

# EXECUTIVE CONTRACT

To be registered with the Danish Commerce and Companies Agency

THIS Executive Contract has been made

Between

[*name*]  
[*address*]  
[*city and postal code*]  
[*CVR number*]

[hereinafter “the company”]

and

[*name*]  
[*address*]  
[*city and postal code*]

[hereinafter “the Chief Executive Officer”]

## 1. Date of commencement and place of work

The Chief Executive Officer will take up the position of [*job title, such as executive officer, chief executive officer, group chief*] as effective from [*date and year*].

The place of work is [*address*]. The Chief Executive Officer is entitled to work from home in a dedicated workspace, to the extent consistent with the operations of the Company.

## 2. Duties and authority

The Chief Executive Officer will be responsible for the day-to-day management of the Company. He or she will be accountable and report directly to the supervisory board or owner of the Company.

The day-to-day management comprises all usual business and organisational transactions in connection with the Company's affairs in compliance with existing legislation and the Company's articles of association and other Company directions set out by the [*supervisory board or owner*].

The Chief Executive Officer appoints and dismisses the employees of the Company and specifies staff responsibility and authority.

The Chief Executive Officer will keep the [*supervisory board or owner*] informed of all matters assumed to be of material interest to the [*supervisory board or owner*].

The Chief Executive Officer may attend and offer his or her opinion at supervisory board meetings, unless otherwise decided by the board in individual cases.

The Chief Executive Officer will be registered with the Danish Commerce and Companies Agency.

A job description and instructions are appended to this Executive Contract for the Chief Executive Officer specifying directions for the segregation of duties between supervisory board and chief executive officer.

### **3. Salary and salary negotiations**

The annual salary is DKK [*amount*] to be paid monthly [*on the first or last day of each month*] and available no later than on [*the first or last working day of the month*].

The salary will be negotiated with the [*supervisory board or the owner*] once a year in [*insert month*], for the first time [*day, month and year*].

### **4. Bonus**

The Chief Executive Officer will receive a bonus on the terms shown in the agreement attached.

Bonus payments will be considered part of the regular and foreseeable salary included in the calculation of the Chief Executive Officer's pension. The bonus will be paid no later than one week after the financial statements have been prepared by the Company's auditor and adopted by the Company's [*supervisory board or owner*].

If the Chief Executive Officer resigns during the financial year of the vesting period, the Chief Executive Officer is entitled to receive a proportionate share of the bonus to which the Chief Executive Officer would have been entitled if he or she had been employed by the Company at the end of the financial year, or at the time when the bonus is payable, irrespective of whether the Chief Executive Officer has resigned from or been dismissed by the Company (according to the principles of clause 17a of the Salaried Employees Act.

The bonus is included in the calculation of the Chief Executive Officer's pension.

The bonus is included in the calculation of holiday pay and the annual holiday allowance under the provisions of section 23 of the Holiday Act.

### **5. Pension**

The Company will pay [*percentage*] % of all salary components, see 3. and 4.

Pension contributions will be paid by the Company into [*pension fund*].

### **6. Working hours and other employment**

The Chief Executive Officer is obliged to devote his or her full working capacity to the service of the Company.

The Chief Executive Officer is entitled to undertake additional positions, whether paid or unpaid, *[name of current position, if any]*, if consistent with the operations of the Company. The Chief Executive Officer is entitled to undertake positions of trust and supervisory board membership, as long as such positions are not undertaken in enterprises competing with the Company, and notification is given to the *[supervisory board or owner]*.

Similar conditions apply to teaching and lecturing activities for which the Chief Executive Officer is entitled to remuneration or fees.

The Chief Executive Officer is entitled to be a shareholder, partner or otherwise participate financially in other activities that do not compete directly with the Company.

## **7. Holiday and days off**

### **Holiday**

The Chief Executive Officer is entitled to 7 weeks' holiday per calendar year, during which the Chief Executive Officer receives his or her usual salary and pension. The Chief Executive Officer is entitled to fully paid salary during holidays from the time of commencement.

The Chief Executive Officer decides the time of holiday in consideration of the operations of the Company and informs the *[chairman of the supervisory board or the owner]* hereof.

The Chief Executive Officer is entitled to an annual holiday allowance of *[per cent]* % calculated on the basis of the total salary and bonus of the previous calendar year, see 3., 4. and 5. The holiday allowance will be paid each year together with the May salary.

If the Chief Executive Officer resigns, the holidays earned but not taken will be paid together with the last salary, calculated on the basis of the Chief Executive Officer's salary and pension at the time of resignation. On resigning, the Chief Executive Officer will also receive the holiday allowance for which he or she is eligible at that time.

The Chief Executive Officer is entitled to compensatory holiday for documented illness his or her holiday.

The Executive Director cannot be ordered to take holiday during the period under notice, irrespective of the Chief Executive Officer having been released from his or her duty to work.

### **Days off**

The following days are days off with full pay:

24 December, 31 December, Friday after Ascension Day, and Constitution Day on 5 June.

## **8. Continuing education/competency development**

The Chief Executive Officer is entitled to keep and further develop his or her professional and personal competencies by attending continuing education courses in Denmark and abroad, paid for by the Company.

## **9. Pregnancy, child birth and adoption**

The Chief Executive Officer is entitled to leave under the provisions on leave and adoption in the Act on Childbirth.

The Company will pay full salary to female Chief Executive Officers during the following periods:

- 4 weeks before the expected date of birth
- 24 weeks after birth.

The Company will pay full salary to male Chief Executive Officers during the following periods:

- 2 weeks during the first 14 weeks after birth
- 10 weeks which may be taken at any time within the first 46 weeks after the birth.

The Chief Executive Officer is entitled to full pension payment during periods of leave without full pay.

The above applies fully in case of adoption.

## **10. Illness and child's illness**

The Chief Executive Officer is entitled to paid absence due to illness.

The Chief Executive Officer is entitled to paid absence due to illness of his or her minor child(ren).

## **11. Newspapers and periodicals**

The Chief Executive Officer is entitled to paid subscription to [*newspapers and periodicals*].

## **12. Telephone and working from home**

The Chief Executive Officer will have a mobile phone at his or her disposal in addition to paid fixed-line telephone and internet connection.

A dedicated workspace at the Chief Executive Officer's address will be established including the hardware and software necessary to perform the work. Work must be organized in accordance with the safety provisions of the Working Environment Act concerning design, lighting, etc.

The above may be used for both professional and private reasons, and the Company will bear the costs of establishment and current expenses.

## **13. Company car**

According to agreement, the Company will provide the Chief Executive Officer with a company car at a maximum purchase price of DKK [*amount*]. The amount will be adjusted annually in

accordance with the development of the Statistics Denmark net price index, and the Company will pay all expenses incidental to the purchase and running of the car.

Instead of a company car, the Chief Executive Officer may choose to have his or her annual salary raised by DKK [*amount*].

#### **14. Travel and entertainment**

The Chief Executive Officer's expenses incurred for travel, participation in courses and continuing education, entertainment etc. will be reimbursed by the Company against receipts submitted.

When travel is by own car, mileage allowance will be granted in accordance with the highest rates, see central government regulations.

The Chief Executive Officer has the right to obtain advance payments for these expenses

#### **15. Intellectual property rights etc.**

The Danish Employees' Inventions Act applies.

#### **16. Termination**

The Chief Executive Officer may be dismissed by the [*supervisory board or owner*] by 12 months' notice.

The Chief Executive Officer may resign by giving 3 months' notice.

Notice of termination will be in writing at the end of a calendar month, and must reach the recipient no later than on the last day of the month.

If the Company terminates the employment, the Chief Executive Officer is entitled to be released from his or her duty of work and receive full salary, pension and bonus during the entire term of notice, even if the Chief Executive Officer may have found other income from employment, pension etc.

If the Chief Executive Officer resigns, the parties will as soon as possible and no later than 14 days after resignation discuss any release from his or her duty to work. If the parties agree, the Chief Executive Officer is entitled to receive full salary, pension and bonus during the notice period, irrespective of other income from employment, pension etc.

If the Company terminates the employment, or if the Chief Executive Officer resigns from his or her position as a consequence of any breach by the Company, the Company will pay full salary, pension and bonus during the notice period and severance pay to the Chief Executive Officer. The severance pay will be 10 months' salary, pension and bonus, calculated at the time of termination.

Severance pay will be paid to the Chief Executive Officer, alternatively the group of individuals specified in 18., upon termination of employment.

If the Company terminates the employment, the Company will pay the expenses for consultancy to assist the Chief Executive Officer find other suitable employment at a value of DKK [amount].

The Chief Executive Officer is entitled to have the disposal of the benefits specified in 11., 12. and 13. during the notice period – irrespective of the Employee having been released from his or her duty to work.

### **17. Merger, acquisition of the Company etc.**

If the Company dismisses the Chief Executive Officer in the event of acquisition by or merger of the Company, or if there is a change of ownership of a controlling share majority of the Company, the Chief Executive Officer is entitled, in addition to the above severance pay, to supplementary severance pay corresponding to 6 months' salary, pension og bonus.

The supplementary severance pay will be paid to the Chief Executive Officer, alternatively the group of individuals specified in 18., at the end of the employment.

If the Company is acquired by or merges with another enterprise, and this implies a significant change of duties for the Chief Executive Officer (such as discharge of responsibility and executive authority), the Chief Executive Officer may consider himself or herself as having been dismissed, and thus entitled to the rights under 16. and 17. of this Executive Contract.

### **18. Early retirement benefit**

If the Chief Executive Officer dies during his or her employment, the spouse, cohabiting partner or children under the age of 24 is/are entitled to receive 6 months' early retirement benefit under 3. and 5. of this Executive Contract.

### **19. Insurance**

The Company will pay the annual premium for full-time accident insurance for the Chief Executive Officer on usual insurance and premium terms. The insurance is for [amount] upon death and full disability, to be adjusted to the Statistics Denmark's index. In case of death, the insurance sum will accrue to the Chief Executive Officer's spouse, cohabiting partner or children under the age of 24.

The Company will pay the annual premium for insurance against critical illness for the Chief Executive Officer on usual insurance and premium terms. The insurance sum amounts to [amount] to be adjusted each year to the Statistics Denmark net price index.

When the Chief Executive Officer has taken up his or her position, the Company takes out executive liability insurance.

### **20. Duty of confidentiality**

The Chief Executive Officer has a duty of confidentiality in respect of all matters that come to his

or her knowledge in connection with the performance of his or her duties as Chief Executive Officer, except where the nature of such matters requires that they be communicated to third parties. This duty of confidentiality continues to apply after the Chief Executive Officer has left his or her position in the Company.

When the Chief Executive Officer leaves his or her position, all material belonging to the Company is to be returned to the Company.

## **20. Disputes**

In case of disputes between the Chief Executive Officer and the Company under this Executive Contract, both during and after the termination of employment, the parties agree to solve these disputes as soon as possible by amicable and joint settlement.

Any dispute which cannot be solved through negotiation will be brought before the Danish ordinary courts.

## **Signatures**

*[insert city/town], [insert date]*

*[insert city/town], [insert date]*

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For and on behalf of the Company

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The Chief Executive Officer