (or such other registered pension scheme as we may set up to replace the Scheme) subject to satisfying certain eligibility criteria and subject to the rules of the Scheme as amended from time to time. Full details of the Scheme are available from [POSITION].
  2. You may make contributions to the scheme of an amount up to the lower of 100% of your earnings and the annual allowance set by HM Revenue & Customs from time to time. Such contributions shall be payable in equal monthly instalments in arrears and shall be made by way of deduction from your salary.
  3. [If you join the Scheme, we shall contribute an amount equal to [PERCENTAGE]% of your salary [or, if lower, the contributions payable by you] to the Scheme during each year of the Appointment. Our contributions to the Scheme shall be payable in equal monthly instalments in arrears, and shall be subject to the rules of the Scheme and the tax reliefs and exemptions available from HM Revenue & Customs, as amended from time to time.]

*[Section 1(4)(d)(iii) of the ERA 1996 requires the section 1 statement to include particulars of any pensions and pension schemes. These particulars may be provided in either the principal statement or another instalment of the section 1 statement within two months of the start date (section 2(4), ERA 1996). The statement may refer to another document containing the relevant particulars that is reasonably accessible to the employee (section 2(2), ERA 1996).*

*In the unlikely event the director is not eligible for auto-enrolment, this must be stated (section 2(1), ERA 1996).*

*These clauses contain different pensions clause options for an employer. For more detailed drafting notes on each of these option]*

1. Data protection
   1. We will collect and process information relating to you in accordance with the privacy notice which is on the intranet and in the Staff Handbook. You are required to sign and date the privacy notice, and return to [HR OR NAME OF MANAGER].
   2. You shall comply with the Data protection policy when handling personal data in the course of employment including personal data relating to any employee, worker, contractor, customer, client, supplier or agent of ours. You will also comply with our IT and communications systems policy, Social media policy and [ANY OTHER POLICY].
   3. Failure to comply with the Data protection policy or any of the policies listed above in clause 35.2 may be dealt with under our disciplinary procedure and, in serious cases, may be treated as gross misconduct leading to summary dismissal.
2. Collective agreements

[There is no collective agreement which directly affects the Appointment.

**OR**

Your employment is governed by the collective agreement between us and [NAME OF TRADE UNION], which is incorporated into the contract and may be amended from time to time. A copy [has been given to you **OR** is available from [POSITION]].]

1. Reconstruction and amalgamation

If the Appointment is terminated at any time by reason of any reconstruction or amalgamation of the Company or any Group Company, whether by winding up or otherwise, and you are offered employment with any concern or undertaking involved in or resulting from the reconstruction or amalgamation on terms which (considered in their entirety) are no less favourable to any material extent than the terms of this agreement, you shall have no claim against us or any such undertaking arising out of or connected with the termination.

*[This is a standard clause to avoid the employee bringing a claim purely because the employing company has restructured. However, if the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) apply to the reconstruction, any employees who are transferred under TUPE will transfer on their existing terms of employment. It is not possible to contract out of the rights under TUPE].*

1. Notices
   1. A notice given to a party under or in connection with this agreement shall be in writing and shall be:
      1. delivered by hand or by pre-paid first-class post or other next working day delivery service at the address given in this agreement or as otherwise notified in writing to the other party[.][; or]
      2. [sent by fax to its main fax number.]
   2. Unless proved otherwise, any such notice shall be deemed to have been received:
      1. if delivered by hand, at the time the notice is left at the address given in this agreement or given to the addressee[;][and]
      2. if sent by [pre-paid first-class post or other] next working day delivery service, at [9.00] am on the [second] Business Day after posting [or at the time recorded by the delivery service[.]][; and]
      3. [if sent by fax, at the time of transmission.]
   3. If deemed receipt under clause 38.2 would occur outside business hours in the place of receipt, it shall be deferred until business hours resume. In this clause 38.3, business hours means 9.00am to 5.00pm Monday to Friday on a day that is not a public holiday in the place of receipt.
   4. A notice required to be given under this agreement shall not be validly given if sent by email.
   5. This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any other method of dispute resolution.
2. Entire agreement
   1. This agreement [and any document referred to in it] constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
   2. Each party acknowledges that in entering into this agreement it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this agreement.
   3. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this agreement.
   4. Nothing in this clause shall limit or exclude any liability for fraud.
3. Variation

No variation or agreed termination of this agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

1. Counterparts
   1. This agreement may be executed in any number of counterparts, each of which shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.
2. Third party rights

No one other than a party to this agreement shall have any right to enforce any of its terms.

1. Governing law

This agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

1. Jurisdiction

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this agreement or its subject matter or formation.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

|  |  |  |
| --- | --- | --- |
| Executed as a deed by [NAME OFCOMPANY] acting by [NAME OF FIRST DIRECTOR], a director, and [NAME OF SECOND DIRECTOR/SECRETARY], [a director OR its secretary] |  | ………………  [SIGNATURE OF FIRST DIRECTOR]  Director  ………………  [SIGNATURE OF SECOND DIRECTOR OR SECRETARY]  Director OR Secretary |
|  |  |  |
| OR | | |
| Executed as a deed by [NAME OF COMPANY] acting by [NAME OF DIRECTOR] a director, in the presence of:  ……………………  [SIGNATURE OF WITNESS]  [NAME, ADDRESS [AND OCCUPATION] OF WITNESS] |  | ……………….  [SIGNATURE OF DIRECTOR]  Director |
| Signed as a deed by [NAME OF EMPLOYEE] in the presence of:  …………………….  [SIGNATURE OF WITNESS]  [NAME, ADDRESS [AND OCCUPATION] OF WITNESS] |  | ……………….  [SIGNATURE OF EMPLOYEE] |

*[The agreement should be executed as a deed if it contains power of attorney provisions, as power of attorney can only be granted by deed.]*