

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 15, 2014

THE FEMALE HEALTH COMPANY

(Exact name of registrant as specified in its charter)

Wisconsin

(State or other jurisdiction of incorporation)

1-13602

(Commission File Number)

39-1144397

(I.R.S. Employer I.D. Number)

515 North State Street
Suite 2225
Chicago, Illinois

(Address of Principal Executive Offices)

60654

(Zip Code)

312-595-9123

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions *see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Section 5 – Corporate Governance and Management

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On September 15, 2014, The Female Health Company (the "Company") announced that Martin Tayler has been appointed as Executive Vice President of Operations of the Company effective September 15, 2014. The Company also announced that Michael Pope will retire from his position as Vice President, UK and Malaysian Operations effective September 15, 2014.

A copy of the press release announcing the appointment of Mr. Tayler and the retirement of Mr. Pope is attached as Exhibit 99.1 to this report and is incorporated herein by reference.

Following his retirement, Mr. Pope will serve as a consultant to The Female Health Company (UK) Plc, the Company's UK subsidiary (the "UK Subsidiary"), pursuant to the terms of a Consultancy Agreement, dated as of September 15, 2014. The Consultancy Agreement provides for an initial term continuing until March 31, 2015 and a monthly consulting fee of £1,342 (subject to increase based on the amount of time spent by Mr. Pope in providing consulting services). A copy of the Consultancy Agreement is attached as Exhibit 99.2 to this report and is incorporated herein by reference.

Mr. Tayler, age 45, has had an extensive career in medical device operations leadership prior to joining the Company. From July 2013 to September 2014, he provided manufacturing and quality management consulting services in Asia as the owner of Lean Manufacturing Limited. From April 2009 to April 2012, he served as Operations Director of Qingdao London Durex Company, a subsidiary of Reckitt Benckiser Group plc, a consumer health and hygiene company. Prior to its acquisition by Reckitt Benckiser Group, Mr. Tayler served in a variety of operations leadership positions with SSL International PLC, a manufacturer of healthcare products, for approximately eight years, most recently as Project Director of Qingdao London Durex Company from August 2007 to March 2009.

In connection with Martin Tayler's employment, on September 15, 2014, the UK Subsidiary entered into a Service Agreement (the "Service Agreement") with Mr. Tayler and the Company entered into a Change of Control Agreement (the "Change of Control Agreement") with Mr. Tayler. A copy of the Service Agreement is attached as Exhibit 99.3 to this report and a copy of the Change of Control Agreement is attached as Exhibit 99.4 to this report, and each is incorporated herein by reference.

Pursuant to the terms of the Service Agreement, Mr. Tayler will receive a minimum annual base salary of £108,000. Mr. Tayler will also receive a grant of 14,000 shares of common stock on September 1, 2015 and a grant of 14,000 shares of common stock on September 1, 2016 if he continues to be employed on such dates. Pursuant to the Service Agreement, Mr. Tayler is entitled to participate in the Company's annual performance award program with a total of 25,000 shares annually. He will also receive customary U.K. health and pension benefits, an automobile allowance and reimbursement of relocation expenses.

The Change of Control Agreement with Mr. Tayler essentially acts as springing employment agreement which provides that, upon a change of control, as defined in the agreement, the UK Subsidiary will continue to employ the executive for a period of three years in the same capacities as prior to the change of control, with an annual base salary equal to 12 times the highest monthly base salary paid during the 12 months prior to the change of control, an annual bonus equal to the higher of (1) the average of the three highest bonuses paid with respect to the five fiscal years prior to the effective date of the change of control or (2) the bonus paid for the most recent fiscal year prior to the effective date of the change of control, and other benefits substantially equivalent to what the executive was receiving prior to the effective date of the change of control, in each case as specified in the agreements. If the executive is terminated without cause or if he resigns for good reason, in each case as defined in the agreement, after the change of control and during the three year employment period, including a termination by the executive for any reason within 180 days after the change of control, the executive is generally entitled to receive the following benefits:

- a lump sum payment equal to three times the executive's base salary;
- a lump sum payment equal three times the highest of (1) the average of the three highest bonuses paid with respect to the five fiscal years prior to the effective date of the change of control, (2) the bonus paid for the most recent fiscal year prior to the effective date of the change of control or (3) the bonus paid or payable for the most recent fiscal year prior to the date of termination of employment; and
- continuation of health and other similar benefits for a period of three years after the termination date.

Section 9 - Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 -- Press Release of The Female Health Company, issued September 15, 2014.

99.2 -- Consultancy Agreement dated September 15, 2014 between The Female Health Company (UK) Plc and Michael Pope.

99.3 -- Service Agreement dated September 15, 2014 between The Female Health Company (UK) Plc and Martin Tayler.

99.4 -- Change of Control Agreement dated September 15, 2014 between The Female Health Company and Martin Tayler.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 16, 2014

THE FEMALE HEALTH COMPANY

BY /s/ Michele Greco
Michele Greco, Vice President and
Chief Financial Officer



Contacts: William R. Gargiulo, Jr. 231.526.1244
Michele Greco, CFO 312.595.9123

The Female Health Company Appoints Martin Tayler Executive Vice President of Global Operations

CHICAGO, (September 15, 2014) - The Female Health Company (NASDAQ-CM: FHCO), today announced that Martin Tayler will join the Company's management team as Executive Vice President of Global Operations effective September 15, 2014. The Company also announced that Michael Pope will retire from his position as Vice President, U.K. and Malaysian Operations, effective September 15, 2014. Following his retirement, Mr. Pope will continue his affiliation with the Company as a Consultant.

Prior to joining The Female Health Company (FHC), Mr. Tayler had an extensive career in medical device operations leadership with SSL International PLC, a manufacturer of healthcare products under the Durex and Dr Scholl's brands among others, and later with Reckitt Benckiser Group plc, a consumer health and hygiene company. During his tenure with SSL and Reckitt Benckiser, Martin was responsible for a variety of operations, functions and facilities in various countries, including oversight of the design, construction and ultimate operation of one of the world's largest condom manufacturing facilities in China.

"We consider ourselves extremely fortunate that Martin is joining the FHC leadership team", stated Karen King, President and Chief Executive Officer of FHC. "We believe his extensive global operations leadership experience and knowledge of relevant markets and products will contribute greatly to the future success of our Company. I would also like to acknowledge and sincerely thank Mike Pope for his invaluable contributions to the Company over the past 24 years. We are delighted that Mike will continue to be a part of our advisory team going forward."

About the Female Health Company

The Female Health Company, based in Chicago, Illinois, manufactures and markets *the FC2 Female Condom® (FC2)*. Since the Company began distributing FC2 in 2007, it has been shipped to 144 other countries. The Company owns certain worldwide rights to the *FC2 Female Condom®*, including patents that have been issued in a number of countries around the world. The patents cover the key aspects of FC2, including its overall design and manufacturing process. The *FC2 Female Condom®* is the only currently available female-controlled product approved by the FDA that offers dual protection against sexually transmitted diseases, including HIV/AIDS, and unintended pregnancy. The World Health Organization (WHO) has cleared *FC2* for purchase by U.N. agencies.

Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995:

The statements in this release which are not historical facts are forward-looking statements based upon the Company's current plans and strategies, and reflect the Company's current assessment of the risks and uncertainties related to its business, including such things as product demand and market acceptance; the economic and business environment and the impact of government pressures; currency risks; capacity; efficiency and supply constraints; and other risks detailed in the Company's press releases, shareholder communications and Securities and Exchange Commission filings. Actual events affecting the Company and the impact of such events on the Company's operations may vary from those currently anticipated.

For more information about the Female Health Company visit the Company's website at <http://www.femalehealth.com> and <http://www.femalecondom.org>. If you would like to be added to the Company's e-mail alert list, please send an e-mail to FHCInvestor@femalehealthcompany.com

CONSULTANCY AGREEMENT

THIS CONSULTANCY AGREEMENT (this "Agreement") is entered into as of September 15, 2014 (the "Effective Date"), between THE FEMALE HEALTH COMPANY (UK) PLC, a company registered in England & Wales under number 02439625 (the "Company"), and MICHAEL POPE ("Mr. Pope").

RECITALS

- A. Mr. Pope retired as an officer and director of the Company effective September 15, 2014.
- B. In connection with Mr. Pope's retirement, the Company desires to engage Mr. Pope as a self-employed consultant and Mr. Pope desires to accept such engagement pursuant to the terms and conditions of this Agreement.

AGREEMENTS

In consideration of the recitals and the mutual agreements set forth in this Agreement, the parties agree as follows:

1. Consulting Services. During the Consulting Term (as defined below), Mr. Pope shall act as a consultant to the Company and in such role shall make himself available for up to eight hours per month for consultations (by telephone, e-mail and, if agreeable to Mr. Pope, in-person at mutually agreed times) with directors, officers or other personnel of the Company and its affiliates regarding matters in the areas of operations, product development, regulatory compliance and quality control (the "Services").

2. Consulting Term. Mr. Pope shall provide the Services commencing on the Effective Date and continuing until March 31, 2015 (the "Consulting Term"). Either party may terminate this Agreement with 30 days' prior written notice of termination to the other party. Prior to March 31, 2015, both parties agree to evaluate the scope of the Services and whether to renew this Agreement, and the parties may mutually agree to extend the term or modify the scope of this Agreement for Services performed thereafter.

3. Other Engagements. Nothing in this Agreement shall prevent Mr. Pope from being engaged, concerned or having any financial interest in any capacity in any other business, trade, profession or occupation during the Consulting Term provided that: (a) such activity does not cause a breach of any of Mr. Pope's obligations under this Agreement; and (b) Mr. Pope shall not engage in any such activity if it relates to a business which is similar to or in any way competitive with the business of the Company without the prior written consent of the Company.

4. Compensation and Reimbursement of Expenses.

(a) Consulting Fee. In consideration of the Services to be performed by Mr. Pope during the Consulting Term, the Company shall pay to Mr. Pope a consulting fee (the "Fee") of £1,342 per month (inclusive of VAT) for the duration of the consulting agreement. To the extent that Mr. Pope is willing to and does provide Services for more than eight hours in any month, the Fee for that month shall be increased proportionally (e.g., Mr. Pope would receive a Fee of £1,500 for a month if he provides 12 hours of Services during the month), provided that Mr. Pope has submitted a written report which gives details of the hours and days that Mr. Pope has provided Services during the month.

(b) Reimbursement for Reasonable Business Expenses. The Company shall pay or reimburse Mr. Pope for reasonable business travel, telephone or other out-of-pocket expenses incurred by him in connection with the performance of the Services pursuant to this Agreement and on production of a suitable invoice supported by appropriate documentation.

5. Independent Contractor. The parties acknowledge and agree that Mr. Pope is at all times acting and performing as an independent contractor. Nothing contained in this Agreement will:

(a) be construed or have effect as constituting any relationship of employer and employee between the Company and Mr. Pope;

(b) constitute Mr. Pope as an agent of the Company. Mr. Pope will have no right or power whatsoever to contract on behalf of the Company or to bind the Company in any way in relation to third parties unless specifically authorized to do so; or

(c) constitute a partnership or joint venture between the Company and Mr. Pope.

6. Tax and Indemnities.

(a) As an independent contractor, Mr. Pope shall assume full responsibility for payment of any income tax, national insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made in connection with the performance of the Services and shall also be responsible for all health insurance and other benefits except as expressly provided herein.

(b) If for any reason the Company will become liable to pay, or will pay, any national insurance, income tax and any other form of taxation or social security cost in respect of Mr. Pope's Fee, remuneration or benefits, the Company will be entitled to deduct from any amounts payable to Mr. Pope all amounts so paid or required to be paid by it. To the extent that any amount of taxes paid or so required to be paid will exceed the amounts payable by the Company to Mr. Pope, Mr. Pope will indemnify the Company on demand by the Company in respect of such liability and will, upon demand, forthwith reimburse the Company such excess.

(c) Without prejudice to Section 6(b), if Mr. Pope is deemed to be an employee of the Company, the Company may, upon becoming aware of the same, terminate such contract of employment forthwith (insofar as it has not already terminated) and Mr. Pope hereby undertakes to indemnify and keep indemnified the Company on demand from and against any costs, claims, liabilities and expenses of any nature (including without prejudice to the foregoing generality, in relation to negligence claims by any such individual or third party, unfair dismissal, redundancy, unlawful discrimination, breach of contract, unlawful deduction of wages and equal pay) arising out of such employment and the termination thereof.

7. Governing Law and Jurisdiction. The validity, construction and performance of this Agreement are governed by English law. The Company and Mr. Pope agree that any dispute arising under this Agreement will be decided in the English Courts which will have the sole jurisdiction in any such matter.

8. Amendment. This Agreement may be amended only by an agreement in writing signed by the parties hereto.

9. Assignment. This Agreement is a consulting services agreement and the performance of any obligation hereunder may not be assigned, delegated or otherwise transferred by Mr. Pope without the prior written consent of the Company. Services can be delegated to a suitably qualified substitute if agreed with the Company. The Company may not assign this Agreement without the consent of Mr. Pope.

10. Entire Agreement, Incorporation of Terms. This Agreement represents the full and complete understanding of the parties with respect to the subject matter hereof and neither party has entered into this Agreement in reliance upon any representation, warranty or undertaking of any other party which is not set out or referred to in this Agreement. The introductory language and the recitals are incorporated into this Agreement by reference.

11. Termination of Other Agreements. The parties acknowledge that the Amended and Restated Change of Control Agreement, dated as of October 1, 2005, between The Female Health Company and Mr. Pope and any other employment or service agreement between Mr. Pope and the Company or any of its affiliates terminated effective September 15, 2014 upon Mr. Pope's retirement.

12. Facsimile Signature; Counterparts. This Agreement may be executed by facsimile signature and in counterparts, each of which shall be deemed an original, but both of which taken together shall constitute one and the same instrument.

Dated as of the date first above written.

THE FEMALE HEALTH COMPANY (UK) PLC

BY /s/ Karen King
Name: Karen King
Title: CEO

/s/ Michael Pope
Michael Pope

**THE FEMALE HEALTH COMPANY (UK)
PLC**

-and-

MARTIN TAYLER

SERVICE AGREEMENT

**CMS Cameron McKenna LLP
Mitre House
160 Aldersgate Street
London EC1A 4DD**

**T +44(0)20 7367 3000
F +44(0)20 7367 2000**

**Draft 3: 28 August 2014
Ref: AMHA/ALF/043922.00013**

Table of Contents

1. Interpretation	1
2. Warranty and Conditions	2
3. Employment	3
4. Hours and Place of Work	5
5. Salary	5
6. Bonus	5
7. Pension Arrangements	5
8. Car	6
9. Mobile Phone and Laptop	6
10. Benefits	6
11. Relocation	6
12. Change of Control	7
13. Expenses	7
14. Holiday	7
15. Incapacity	8
16. Confidentiality and Integrity	8
17. Termination of Agreement	9
18. Garden Leave	11
19. Intellectual Property	12
20. Restrictive Covenants	14
21. Deductions	15
22. Disciplinary and Grievance Procedures	15
23. Illegal Working	16
24. General	16
Schedule 1 Power of Attorney	19

THIS SERVICE AGREEMENT is made the 15th day of September, 2014

BETWEEN

- (1) The Company: **THE FEMALE HEALTH COMPANY (UK) PLC**, a company registered in England & Wales under number **02439625**; and
- (2) The Executive: **MARTIN TAYLER** of 107 Garner Road, Walthamstow, London E17 4HG.

OPERATIVE PROVISIONS

1. Interpretation

1.1 In this Agreement:

"Board": means the Board of Directors of the Company from time to time and includes any duly constituted committee of such Board authorised to act on its behalf.

"Change of Control Agreement": means the change of control agreement entered into by the Parent Company and the Executive dated as of the Commencement Date, as it may be amended from time to time.

"Common Stock": means shares of the Parent Company's common stock par value \$0.01 per share.

"Concerned With or Engaged In": means without limitation, concerned with or engaged as an employee, adviser, partner, agent, consultant, contractor, director, shareholder or otherwise.

"Confidential Information": means all and any information (whether or not recorded in documentary form or on computer disk or tape or online) of the Company, any Group Company or any of its or their customers, suppliers or agents which the Company or the relevant Group Company regards as confidential and which may include, but is not limited to, technical, financial and business information (including but not limited to that relating to products and services, research and development, business methods, price lists, customer lists, designs, formulae, know how and processes, strategies and other similar information) or in respect of which it owes an obligation of confidentiality to a third party and which is not readily ascertainable to persons not connected with the Company either at all or without a significant expenditure of labour, skill or money.

"Customer": means any person with whom the Executive or anyone working under the Executive's supervision or control deals personally who, at the termination of the Executive's employment, is negotiating with the Company or any Group Company for Restricted Business or with whom the Company or any Group Company has conducted any Restricted Business at any time during the final 12 months of the Executive's employment with the Group.

"Employee": means any person who is and was, at any time during the final 12 months of the Executive's employment with the Group, employed or engaged by the Company or any Group Company in a senior management, senior technical or senior sales position and who, by reason of such position, possesses any Confidential Information or is likely to be able to solicit the custom of any Customer or to induce any Customer to cease dealing with the Company or any Group Company, were he to accept employment or engagement in a business which is similar to or in competition with any Restricted Business.

"Group": means the Company and each Group Company.

"Group Company": means any group undertaking (as defined in section 1161(5) of the Companies Act 2006) or associated undertaking (as defined in Schedule 6 Paragraph 19 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410)) of the Company or any joint venture to which the Company or any such group undertaking is a party, and for the avoidance of doubt includes the Parent Company.

"Intellectual Property Rights": means patents, rights to inventions, copyright and related rights, trade marks, trade names and domain names and names registrable on social media or other internet services, rights in get-up, rights in goodwill or to sue for passing off, rights in designs, rights in computer software, database rights, rights in confidential 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 renewals or extensions of, 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.

"Parent Board": means the Board of Directors of the Parent Company from time to time and includes any duly constituted committee (particularly the Compensation Committee) of such Board authorized to act on its behalf.

"Parent Company": means The Female Health Company, a Wisconsin corporation.

"Policies and Procedures": means the Parent Company's Code of Business Ethics, the Parent Company's Insider Trading Policy, the Company's anti-corruption policies and procedures, any policy of the Parent Company or the Company adopted to facilitate compliance with applicable law (including U.S. securities laws and the rules of any exchange where any securities of the Parent Company are listed) and any other policy of the Parent Company or the Company applicable generally to employees of the Parent Company or the Company or to executive officers of the Parent Company, each as amended or supplemented from time to time in the Company's sole discretion.

"Professional/Business Contact": means any person with whom the Executive has built up a business connection (whether online or otherwise) on behalf of the Company with a view to the Company conducting Restricted Business with that person or his organisation within 12 months.

"Restricted Area": means England, Scotland, Wales, Northern Ireland and any other country in which the Company or any Group Company carries on or intends to carry on any Restricted Business as at the termination of the Executive's employment.

"Restricted Business": means the manufacture, marketing and/or sale of female condoms and all or any other commercial activities carried on or to be carried on by the Company or any Group Company in which the Executive worked or about which the Executive knew Confidential Information to a material extent at any time during the final 12 months of the Executive's employment with the Group.

"Termination Date": means the date on which the employment of the Executive under this Agreement shall terminate for whatever reason.

2. **Warranty and Conditions**

2.1 The Executive warrants to the Company that:

- 2.1.1 by entering into this Agreement and performing his duties under it the Executive shall not be in breach of any express or implied terms of any contract or other obligation binding on the Executive (whether past or now subsisting);
- 2.1.2 the Executive is (or will be as of the Commencement Date (as defined in clause 3.1 of this Agreement)) free to take up this appointment on the terms set out in this Agreement;

- 2.1.3 the Executive is legally entitled to work in the UK;
 - 2.1.4 the Executive has no unspent criminal convictions and has never been disqualified from being a company director; and
 - 2.1.5 all the information contained in the Executive's curriculum vitae (in the form supplied to the Company) is true and accurate and not misleading and that there are no material omissions.
- 2.2 The commencement of this employment is conditional upon the Executive providing original documents to the Company as evidence that the Executive has the legal right to work in the UK.
- 2.3 Where repeat document checks are required to evidence the Executive's legal right to work in the UK, it is a condition of the Executive's continuing employment with the Company that the Executive provides the relevant documents when requested to do so by the Company and that the checks are satisfactory in confirming that the Executive continues to have a legal right to work in the UK.
- 2.4 The Executive agrees to disclose all or any interests (including but not limited to shareholdings or directorships) in any business whether or not of a commercial or business nature in writing to the Board by the Commencement Date. The Executive agrees that the Company may require the Executive to cease those other interests prior to the commencement of the Executive's employment or within 14 days of the date of this Agreement without any compensation. The Company acknowledges that the Executive has disclosed his interest in Lean Manufacturing Ltd., an entity through which the Executive has previously offered consulting services. The Company agrees that the Executive may retain his interest in Lean Manufacturing Ltd. during the term of this Agreement as long as the Executive does not directly or indirectly conduct any business activity through such entity.
- 3. Employment**
- 3.1 The Executive's employment under this Agreement will commence on 15 September 2014 (the "Commencement Date").
- 3.2 No period of employment with a previous employer counts as part of the Executive's continuous period of employment with the Company.
- 3.3 The first 3 months of the employment shall be a probationary period and the Executive's employment may be terminated during this period at any time on one week's notice or payment in lieu of notice. The Company may, at its discretion, extend the probationary period for up to a further 3 months. During the probationary period the Executive's performance and suitability for continued employment will be monitored. At the end of the probationary period the Executive's performance will be reviewed and if found satisfactory the employment will be confirmed.
- 3.4 The Executive's employment will continue (subject to earlier termination as provided in this Agreement or the Change of Control Agreement) until terminated by the Company giving the Executive or the Executive giving the Company not less than 3 months' prior written notice to expire on or at any time.
- 3.5 The Executive is employed as Executive Vice President of Operations and will perform such duties consistent with the Executive's skills and status as may be assigned to the Executive from time to time by or with the authority of the Board. The Company reserves the right to make changes to the Executive's duties and job title.
- 3.6 The Executive will (without limitation or further remuneration), if and for as long as the Company requires, during this Agreement:
- 3.6.1 carry out duties for the benefit of or on behalf of any Group Company; and/or

- 3.6.2 hold any office and/or other appointment in or on behalf of the Group;
- 3.7 The Executive will, without limitation and at all times during the period of this Agreement:
- 3.7.1 devote the whole of his time, attention and ability during the Executive's working hours (see clause 4 below) to the duties of his employment;
 - 3.7.2 work exclusively for the Company and therefore shall not, save with prior Board approval, be Concerned With or Engaged In any other business, trade, profession or occupation or hold any private or public office or serve in a voluntary or charitable organisation (whether or not in competition with that of any Group Company);
 - 3.7.3 faithfully and diligently perform the Executive's duties and exercise only such powers as are consistent with them;
 - 3.7.4 obey all and any lawful and reasonable directions of the Board and comply with the Policies and Procedures and all laws relating to money laundering and/or anti-corruption and particularly the provisions in the Bribery Act 2010 and the provisions of the U.S. Foreign Corrupt Practices Act;
 - 3.7.5 act only in accordance with all applicable Company Law, the Memorandum and Articles of Association of the Company and, where acting pursuant to clause 3.6 above, of the relevant Group Company;
 - 3.7.6 do such things as are necessary to ensure compliance by himself and the Company with the UK Corporate Governance Code (as amended from time to time);
 - 3.7.7 comply with all requirements, recommendations or regulations, as amended from time to time, of the UK Listing Authority (including the Model Code for transactions in securities by directors and certain senior executives of listed companies, a copy of which is available from the Finance Director), the FCA and all regulatory authorities relevant to the Company and any code of practice issued by the Company (as amended from time to time) relating to dealing in the securities of the Company any Group Company;
 - 3.7.8 comply with the requirements under both legislation and regulation as to the disclosure of inside information;
 - 3.7.9 promote the success of the Company, taking into account where appropriate the interests of the Group as a whole;
 - 3.7.10 keep the Board promptly and fully informed (in writing if so requested) of the Executive's conduct of the business or affairs of the Company and of any Group Company of which the Executive acts as a director and provide such explanations as they may require; and
 - 3.7.11 report the Executive's own wrongdoing and any wrongdoing or proposed or suspected wrongdoing (including but not limited to breaches of the Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act) of any other employee or director of the Company or any Group Company to the President and CEO or the Board as soon as practicable after becoming aware of it.
- 3.8 Part II of the Company handbook contains additional terms and conditions relating to the Executive's employment. In the event of a conflict between the Company handbook and this Agreement, this Agreement shall prevail.

4. Hours and Place of Work

- 4.1 Owing to the nature of the Executive's job the Executive's working time is unmeasured and the Executive shall work such hours as are necessary to enable him to perform his duties properly.
- 4.2 The Executive's normal place of work is the Company's office at 3 Mansfield Road Western Avenue Business Park, London, England W3 0BZ and/or such other place of business of the Group as the Board may reasonably require from time to time. The Executive will, if and for as long as required by the Company, make visits in the ordinary course of the Executive's duties to such places anywhere in the world as it may specify.

5.1 Salary

- 5.1 During the Executive's employment, the Company will pay the Executive a salary at the rate of £108,000 each year (or such higher rate as may be awarded to him pursuant to clause 5.2 below) which will accrue from day to day and be payable in equal monthly instalments in arrears on or about the 27th day of each month (the "Salary"). The Salary is inclusive of all and any fees receivable by the Executive as the holder of offices or appointments within the Group or on behalf of the Company or any Group Company. Where such fees are received by the Executive directly the Company will adjust the Salary accordingly and reduce the Salary by the amount of any such fees.
- 5.2 Annually beginning after the first anniversary of the Commencement Date and after each subsequent anniversary, the Salary will be reviewed by the Parent Board and the rate of Salary then payable by the Company may be increased by action of the Parent Board with effect from October 1 of the year of such review (or such other date as the Parent Board may determine) by such amount (if any) as the Parent Board may recommend. The Company shall not be under any obligation to award the Executive an increase in Salary.

6.1 Bonus

- 6.1 The Executive will be granted 14,000 shares of Common Stock under the Parent Company's Stock Incentive Plan on 1 September 2015 if the Executive continues to be employed on this date. If the Executive continues to be employed on 1 September 2016, the Executive will be granted a further 14,000 shares of Common Stock under the Parent Company's Stock Incentive Plan.
- 6.2 Provided that the Parent Company achieves its targets for a particular fiscal year the Executive will be granted a bonus of 25,000 shares of Common Stock or, at the Parent Company's option, the cash equivalent of such shares, based on the average closing price of the Common Stock on the last ten trading days of each fiscal year (subject to deductions for tax and National Insurance contributions).

7. Pension Arrangements

- 7.1 After the Executive has worked for the Company for 3 months and after fulfilling the relevant eligibility criteria, the Executive will be permitted to join the Company's Stakeholder Pension Scheme. The Executive is entitled to an annual Company contribution (made in equal monthly instalments in arrears) of an amount equal to 3% of the Executive's Salary for the time being to the Company's Stakeholder Pension Scheme. Details of the scheme can be obtained from the Finance Director.
- 7.2 The Company does not hold a current contracting-out certificate (from the State Second Pension (S2P)) under the Pension Schemes Act 1993 in respect of the Executive's employment.

8. Car

8.1 The Executive will receive in lieu of the provision of a Company car a monthly (non-pensionable) gross allowance equal to (a) the amount of the monthly lease payments for a car that the Executive leases in his name with a capitalized cost of not more than £43,000 and (b) the other reasonable monthly expenses that the Executive incurs to use and maintain such car (including fuel, repairs and insurance). The allowance will be fully taxable and paid monthly instalments at the same time and in the same manner as the Executive's instalments of Salary. Payment of monthly expenses to use and maintain the car shall be conditioned on the Executive providing the Company with reasonable written documentation of such expenses prior to the date of payment of the allowance. For as long as the Executive receives such allowance and while he holds a valid driving licence, he is required to provide his own car for use on Company business and to ensure that it is of a suitable age, make, model and specification and is appropriately maintained, taxed and repaired, cleaned and insured for use on Company business.

9. Mobile phone and laptop

9.1 The Company will provide the Executive with a mobile phone for business use and will pay the cost of line rental and business calls in accordance with clause 13.1.

9.2 The Company will provide the Executive and will maintain a laptop computer and printer for business use.

9.3 The mobile phone, laptop, printer and the electronically stored contents of the devices will remain the property of the Company and must be returned to the Company prior to the Termination Date.

10. Benefits

10.1 The Executive and/or (where applicable) the Executive's spouse / partner and children (under age 18) shall be eligible for participation in and shall receive all benefits under the Company's private medical and permanent health insurance programmes provided by the Company from time to time to the extent applicable to other peer executives of the Company, subject to the rules of the welfare benefit plans, practices, policies from time to time.

10.2 The Company reserves the right to change all and any benefits under its welfare benefit plans, practices or policies in its absolute discretion without notice at any time.

10.3 The Company shall not have any liability to pay the Executive any benefit under any insurance scheme unless it receives payment from the insurer under the scheme itself.

11. Relocation

11.1 Subject to production of VAT receipts or other appropriate evidence of payment, the Company shall reimburse the Executive:

- 11.1.1 up to a maximum of £8000 in respect of costs incurred by him in relocating from Malaysia to accommodation within a reasonable daily travelling distance of the Company's offices at 3 Mansfield Road, Western Avenue Business Park, London, England W3 0BZ, consisting of reasonable costs to ship your household goods from Malaysia and visa expenses for the Executive and his immediate family ("Relocation Expenses");
- 11.1.2 the reasonable costs incurred by him in travelling to the UK with his immediate family for the purpose of finding permanent accommodation within a reasonable daily travelling distance of the Company's offices at 3 Mansfield Road, Western Avenue Business Park, London, England W3 0BZ, provided that he and his immediate family travel in premium economy class; and

11.1.3 the reasonable costs of temporary housing for him and his immediate family for a period of one month upon arrival in the UK.

11.2 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 Part 8 of Schedule 3 of the Social Security (Contribution) Regulations 2001 (SI 2001/1004) 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.

11.3 The Executive shall indemnify the Company on a continuing basis in relation to any income tax and National Insurance contributions (except for employers' National Insurance contributions), including any related interest, penalties, costs and expenses, which may be incurred by the Company if the exemption referred to in clause 11.2 does not apply.

11.4 Except in the circumstances set out in clause 11.5, if the Executive ceases employment during the period of 12 months after the Commencement Date, all of the costs set out in clause 11.1.1 shall be repaid by the Executive to the Company immediately.

11.5 Clause 11.4 shall not apply if:

11.5.1 the Company terminates the Executive's employment other than for cause pursuant to clause 17.2; or

11.5.2 the Executive terminates the Employment in response to a fundamental breach of contract by the Company.

12. Change of control

12.1 As a member of the Executive Operating Committee, the Executive shall and the Company shall procure that the Parent Company shall enter into the Change of Control Agreement on or before the Commencement Date.

13. Expenses

13.1 The Company will reimburse the Executive for the Executive's reasonable travelling, telephone, hotel, entertainment and other business expenses incurred in the course of the Executive's duties provided that the Executive complies with Group regulations from time to time in this respect and provides the Company with receipts or other proof of payment as the Company may reasonably require. The Company policy is that employees travel in economy class unless prior approval is given to travel in business class on an international flight.

14. Holiday

14.1 In addition to public holidays, the Executive is entitled to 25 working days' holiday without loss of pay in each holiday year (which runs from 1 January to 31 December) to be taken at such time or times as may be authorised at least one month in advance by the Board. The Executive may not, except with prior permission from the Board, carry forward any unused part of the Executive's holiday entitlement to a subsequent holiday year.

14.2 In the first and final holiday years of the Executive's employment, the Executive's holiday entitlement will be calculated at the rate of 2.08 working days' holiday for each complete calendar month of the Executive's employment by the Company during that holiday year. The Executive will be entitled on termination to pay in lieu of any unused statutory holiday entitlement during that holiday year. If the Executive has taken holiday in excess of the Executive's accrued entitlement, the Executive will be required to repay any excess Salary the Executive has received for such holiday. The basis for payment and repayment is 1/260th of the Executive's Salary for each day.

14.3 The Company may require the Executive to take all or part of any outstanding holiday entitlement during any period of notice to terminate the Executive's employment including any period of notice during which the Executive is suspended from the performance of all or any of the Executive's duties in accordance with clause 18 below.

15. Incapacity

15.1 If the Executive is absent from work because of illness, mental disorder or injury ("Incapacity"), the Executive must report that fact immediately to the Finance Director and, after seven consecutive days' absence, provide medical practitioners' certificate(s) of the Executive's incapacity and its cause for statutory sick pay ("SSP") purposes covering the whole period of the Executive's absence. The medical certificate should be immediately faxed to the Finance Director. A new medical certificate should be sent each week thereafter or as required by the Company. For SSP purposes, the Executive's qualifying days are the Executive's normal working days.

15.2 There is no contractual right to payment other than SSP in respect of periods of absence due to sickness or incapacity and any payments made are at the Company's discretion.

15.3 If the Executive's absence exceeds 30 consecutive days, the Company will be entitled to appoint a temporary replacement to cover the Executive's absence.

15.4 If the Executive is incapable of performing the Executive's duties by reason of circumstances where the Executive has a claim for compensation against a third party and the Executive recovers compensation for loss of earnings whether from that third party or otherwise, the Executive shall repay a sum equal to the amount recovered, or, if less, any amounts paid to the Executive by the Company during the Executive's absence.

15.5 The Executive will, whenever requested by the Board, submit to examination by a medical practitioner selected and paid for by the Company. The Executive hereby authorises such medical practitioner to disclose to and discuss with the Board any matters which, in his opinion, might hinder or prevent the Executive (if during a period of Incapacity) from returning to work for any period or (in other circumstances) from properly performing the Executive's duties at any time.

15.6 From the date on which the Executive first receives benefits under any permanent health insurance scheme provided by the Company, his entitlement to Salary and all benefits provided under this Agreement or in connection with his employment, will cease.

16. Confidentiality and Integrity

16.1 During the Executive's employment under this Agreement, the Executive will not:

16.1.1 directly or indirectly offer, promise, give, request, agree to receive or accept any discount, rebate, commission or other inducement (whether in cash or in kind) which is not permitted or authorised by regulations or guidelines from time to time governing dealings by executives on behalf of the Company or in the Policies and Procedures, or, if the Executive does he will immediately disclose this and the Executive will account immediately to the Company for the amount, benefit or advantage so received. This obligation is without prejudice to any other right or remedy available to the Company under this Agreement or at law as a result of any breach of this clause;

16.1.2 directly or indirectly disclose or make use of any Confidential Information for any purpose other than a legitimate purpose of the Company except that nothing in this clause shall be construed as preventing the Executive from making a "protected disclosure" within the meaning of the Public Interest Disclosure Act 1998 but the Executive is advised to refer to the Company's policy on the subject before doing so;

16.1.3 (except in the proper course of the Executive's duties under this Agreement) remove from the premises of the Company or any Group Company, record, transfer, work from, access, display or copy the contents of any document, file, database, computer disk, tape or other material, or any discussion, nor make any image which contains any Confidential Information or which belongs to the Company nor allow others to do so; or

16.1.4 at any time make any untrue or misleading statement relating to the Group in any form, including on social media sites.

16.2 The Executive will not at any time after the termination of the Executive's employment under this Agreement, directly or indirectly:

disclose or make use of any Confidential Information; or

represent the Executive or permit the Executive to be held out as having any continuing connection with or interest in the Company or any Group Company, including on any online profile or remaining a member of any Company online group.

The Executive acknowledges that contact details of customers and clients acquired in the course of employment shall remain the property of the Company, regardless of how such information is stored by the Executive (including on sites such as LinkedIn). The Executive will immediately delete any contact details of customers and clients acquired in the course of employment from any social networking site (such as LinkedIn) on termination of employment.

17. Termination of Agreement

17. This Agreement will automatically terminate:

17.1.1 upon the Executive's retirement; or

17.1.2 if the Executive is prohibited by law from being a director of a company; or

17.1.3 if the Company notifies the Executive in writing that it is terminating his employment with immediate effect and that it will pay him (within 28 days from such notification) his Salary (less income tax and national insurance contributions) in lieu of notice (or the remainder of notice); or

17.1.4 upon the occurrence of the "Effective Date" (as defined in the Change of Control Agreement), in which case the Executive's employment shall continue pursuant to the terms of the Change of Control Agreement and this Agreement shall cease to have any force or effect.

17.2 The Company will be entitled, by giving notice, to terminate this Agreement with immediate effect and without payment in lieu of notice if the Executive:

17.2.1 commits any act of gross misconduct or repeats or continues any other material breach of his obligations under this Agreement;

17.2.2 engages in any conduct which, in the opinion of the Board, is calculated or likely to affect prejudicially the interests of the Company or any Group Company or which is likely to cause the Executive's continued employment to be detrimental to the interests of any Group Company;

- 17.2.3 is convicted of any criminal offence which is punishable with 6 months or more imprisonment (whether or not such a sentence is imposed);
 - 17.2.4 commits any breach of fiduciary duty or act of dishonesty, whether or not relating to the Executive's employment;
 - 17.2.5 is guilty of a breach of the rules or regulations as amended from time to time of the UK Listing Authority (including the Model Code for transactions in securities by directors of listed companies), the FCA or any regulatory authorities relevant to the Company or the Parent Company or any Policies and Procedures;
 - 17.2.6 becomes of unsound mind, is bankrupted or makes any arrangement or composition with the Executive's creditors generally;
 - 17.2.7 is, in the opinion of the Board, incompetent in the performance of his duties;
 - 17.2.8 is censored and/or (where it is required for the proper performance of his duties) the Executive's licence is suspended or revoked by the appropriate regulatory authority;
 - 17.2.9 ceases to hold any licence or qualification or other authority required for the proper performance of the Executive's duties;
 - 17.2.10 fails to provide the relevant documents when requested to do so by the Company to enable the Company to carry out illegal working checks;
 - 17.2.11 fails to provide evidence satisfactory to the Company that he has the legal right to work in the UK;
 - 17.2.12 fails to maintain or becomes disqualified from maintaining registration with any regulatory body, membership of which is reasonably required by the Company for the Executive to carry out his duties; or
 - 17.2.13 resigns or vacates his office as a director of the Company or any Group Company.
- 17.3 The Company will be entitled to terminate this Agreement notwithstanding clause 15 above or the Executive's actual or prospective entitlement at that time to sick pay or benefits under any permanent health insurance scheme, by notice which is not less than the Executive's then entitlement to statutory minimum notice plus a week given at any time when the Executive has been absent from work due to Incapacity for a period or periods aggregating not less than 90 days in the preceding 12 months provided that the Company will withdraw any such notice if, before it expires, the Executive resumes his duties full time and provides medical evidence satisfactory to the Board that he is fully recovered and that no recurrence of his Incapacity can reasonably be anticipated.
- 17.4 On serving or receiving notice to terminate this Agreement or at any time thereafter during the currency of such notice or at the end of any period of Garden Leave (as defined in clause 18 below) the Company is, at its discretion, entitled to pay the Executive his Salary only (at the rate then payable under clause 5.1 hereof) in lieu of notice (or the balance of any period of notice or the unexpired portion of the fixed term). If the Company exercises its discretion under this clause, the Executive shall not be entitled to any benefits or payment in lieu of benefits including bonus in respect of his notice period (or the balance of any period of notice or the unexpired portion of the fixed term) nor to any additional payment in respect of holiday which, but for the termination of his employment would be accrued.
- 17.5 The Executive shall have no right to receive a payment of his Salary in lieu of notice pursuant to clause 14 if, prior to any payment under this clause 17 the Company discovers that the Executive had previously committed a repudiatory breach of contract that would have entitled the Company to dismiss him summarily. If a payment of Salary in lieu of notice under this clause 17 is paid to the Executive and the Company subsequently discovers that there has been an earlier repudiatory breach of contract by the Executive that would have entitled the Company to dismiss him summarily the Executive agrees to repay any such payment immediately. The Executive agrees that this payment is recoverable from him by the Company as a debt (and repayable by the Executive to the Company within 14 days of demand).

- 17.6 At any time after notice (including summary notice under clause 17.2 above) to terminate this Agreement has been served or received by the Company, the Company may require the Executive to, and the Executive shall:
- 17.6.1 resign (without any claim for compensation) from any offices and/or appointments which the Executive holds as a director, nominee or representative of the Company or any Group Company; and/or
 - 17.6.2 transfer, without payment, to the Company (or as the Company may direct) any qualifying shares or nominee shareholdings provided to the Executive by or held by the Executive in or on behalf of any Group Company; and/or
 - 17.6.3 return to the Company any documents, computer disks and tapes, blackberry, mobile phone, laptop, printer and other tangible items in the Executive's possession or under the Executive's control which belong to the Company or which contain or refer to any Confidential Information together with all decryption and security devices, and any codes in tangible form, provided by the Company; and/or
 - 17.6.4 delete all Confidential Information from any computer disks, tapes, blackberry, mobile phone or other re-usable material in the Executive's possession or under the Executive's control and destroy all other documents and tangible items in the Executive's possession or under the Executive's control which contain or refer to any Confidential Information; and/or
 - 17.6.5 provide passwords of any databases or social media sites or Confidential Information or any other document which the Executive has created or managed on behalf of the Company; and/or
 - 17.6.6 provide a list and details of all Professional/Business Contacts on social networking sites that he has acquired since becoming employed by the Company and to subsequently delete such contacts; and/or
 - 17.6.7 confirm in writing that he has updated all social media sites to which he subscribes so that they no longer state or suggest that the Executive has any continuing connection with or interest in the Company or any Group Company.
- 17.7 The Executive shall, at the time of signing this Agreement, appoint the Company as his attorney by executing a Power of Attorney in the form set out in Schedule 1.
- 17.8 For the avoidance of doubt the Company may use any one, or any combination, of notice, pay in lieu of notice or Garden Leave, to terminate this Agreement.
- 18. Garden Leave**
- 18.1 The Company is not under any obligation to provide the Executive with any work. At any time after notice to terminate the employment is given by either party under clause 3 above, or at any time during the currency of such notice, or if the Executive resigns without giving proper notice and the Company does not accept his resignation, the Company may, at its absolute discretion, require the Executive to take a period of absence for a maximum period of 3 months ("Garden Leave").

- 18.2 The Company may require that the Executive will not, without prior written consent of the Board, be employed or otherwise engaged in the conduct of any activity, whether or not of a business nature during Garden Leave. Further, if so requested by the Company, the Executive will not:
- 18.2.1 enter or attend the premises of the Company or any other Group Company;
 - 18.2.2 contact or have any communication (whether or not at the Executive's own instigation) with any customer or client of the Company or any other Group Company in relation to the business of the company or any other Group Company (other than purely social contact);
 - 18.2.3 contact or have any communication (whether or not at the Executive's own instigation) with any employee, officer, director, agent or consultant of the Company or any other Group Company in relation to the business of the Company or any other Group Company; or
 - 18.2.4 remain or become involved in any aspect of the business of the Company or any other Group Company except as required by such companies.
- 18.3 For the avoidance of doubt these restrictions apply to all forms of communication including communications through social media sites, such as Facebook and LinkedIn.
- 18.4 The Company may require the Executive to comply with any or all of the provisions of clause 17.6 above and shall be entitled to appoint a replacement executive to undertake the Executive's role during any period of Garden Leave.
- 18.5 During Garden Leave, the Executive will be entitled to receive his Salary and all contractual benefits (excluding bonuses) in accordance with the terms of this Agreement. Any unused holiday accrued at the commencement of Garden Leave and any holiday accrued during any period of Garden Leave will be deemed to be taken by the Executive during Garden Leave.
- 18.6 During Garden Leave:
- 18.6.1 the Executive shall provide such assistance as the Company or any Group Company may require to effect an orderly handover of his responsibilities to any individual or individuals appointed by the Company or any Group Company to take over his role or responsibilities;
 - 18.6.2 the Executive shall make himself available to deal with requests for information, provide assistance, be available for meetings and to advise on matters relating to work (unless the Company has agreed that the Executive may be unavailable for a period); and
 - 18.6.3 the Company may appoint another person to carry out his duties in substitution for the Executive.
- 18.7 All duties of the Executive's employment (whether express or implied), including without limitation the Executive's duties of fidelity and good faith, shall continue throughout Garden Leave except as expressly varied by this clause 18.
- 18.8 The Executive agrees that the exercise by the Company of its rights pursuant to this clause 18 shall not entitle the Executive to claim that he has been constructively dismissed.
- 19. Intellectual Property**
- 19.1 The Executive acknowledges that all Intellectual Property Rights created by the Executive in the course of his employment with the Company (whether or not during working hours or using Company premises or resources) and all Company Inventions and all materials embodying them shall automatically belong to the Company to the fullest extent permitted by law.

- 19.2 The Executive agrees not to use any of the Intellectual Property Rights belonging to the Company other than as required in the course of his employment or as otherwise authorised by the Company.
- 19.3 In relation to each and every improvement, invention, discovery, development, process, formula, design or program which relates either directly or indirectly to the business of the Company which the Executive (jointly or alone) makes at any time during the Executive's employment (whether or not during working hours or using Company premises or resources and whether or not recorded in material form), the Executive will:
- 19.3.1 promptly disclose to the Company and no-one else full details, including any drawings and models, of it to enable the Company to determine whether or not, applying the provisions of s39 of the Patents Act 1977 (if applicable), it is the property of the Company (a "Company Invention"); and
 - 19.3.2 hold any Company Invention in trust for the Company and, at its request and expense, do all things necessary or desirable to enable the Company or its nominee to exploit the Company Invention for commercial purposes and to secure patent or other appropriate forms of protection or registration for it anywhere in the world. Decisions as to the patenting and exploitation of any Company Invention are at the sole discretion of the Company.
 - 19.3.3 keep confidential each Company Invention unless the Company has consented in writing to its disclosure by the Executive;
 - 19.3.4 not do anything which might adversely affect the Company's right to obtain patent or other protection.
- 19.4 The Executive acknowledges that, because of the nature of his duties and the particular responsibilities arising from the nature of his duties, he has, and shall have at all times while he is employed by the Company, a special obligation to further the interests of the Company.
- 19.5 In relation to each and every copyright work, database or design which relates either directly or indirectly to the business of the Company (a "Company Work") which the Executive (jointly or alone) originates, conceives, writes or makes at any time during the period of the Executive's employment (whether or not during working hours or using Company premises or resources):
- 19.5.1 the Executive will promptly disclose such Company Work to the Company. Company Works made wholly outside the Executive's normal working hours which are wholly unconnected with the Executive's employment are excluded from the ambit of this clause 19.5;
 - 19.5.2 to the extent that the Executive owns or will own such rights the Executive hereby assigns to the Company by way of present assignment of future rights all copyright, database rights, design rights and other proprietary rights (if any) throughout the world in Company Works including the right to register, at the Company's absolute discretion, any rights in Company Works;
 - 19.5.3 the Executive hereby irrevocably and unconditionally waives in favour of the Company any and all present and future moral rights conferred on the Executive by the Copyright Designs and Patents Act 1988 and all similar rights in other jurisdictions in relation to any such Company Works and agrees not to support, maintain nor permit any claim for infringement of moral rights in such Company Works; and

- 19.5.4 the Executive acknowledges that, for the purposes of the proviso to s2(1) of the Registered Designs Act 1949 (as amended by the Copyright Designs and Patents Act 1988), the covenants on the part of the Executive and the Company will be treated as good consideration and, for the purposes of that Act, the Company will be the proprietor of any design which forms part of the Company Works; and
- 19.5.5 the Executive will not do anything which might adversely affect the Company's right to obtain registered design protection or other protection.
- 19.6 The Executive undertakes not to attempt to register any of the Intellectual Property Rights in any Company Invention or Company Work or in or relating to any name or trade mark used or proposed to be used or reserved by any Group Company or in relation to the activities of any Group Company, unless required to do so by the Company at the expense of the Company.
- 19.7 The Executive agrees that (at the request and expense of the Company) the Executive will do all things necessary or desirable to substantiate the rights of the Company to each and every Company Invention or Company Work and to transfer such rights to the Company (without charge), and that the Executive will permit the Company (whom the Executive has separately irrevocably appointed as the Executive's attorney for this purpose in the terms annexed at Schedule 1) to execute documents, to use the Executive's name and to do all things which may be necessary or desirable for the Company to obtain for itself or its nominee the full benefit of each and every Company Invention or Company Work. A certificate in writing signed by any Director or the Secretary of the Company that any instrument or act falls within the authority hereby conferred will be conclusive evidence to that effect so far as any third party is concerned.
- 19.8 The Executive agrees not to use Intellectual Property Rights belonging to the Executive or (to his knowledge) any third party in the business of the Company without prior authorisation by the Company.
- 19.9 The Executive agrees not to use any Company equipment or facilities to infringe the Intellectual Property Rights of any third party.
- 20. Restrictive Covenants**
- 20.1 The Executive is likely to obtain trade secrets and Confidential Information and personal knowledge of and influence over customers clients and employees of the Group during the course of the Executive's employment.
- 20.2 The Executive accepts that the restrictions in this clause 20 are in the interests of the parties and afford reasonable protection to legitimate business interests of the Company.
- 20.3 For the period of 12 months after the termination of the Executive's employment under this Agreement, the Executive will not directly or indirectly:
- 20.3.1 be employed, engaged or concerned or interested in any business whether for his own account or for any other person, carried on within the Restricted Area wholly or partly in competition or about to be in competition with any Restricted Business (save for the holding as a passive investor only of not more than 3% of the issued ordinary shares of any company of a class which are listed or traded on the London Stock Exchange, any other recognised stock exchange or NASDAQ);
- 20.3.2 canvass, solicit or seek or accept, in any capacity whatsoever, any business, orders or custom which is similar to or in competition with any Restricted Business from any Customer;
- 20.3.3 have any contact with any Customer in relation to any Restricted Business; or

- 20.3.4 have any contact with any Professional/Business Contact in relation to any Restricted Business other than for purely social reasons; or
- 20.3.5 induce or attempt to persuade any Employee to leave employment or engagement by the Company or any Group Company or offer employment or engagement to any Employee.
- 20.4 For the avoidance of doubt these restrictions apply to all forms of contact including communications through social media sites, such as Facebook and LinkedIn.
- 20.5 Each restriction in this clause 20 (whether drafted separately or together with another) is independent and severable from the other restrictions and enforceable accordingly. If any restriction is unenforceable for any reason but would be enforceable if part of the wording were deleted, it will apply with such deletions as may be necessary to make it valid and enforceable.
- 20.6 The Company may transfer or assign its rights under this clause 20 to its successors in title. The Executive may not transfer or assign any rights or obligations under this clause 20.
- 20.7 The period for which the restrictions in clause 20.3 above apply shall be reduced by any period spent on Garden Leave pursuant to clause 18 above or suspended pursuant to clause 22 below immediately prior to termination.
- 20.8 Following the Termination Date, the Executive will not represent himself as being in any way connected with the businesses of the Company or of any other Group Company (except to the extent agreed by such a company).
- 20.9 Any benefit given or deemed to be given by the Executive to any Group Company under the terms of this clause 20 is received and held on trust by the Company for the relevant Group Company. The Executive will enter into appropriate restrictive covenants directly with other Group Companies if asked to do so by the Company.
- 21. Deductions**
- 21.1 The Executive authorises the Company to deduct from the Executive's Salary or from any pay in lieu of notice or any other termination payment any sums which the Executive may owe the Company including without limitation any overpayment of salary or expenses, any debt or loans or any other sum or sums which may be required to be authorised pursuant to Section 13 of the Employment Rights Act 1996.
- 22. Disciplinary and Grievance Procedures**
- 22.1 The Executive is subject to the dismissal and grievance procedures set out in the Company handbook. These do not however form part of the Executive's terms and conditions of employment. If the Executive wishes to appeal against any disciplinary or grievance decision he may do so in writing to the President and CEO of the Company within 7 days of receipt of the relevant decision.
- 22.2 In the event of, and in connection with, any internal or external investigation into the Executive's conduct and/or the Company's affairs, the Executive shall cooperate fully with the Company and its internal and/or external legal and other advisers, and/or with any members of any competent prosecuting, investigating, administrative, regulatory, governmental or other body of the United Kingdom or any other jurisdiction where the Company carries on business. Such cooperation may include participating in interviews and/or giving written and oral evidence in connection with any proceeding or investigation, as well as surrendering and/or allowing access to, copying, processing and use of any data and documents in the Executive's possession or control to the extent permitted by law, including any electronic device on which such data or documents may be stored or held (including by way of example, any mobile telephone, PDA or blackberry device, laptop or desktop computer).

22.3 In order to investigate a complaint of breach of contract or misconduct against the Executive, the Company is entitled to suspend the Executive on full pay for so long as it considers appropriate in all the circumstances to carry out a disciplinary investigation and/or hearing. While the suspension continues, the Company will pay the Executive the Executive's Salary and provide him with the other contractual benefits (excluding bonuses) set out in this Agreement. During the period of suspension the Company will not be obliged to provide the Executive with work and may require the Executive to comply with such conditions as the Company may specify in relation to attending at or remaining away from the places of business of the Company or Group Companies.

23. Illegal Working

23.1 Prior to the commencement of the Executive's employment or in the event of any change in the Executive's immigration status, the Executive must provide the Company with the relevant original documents evidencing his legal right to work in the UK. If the Executive fails to produce his original documents the Company reserves the right to terminate his employment immediately, without notice or pay in lieu of notice, or withdraw any offer of employment.

24. General

24.1 There are no collective agreements affecting the Executive's terms and conditions of employment.

24.2 For the purposes of the Data Protection Act 1998 the Executive consents to the processing of all or any personal data (in manual, electronic or any other form) relevant to the Executive's employment, by the Company and/or any Group Company and/or any agent or third party nominated by the Company and bound by a duty of confidentiality. Processing includes but is not limited to obtaining, recording, using and holding data and includes the transfer of data to any country either inside or outside the EEA.

24.3 This Agreement is in substitution for any representations and warranties made by or on behalf of the Company and any previous contracts of employment or for services between the Executive and the Company or any Group Company (which are deemed to have been terminated by mutual consent).

24.4 This Agreement and the Change of Control Agreement constitute the whole and only agreement and understanding between the parties in relation to the employment of the Executive. All previous drafts, agreements, understandings, undertakings, representations, warranties, promises and arrangements of any nature whatsoever between the parties with any bearing on the subject matter of this Agreement are superseded and extinguished and to the extent that they have such a bearing, except insofar as any such thing is in terms repeated or otherwise reflected in this Agreement.

24.5 The termination of this Agreement will not affect such of the provisions of this Agreement as are expressed to operate or to have effect after termination and will be without prejudice to any accrued rights or remedies of the parties.

24.6 The validity, construction and performance of this Agreement is governed by English law.

24.7 All disputes, claims or proceedings between the parties relating to the validity, construction or performance of this Agreement are subject to the non-exclusive jurisdiction of the High Court of Justice in England and Wales (the "High Court") to which the parties irrevocably submit. Each party irrevocably consents to the award or grant of any relief in any such proceedings before the High Court and either party is entitled to take proceedings in any other jurisdiction to enforce a judgement or order of the High Court.

24.8 Any dispute or difference of any kind whatsoever arising out of or in connection with this Agreement which the parties are unable to resolve may be referred by either party to arbitration in London under the rules of the London Common Law and Commercial Bar Association Arbitration Scheme for determination in accordance with the law of England and Wales by a single arbitrator to be appointed by or on behalf of the Chairman for the time being of the London Common Law and Commercial Bar Association (the "Arbitrator"). The Arbitrator shall be free to determine the process for the conduct of such arbitration as he or she thinks fit. All and any decisions of the Arbitrator shall, save in the case of obvious error, be final and binding on the parties. For the avoidance of doubt, the Arbitrator shall be free to make such orders in respect of costs in relation to any arbitration as he or she thinks fit in the circumstances.

- 24.9 Nothing in this Agreement is intended to confer on any person any right to enforce any term of this Agreement which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.
- 24.10 Any notice to be given by a party under this Agreement must be in writing in the English language and must be delivered by hand or sent via email or sent by first class post or equivalent postal service, or other means of telecommunication in permanent written form (provided that the addressee has his or its own facilities for receiving such transmissions) to the last known postal address or appropriate telecommunication number of the other party. Where notice is given by any of the prescribed means, it is deemed to be received when, in the ordinary course of that means of transmission, it would be received by the addressee. To prove the giving of a notice, it is sufficient to show that it has been despatched. A notice has effect from the sooner of its actual or deemed receipt by the addressee.
- 24.11 The headings to the clauses are for convenience only and shall not affect the construction or interpretation of this Agreement.
- 24.12 In this Agreement any reference to a statute includes any regulation, statutory instrument or other subordinate legislation made under it and, except where the contrary is stated or the context otherwise requires, includes any amendment, consolidation, re-enactment or replacement of the statute, regulation, statutory instrument or other subordinate legislation in whole or part for the time being in force.
- 24.13 This Agreement may be executed in any number of counterparts each in the like form, all of which taken together shall constitute one and the same document and any party may execute this Agreement by signing any one or more of such counterparts.

IN WITNESS of which the parties have executed this Agreement as a deed and have delivered it upon dating it:

Executed as a deed by)
THE FEMALE HEALTH COMPANY (UK) PLC)
on being signed by:) /s/ Karen King
.....) Director
in the presence of:)

Signature of witness: /s/ Michele Greco
Name: Michele Greco
Address: 515 North State Street
Chicago, IL 60654
Occupation: VP/CFO

Signed as a deed by)
MARTIN TAYLER)
in the presence of:) /s/ Martin Tayler

Signature of witness: /s/ Patrick Lau
Name: Patrick Lau
Address: 32A – 31-3A, Batu Ferringhi Condo
Jalan Batu Sutu, Batu Ferringhi, Penang, Malaysia
Occupation: 17 Manager

Schedule 1

Power of attorney

BY THIS POWER OF ATTORNEY made on September 15, 2014, I, **Martin Tayler** of [*home address*], in accordance with the terms of the service agreement (the "Service Agreement") of even date between myself and **The Female Health Company (UK) plc** (the "Company") APPOINT the Company to act as my attorney with authority and on my behalf (so that words and expressions defined in the Service Agreement shall have the same meanings herein):

- (a) on or after the Termination Date to do all such things and sign any documents as may be required under the constitution of the Company and each Group Company to make my resignation as a director of those companies effective; and
- (b) to sign or execute any and all agreements, instruments, deeds or other papers and to do all such things in my name as may be necessary or desirable to implement my obligations in connection with clause 19 of the Service Agreement; and
- (c) after the expiry of two days from the Company having requested my resignation pursuant to clause 17.6.1 of the Service Agreement or the transfer of shares or shareholdings pursuant to clause 17.6.2 of the Service Agreement to do all such things and sign any documents as may be required under the constitution of the Company and each Group Company to make my resignation as a director of those companies or the transfer of such shares/shareholding effective; and
- (d) to appoint any substitute attorney and to delegate to that substitute all or any powers conferred by this Power of Attorney.

I declare that this Power of Attorney, having been given by me to secure my obligations in connection with clauses 17 and 19 of the Service Agreement, shall be irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.

This Power of Attorney has been executed as a deed and is delivered and takes effect upon dating it.

Signed as a deed by)
MARTIN TAYLER)
in the presence of:) /s/ Martin Tayler

Signature of witness: /s/ Patrick Lau
Name: Patrick Lau
Address: 32A – 31-3A, Batu Ferringhi Condo
Jalan Batu Sutu, Batu Ferringhi, Penang, Malaysia
Occupation: 17 Manager

CHANGE OF CONTROL AGREEMENT

THIS CHANGE OF CONTROL AGREEMENT is dated effective as of September 15, 2014 by and between THE FEMALE HEALTH COMPANY, a Wisconsin corporation (the "Company", which shall include, where applicable, the relevant subsidiary or affiliate (as defined below)), and MARTIN TAYLER (the "Executive").

RECITALS

A. The Board of Directors of the Company (the "Board") has determined that it is in the best interests of the Company and its shareholders to assure that the Company will have the continued dedication of the Executive, notwithstanding the possibility, threat or occurrence of a Change of Control (as defined below) of the Company.

B. The Board believes it is imperative to diminish the inevitable distraction of the Executive by virtue of the personal uncertainties and risks created by a pending or threatened Change of Control and to encourage the Executive's full attention and dedication to the Company currently and in the event of any threatened or pending Change of Control, and to provide the Executive with compensation and benefit arrangements upon a Change of Control which ensure that the compensation and benefit expectations of the Executive will be satisfied and which are competitive with those of other corporations.

C. In order to accomplish the objectives of the Board summarized in these recitals, the Board has caused the Company to enter into this Agreement.

AGREEMENTS

In consideration of the recitals and the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Definitions. For the sole and exclusive purposes of this Agreement, the following terms have the following meanings:

(a) Effective Date. The "Effective Date" means the first date during the Change of Control Period on which a Change of Control occurs. Notwithstanding anything in this Agreement to the contrary, if a Change of Control occurs and Executive's employment with the Company or this Agreement was terminated prior to the date on which the Change of Control occurs, and if it is reasonably demonstrated by the Executive that such termination of employment or of this Agreement (i) was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or (ii) otherwise arose in connection with or anticipation of a Change of Control, then for all purposes of this Agreement the "Effective Date" shall mean the date immediately prior to the date of such termination of employment or purported termination of this Agreement.

(b) Change of Control Period. The "Change of Control Period" means the period commencing on the date of a Change of Control and ending on the third anniversary thereafter.

(c) Change of Control. "Change of Control" means any of the following:

(i) The acquisition by any individual, entity or group (within the meaning of section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either [a] the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or [b] the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that the following acquisitions shall not constitute a Change of Control: [i] any acquisition directly from the Company, [ii] any acquisition by the Company, [iii] any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company or [iv] any acquisition by any corporation pursuant to a transaction which complies with clauses [a], [b] and [c] of subsection (iii) of this section 1.

(ii) Individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (or by the Nominating and Corporate Governance Committee of the Board) shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board.

(iii) Approval by the shareholders of the Company of a reorganization, merger or consolidation (a "Business Combination"), in each case, unless, following such Business Combination, [a] all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation (or other entity) resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, [b] no Person (excluding any employee benefit plan (or related trust) of the Company or such corporation (or other entity) resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation (or other entity) resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and [c] at least a majority of the members of the board of directors of the corporation (or other governing body) resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination.

(iv) Approval by the shareholders of the Company of [a] a complete liquidation or dissolution of the Company or [b] the sale or other disposition of all or substantially all of the assets of the Company, other than to a corporation (or other entity), with respect to which following such sale or other disposition, [i] more than 60% of, respectively, the then outstanding shares of common stock of such corporation (or other equity interests) and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors (or other governing body) is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and outstanding Company Voting Securities immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, [ii] less than 20% of, respectively, the then outstanding shares of common stock of such corporation (or other entity) and the combined voting power of the then outstanding voting securities of such corporation (or other entity) entitled to vote generally in the election of directors (or other governing body) is then beneficially owned, directly or indirectly, by any Person (excluding any employee benefit plan (or related trust) of the Company or such corporation), except to the extent that such Person owned substantially the same percent of the Outstanding Company Common Stock or Outstanding Company Voting Securities prior to the sale or disposition, and [iii] at least a majority of the members of the board of directors of such corporation (or other governing body) were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such sale or other disposition of assets of the Company or were elected, appointed or nominated by the Board.

(d) Disability. "Disability" means the absence of the Executive from the Executive's duties with the Company on a full-time basis for 180 consecutive business days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Executive or the Executive's legal representative (such agreement as to acceptability not to be withheld unreasonably).

(e) Cause. "Cause" means:

(i) the willful and continued failure of the Executive to perform substantially the Executive's duties with the Company or its affiliates (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Executive by the Board which specifically identifies the manner in which the Board believes that the Executive has not substantially performed the Executive's duties and after the Executive is given a reasonable period of time to rectify or eliminate such failure, or

(ii) the willful engaging by the Executive in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company.

Notwithstanding anything herein to the contrary, no act or failure to act, on the part of the Executive, shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or upon the instructions of a more senior officer of the Company or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company. The cessation of employment of the Executive shall not be deemed to be for Cause unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice is provided to the Executive and the Executive is given an opportunity, together with counsel, to be heard before the Board), finding that, in the good faith opinion of the Board, the Executive is guilty of the conduct described in subparagraph (i) or (ii) above, and specifying the particulars thereof in detail.

(f) Good Reason. "Good Reason" means:

(i) the assignment to the Executive of any duties inconsistent in any respect with the Executive's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities as contemplated by section 3(a) of this Agreement, or any other action by the Company which results in a diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(ii) any failure by the Company to comply with any of the provisions of section 3(b) of this Agreement, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(iii) the Company's requiring the Executive to be based at any office or location other than as provided in section 3(a)(i)[b] hereof or the Company's requiring the Executive to travel on Company business to a substantially greater extent than required immediately prior to the Effective Date;

(iv) any purported termination by the Company of the Executive's employment otherwise than as expressly permitted by this Agreement; or

(v) any failure by the Company to comply with and satisfy section 10(c) of this Agreement.

(g) Date of Termination. "Date of Termination" means (i) if the Executive's employment is terminated by the Company for Cause, or by the Executive for Good Reason, the date of receipt of the Notice of Termination (as defined in section 4(d)) or any later date specified therein, as the case may be, (ii) if the Executive's employment is terminated by the Company other than for Cause, the Date of Termination shall be the last day of the Executive's statutory minimum notice period, and (iii) if the Executive's employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death of the Executive or the Disability Effective Date (as defined in section 4(a)), as the case may be.

2. Employment Period. The Company agrees to continue the Executive in its employ, and the Executive agrees to remain in the employ of the Company subject to the terms and conditions of this Agreement, for the period commencing on the Effective Date and ending on the third anniversary of such date (the "Employment Period"). The Executive's period of continuous employment commenced on 15 September 2014. Notwithstanding the foregoing, if the Incumbent Board approves the Change of Control transaction before it is consummated and one or more of the nonemployee directors adopt(s) a resolution providing that this Agreement shall not become operative in connection with such Change of Control, this Agreement shall not become operative in connection with that Change of Control.

3. Terms of Employment.

(a) Position and Duties.

(i) During the Employment Period, [a] the Executive's position (including status, offices, titles and reporting requirements), authority, duties and responsibilities shall be at least commensurate in all material respects with those held, exercised or assigned at any time during the 120-day period immediately preceding the Effective Date and [b] the Executive's services shall be performed at the location where the Executive was employed immediately preceding the Effective Date or any office or location less than 35 miles from such location.

(ii) During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive is entitled, the Executive agrees to devote reasonable attention and time during normal business hours to the business and affairs of the Company and, to the extent necessary to discharge the responsibilities assigned to the Executive hereunder, to use the Executive's reasonable efforts to perform faithfully and efficiently such responsibilities. During the Employment Period it shall not be a violation of this Agreement for the Executive to [a] serve on corporate, civic or charitable boards or committees, [b] deliver lectures, fulfill speaking engagements or teach at educational institutions and/or [c] manage personal investments, so long as such activities do not significantly interfere with the performance of the Executive's responsibilities as an employee of the Company (or, if applicable, its subsidiaries) in accordance with this Agreement. It is expressly understood and agreed that to the extent that any such activities have been conducted by the Executive prior to the Effective Date, the continued conduct of such activities (or the conduct of activities similar in nature and scope thereto) subsequent to the Effective Date shall not thereafter be deemed to interfere with the performance of the Executive's responsibilities to the Company (or, if applicable, its subsidiaries).

(b) Compensation.

(i) Base Salary. During the Employment Period, the Executive shall receive an annual base salary ("Annual Base Salary"), at least equal to twelve times the highest monthly base salary paid or payable, including any base salary which has been earned but deferred, to the Executive by the Company and its affiliated companies in respect of the 12-month period immediately preceding the month in which the Effective Date occurs. The Annual Base Salary shall be payable in equal monthly installments in arrears on or about the 27th day of each month. During the Employment Period, the Annual Base Salary shall be reviewed no more than 12 months after the last salary increase awarded to the Executive prior to the Effective Date and thereafter at least annually and shall be first increased no more than 12 months after the last salary increase awarded to the Executive prior to the Effective Date and thereafter at least annually by the higher of [a] the average increase (excluding promotional increases) in base salary awarded to the Executive for each of the three full fiscal years (annualized in the case of any fiscal year consisting of less than twelve full months or during which the Executive was employed for less than twelve months) prior to the Effective Date, and [b] the percentage increase (excluding promotional increases) in base salary generally awarded to peer executives of the Company and its affiliated companies for the year of determination. Any increase in Annual Base Salary shall not serve to limit or reduce any other obligation to the Executive under this Agreement. Annual Base Salary shall not be reduced after any such increase and the term Annual Base Salary as utilized in this Agreement shall refer to Annual Base Salary as so increased. As used in this Agreement, the term "affiliated companies" shall include any company controlled by, controlling or under common control with the Company.

(ii) Annual Bonus. In addition to Annual Base Salary, the Executive shall be awarded, for each fiscal year ending during the Employment Period, an annual bonus (the "Annual Bonus") in cash at least equal to the higher of [a] the average of the three highest bonuses paid or payable, including any bonus or portion thereof which has been earned but deferred, to the Executive by the Company and its affiliated companies in respect of the five fiscal years (or such shorter period during which the Executive has been employed by the Company) immediately preceding the fiscal year in which the Effective Date occurs (annualized for any fiscal year during such period consisting of less than twelve full months or with respect to which the Executive has been employed by the Company for less than twelve full months) and [b] the bonus paid or payable (annualized as described above), including any bonus or portion thereof which has been earned but deferred, to the Executive by the Company and its affiliated companies in respect of the most recently completed fiscal year prior to the Effective Date (such higher amount being referred to as the "Recent Annual Bonus"). Each such Annual Bonus shall be paid no later than two and one-half months following the end of the fiscal year for which the Annual Bonus is awarded, unless the Executive shall elect to defer the receipt of such Annual Bonus.

(iii) Incentive, Savings and Retirement Plans. During the Employment Period, the Executive shall be entitled to participate in all incentive, savings and retirement plans, practices, policies and programs applicable generally to other peer executives of the Company and its affiliated companies, but in no event shall such plans, practices, policies and programs provide the Executive with incentive opportunities (measured with respect to both regular and special incentive opportunities, to the extent, if any, that such distinction is applicable), savings opportunities and retirement benefit opportunities, in each case, less favorable, in the aggregate, than the most favorable of those provided by the Company and its affiliated companies for the Executive under such plans, practices, policies and programs as in effect at any time during the 120-day period immediately preceding the Effective Date or if more favorable to the Executive, those provided generally at any time after the Effective Date to other peer executives of the Company and its affiliated companies.

(iv) Welfare Benefit Plans. During the Employment Period, the Executive and/or the Executive's family, as the case may be, shall be eligible for participation in and shall receive all benefits under welfare benefit plans, practices, policies and programs provided by the Company and its affiliated companies (including, without limitation, medical, prescription, dental, disability, salary continuance, employee life, group life, accidental death and travel accident insurance plans and programs) to the extent applicable generally to other peer executives of the Company and its affiliated companies, but in no event shall such plans, practices, policies and programs provide the Executive with benefits which are less favorable, in the aggregate, than the most favorable of such plans, practices, policies and programs in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, those provided generally at any time after the Effective Date to other peer executives of the Company and its affiliated companies.

(v) Expenses. During the Employment Period, the Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive in accordance with the most favorable policies, practices and procedures of the Company and the affiliated companies in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

(vi) Fringe Benefits. During the Employment Period, the Executive shall be entitled to fringe benefits, including, without limitation, tax and financial planning services, payment of club dues, and, if applicable, use of automobile and payment of related expenses, in accordance with the most favorable plans, practices, programs and policies of the Company and its affiliated companies in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

(vii) Office and Support Staff. During the Employment Period, the Executive shall be entitled to an office or offices of a size and with furnishings and other appointments, and to exclusive personal secretarial and other assistance, at least equal to the most favorable of the foregoing provided to the Executive by the Company and its affiliated companies at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as provided generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

(viii) Vacation. During the Employment Period, the Executive shall be entitled to paid vacation in accordance with the most favorable plans, policies, programs and practices of the Company and its affiliated companies as in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

4. Termination of Employment.

(a) Death or Disability. The Executive's employment shall terminate automatically upon the Executive's death during the Employment Period. If the Company determines in good faith that a Disability of the Executive has occurred during the Employment Period, it may give to the Executive written notice in accordance with section 11(b) of this Agreement of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company shall terminate effective on the 30th day after receipt of such notice by the Executive or, if later, the last day of the Executive's statutory minimum notice period (the "Disability Effective Date"), provided that, during his notice period, the Executive shall not have returned to full-time performance of the Executive's duties.

(b) Cause. The Company may terminate the Executive's employment during the Employment Period for Cause.

(c) Good Reason. The Executive's employment may be terminated by the Executive for Good Reason. For purposes of this section 4(c), any good faith determination of "Good Reason" made by the Executive shall be conclusive. Anything in this Agreement to the contrary notwithstanding, a termination by the Executive for any reason during the 180-day period immediately following the Effective Date shall be deemed to be a termination for Good Reason for all purposes of this Agreement.

(d) Notice of Termination. Any termination by the Company other than for Cause shall be communicated to the Executive by Notice of Termination given in accordance with section 11(b) of this Agreement and the Executive's notice period shall be the statutory minimum notice period. Any termination by the Company for Cause, or by the Executive for Good Reason, shall be communicated by Notice of Termination to the other party hereto given in accordance with section 11(b) of this Agreement. For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) if the Date of Termination (as defined below) is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than thirty days after the giving of such notice or, in the case of a termination by the Company other than for Cause, shall be the last day of the Executive's statutory minimum notice period). The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

5. Obligations of the Company upon Termination.

(a) Good Reason; Other Than for Cause, Death or Disability. If, during the Employment Period, the Company shall terminate the Executive's employment other than for Cause, death or Disability or the Executive shall terminate the Executive's employment for Good Reason:

(i) The Company shall pay to the Executive in a lump sum in cash within 30 days after the Date of Termination the aggregate of the following amounts:

[a] the sum of [i] the Executive's Annual Base Salary through the Date of Termination to the extent not theretofore paid, [ii] the product of (x) the higher of [A] the Recent Annual Bonus and [B] the Annual Bonus paid or payable, including any bonus or portion thereof which has been earned but deferred (and annualized for any fiscal year consisting of less than 12 full months or during which the Executive was employed for less than 12 full months), for the most recently completed fiscal year during the Employment Period, if any (such higher amount being referred to as the "Highest Annual Bonus") and (y) a fraction, the numerator of which is the number of days in the current fiscal year through the Date of Termination, and the denominator of which is 365 and [iii] any compensation previously deferred by the Executive (together with any accrued interest or earnings thereon) and any accrued vacation pay, in each case to the extent not theretofore paid (the sum of the amounts described in clauses [i], [ii] and [iii] shall be hereinafter referred to as the "Accrued Obligations"); and

[b] The amount equal to the product of [i] three and [ii] the sum of (x) the Executive's Annual Base Salary and (y) the Highest Annual Bonus.

(ii) For three years after the Executive's Date of Termination, or such longer period as may be provided by the terms of the appropriate plan, program, practice or policy, the Company shall continue benefits to the Executive and/or the Executive's family at least equal to those which would have been provided to them in accordance with the plans, programs, practices and policies described in sections 3(b)(iii) and (iv) (the "Benefit Plans") of this Agreement had the Executive's employment not been terminated, in accordance with the most favorable plans, practices, programs or policies of the Company and its affiliated companies applicable generally to other peer executives and their families during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies and their families, provided, however, that if the Executive becomes re-employed with another employer and is eligible to receive medical or other welfare benefits under another employer provided plan, the medical and other welfare benefits described herein shall be secondary to those provided under such other plan during such applicable period of eligibility. For purposes of determining eligibility (but not the time of commencement of benefits) of the Executive for retiree benefits pursuant to such plans, practices, programs and policies, the Executive shall be considered to have remained employed until three years after the Date of Termination and to have retired on the last day of such period. Notwithstanding anything herein to the contrary, the Company shall have no obligation to continue benefits to the Executive under this section 5(a)(ii) to the extent any such continuation of benefits [a] is contrary to the terms of the applicable Benefit Plan at the time of the Effective Date of the Change of Control, [b] would cause a Benefit Plan or the applicable benefit to lose any tax favored treatment or tax qualification, or [c] would cause a Benefit Plan to violate any requirement of the Employee Retirement Income Security Act of 1974, as amended, or any tax qualification or tax favorable treatment provision of the Code (defined below) that is intended to apply to the Benefit Plan. To the extent the Company is not able to continue the benefits to the Executive under this section 5(a)(ii) because of application of the foregoing sentence, then the Company shall make a lump-sum payment (within 30 days after the Executive's Date of Termination) to the Executive equal to the present value of the health, welfare and retirement benefits unable to be provided hereunder, which is designed to compensate the Executive for lost health, welfare and retirement benefits.

(iii) The Company shall, at its sole expense and as requested, provide the Executive with outplacement services the scope and provider of which shall be selected by the Executive in the Executive's sole discretion.

(iv) To the extent not theretofore paid or provided, the Company shall timely pay or provide to the Executive any other amounts or benefits required to be paid or provided or which the Executive is eligible to receive under any plan, program, policy or practice or contract or agreement of the Company and its affiliated companies (such other amounts and benefits shall be hereinafter referred to as the "Other Benefits").

(b) Death. If the Executive's employment is terminated by reason of the Executive's death during the Employment Period, this Agreement shall terminate without further obligations to the Executive's legal representatives under this Agreement, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to the Executive's estate or beneficiary, as applicable, in a lump sum in cash within 30 days of the Date of Termination. With respect to the provision of Other Benefits, the term Other Benefits as utilized in this section 5(b) shall include, without limitation, and the Executive's estate and/or beneficiaries shall be entitled to receive, benefits at least equal to the most favorable benefits provided by the Company and affiliated companies to the estates and beneficiaries of peer executives of the Company and such affiliated companies under such plans, programs, practices and policies relating to death benefits, if any, as in effect with respect to other peer executives and their beneficiaries at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive's estate and/or the Executive's beneficiaries, as in effect on the date of the Executive's death with respect to other peer executives of the Company and its affiliated companies and their beneficiaries.

(c) Disability. If the Executive's employment is terminated by reason of the Executive's Disability during the Employment Period, this Agreement shall terminate without further obligations to the Executive, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to the Executive in a lump sum in cash within 30 days of the Date of Termination. With respect to the provision of Other Benefits, the term Other Benefits as utilized in this section 5(c) shall include, and the Executive shall be entitled after the Disability Effective Date to receive, disability and other benefits at least equal to the most favorable of those generally provided by the Company and its affiliated companies to disabled executives and/or their families in accordance with such plans, programs, practices and policies relating to disability, if any, as in effect generally with respect to other peer executives and their families at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive and/or the Executive's family, as in effect at any time thereafter generally with respect to other peer executives of the Company and its affiliated companies and their families.

(d) Cause: Other than for Good Reason. If the Executive's employment shall be terminated for Cause during the Employment Period, this Agreement shall terminate without further obligations to the Executive other than the obligation to pay to the Executive (i) the Executive's Annual Base Salary through the Date of Termination, (ii) the amount of any compensation previously deferred by the Executive, and (iii) Other Benefits, in each case to the extent theretofore unpaid. If the Executive voluntarily terminates employment during the Employment Period, excluding a termination for Good Reason, this Agreement shall terminate without further obligations to the Executive, other than for Accrued Obligations and the timely payment or provision of Other Benefits. In such case, all Accrued Obligations shall be paid to the Executive in a lump sum in cash within 30 days of the Date of Termination.

6. Nonexclusivity of Rights. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any plan, program, policy or practice provided by the Company or any of its affiliated companies and for which the Executive may qualify, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any contract or agreement with the Company or any of its affiliated companies. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

7. Full Settlement. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not the Executive obtains other employment. The Company agrees to pay as incurred, to the full extent permitted by law, all legal fees and expenses which the Executive reasonably incurs as a result of any contest (regardless of the outcome thereof) by the Company, the Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by the Executive about the amount of any payment pursuant to this Agreement), plus in each case interest on any delayed payment at the applicable federal rate provided for in section 7872(f)(2)(A) of the Internal Revenue Code of 1986, as amended (the "Code").

8. Certain Additional Payments by the Company.

(a) Anything in this Agreement to the contrary notwithstanding, if it is determined that any payment or distribution by the Company to or for the benefit of the Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this section 8) (a "Payment") would be subject to the excise tax imposed by section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Executive shall be entitled to receive an additional payment (a "Gross-Up Payment") in an amount such that after payment by the Executive of all taxes (including any interest or penalties imposed with respect to such taxes), including, without limitation, any income taxes (and any interest and penalties imposed with respect thereto) and Excise Tax imposed upon the Gross-Up Payment, the Executive retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments.

(b) Subject to the provisions of section 8(c), all determinations required to be made under this section 8, including whether and when a Gross-Up Payment is required and the amount of such Gross-Up Payment and the assumptions to be utilized in arriving at such determination, shall be made by such certified public accounting firm as may be designated by the Executive (the "Accounting Firm") which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the receipt of notice from the Executive that there has been a Payment, or such earlier time as is requested by the Company. If the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change of Control, the Executive shall appoint another nationally recognized accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any Gross-Up Payment, as determined pursuant to this section 8, shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. If the Accounting Firm determines that no Excise Tax is payable by the Executive, it shall furnish the Executive with a written opinion that failure to report the Excise Tax on the Executive's applicable federal income tax return would not result in the imposition of a negligence or similar penalty. Any determination by the Accounting Firm shall be binding upon the Company and the Executive. As a result of the uncertainty in the application of section 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments which will not have been made by the Company should have been made ("Underpayment"), consistent with the calculations required to be made hereunder. If the Company exhausts its remedies pursuant to section 8(c) and the Executive thereafter is required to make a payment of any Excise Tax, the Accounting Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive.

(c) The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of the Gross-Up Payment. Such notification shall be given as soon as practicable but no later than ten business days after the Executive is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Executive shall not pay such claim prior to the expiration of the 30-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(i) give the Company any information reasonably requested by the Company relating to such claim,

(ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,

(iii) cooperate with the Company in good faith in order effectively to contest such claim, and

(iv) permit the Company to participate in any proceedings relating to such claim; provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax (including interest and penalties with respect thereto) imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this section 8(c), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; provided, however, that if the Company directs the Executive to pay such claim and sue for a refund, the Company shall advance the amount of such payment to the Executive, on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax (including interest or penalties with respect thereto) imposed with respect to such advance or with respect to any imputed income with respect to such advance; and further provided that any extension of the statute of limitations relating to payment of taxes for the taxable year of the Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of the contest shall be limited to issues with respect to whether a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(d) If, after the receipt by the Executive of an amount advanced by the Company pursuant to section 8(c), the Executive becomes entitled to receive any refund with respect to such claim, the Executive shall (subject to the Company's complying with the requirements of section 8(c)) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company pursuant to section 8(c), a determination is made that the Executive shall not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to the expiration of 30 days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of such advance shall offset, to the extent thereof, the amount of Gross-Up Payment required to be paid.

9. Confidential Information. The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses, which shall have been obtained by the Executive during the Executive's employment by the Company or any of its affiliated companies and which shall not be or become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). After termination of the Executive's employment with the Company, the Executive shall not, for a period of three years following the Executive's termination of employment, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any such information, knowledge or data to anyone other than the Company and those designated by it. In no event shall an asserted violation of the provisions of this section 9 constitute a basis for deferring or withholding any amounts otherwise payable to the Executive under this Agreement.

10. Successors.

(a) This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

11. Miscellaneous.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin, without reference to principles of conflict of laws, provided that nothing in this Agreement shall deprive the Executive of the protection of provisions of the laws of England and Wales that cannot be derogated from by agreement. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(b) All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive, to the Executive's address appearing on the records of the Company.

If to the Company:

The Female Health Company
515 North State Street
Suite 2225
Chicago, IL 60654
Attn: Chief Executive Officer

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(c) The Executive is subject to the dismissal and grievance procedures set out in the Company handbook. These do not however form part of the Executive's terms and conditions of employment. If the Executive wishes to appeal against any disciplinary or grievance decision he may do so in writing to the President and Chief Executive Officer of the Company within 7 days of receipt of the relevant decision.

(d) There are no collective agreements affecting the Executive's terms and conditions of employment.

(e) The Company does not hold a current contracting-out certificate (from the State Second Pension (S2P)) under the Pension Schemes Act 1993 in respect to the Executive's employment.

(f) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(g) The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(h) The Executive's or the Company's failure to insist upon strict compliance with any provision hereof or any other provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder, including, without limitation, the right of the Executive to terminate employment for Good Reason pursuant to section 4(c) of this Agreement, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(i) The Executive and the Company acknowledge that prior to the Effective Date, the Executive's employment and this Agreement may be terminated by either the Executive or the Company in accordance with the terms of the service agreement between the Executive and The Female Health Company (UK) plc, in which case the Executive shall have no further rights under this Agreement. From and after the Effective Date this Agreement shall supersede any other agreement between the parties with respect to the subject matter hereof.

Dated as of the date first above written.

EXECUTIVE:

/s/ Martin Tayler
Martin Tayler

THE FEMALE HEALTH COMPANY

BY /s/ Karen King
Karen King, President and
Chief Executive Officer