

POST OFFICE LIMITED
TWO WAY CONFIDENTIALITY AGREEMENT - INDIVIDUAL

EFFECTIVE DATE: 17 February 2014

BETWEEN:

- (1) Post Office Limited registered in England (registered number 2154540) whose registered office is at 148 Old Street, London, EC1V 9HQ ("POL"); and
- (2) Richard Callard of the Department of Business, Innovation and Skills, 1 Victoria St, London SW1H 0ET (the "Individual").

BACKGROUND:

- (A) POL and the Individual wish to enter into discussions concerning the Purpose (as defined below) during which it will be necessary for each party (the "Disclosing Party") to disclose certain information to the other party (the "Receiving Party").
- (B) The parties wish to regulate how the Confidential Information (as defined below) is to be treated while in the possession or control of the Receiving Party and thereafter so as to protect the proper interests of the Disclosing Party.

AGREED TERMS:

1 Definitions:

For the purposes of this Agreement:

Confidential Information

Means, where the Individual is the Receiving Party) any and all information (including without limitation information provided in oral or documentary form or by inspection or observation of tangible objects, material, media or demonstrations of any kind) and whether supplied or received before or after the signing of this Agreement, relating to the Purpose, including without limitation trade secrets, know-how, contracts, drawings, patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs, or codes, whether tangible or intangible, and whether and howsoever stored, compiled, or memorialised whether physically, electronically, graphically, photographically, or in writing, together with any copies of and notes made in respect of such information disclosed in relation to your forthcoming appointment as a non-executive director or relating to Board activities;

Means, (where POL is the Receiving Party) Government information relating to development, implementation or delivery of policy, budgeting/financing, or general commercial information which is not in the public domain and which shared with POL by the Individual in connection with the Purpose, and expressed by the Individual as being confidential Government information.

Effective Date means the date set out as such above; and

Purpose means discussions undertaken as part of an introduction to Post Office Limited's business operations and Board activities relating to, and following on from your forthcoming appointment as a non-executive director.

2 Effective Date

This Agreement shall take effect from the Effective Date.

3 Obligations in relation to Confidential Information

3.1 In consideration of the provision of Confidential Information by or on behalf of the Disclosing Party's Group, the Receiving Party will:

3.1.1 treat and safeguard the Confidential Information as private and confidential;

3.1.2 not use or disclose any of the Confidential Information for any purposes other than the Purpose, or for the carrying out of official Government duties;

3.1.3 ensure proper and secure storage of the Confidential Information;

3.1.4 handle, preserve and protect such Confidential Information using a high degree of care and at least the same degree of care as the Receiving Party affords its own confidential information of like sensitivity and importance;

3.1.5 (where POL is the Receiving Party) permit access to the Confidential Information only to such of its directors, officers, employees, professional advisors and, with the prior written consent of the Disclosing Party, consultants, as reasonably and necessarily require access to the same in respect of the Purpose and then only on condition that each such recipient is made aware of the confidential nature of the Confidential Information and is subject to a written confidentiality agreement with the Receiving Party under which that recipient agrees to comply with the obligations imposed on the Receiving Party to this Agreement as if that recipient was the Receiving Party under this Agreement. Where POL is the Receiving Party, it shall retain up to date records of those of its directors, officers, employees, professional advisors and consultants to whom it has shared the Confidential Information and POL agrees to provide such records to the Individual at any time on demand;

3.1.6 (where the Individual is the Receiving Party) permit access to the Confidential Information only to such of its Government colleagues, Ministers, and professional advisors and, with the prior written consent of the Disclosing Party, consultants, as reasonably and necessarily require access to the same in respect of the Purpose and then only on condition that each such recipient is made aware of the confidential nature of the Confidential Information and is subject to a written confidentiality agreement with the Receiving Party under which that recipient agrees to comply with the obligations imposed on the Receiving Party to this Agreement as if that recipient was the Receiving Party under this Agreement. The Individual shall retain up to date records of those of its professional advisors and consultants to whom it has shared the Confidential Information and agrees to provide such records to POL at any time on demand;

3.1.7 immediately notify the Disclosing Party in writing where any unauthorised use or disclosure of any Confidential Information has taken place or the Receiving Party is made aware that such unauthorised use or disclosure may take place, and take such steps as the Disclosing Party may reasonably require in relation to the same;

3.2 The obligations of confidentiality contained in this Agreement do not apply to any information which the Receiving Party can prove:

- 3.2.1 was known to the Receiving Party before the Confidential Information was provided or made available by or on behalf of the Disclosing Party and was not held under an obligation of confidence to the Disclosing Party whether directly or indirectly;
 - 3.2.2 is subsequently received from any third party legally in possession of the Confidential Information and who was not restricted from disclosing it;
 - 3.2.3 is in or subsequently comes into the public domain (other than by breach by the Receiving Party of its obligations under this Agreement);
 - 3.2.4 is subsequently authorised to be used or disclosed as non-confidential information with the prior written approval of the Disclosing Party;
 - 3.2.5 is independently legally acquired by an employee (where the Receiving Party is POL), a consultant or a contractor of the Receiving Party who is not restricted from disclosing it and without access to or use or knowledge of the Confidential Information; or
 - 3.2.6 is compelled to be disclosed by applicable law or by the mandatory rules or requirements of any recognised investment exchange or any regulatory authority, government department or agency to which the Receiving Party is subject or by an order of a court of competent jurisdiction, subject always to the Receiving Party complying with Clause 3.4.
- 3.3 Without prejudice to the generality of Clause 3.2.3, Confidential Information will not be deemed to be in the public domain by reason only that it is known to only a few of those people to whom it might be of commercial interest, and a combination of two or more portions of the Confidential Information will not be deemed to be in the public domain by reason only of each separate portion being so available.
- 3.4 If the Receiving Party is required pursuant to Clause 3.2.6 to disclose any Confidential Information, the Receiving Party will, to the extent permitted by law, provide the Disclosing Party with prompt written notice of such requirement so that the Disclosing Party may assert such interest as it has in the Confidential Information and, if thought fit, seek an appropriate order from a court of competent jurisdiction preventing or restricting the disclosure. If, in the absence of such order, the Receiving Party is nonetheless, in the opinion of the Receiving Party's legal counsel, legally required to disclose such Confidential Information, the Receiving Party may disclose such information without liability, provided, however, that the Receiving Party shall disclose only that portion of such Confidential Information which it is legally required to disclose and communicates the confidential nature of such information.

4 Intellectual property

This Agreement shall not be deemed to imply the grant of or agreement to grant a licence by the Disclosing Party to the Receiving Party of any of the Disclosing Party's intellectual property rights. The Disclosing Party retains all intellectual property rights in and title to the Confidential Information at all times and for all purposes.

5 Return and destruction

At any time on demand from the Disclosing Party the Receiving Party shall promptly deliver to the Disclosing Party or (at the Disclosing Party's option) destroy all Confidential Information in whatever form (including without limitation all documents, papers, electronic copies, discs and copies thereof) in the possession or control of the Receiving Party and within 30 calendar days of such demand the Receiving Party shall certify in writing (signed by a director of the Receiving Party) that it has complied with the requirements of this Clause 5. This obligation shall not be applicable to Confidential Information that forms part of an electronic back-up system which is not immediately retrievable as part of day-to-day business, provided that such Confidential Information shall continue to be held subject to the terms of this Agreement and this Clause shall survive termination of this Agreement.

6 No warranty

6.1 All Confidential Information is provided "as is". The Confidential Information may not be accurate or complete and the Disclosing Party makes no representation or warranty as to the accuracy, completeness or reasonableness of the Confidential Information and no such representation or warranty is implied. Neither the Disclosing Party nor its directors or employees (where the Disclosing Party is POL) nor its advisers or agents, shall have any liability to the Receiving Party (or to any other person to whom the Receiving Party discloses the Confidential Information or other information), resulting from use of the Confidential Information or any other information supplied, or for any opinions, projections or forecasts expressed or made by any of them, or for any errors, omissions or mis-statements made by any of them.

6.2 In furnishing any Confidential Information no obligation is undertaken by the Disclosing Party to provide any additional information or to update or correct any inaccuracies which may become apparent in any Confidential Information.

7 Liability

The Receiving Party acknowledges that the unauthorised use or disclosure of the Confidential Information could cause irreparable harm to the Disclosing Party and that, in the event of a breach or threatened breach of any of the Receiving Party's obligations under Clause 3 (*Obligations in relation to Confidential Information*), the award of damages alone might not be an adequate remedy and, accordingly, that the Disclosing Party shall be entitled to seek enforcement of each such obligation by appropriate interim or final injunctive relief obtained in any court of competent jurisdiction.

8 Public announcements

The Receiving Party will not make any announcement or publicity statement relating to the Disclosing Party, the Proposal, this Agreement or its subject matter without the prior written approval of the Disclosing Party.

9 No assignment

The Receiving Party will not be entitled to assign, transfer, sub-license or charge any or all of its rights or obligations under this Agreement without the prior written consent of the Disclosing Party.

10 No waiver

No failure by the Disclosing Party in exercising any right, power or privilege hereunder shall constitute a waiver by that party of any such right, power or privilege, nor shall any single or partial exercise thereof preclude any further exercise of any such right, power or privilege.

11 Notices

Any notices and communications required to be given under this Agreement by one party to the other will be properly given if sent by pre-paid post to the other at its address as set out at the beginning of this Agreement, or such alternative address as may be notified in writing by one party to the other for the purpose of receiving such notices and communications.

12 Survival

The obligations of the parties under this Agreement shall survive the completion (or earlier termination) of the discussions or negotiations between the parties described in or relating to the Purpose.

13 Third Party Rights

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

14 Governing Law

This Agreement is governed by, and will be construed in accordance with the law of England and Wales. Both parties submit to the exclusive jurisdiction of the courts of England and Wales.

SIGNED by:

Name in block capitals: RICHARD CALLARD

Date:

SIGNED by: 

For and on behalf of The Post Office Limited

Name in block capitals: ALWEN LYONS

Title: COMPANY SECRETARY

Dated: 24/2/14

