

PATERNITY LEAVE AND PATERNITY PAY

Eligible employees (see below) are entitled to take up to two weeks' paid Paternity Leave following the birth of their child in order to care for the child or support its mother. During Paternity Leave, most employees will be entitled to Statutory Paternity Pay (SPP), which will be the same as the standard rate of Statutory Maternity Pay (SMP).

Eligibility for Paternity Leave and Paternity Pay

In order to qualify for Paternity Leave and Statutory Paternity Pay the employee must:

- be the biological father of the child or the mother's husband or partner (male or female);
- have or expect to have responsibility for the child's upbringing;
- have worked continuously for the Company for 26 weeks leading into the 15th week before the child is due; and
- have average weekly earnings equal to or above the Lower Earnings Limit for National Insurance purposes over the eight week period leading up to and including the Notification Week.

The Company may ask an employee to provide a self-certificate as evidence that he or she meets these conditions. The self-certificate must provide the information required above and include a declaration that the employee meets the necessary conditions.

Taking Paternity Leave

An employee is permitted to take Paternity Leave in units of either one whole week or two consecutive whole weeks. Leave may start on any day of the week on or following the child's birth but must be completed:

- within 56 calendar days of the actual date of birth of the child; or
- if the child is born early, within the period from the actual date of birth up to 56 calendar days after the expected week of birth.

An employee may change his or her mind about the starting date for Paternity Leave, providing he or she tells the Company at least 28 calendar days in advance of the changed start date where reasonably practicable.

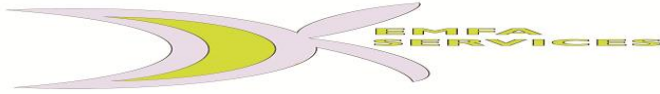
Notification Procedures for Paternity Leave

An employee who wishes to take Paternity Leave must notify the Company by the 15th week before the expected week of childbirth, stating:

- the week the child is due;
- whether the employee wishes to take one week or two weeks' leave; and
- when the employee wants the leave to start.

Contractual Benefits during Paternity Leave

An employee on Paternity Leave is entitled to enjoy normal terms and conditions of



employment, with the exception of pay. The employee is entitled to return to the same job following Paternity Leave.

Paternity Leave and Adoption

The partner of an individual who adopts, or the other member of a couple who is adopting jointly, may be entitled to Paternity Leave and Paternity Pay.

When a couple adopts, the couple can choose who will take Adoption Leave and who will take Paternity Leave. Only one period of Adoption Leave and one period of Paternity Leave may be taken between the couple even if each individual works for different employers.