



ASX Announcement

- **Entry into Share Subscription Agreement**
- **Appointment of new CEO**
- **Appointment of additional directors**

13th September 2013

Undercoverwear Limited (**UCW**) is pleased to announce the entry into a share subscription agreement with The Clothing Group Limited (**TCG**), the appointment of Mr Montgomery Grant as new Chief Executive Officer and the appointment of additional directors.

Share Subscription Agreement

UCW entered into a share subscription agreement (**SSA**) with TCG, a company controlled by Mr Grant, on 12th September 2013. Under the SSA, TCG has agreed to subscribe for 43,200,000 fully paid ordinary shares in UCW at \$0.01 per share to raise \$432,000.

The issue of shares to TCG is subject to UCW shareholder approval by 30 November 2013, and the company not being under external administration before shareholder approval is obtained. If the SSA is approved by shareholders, upon issue of the shares to TCG, it will own 50% of the issued shares of UCW.

UCW shareholders will shortly receive notification of a general meeting to approve the issue of shares to TCG in accordance with the terms of the SSA.

Under the SSA, TCG has the right to appoint 3 new directors to the Board of UCW.

New Chief Executive Officer

UCW has appointed Mr Grant as CEO and director effective 13th September 2013 pursuant to the SSA. Mr Grant has extensive operational experience in the clothing industry, with in excess of 30 years direct association in the clothing industry. Mr Grant founded and remains Chairman of The Clothing Group Ltd, a manufacturer of industrial clothing and food preparation clothing. Mr Grant previously established Bodyline Intimates and Ashgrove Apparel, both groups focused on design, manufacture and sales / distribution of women's apparel.

A summary of the material terms of Mr Grant's employment with UCW is attached to this announcement.

Mr Rick Lowry tendered his resignation as CEO effective 13th September 2013 and will remain a non-executive director of UCW. The Board of Directors wish to thank Mr Lowry for his two years as CEO and operating in difficult times for UCW.

Additional Directors

In addition to Mr Grant, two highly qualified directors will join the Board as nominee directors of TCG in accordance with the terms of the SSA. These appointments will be confirmed no later than 7 days prior to the Shareholders Meeting to approve the transaction

The current Chairman of UCW, Mr Richardson, said that due to continuing adverse trading results for UCW the capital injection was necessary. The appointment of Mr Grant with his extensive experience is a major step forward for UCW which will be further enhanced by the two new directors . Mr Richardson signaled that these appointments and the investment by TCG marked a turning point for UCW.

Mr Grant welcomed the appointment as CEO thanking Mr Lowry (retiring CEO) for his efforts. Mr Grant stated that after extensive due diligence on UCW and its business model his Group ; The Clothing Group Ltd was pleased to be making its investment as the platform for the new growth business areas it has planned and looked forward to exploiting the substantially underutilized intellectual property residing within UCW to reinvigorate the sales and product offering of the Company Mr Grant stated that the working capital injection together with his experience marked an important turning point to restore UCW to profitability and earnings growth.



CONFIDENTIAL

UNDERCOVERWEAR LIMITED

and

THE CLOTHING GROUP LTD

SHARE SUBSCRIPTION AGREEMENT

Cowell Clarke

Level 5, 63 Pirie Street
Adelaide, South Australia 5000

T: +61 8 8228 1111

F: +61 8 8228 1100

www.cowellclarke.com.au

Liability limited by a scheme approved under the Professional Standards Legislation.

strategic.
practical.
astute.

INDEX

1.	Recitals	1
2.	Interpretation and definitions	1
3.	Conditions	4
4.	Issue of Subscription Shares	4
5.	Use of Subscription Amount	5
6.	Quotation of Shares	5
7.	Board representation	5
8.	Chief Executive Officer	5
9.	Conduct of business	5
10.	Mutual Warranties	6
11.	UCW Warranties	6
12.	TCG Warranties	6
13.	Goods and Services Tax	7
14.	Confidentiality	7
15.	Waiver	8
16.	Further assurances	8
17.	Amendments	8
18.	Severability	8
19.	Notices	8
20.	Assignment	9
21.	Governing law	9
22.	Counterparts and effectiveness	9

BETWEEN UNDERCOVERWEAR LIMITED ABN 85 108 962 152 of Unit 5, 14 Lexington Drive Bella Vista NSW 2153 ("**UCW**" or the "**Company**")

AND THE CLOTHING GROUP LTD ACN 159 499 135 of 37 Lindsay Street Ashgrove QLD 4060 ("**TCG**")

RECITALS

- A. UCW is an Australian public listed company, the issued Shares of which are quoted on ASX.
- B. TCG is an Australian unlisted public company.
- C. TCG agrees to subscribe for the Subscription Shares and UCW agrees to issue those shares to TCG, at the Subscription Price and otherwise on the terms of this Agreement.

IT IS AGREED as follows:

1. Recitals

The parties acknowledge the recitals are true and form part of this Agreement.

2. Interpretation and definitions

Unless qualified by or inconsistent with the context:

- 2.1 A reference to one gender includes the other genders; reference to a person includes an incorporated or unincorporated body or other association of persons or a governmental agency and vice versa; the singular includes the plural and vice versa.
- 2.2 Headings are for convenience of reference and will not affect the interpretation of this Agreement.
- 2.3 This Agreement is written in plain English as far as possible. Its terms are to be interpreted so as to give effect to the parties' agreement. No rule will apply to resolve a doubt as to the interpretation of a provision in this Agreement against the party that prepared this Agreement or that particular provision. The specific provisions will not limit the interpretation of general provisions.
- 2.4 A reference to costs includes legal costs on a full indemnity basis.
- 2.5 In this Agreement where a word or phrase is given a particular meaning other parts of speech or grammatical forms of that word or phrase have corresponding meanings.
- 2.6 A reference to writing is to be construed as including a reference to any mode of representing or reproducing words, figures or symbols in a visible form.
- 2.7 This Agreement binds the parties' respective successors and administrators.

- 2.8 The approval or consent of a party means that party's prior written approval or consent which is not to be unreasonably withheld or delayed. Similar expressions have corresponding meanings.
- 2.9 Wherever "include" or "for example" or any form of those words are used, they must be construed as if they were followed by "(without being limited to)".
- 2.10 If the day on or by which a person must do something under this Agreement is not a Business Day, the person must do it on or by the next Business Day.
- 2.11 A clause or a Schedule is a reference to a clause of or schedule to this Agreement.
- 2.12 A document (including this Agreement) includes any variation or replacement of it.
- 2.13 A statute, ordinance, code or other law includes regulations and other instruments under it, and any consolidations, amendments re-enactments or replacements of any of them.
- 2.14 "**Application Form**" means the application for Subscription Shares in the form attached as Schedule 1.
- 2.15 "**ASIC**" means the Australian Securities & Investments Commission.
- 2.16 "**ASX**" means ASX Ltd ABN 83 000 943 377 or the market it operates, as applicable.
- 2.17 "**ASX Listing Rules**" means the Official Listing Rules of ASX.
- 2.18 "**Board**" means the Board of directors of UCW.
- 2.19 "**Business Day**" means Monday to Friday in New South Wales, except a day which is a proclaimed public holiday in New South Wales.
- 2.20 "**Claim**" means a claim, demand, action, proceeding, litigation, investigation, judgment, damage, loss, cost, expense or liability however arising, whether present, unascertained, immediate, future or contingent, whether based in contract, tort or statute and whether involving a third party or a party to this Agreement.
- 2.21 "**Cleared Funds**" means cash, bank cheque, electronic funds transfer or such method of payment as may be approved by UCW in writing.
- 2.22 "**Conditions**" means the conditions specified in clause 3.1.
- 2.23 "**Confidential Information**" means the terms of this Agreement and any information of a party which is confidential or secret and which pertains to the dealings, transactions, finances or affairs of the party or the suppliers or customers of that party and which information is not in the public domain other than as a result of a breach by the party of its obligations of confidentiality under this Agreement.
- 2.24 "**Corporations Act**" means the Corporations Act 2001 (Cth).
- 2.25 "**Encumbrance**" means any interest or power:

- 2.25.1 reserved in or over any interest in any asset including a security interest; or
- 2.25.2 created or otherwise arising in or over any interest in any asset under a general security agreement, purchase money security interest, mortgage, charge, lien, pledge, trust or power,

by way of security for the payment of any debt or other monetary obligation, or the performance of any other obligations whether existing or agreed to be granted or created.

- 2.26 "**Executive Employment Agreement**" means the executive employment agreement executed by the parties on or about the date of this Agreement.
- 2.27 "**Group**" means the Group Companies, taken as a whole.
- 2.28 "**Group Company**" means UCW and any entity which UCW controls (within the meaning of section 50AA of the Corporations Act).
- 2.29 "**GST**" has the same meaning as it does in section 195-1 of the GST Act.
- 2.30 "**GST Act**" means *A New Tax System (Goods and Services Tax) Act 1999* (Cth).
- 2.31 "**Indicative Timetable**" means the timetable, indicative as at the date of this Agreement, set out in Schedule 2 to this Agreement, as may be amended as a result of agreement between the parties or a requirement specified by ASX or applicable law.
- 2.32 "**notice**" means written notice and "**notify**" means notification in writing.
- 2.33 "**Shareholder Approvals**" means the approval of UCW shareholders at a general meeting to give effect to the terms of this Agreement.
- 2.34 "**Share**" means an ordinary fully paid ordinary share in the capital of UCW.
- 2.35 "**Subscription Amount**" means \$432,000.
- 2.36 "**Subscription Date**" means the date which is not later than 2 Business Days after satisfaction or waiver of the Conditions.
- 2.37 "**Subscription Price**" means \$0.01 per Subscription Share.
- 2.38 "**Subscription Shares**" means 43,200,000 Shares.
- 2.39 "**Tax**" means all forms of taxes, duties, imposts, charges or withholdings, however imposed or assessed, by or payable to any governmental taxation or excise authority including, without limitation, income tax, goods and services tax, capital gains tax and stamp duty and "**Taxation**" has a corresponding meaning.
- 2.40 "**Tax Act**" means the *Income Tax Assessment Act 1936* (Cth) or the *Income Tax Assessment Act 1997* (Cth), as required.
- 2.41 "**Tax Law**" means any law, regulation or binding ruling relating to any Tax.

3. Conditions

- 3.1 Clause 4, 5 and 6 are of no force and effect unless and until each of the following Conditions is satisfied:
 - 3.1.1 **(Shareholder Approvals)** UCW has obtained all Shareholder Approvals and other regulatory approvals to give full effect to the terms of this Agreement.
 - 3.1.2 **(External Administration)** UCW is not under external administration before the Shareholder Approvals are obtained.
- 3.2 UCW must use all reasonable endeavours to obtain the Shareholder Approvals in accordance with the Indicative Timetable, including holding a general meeting on or before 30 November 2013 (which may be the annual general meeting of UCW), and providing to its shareholders all required documents and information necessary to obtain the Shareholder Approvals.
- 3.3 The parties will provide all reasonable assistance and information to each other and otherwise use all reasonable efforts and do all necessary acts and things to satisfy the Conditions. This includes TCG providing all information about TCG and the directors to be appointed to the Board in accordance with clause 7.1, as may be reasonably necessary or required by UCW for inclusion in the notice of meeting to be sent to UCW's shareholders for the purpose of obtaining the Shareholder Approvals. In the event that TCG becomes aware that any information provided by it or relating to it previously provided to UCW is inaccurate in any material respect, then TCG will update UCW with further information, to ensure that such information of or regarding TCG is accurate in all material respects.
- 3.4 Each party must promptly notify the other in writing if it becomes aware that any Condition has been satisfied or has become incapable of being satisfied. The Conditions cannot be waived unless agreed by all parties.
- 3.5 If the Conditions are not satisfied or waived on or before 30 November 2013 (or such later date as the parties agree in writing), then this Agreement will terminate and the parties will be under no further liability to each other except in respect of any antecedent breach of this Agreement.
- 3.6 The Conditions are for the benefit of both parties and may only be waived in writing by both parties.

4. Issue of Subscription Shares

- 4.1 On the Subscription Date, TCG will subscribe for the Subscription Shares at the Subscription Price by delivering to UCW a duly executed Application Form for the Subscription Shares together with payment of the Subscription Amount in Cleared Funds.
- 4.2 UCW will issue the Subscription Shares to TCG free from any Encumbrance within 2 Business Days of receipt of a duly executed Application Form and payment in full for the Subscription Shares.

5. Use of Subscription Amount

TCG acknowledges that UCW can utilise the Subscription Amount for any general working capital or commercial purposes as determined by UCW at its sole discretion.

6. Quotation of Shares

Within 2 Business Days after the issue to TCG of the Subscription Shares, UCW will apply to ASX for quotation of the Subscription Shares.

7. Board representation

7.1 Upon execution of this Agreement by all parties, in a manner permitted by and in accordance with its constitution and subject to UCW's receipt of written consent to act as may be required, UCW will appoint Montgomery James Palmer Grant as an additional director to the Board:

7.1.1 ;

7.2 No later than 7 days prior to the shareholder meeting to obtain the Shareholder Approvals, TCG will nominate 2 additional directors to be appointed to the Board ("TCG Nominee Directors") and procure the written consent of the TCG Nominee Directors to act as directors of UCW.

7.3 Subject to UCW's receipt of written consents from the TCG Nominee Directors to act as director of UCW, in a manner permitted by and in accordance with its constitution, UCW will appoint the TCG Nominee Directors to the Board.

7.4 TCG acknowledges that all directors appointed to the Board in accordance with clause 7 , will be required to have their appointment as director ratified or confirmed at the next general or annual general meeting of UCW.

8. Chief Executive Officer

Upon execution of this Agreement by all parties, UCW will appoint Montgomery James Palmer Grant as Chief Executive Officer of UCW on the terms and conditions set out in the Executive Employment Agreement.

9. Conduct of business

Prior to the issue of the Subscription Shares to TCG, UCW must:

9.1 continue to carry on its business in a proper and efficient manner, consistent with past practice;

9.2 use all reasonable endeavours to preserve its goodwill;

9.3 not increase or reduce its issued Shares or issue any securities or other rights convertible into Shares or any options for the issue of Shares or other securities other than the issue of Shares upon the conversion or exercise of any securities issued by UCW prior to the date of entry into this Agreement by all parties;

9.4 not declare or pay a dividend or other distribution;

- 9.5 not amend its constitution;
- 9.6 comply in all material respects with the requirements of the ASX Listing Rules except with TCG's consent.

10. Mutual Warranties

Each party represents and warrants to the other party that each of the following statements is true and accurate as at the date of this Agreement and as at the Subscription Date:

- 10.1 it is validly existing under the laws of Australia;
- 10.2 it has the power to enter into and perform its obligations under this Agreement and to carry out the transactions contemplated by this Agreement;
- 10.3 it has taken all necessary action to authorise its entry into and performance of this Agreement and to carry out the transactions contemplated by this Agreement;
- 10.4 its obligations under this Agreement are valid and binding and enforceable against it in accordance with their terms; and
- 10.5 the execution by it of this Agreement and the performance by it of its obligations under this Agreement do not conflict with or result in any breach or constitute a default under its constitution, ASX Listing Rules, or any other laws which are in effect and applicable to it, or under any commitment, agreement or other instrument to which it is party.

11. UCW Warranties

UCW warrants and represents to TCG that, as at the date of this Agreement:

- 11.1 It is validly admitted to the Official List of the ASX.
- 11.2 Its total issued Shares is 43,200,000 Shares.

12. TCG Warranties

TCG warrants and represents to UCW that:

- 12.1 It has, before entering into this Agreement:
 - 12.1.1 made all due diligence enquiries and investigations and carried out all physical examinations and inspections it and or its advisers consider desirable or necessary in connection with the Company, the business, financial condition and prospects of the Company and the nature and quality of the Company's assets; and
 - 12.1.2 satisfied itself by its own independent valuation and reports, as to the value of the Shares and Subscription Shares.
- 12.2 It has relied entirely on its own enquiries about and examination and inspection of the books and records of the Company and not on any (or any alleged) statement, warranty, condition or representation made to, or alleged

to have been made to, it or anybody on its behalf by the Company, or any of its officers, agents, consultants or employees, other than the warranties and representations in clause 10.

- 12.3 It has obtained (or has had the opportunity to obtain but has chosen not to obtain) independent legal, financial and technical advice relating to the Shares and Subscription Shares and any documents contemplated by or needed to give full effect to this Agreement.
- 12.4 It will have no Claim against the Company, or any of its officers, agents, consultants or employees for any statement or representation or any other information whether written or oral made or given (or alleged to have been made or given) by them or any of them about any of the matters specified in or contemplated by this clause 11.
- 12.5 As at the date of this Agreement, it is not aware of any breach by UCW of a warranty which could give rise to TCG having a right to make a Claim against UCW.

13. Goods and Services Tax

- 13.1 The parties agree and acknowledge that the Supply made under this Agreement is GST-free pursuant to Subdivision 38-E of the GST Act.
- 13.2 If for any reason, GST is or becomes payable under this Agreement the Recipient must pay the Supplier an amount on account of GST equal to the amount payable by the Recipient to the Supplier multiplied by the prevailing GST rate ("GST Amount").
- 13.3 Payment of the GST Amount is subject to the Supplier first providing a tax invoice in the approved form to the Recipient.
- 13.4 The payment of the GST Amount pursuant to this clause 17 must be made within ten (10) days of provision of the tax invoice.

14. Confidentiality

Except as otherwise expressly provided in this Agreement:

- 14.1 all Confidential Information received by one party from the other party must be kept confidential and may only be used by the receiving party for the purpose of performing its obligations under this Agreement;
- 14.2 despite clause 14.1, a party may disclose Confidential Information:
 - 14.2.1 to its officers, employees, contractors or related bodies corporate who need to know the Confidential Information for the party to perform its obligations under this Agreement;
 - 14.2.2 to its professional advisor(s) for the purpose of obtaining advice; or
 - 14.2.3 if required by law or the ASX Listing Rules but, recognising that a party may have an immediate disclosure obligation or may otherwise be prevented by law, a party intending to disclose Confidential Information of the other party will use all reasonable endeavours to give the other party notice of and a reasonable

opportunity to comment upon such disclosure or if prior notice is not possible, then notice of such disclosure as soon as reasonably possible after that disclosure.

15. Waiver

15.1 The failure by one party to insist upon strict performance by the other party of any of the terms of this Agreement will not be deemed a waiver of any term or of a breach by the other party of any term of this Agreement.

15.2 A waiver of any term of this Agreement by a party may be conditional and must be in writing executed by that party or one of its duly authorised officers or lawyers.

16. Further assurances

The parties will promptly do everything necessary or desirable even if not expressly stated in this Agreement and will act in genuine good faith towards each other with a view to bringing to completion the transactions contemplated in this Agreement.

17. Amendments

Any amendment to a term of this Agreement must be made in writing executed by the parties or duly authorised officers on behalf of the parties.

18. Severability

Every provision of this Agreement will be deemed severable as far as possible from the other provisions of this Agreement. If any provision is found to be void, illegal or unenforceable for any reason, it will be deemed to be severed and omitted from this Agreement. This Agreement with the offending provision severed and omitted and with any consequential amendment if necessary, will otherwise remain in full force.

19. Notices

Any notice to be given by one party to the other must be signed by the party giving the notice or by one of its officers or its duly authorised lawyer or agent and must be hand delivered or sent by prepaid post or sent by facsimile or electronic mail to the address, facsimile number or electronic mail address (as the case may be) shown in this Agreement (or any other address, facsimile number or electronic mail address that a party may notify to the others) and will be deemed sufficiently given:

19.1 in the case of hand delivery, on the date of delivery;

19.2 in the case of prepaid post, 2 Business Days after being sent by prepaid post;

19.3 in the case of facsimile, on receipt by the sender of a successful transmission answerback; or

19.4 in the case of electronic mail, on the day of transmission provided that the sender can give evidence of transmission and the intended recipient does not give evidence of non-receipt.

20. **Assignment**

Neither party may assign its rights or obligations under this Agreement without the consent of the other party.

21. **Governing law**

This Agreement is to be construed according to New South Wales laws and the parties submit themselves to the exclusive jurisdiction of the Courts of New South Wales and any competent appellate courts. The parties cannot dispute that jurisdiction on the basis of *forum non conveniens* or on any other basis.

22. **Counterparts and effectiveness**

22.1 This Agreement may be executed in any number of counterparts and all counterparts taken together will constitute one and the same instrument. Satisfactory evidence of execution of this Agreement will include evidence of execution sent by facsimile or electronic transmission by the relevant party and in such case, the executing party undertakes to produce the original as soon as reasonably practicable thereafter.

22.2 This Agreement will only come into effect and be binding on the parties when it is duly executed by both parties.

DULY EXECUTED by the parties.

EXECUTED by **UNCERCOVERWEAR**)
LIMITED in accordance with Section 127(1))
of the Corporations Act 2001:)

.....
Director

Print Full Name:..... *STUART RICHARDSON*

.....
*Director/*Secretary

Print Full Name:..... *RICHARD LOWEY*

(*please delete the inapplicable title)
(Note: please affix common seal if required by the Company's Constitution)

EXECUTED, by THE CLOTHING GROUP)
LTD in accordance with Section 127(1) of the)
Corporations Act 2001:)



Director

Print Full Name: SASKIA ANNE VANDER SLOOTEN



~~Director~~ Secretary

Print Full Name: Montgomery James Palmer GRANT,

(*please delete the inapplicable title)

(Note: please affix common seal if required by the Company's Constitution)

SCHEDULE 1

Application for Shares

[insert] 2013

The Company Secretary
Undercoverwear Limited
Unit 5
14 Lexington Drive
Bella Vista NSW 2153

Dear Sir

Application for Shares Pursuant to Share Subscription Agreement

Pursuant to the Share Subscription Agreement dated [insert] 2013 ("**SAA**") between Undercoverwear Limited ABN 85 108 962 152 ("**the Company**"), and The Clothing Group Ltd ACN 159 499 135 ("**TCG**"), TCG applies for the issue to it of the Subscription Shares in the Company as set out in the SSA and provides the following information:

Full name: The Clothing Group Ltd ACN 159 499 135
Address: 37 Lindsay Street, Ashgrove QLD 4060
Number of Subscription Shares at \$0.01 each: 43,200,000

In applying for the above Shares in the Company TCG states that:

- It agrees to be bound by the Constitution of the Company and consents to its name being entered on the Company's share register.
- This application for Subscription Shares is made pursuant to the SSA and solely in reliance on the terms contained in the SSA.

Yours sincerely



[insert name] MONTGOMERY GRANT,
Director
The Clothing Group Ltd

SCHEDULE 2

Indicative Timetable

Step #	Event	Date
1.	Execution of subscription agreement and ASX announcement	12 September 2013
2.	Appointment of Montgomery James Palmer Grant as director	12 September 2013
3.	ASX announcement (pre-open)	13 September 2013
4.	Lodge notice of meeting with ASIC (if required) and request shortening of 14 day vetting period and confirm no IER	18 September 2013
5.	Lodge notice of meeting with ASX (if required)	18 September 2013
6.	Despatch notice of general meeting (assumes step 4 successful)	25 September 2013
7.	Last day for TCG to nominate TCG Nominee Directors and provide consent to act to UCW	10 October 2013
8.	General meeting – obtain Shareholder Approvals	25 October 2013
9.	Last day for TCG to subscribe for Subscription Shares and pay Subscription Amount (2 Business Days after Shareholder Approvals obtained)	29 October 2013
10.	Last day for UCW to issue Subscription Shares to TCG (2 Business Days after receipt of Application Form and Subscription Amount from TCG). Settlement of placement and Appendix 3B	31 October 2013



Cowell Clarke
Commercial Lawyers

UNDERCOVERWEAR LIMITED

("UCW")

- and -

MONTGOMERY JAMES PALMER GRANT

("the Executive")

EXECUTIVE EMPLOYMENT AGREEMENT

Cowell Clarke

Level 5, 63 Pirie Street
Adelaide, South Australia 5000

T: +61 8 8228 1111

F: +61 8 8228 1100

www.cowellclarke.com.au

Liability limited by a scheme approved under the Professional Standards Legislation.

p131719_040.docx

strategic.
practical.
astute.

I N D E X

1.	Recitals	1
2.	Interpretations and definitions	1
3.	Commencement and Term	3
4.	Duties	3
5.	Hours of work	4
6.	Location	4
7.	Conflict of interest	4
8.	Executive's assurances	5
9.	Remuneration	5
10.	Performance review	6
11.	Expenses	6
12.	Leave entitlements	6
13.	Intellectual Property and Moral Rights	7
14.	Confidential Information	7
15.	Termination by Notice	8
16.	Termination due to incapacity	8
17.	Termination for cause	8
18.	Following termination	9
19.	Effect of termination and ceasing as a director	10
20.	Retirement payments	10
21.	Suspension	10
22.	No Competition	10
23.	Continuing obligations	12
24.	Other acts	12
25.	Notices	12
26.	Entire Agreement	12
27.	Waiver	12
28.	Amendments	12
29.	Severability	13
30.	Law	13
31.	Counterparts	13

THIS AGREEMENT made

September 2013

BETWEEN UNDERCOVERWEAR LTD ABN 85 108 962 152 of Unit 5, 14 Lexington Drive, Bella Vista, NSW 2153 ("**UCW**")

AND MONTGOMERY JAMES PALMER GRANT of 37 Lindsay Street, Ashgrove, QLD 4060 ("**the Executive**")

RECITALS

- A. The Executive was or is to be appointed as an executive director of UCW on or about the Commencement Date and is to be employed by UCW in the position of Chief Executive Officer of UCW.
- B. The parties wish to record the terms upon which the Executive is to be employed.
- C. It is intended that these terms and conditions will continue to govern the employment by the Employer of the Executive in any position unless otherwise agreed by the parties in writing.

THE PARTIES AGREE as follows:-

1. Recitals

The parties acknowledge that the recitals are true and form part of this Agreement.

2. Interpretations and definitions

Unless qualified by or inconsistent with the context:-

- 2.1 The recitals are correct and form part of this agreement.
- 2.2 A reference to one gender includes the other genders; reference to a person includes an incorporated body or other association of persons or a governmental agency and vice versa; the singular includes the plural and vice versa.
- 2.3 Headings are for convenience of reference and will not affect the interpretation of this Agreement.
- 2.4 This Agreement is written in plain English as far as possible. Its terms are to be interpreted so as to give effect to the parties' agreement. No rule resolving a doubt as to interpretation against the party preparing this Agreement will apply. The specific provisions will not limit the interpretation of general provisions.
- 2.5 A reference to costs includes legal costs on a full indemnity basis.
- 2.6 In this Agreement where a word or phrase is given a particular meaning other parts of speech or grammatical forms of that word or phrase have corresponding meanings.
- 2.7 This Agreement binds the parties' respective heirs, successors and legal personal representatives.
- 2.8 "**Act**" means the *Fair Work Act 2009* as varied or replaced from time to time.

- 2.9 **"Benefit"** has the same meaning as in section 200AB of the *Corporations Act 2001* (Cth).
- 2.10 **"Board"** means the board of directors of UCW as constituted from time to time.
- 2.11 **"Business"** means the business of UCW and any Group Company.
- 2.12 **"Business Competing with the Business"** means a business that at the relevant time is either:
- 2.12.1 actually competing with any part of the Business in which the Executive was involved during his employment; or
 - 2.12.2 in a position where it might reasonably be expected to become such a competitor in the foreseeable future.
- 2.13 **"Commencement Date"** means the date set out at item 1 in Schedule A to this Agreement.
- 2.14 **"Confidential Information"** includes all information of a confidential nature (as determined by UCW) regarding the previous, current or future business interests, methodology or affairs of UCW or any Group Company, or of any person or entity with which UCW may deal or be concerned, including but not limited to matters of a technical nature, trade secrets, technical data, marketing procedures and information, accounting programmes and procedures, financial information and any other information which may be notified by UCW to the Executive during the Term or which if disclosed would or might possibly be detrimental to UCW or the Group Companies.
- 2.15 **"Customer"** means a customer of UCW or any Group Company with whom the Executive had personal contact during the 12 months immediately before the termination of the Executive's employment.
- 2.16 **"Group Company"** means a body corporate that is related to UCW within the meaning of section 50 of the *Corporations Act 2001* (Cth).
- 2.17 **"Intellectual Property Rights"** means all intellectual property rights including without limitation:
- 2.17.1 Patents, copyright, rights, circuit layouts, registered designs, trademarks, service marks, trade names and the right to have confidential information kept confidential; and
 - 2.17.2 Any application or right to apply for any of those rights.
- 2.18 **"Moral Rights"** means all present or future moral rights associated with works authored or to be authored by you (solely or with others) whether directly or indirectly in the course of the Executive's employment.
- 2.19 **notice** means written notice and **notify** means notification in writing
- 2.20 **"Party"** means either the Executive or UCW, their successors and permitted assigns, and **"Parties"** means all of them.
- 2.21 **"**.

- 2.22 **"Remuneration Committee"** means the remuneration committee of the Board.
- 2.23 **"Retirement"** has the same meaning as in section 200A of the *Corporations Act 2001* (Cth).
- 2.24 **"Term"** means an initial period of 12 months from the Commencement Date unless the Executive's employment is terminated earlier in accordance with this Agreement.

3. **Commencement and Term**

The Executive's employment with UCW will commence on the Commencement Date and will continue for the Term.

4. **Duties**

- 4.1 During the Term, the Executive will exercise the powers and perform the duties as directed from time to time by the Board.
- 4.2 Without limiting the Executive's responsibilities pursuant to clause 4.1, the Executive will:
 - 4.2.1 show utmost good faith and work diligently in the business and affairs of UCW and all Group Companies;
 - 4.2.2 comply with all of UCW's lawful and reasonable directions given to him, including undertaking duties relating to the business of a Group Company;
 - 4.2.3 use his best endeavours to promote the business and reputation of UCW and Group Companies;
 - 4.2.4 devote the whole of his time, attention and abilities to carrying out his duties and obligations to UCW while at work;
 - 4.2.5 cause accurate records of UCW's financial transactions to be recorded UCW's books of account including those of the Group Companies;
 - 4.2.6 provide reports and information to the Board regarding UCW and all Group Companies as directed by the Board from time to time;
 - 4.2.7 upon request by the Board, accept appointment to any office or offices of UCW or a Group Company without additional compensation or reward. This may include appointment of the Executive to the board of subsidiary companies however the Executive acknowledges that such appointment (if any) is independent of this agreement and the employment of the Executive unless otherwise expressly stated in this document or the terms of any appointment;
 - 4.2.8 not knowingly cause or allow UCW or any Group Company to breach any contract or other commitment or infringe rights of any third party;

- 4.2.9 not do or allow anything that may prejudice a claim under an insurance policy or increase the premium payable on any insurance policy of UCW or any Group Company;
 - 4.2.10 act outside the scope of the authority conferred on the Executive; and
 - 4.2.11 not put at risk or part with or prejudice the possession of any of UCW's or any Group Company's property except in the ordinary course of UCW's business or in the performance of the Executive's duties under this Agreement.
- 4.3 The Executive must comply with UCW's policies and procedures as amended from time to time. The Executive agrees that such policies and procedures form a part of the Executive's obligations to UCW but do not impose obligations on UCW. The Executive acknowledges that UCW's policies and procedures do not create enforceable rights in favour of the Executive.
- 4.4 The Executive acknowledges that due to the senior executive and managerial nature of the position, his employment is not covered by any industrial award.

5. Hours of work

- 5.1 The Executive's position is full time and will be required to work a minimum of 75 hours per fortnight.
- 5.2 Given the nature of the Executive's position, the Executive will also be required to work reasonable additional hours and hours outside of normal business hours from time to time.
- 5.3 The Executive's remuneration has been determined having regard to UCW's expectations as set out at clause 5.2 and the Executive will not be entitled to any additional remuneration with respect to such additional hours.

6. Location

- 6.1 The Executive's employment is initially to be located in Sydney.
- 6.2 UCW may at its sole discretion transfer the Executive's employment to another location:
 - 6.2.1 on at least 1 week's notice if the other location is in the same city as the initial location; or
 - 6.2.2 on at least 2 months' notice if the other location is not in the same city as the initial location and provided that UCW will pay the Executive's reasonable relocation expenses for such a transfer pursuant to this clause 6.2.2.
- 6.3 The Executive agrees to undertake any interstate and overseas travel that may reasonably be required to fulfil the requirements of the Executive's position without additional compensation or remuneration.

7. Conflict of interest

During the Term, the Executive will not without the Board's consent:

- 7.1 engage in any activity whether paid or unpaid external to the Executive's activity as an Executive of UCW which could, in the Board's opinion, conflict with the Executive's duties; or
- 7.2 accept any benefit from a third party as an inducement or reward for an act in connection with the Executive's employment; or
- 7.3 have an interest in any business or company which could, in UCW's opinion, conflict with the Executive's duties. A holding of up to 5% of the securities (within the meaning of section 9 of the Corporations Act 2001) of a company listed on the Australian Securities Exchange is not an interest in a company for the purpose of this clause.

8. Executive's assurances

The Executive assures UCW that:

- 8.1 the Executive has the qualifications, personal qualities and skills necessary to perform his obligations under this Agreement;
- 8.2 the Executive has not withheld from UCW any information concerning the Executive's qualifications, personal qualities or skills which the Executive ought reasonably to consider would be relevant to UCW's decision to employ the Executive;
- 8.3 there is no impediment, such as a contract with another person or entity, to him commencing employment with UCW; and
- 8.4 the Executive will not deal unfaithfully or improperly with any money or other property of UCW or any Group Company.

9. Remuneration

- 9.1 During the Term, UCW will:
 - 9.1.1 subject to clause 9.2, pay to the Executive the Fixed Remuneration specified at item 2 of Schedule A to this Agreement and the other benefits specified at item 3 of the Schedule A to the Agreement from which UCW will deduct all taxes or other deductions which UCW is lawfully authorised or obliged to make (including fringe benefits tax, if applicable);and
 - 9.1.2 make all superannuation contributions for the benefit of the Executive which UCW is lawfully obliged to make (the superannuation contributions in this clause 9.1.2 are included in the Fixed Remuneration described in clause 9.1).
- 9.2 The parties agree that payment of 40% of the Executive's quarterly Fixed Remuneration will be deferred and paid to the Executive at the end of the relevant quarter subject to approval by the Remuneration Committee in its sole discretion.
- 9.3 For the avoidance of doubt, the remuneration and other benefits set out in Schedule A to this Agreement is the total remuneration that the Executive will receive in relation to their role as a Director and Chief Executive Officer of UCW.

10. Performance review

- 10.1 Each year, UCW and the Executive will review the Executive's performance and remuneration using processes and key performance indicators determined by the Board ("**performance review**").
- 10.2 UCW may engage the services of a consultant to assist it in a performance review.
- 10.3 The Executive will actively participate in each performance review.
- 10.4 UCW may increase the Executive's remuneration at its sole discretion as a result of a performance review. The Executive acknowledges that he is not entitled to an increase in his remuneration as of right.
- 10.5 If the Executive fails to reach the key performance indicators determined by UCW, UCW may take such action as it considers appropriate including termination of the Executive's employment pursuant to clause 15.
- 10.6 Nothing in this clause 10 restricts UCW's right to review the Executive's performance at any other time in any manner it considers appropriate and to take any action in consequence of such a review.

11. Expenses

UCW will reimburse the Executive for expenses reasonably incurred by the Executive in the course of his employment provided that the Executive provides the Board with adequate proof of such expenses and (if requested) the reasons for incurring such expenses.

12. Leave entitlements

12.1 Annual leave

The Executive will be entitled to 4 weeks' paid annual leave per year in accordance with the Act. The Executive will take his annual leave at times to be agreed with UCW. The Executive is not entitled to be paid any leave loading in respect of annual leave. If annual leave is accruing at levels unacceptable to UCW, UCW may require the Executive to take annual leave.

12.2 Paid personal leave

The Executive will be entitled to accrue 10 days' paid personal leave per year in accordance with the Act. Paid personal leave accrues from year to year, but will not be paid out on termination of employment. In no circumstances will the Executive be entitled to any payment in respect of personal leave not taken.

12.3 Unpaid carer's leave

Where the Executive has exhausted all of his paid entitlement to carer's leave, he is entitled to up to 2 days' unpaid carer's leave in accordance with the Act.

12.4 Compassionate leave

The Executive is entitled to up to 2 days' paid compassionate leave in accordance with the Act.

12.5 Parental leave

The Executive is entitled to unpaid parental leave in accordance with the Act.

12.6 Long service leave

The Executive is entitled to long service leave in accordance with the applicable laws of the state in which the Executive is employed as referred to in clause 6.1, as amended from time to time.

12.7 Any leave in excess of accumulated entitlements taken by the Executive may be granted or refused by the Board at its sole discretion. Payment of the Executive's remuneration during any period in excess of accumulated entitlements taken by the Executive will be at UCW's discretion.

13. Intellectual Property and Moral Rights

All Intellectual Property and Moral Rights in any document work or other matter created or contributed to by the Executive in the course of or in connection with his employment belong to UCW. By this Agreement (if applicable), the Executive irrevocably assigns any such Intellectual Property Rights and Moral Rights to UCW and irrevocably consents to any act or omission by UCW which might otherwise contravene any present or future Intellectual Property Rights or Moral Rights. The Executive must assist UCW or its nominee at UCW's cost to obtain any statutory or other protection for Intellectual Property Rights and Moral Rights as determined by UCW. The Executive must not oppose the grant of any such statutory or other protection to UCW or its nominee nor assist anyone else to oppose the granting of that statutory protection to UCW or its nominee or to obtain any statutory or other protection for those Intellectual Property Rights or Moral Rights in competition with UCW or its nominee. The Executive irrevocably appoints UCW and any director of UCW jointly and severally to be the Executive's attorney, to sign any document or do anything else in the Executive's name to give effect to this clause 13.

14. Confidential Information

14.1 UCW is and remains the sole beneficial owner of the Confidential Information.

14.2 During and at all times after the Term, the Executive must not, except in the ordinary course of the Executive's employment, use or disclose to any third party, in any form or by any means, and must keep in the strictest confidence, all Confidential Information of which the Executive becomes aware whether through the performance of the Executive's duties under this Agreement or otherwise.

14.3 Clause 14.2 does not apply where use or disclosure of Confidential Information by the Executive is required by law or where the Confidential Information is in the public domain at the time of such use or disclosure other than by reason of a breach of this Agreement.

14.4 The Executive agrees to keep the contents of this Agreement confidential.

- 14.5 All property, goodwill and benefit in any of UCW's business or in any Confidential Information including in any lists of its customers or suppliers belongs to or on creation, will belong to UCW to the exclusion of the Executive.

15. Termination by Notice

- 15.1 The Executive or UCW may terminate the Executive's employment by giving 6 months notice of termination to the other.
- 15.2 If the Executive's employment is terminated pursuant to clause 15.1, UCW may at its discretion elect to make a payment in lieu of all or part of the notice period or require the Executive to work out all or part of the notice period.
- 15.3 If the Executive's employment is terminated pursuant to this clause 15, UCW may at its discretion direct the Executive not to attend for work during the notice period or to perform alternate duties for the duration of the notice period. For the sake of clarity, if UCW makes a direction in accordance with this clause, this agreement will continue in full force and effect for the duration of the notice period.
- 15.4 If the Executive's employment is terminated:
- 15.4.1 by either party and the Executive fails to comply with a direction given by UCW pursuant to clause 15.3; or
- 15.4.2 by the Executive and the Executive fails to provide the notice required by clause 15.1; then
- upon the termination UCW shall be entitled to deduct the amount of the remuneration otherwise payable to the Executive for the required notice period (less the actual period of notice provided by the Executive) from any amounts due by UCW to the Executive upon termination.
- 15.5 UCW may deduct from any amounts payable to the Executive upon termination any amounts owed by the Executive to UCW at the date of termination.
- 15.6 The Executive has no entitlements to any payments in the event of termination for any reason other than those expressly provided for in this Agreement or required to be made pursuant to the Act.

16. Termination due to incapacity

UCW may at any time terminate the Executive's employment if in its reasonable opinion the Executive is unable properly to perform his duties due to physical or mental illness, accident or any other circumstance beyond his control for a period of 3 consecutive months or an aggregate period of 4 months in any 12 month period, where he has no remaining personal leave entitlements.

17. Termination for cause

UCW may immediately terminate the Executive's employment without notice or any compensation in lieu of notice if the Executive:

- 17.1 is guilty of neglect, dishonesty or misconduct;

- 17.2 commits any serious or persistent breach of this Agreement;
- 17.3 conducts himself in a manner which, in UCW's reasonable opinion, brings UCW or a Group Company into disrepute;
- 17.4 commits any material breach of this Agreement and fails to rectify any breach which can be rectified within 7 days after receipt of notice from UCW outlining the breach or commits another breach during that period;
- 17.5 in UCW's reasonable opinion, fails to exercise reasonable skill and care in the performance of the Executive's duties;
- 17.6 is convicted of any criminal offence (excluding an offence under road traffic legislation for which the Executive is not sentenced to any term of imprisonment, whether suspended or not);
- 17.7 is declared bankrupt or insolvent or his estate otherwise becomes liable to be dealt with under the laws relating to bankruptcy and/or insolvency;
- 17.8 is disqualified from holding office in any company;
- 17.9 becomes of unsound mind or is liable to be dealt with in any way under the law relating to mental health; or
- 17.10 fails to comply with any reasonable directions of UCW.

18. Following termination

- 18.1 The Executive must on request by UCW at any time during the Term and immediately at the end of the Term:
 - 18.1.1 return to UCW all documents, printed, digital, electronic or computer materials, keys or other property whatever belonging to UCW or any Group Company which bear any of their business or trading names, trade marks or registered names or in which any of them owns or is entitled to copyright or which contain any of the Confidential Information; and
 - 18.1.2 delete or erase all documents or other information belonging to any of them or containing any of the Confidential Information stored in any way on any equipment or system owned by or to which the Executive has direct or indirect access. UCW may supervise and/or confirm the deletion or erasure in such manner as UCW in its discretion deems fit.
- 18.2 If upon return of UCW's property pursuant to clause 18.1 UCW considers in its reasonable opinion that the Executive has caused damage to such property, the Employer shall be entitled to deduct an amount in respect of such damage from any payments UCW is required to make to the Executive upon termination.
- 18.3 Upon termination of the Executive's employment for any reason whatsoever, or at any time during the Term at UCW's request, the Executive will resign his directorship(s) (if any) of UCW or of any Group Company within 7 days of such termination or request. If the Executive fails to resign his directorship(s) in accordance with this clause, the Executive irrevocably appoints UCW and any director of UCW jointly and severally to be the Executive's attorney, to

sign any document or do anything else in the Executive's name to give effect to this clause.

19. Effect of termination and ceasing as a director

- 19.1 If the Executive's employment is terminated for whatever reason in accordance with this Agreement the Executive agrees to immediately resign as a director of UCW, unless otherwise agreed by the Board.
- 19.2 If the Executive ceases to be a director of UCW for whatever reason the Executive agrees to resign from their employment with UCW with immediate effect, unless otherwise agreed by the Board.

20. Retirement payments

- 20.1 UCW will not (and will not be required to) give the Executive any Benefit in connection with their Retirement from their position as Director and/or Chief Executive Officer of UCW or any other office or position held with UCW that requires UCW member approval in accordance with Part 2D.2 of the *Corporations Act 2001* (Cth) without first obtaining the approval of UCW members.
- 20.2 If UCW member approval is required to give the Executive a Benefit in connection with their Retirement then UCW will use its reasonable endeavours to seek approval for the giving of the Benefit.

21. Suspension

If:

- 21.1 a complaint is made by any person with respect to the Executive; or
- 21.2 UCW reasonably believes that the Executive may be in breach of his obligations under this agreement or of any law; or
- 21.3 the Executive is subject to an investigation by a third party which may affect UCW's reputation; then

UCW may at its discretion suspend the Executive with or without pay in order to investigate the complaint or belief or until the third party investigation with respect to the Executive is complete.

22. No Competition

- 22.1 The Executive must not, as principal, Executive, consultant, agent, director or in any other capacity without the prior written consent of the Board:
 - 22.1.1 22.1.1.1 carry on or be engaged in a business similar to any part of the Business in which the Executive is or was involved;
 - 22.1.1.2 carry on or be engaged in a Business Competing with the Business;
 - 22.1.1.3 directly or indirectly, induce or attempt to induce any Customer to deal with the Executive or any other person or body;

- 22.1.1.4 accept work similar to that performed by UCW from any Customer;
 - 22.1.1.5 induce or attempt to induce any person to leave the employment of UCW;
 - 22.1.2 22.1.2.1 during the Executive's employment;
 - 22.1.2.2 within 12 Months after the termination of the Executive's employment;
 - 22.1.2.3 within 9 Months after the termination of the Executive's employment;
 - 22.1.2.4 within 6 Months after the termination of the Executive's employment;
 - 22.1.2.5 within 3 Months after the termination of the Executive's employment;
 - 22.1.3 22.1.3.1 In Australia;
 - 22.1.3.2 in Victoria or New South Wales;
 - 22.1.3.3 in New South Wales;
 - 22.1.3.4 in Sydney;
 - 22.1.3.5 within 5 kilometers from the General Post Office, Sydney.
- 22.2 Clause 22.1 is read as if each possible combination of:
- 22.2.1 the start of clause 22.1;
 - 22.2.2 a conduct in clause 20.1.1;
 - 22.2.3 a period in clause 20.1.2; and
 - 22.2.4 an area in clause 20.1.3;
- is a separate clause. All these combinations apply cumulatively and each combination is severable from each other combination.
- 22.3 Each combination (as set out in clause 22.2) must be read down to the extent necessary to be valid.
- 22.4 If any individual combination (as set out in clause 22.2) cannot be read down according to clause 22.3, it must be severed. The severance of a particular combination shall not prejudice or in any way affect the validity or enforceability of any other combination.
- 22.5 Without limiting UCW's other remedies, UCW will be entitled to injunctive relief to restrain a breach by the Executive of the terms of this clause 22, in addition to any other rights or remedies which UCW may have.

23. Continuing obligations

- 23.1 Termination of this Agreement will not prejudice any rights or remedies which either party had prior to the termination.
- 23.2 The operation of clauses 13, 14 and 22 will survive in full effect the termination of this Agreement.

24. Other acts

UCW and the Executive will do everything necessary or desirable to give effect to the terms of this Agreement.

25. Notices

Any Notice to be given by the Executive to UCW or by UCW to the Executive must be signed by the party giving the Notice or in UCW's case, by one of its non-related directors or other duly authorised officers or its lawyers and must be hand delivered or sent by prepaid post or sent by facsimile or electronic mail to the address, facsimile number or electronic mail address (as the case may be) shown at the commencement of this Agreement (or any other address, facsimile number or electronic mail address that a party may notify to the others) and will be deemed sufficiently given:-

- 23.1 in the case of hand delivery, on the date of delivery; or
- 23.2 in the case of prepaid post, 2 business days after being sent by prepaid post; or
- 23.3 in the case of facsimile, on receipt by the sender of a successful transmission answerback; or
- 23.4 in the case of electronic mail, on the day of transmission provided that the sender can give evidence of transmission and the intended recipient does not give evidence of non-receipt.

26. Entire Agreement

This Agreement contains the entire agreement between the parties regarding the Executive's employment. This Agreement supersedes any prior agreement or understanding (if any) between the parties and there is no collateral or other form of agreement between the parties in relation to the subject matter of this Agreement.

27. Waiver

The failure by UCW to insist upon strict performance by the Executive of any of the terms of this Agreement will not be deemed a waiver of any term or of a breach by the Executive of any term of this Agreement. A waiver of any term of this Agreement by UCW must be in writing executed by a director of UCW or one of their other duly authorised officers or lawyers.

28. Amendments

Any amendment to a term of this Agreement must be made in writing executed by the parties or in UCW's case, by one of its non-related directors or other duly authorised officers or by its lawyers.

29. **Severability**

Every provision of this Agreement will be deemed severable as far as possible from the other provisions of this Agreement. If any provision is found to be void, illegal or unenforceable for any reason, it will be deemed to be severed and omitted from this Agreement. This Agreement with the offending provision severed and omitted and with any consequential amendment if necessary will otherwise remain in full force.

30. **Law**

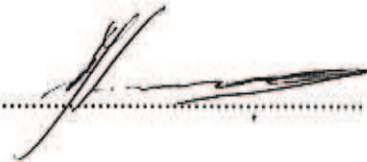
This Agreement is to be construed according to New South Wales laws and the parties submit themselves to the jurisdiction of New South Wales Courts and any competent appellate courts.

31. **Counterparts**

This Agreement may be executed in any number of counterparts and such execution will be as effective and binding on the parties as if each party had signed each such copy. Satisfactory evidence of execution of this Agreement will include evidence by facsimile of execution by the relevant party.

DULY EXECUTED by the parties.

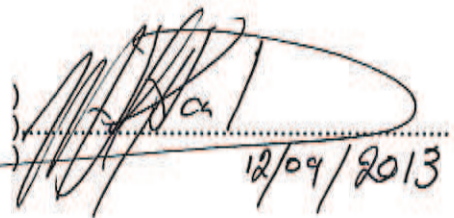
SIGNED on behalf of
UNDERCOVERWEAR LIMITED:

) _____
) 

.....
Witness (signature)

.....
ANGELA CATTORD
Witness (print name)

SIGNED by **MONTGOMERY JAMES PALMER GRANT** in the presence of:

) _____
) 
) 12/09/2013

.....
Witness (signature)

.....
ANGELA CATTORD
Witness (print name)

SCHEDULE A

Item 1	Commencement Date	12 September 2013 or such other date as agreed by the parties in writing
Item 2	Fixed Remuneration	\$250,000 annually (inclusive of superannuation), payable fortnightly or as otherwise agreed
Item 3	Other Benefits	<ul style="list-style-type: none">• Telephone, personal computer or laptop, motor vehicle servicing expenses, tolls and fuel but excluding any motor vehicle lease or finance expenses.• Payment by UCW of the Executive's reasonable relocation costs for the Executive moving to the initial location referred to in clause 6.1, including not more than 60 days rental or other temporary accommodation (from the Commencement Date).