

## **Non-executive director's service agreement**

### **Service Contract**

**Dated:** [date]

**Name:** [name]

# **Contents**

1. Definitions
2. Entire understanding
3. Appointment and fee
4. Director's status
5. Meetings and work
6. Responsibilities as director
7. Staff handbook and Company policies
8. Confidentiality
9. New Intellectual Property
10. No competition
11. Processing your personal information
12. Publicity / Announcements
13. Duration and termination
14. Procedure after termination
15. Miscellaneous matters

**This contract is dated:** [date]

**Company name:** [company name] ("the Company" ■ ■ ■ ■ " ■ ■ ■ ■ / ■ ■ ■ ■ ■ ")

**Company's address is:** [company address]

You are: [ █ █ █ █ █ █ █ ]

Your address is: [ █ █ █ █ █ █ █ ]

**The contract terms are:**

## 1. Definitions

“Confidential Information” means all information about the Company, including: any information which may give a commercially competitive [REDACTED]  
[REDACTED]  
[REDACTED]

- information about staff, their performance and  
■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ;
  - information about the Company's intellectual  
property, its Know-how and all ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ;
  - information created or arising from this  
agreement;

## “New IP”

## 2. Entire understanding

### **3. Appointment and fee**

- 3.1. You are appointed as a non-executive director of the [REDACTED] [REDACTED]  
[REDACTED], [REDACTED]  
[REDACTED].
  - 3.2. Your continuing in office [REDACTED] - [REDACTED]  
[REDACTED].
  - 3.3. The Company will pay you [REDACTED] \$ [REDACTED] [REDACTED]

#### **4. Director's status**

.....  
.....

## 5. Meetings and work

Your contribution ..... :

- 5.1. to attend meetings of the Board at the head office of .....  
..... 30 ....., [ 12 ] .....  
.....
- 5.2. to contribute considered opinions on the issues discussed.
- 5.3. to hold office as a .....  
.....
- 5.4. to attend meetings of any committee of .....  
.....  
.....
- 5.5. At all meetings, .....
- 5.6. to undertake such additional work as is necessary to enable .....  
.....  
.....

## 6. Responsibilities as director

You agree that .....  
..... :

- 6.1. bring to the attention of .....  
.....
- 6.2. tell the Board about any .....  
.....
- 6.3. not during your appointment as a non-executive director of the Company accept any appointment ( ..... , ..... , ..... , ..... ) ..... , .....

- .....
- .....
- 6.4. not do anything that would .....;
- 6.5. at all .....;
- 6.6. not, in relation to the affairs of the Company, directly or indirectly, receive or obtain ..... , ..... , .....  
..... ( ..... ) .....  
..... , ..... , .....  
..... , ..... ;
- 6.7. not at any time .....;
- 6.8. never put yourself in a ..... .

## 7. Staff handbook and Company policies

- 7.1. You now agree to comply with and to .....  
.....  
.....:
- 7.1.1 health and safety;
- 7.1.2 equal opportunities and non-harassment;
- 7.1.3 maternity and parental leave;
- 7.1.4 computer use, Internet and communications;
- 7.1.5 Company vehicles;
- 7.1.6 protection of personal information.
- 7.2. Insofar as any of these policies imposes an expectation of behaviour on you as ..... , .....  
.....  
..... .

## **8. Confidentiality**



## **9. New Intellectual Property**

9.5.

## 10. No competition

10.1.

10.2.

10.3.

A decorative horizontal border at the top of the page, consisting of a grid of small black squares arranged in a repeating pattern.

10.4.

10.5.

10.6.

## **11. Processing your personal information**

■ ■ ■ 1988 .

## **12. Publicity / Announcements**

OR

#### **12.2. Neither party shall:**

### 12.2.1 make any public announcement; or

### **12.2.2 disclose any information; or**

.....

OR

12.4. [ ]

## **13. Duration and termination**

- 13.1. By mutual agreement on an agreed date.
  - 13.2. [REDACTED]

#### **14. Procedure after termination**











- 14.2 If requested by the Company, you will

## **15. Miscellaneous matters**

[ 72 ] ..... [ 24 ] .....  
.....

15.5. ...., ....  
...., ....  
.....

15.6. ...., ....  
.... [ ..  
.. ] ....  
.....

**Signed by** [personal name] on behalf of [Company name] as its representative who personally accepts liability for the proper authorisation by [Company name] to enter into this agreement.

**Signed by** [Director name]

# Explanatory notes

## Non-executive director's service agreement

### General notes

1. The relationship between a non-exec and his company can vary enormously. At one end of the spectrum a company may have a non-exec thrust upon them by a lender. At the other end, an experienced friend may be persuaded to join and give guidance. The first will ██████████ ██████████ ██████████ ██████████ ; ██████████ ██████████ ██████████ ██████████ ██████████ ██████████ .  
An arm's length non-exec will probably be in a position to dictate the terms of his appointment and will therefore produce his own draft document. We now therefore provide a document at the "soft" end of the spectrum. It is not drawn with a view to protecting either party against every eventuality (unlike most Net Lawman documents, which are) but rather to provide a basic document which can reasonably be agreed. Despite that, there are many provisions which you may feel are still too strong. Our advice is therefore that you consider ██████████ , ██████████ ██████████ ██████████ ██████████ ██████████ ██████████ ██████████ ██████████ .
2. One factor which will be particularly relevant to you is the extent to which your business, by its nature is susceptible to damage by a third party who becomes an insider. If you are working on something with a high intellectual property content, or a secret weapon, or ██████████ ██████████ ██████████ ██████████ ██████████ ██████████ , ██████████ ██████████ ██████████ ██████████ ██████████ ██████████ .

### Paragraph specific notes

#### 1. Definitions

"Board" is an old fashioned term, but useful when referring to ██████████ ██████████ .

#### 2. Entire understanding

### **3. Appointment and fee**

#### **4. Director's status**

## **5. Meetings and work**

## **6. Responsibilities as director**

Check that this is exactly .

## **7. Staff handbook and company policies**

## **8. Confidentiality**

## **9. New Intellectual Property**

## **10. No competition**

## **11. Processing your personal information**

**Self explanatory provision.**

We suggest leave this provision as is

## **12. Publicity / Announcements**

### **13. Duration and termination**

There is already a termination date by virtue of the fixed term of the contract.  
" " ,  
" " - .

#### **14. Procedure after termination**

Substantial deletion may be required

.....

.....  
.....  
.....  
.....

## **15. Miscellaneous matters**

## End of notes