

COUNTRYWIDE PLC

and

CONNELLS LIMITED

MUTUAL NON-DISCLOSURE AGREEMENT

Dated 3 March 2020

THIS AGREEMENT is made the 3rd day of March 2020

BETWEEN

- (1) **COUNTRYWIDE PLC** incorporated in England and Wales with registered number 08340090 and whose registered office is at 91-99 New London Road, Chelmsford, Essex, CM2 0PP ("**Countrywide**"); and
- (2) **CONNELLS LIMITED** incorporated in England and Wales with registered number 03187394 and whose registered office is at The Bailey, Skipton, North Yorkshire, BD23 1DN ("**Connells**"),

together the "**Parties**".

This Agreement set out the terms and conditions under which the Parties will disclose "**Confidential Information**", as described below, which the Parties consider to be confidential or proprietary in nature.

IN CONSIDERATION OF THE PARTIES' OBLIGATIONS HEREUNDER THE PARTIES AGREE AS FOLLOWS:

1. DEFINITION OF CONFIDENTIAL INFORMATION

- 1.1 Information to be treated as Confidential Information under this Agreement shall be any information supplied by one Party to the other in relation to the disclosing Party, any member of its group, any associated company and its or their businesses and operations whether disclosed in writing, orally, electronically (including without limitation in a magnetic or digital form) or visually, even if it is not specifically declared to be Confidential Information prior to such disclosure and may include, but not be limited to, the following:-
 - 1.1.1 proprietary computer software, including any programs, source or object codes, databases, specifications, techniques, technical information, know-how and procedures contained or revealed in any of the foregoing, and other related information or materials of any type whatsoever (whether in tangible or intangible, machine or human readable form);
 - 1.1.2 information relating to the products, customers, business affairs, services, trade secrets, finance, contractual agreements, operational procedures, methods, know-how, future plans, techniques, strategy, and processes of the Parties; and
 - 1.1.3 confidential strategic business information, including future marketing plans, business plans, business requirements and business projections, data, data flow models, product definitions, sample proprietary underwriting rules, project scopes, pricings, costings, methods of operation and related documentation and/or information.
- 1.2 Connells' Confidential Information shall also include any Confidential Information of any company or undertaking which at any time falls within the Connells group of companies or building societies, the ultimate parent undertaking of which is

Skipton Building Society ("**Connells Group Company**") or that of any third party to which any Connells Group Company provides information or services.

- 1.3 Countrywide's Confidential Information shall also include any Confidential Information of any company or undertaking which at any time falls within the Countrywide group of companies, the ultimate holding company of which is Countrywide ("**CW Group Company**") or that of any third party to which any CW Group Company provides information or services.
- 1.4 The Parties acknowledge that prior to the date of this Agreement information of a confidential nature may have been disclosed and notwithstanding the fact that it may not have been marked "**Confidential**" it shall be treated as if it had been so marked and the provisions of this Agreement shall apply to it.

2. EXCLUDED INFORMATION

- 2.1 Notwithstanding any other provisions to the contrary, the obligations of the Parties under this Agreement shall not apply if, and to the extent that:
 - 2.1.1 the disclosing Party's information was rightfully known to or already in the rightful possession of the receiving Party prior to disclosure;
 - 2.1.2 the disclosing Party's information is or becomes part of the public domain without breach of this Agreement by or by the negligence of the receiving Party;
 - 2.1.3 a third party rightfully disclosed such Confidential Information to the receiving Party without violating any obligations of confidence;
 - 2.1.4 the Confidential Information has been received in compliance with a legal requirement of a regulatory or governmental authority or otherwise where disclosure is required by operation of law; or
 - 2.1.5 the disclosing Party has consented in writing in respect of specific Confidential Information to an unrestricted disclosure to a third party.

3. PURPOSE, USE AND DISCLOSURE OBLIGATIONS

- 3.1 In consideration of the disclosure of the Confidential Information by the disclosing Party, the receiving Party agrees to be bound by the terms of this Agreement.
- 3.2 The Confidential Information will be held in confidence and the use of all Confidential Information disclosed to a Party under this Agreement shall be limited solely to and for the purpose of discussing the potential acquisition by you of the entire issued and to be issued share capital of Countrywide, whether by a takeover offer or a scheme of arrangements (in each case, as defined in the Companies Act 2006), including any financing thereof, and all other aspects connected thereto (the "**Permitted Purpose**").
- 3.3 The Parties agree that disclosure of the Confidential Information shall, subject to clause 4, be limited only to those Connected Persons of the receiving Party who are directly concerned with implementation of the Permitted Purpose and whose knowledge of the Confidential Information is necessary to accomplish the same.

Each Party to this Agreement agrees to inform each of its Connected Persons in receipt of Confidential Information of its confidential nature as well as the nature of the obligations contained in this Agreement, and shall be responsible to the other Party for any breach of the terms of this Agreement by any Connected Person as if the relevant Connected Person were a party to this Agreement.

- 3.4 Subject to clauses 3.3 and 4, the receiving Party will not at any time, without the disclosing Party's prior written consent, disclose Confidential Information to any third party, either directly or indirectly.
- 3.5 Each Party shall hold the disclosing Party's Confidential Information in strictest confidence and shall take all reasonable security precautions for the safe-keeping of the Confidential Information and for the prevention of its unauthorised disclosure to third parties.
- 3.6 Subject to Connells first having ceased to be a potential offeror or an offeror for the purposes of the City Code on Takeovers and Mergers, each Party shall return to the other Party all documents or copies of such documents and all tangible items in its possession or under its control and destroy any and all computer files or other electronically stored data or media which contain any part of the Confidential Information received from the other Party under this Agreement as soon as practicable following receipt (and in any event within 7 days thereof) of the written demand of the disclosing Party save that both Parties may retain any Confidential Information if required to do so by any law or regulatory or governmental authority.
- 3.7 Each Party shall keep a record of the Confidential Information provided to the other Party.
- 3.8 **"Connected Person"** means, in relation to the relevant Party, any person falling within any of the following categories:
 - 3.8.1 a subsidiary undertaking of that person;
 - 3.8.2 a parent undertaking of that person (whether direct or indirect);
 - 3.8.3 a subsidiary undertaking of a parent undertaking within 3.8.2;
 - 3.8.4 a professional adviser, agent or representative of a person within 3.8.1, 3.8.2 or 3.8.3; and
 - 3.8.5 an officer, employee or partner of any person within any of 3.8.1 to 3.8.4, or of any subsidiary undertaking of any person within 3.8.4.

4. FORCED DISCLOSURE

- 4.1 Provided the receiving Party complies with clause 4.2 below, the receiving Party may disclose Confidential Information to the minimum extent required (or is reasonably likely to be required) to do so by:
 - 4.1.1 any order of any court of competent jurisdiction or any competent judicial, governmental or regulatory body;

- 4.1.2 by the rules of any stock exchange on which the shares of either Party or any member of their groups are listed; or
 - 4.1.3 the laws or regulations of any country with jurisdiction over the affairs of either Party or any member of their groups.
- 4.2 Before the receiving Party discloses any Confidential Information under clause 4.1 above, it shall (to the extent permitted by law):
- 4.2.1 use reasonable endeavours to ensure the Confidential Information remains confidential;
 - 4.2.2 consult with the disclosing Party to enable it to have a reasonable period of time prior to disclosure to contest such disclosure and/or provide comments and/or (if relevant) align and prepare any equivalent disclosure it may make to a regulatory body; and
 - 4.2.3 take into account the disclosing Party's reasonable requirements as to its timing, content and manner of disclosure. If the receiving Party is unable to consult with the disclosing Party before any such disclosure is made, that receiving Party shall (to the extent permitted by such law or regulation) inform the disclosing Party of the circumstances, timing, content and manner of the disclosure promptly after such disclosure is made.

5. INSIDE INFORMATION.

The Parties both acknowledge that some or all of the Confidential Information may be *inside information* (as defined by the Market Abuse Regulations) and, to the extent that it is, that the Party in receipt of such information would be prohibited or restricted from using it to deal in the securities of Countrywide under the Market Abuse Regulations or other applicable insider dealing, market abuse or similar law.

6. WARRANTIES

Both Parties accept that neither Party gives any warranty or makes any representation, express or implied, with respect to the accuracy or completeness of any of the Confidential Information or any written or oral communication in connection with the Confidential Information or the reasonableness of any of the assumptions on which such information or communication is based. The receiving Party undertakes to waive or procure the waiver of any liability (whether direct, indirect or consequential loss and whether arising out of the negligence of any person or otherwise) which, notwithstanding the foregoing provisions of this clause, either Party may incur by reason of the use of, or reliance upon, any of the Confidential Information by the receiving Party.

7. ENTIRE AGREEMENT

This Agreement supersedes all previous communications, representations and understandings between the Parties with respect to the subject matter of this Agreement, it contains the complete and final agreement between the Parties and may be modified only in writing signed by a director of the Parties. Both Parties acknowledge

and agree that nothing in this Agreement shall operate to limit or exclude any liability for fraud.

8. DURATION AND REMEDIES

8.1 The Parties acknowledge that:

8.1.1 damages alone may not be an adequate remedy for any breach by either Party and, without prejudice to any and all other rights or remedies that the other Party may have, the other Party may seek the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of the provisions of this Agreement; and

8.1.2 the failure to exercise or delay in exercising a right or remedy provided by this Agreement, by law or in equity, does not constitute a waiver of the right or remedy or a waiver of other rights or remedies. No single or partial exercise of a right or remedy provided by this Agreement, by law or in equity, prevents further exercise of the right or remedy or the exercise of another right or remedy available, whether contractual, equitable, proprietary or otherwise.

8.2 Except where expressly provided otherwise in the terms of this Agreement, the obligations under this Agreement will expire on 3 March 2022. Such expiry shall be without prejudice to any accrued rights and liabilities. The termination of discussions regarding the Permitted Purpose and the return or destruction of Confidential Information will not release a Party in receipt of Confidential Information from its obligations under this Agreement.

9. GENERAL

9.1 Neither the holding of discussions between the Parties contemplated by this Agreement, nor the exchange of Confidential Information, shall restrict either Party from using, disclosing or disseminating their own information in any way.

9.2 No agency, partnership, joint venture or other joint relations is created by this Agreement.

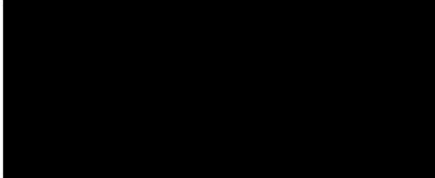
9.3 This Agreement shall be governed by and construed in accordance with the laws of England and each Party hereby irrevocably submits to the exclusive jurisdiction of the English Courts.

9.4 This Agreement may be executed in any number of counterparts, and by the Parties on separate counterparts, but shall not be effective until each Party has executed at least one counterpart. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same instrument.

9.5 The Parties agree that, if the Panel on Takeovers and Mergers determines that any provision of this Agreement that requires Countrywide to take or not to take any action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the City Code on Takeovers and Mergers, that provision shall have no effect and be disregarded.

9.6 Nothing in this Agreement shall prevent either Party from making an announcement relating to a possible offer, or publicly identifying a potential offeror, at any time the board of directors of the relevant Party considers appropriate. Any such announcement may be made by the relevant Party without prior notification to, or consultation with, the other Party.

Signed for and on behalf of
COUNTRYWIDE PLC by



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Date

3/3/20

Signed for and on behalf of
CONNELLS LIMITED by



3/3/2020

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Date