



EMPLOYEE UNDERTAKING

THIS 'EMPLOYEE UNDERTAKING' (the 'Undertaking') is executed on the Eighth day of March, 2010.

BY:

Mr. Krishna Reddy aged 31 years, son of Mr. Reddy, presently residing at #11/2, Adarsh Building, 1st Main, 2nd cross, Maruthinagar, Madiwala, Bangalore (hereinafter, referred to as the 'Employee').

IN FAVOUR OF

Impelsys India Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 5th Floor, Mahalaxmi Chambers, 9/2, M.G.Road, Bangalore – 560001 (hereinafter referred to as the "Employer", which expression shall, unless repugnant to the subject or context thereof, be deemed to include and mean its affiliates, group companies, nominees, successors, permitted substitutes, assigns and the entities to which the Employee may be deputed from time to time)

('Employer' and 'Employee' are hereinafter jointly referred to as 'Parties' and individually as 'Party')

In consideration of his / her employment with the Employer, the receipt of salary and other employment benefits from the Employer, and other good and valuable consideration, the Employee (referred to herein as 'I', 'me' or 'my') hereby undertakes and agrees to the following:

CLAUSE 1 DEFINITIONS

In this Undertaking, except as otherwise provided, capitalized terms shall have the meaning assigned to them hereinbelow:

1.1 '**Confidential Information**' includes all information (whether proprietary or not) and any idea in whatever form, tangible or intangible, pertaining in any manner to the operations of the Employer, or any of its group entities, affiliates, employees, clients, consultants, or associates, and which (i) relates to the Employer's current or contemplated operations or activities; or (ii) which was produced at any time by any employee or contractor or consultant of the Employer (or of any of its group entities, affiliates or associates) in the course of his or her employment or consulting or contractual relationship; or (iii) which was otherwise produced or acquired by or on behalf of the Employer; or (iv) which is otherwise owned by the Employer. All Confidential Information not generally known outside of the Employer's organization, and all Confidential Information so known only through improper means, shall be deemed "Confidential Information."

Confidential Information shall not include any information which:

- (i) is publicly disclosed as required by law or in response to an order of a court or governmental agency, or
- (ii) becomes publicly available through no fault of mine, or

Information shall not be deemed to have been published merely because individual portions of the information have been separately published, but only if all the material features comprising such information have been published in combination.

- 1.2 **'Inventions'** includes any and all ideas, processes, technologies, formulas, discoveries, inventions, trademarks, service marks, designs, computer hardware or software, original works of authorship, patents, copyrights, copyrightable works, products, marketing and business ideas, and all improvements, know-how, data, rights, and claims relating to the foregoing, whether or not patentable, which are conceived, developed or created and which: (i) relate to the Employer's current or contemplated operations or activities, or (ii) relate to the Employer's actual or anticipated research or development; or (iii) result from any work performed by me for the Employer; or (iv) involve the use of the Employer's equipment, supplies, facilities or trade secrets; or (v) result from or are suggested by any work done by the Employer or at the Employer's request, or any projects specifically assigned to me; or (vi) result from my access to any of the Employer's memoranda, notes, records, drawings, sketches, models, maps, lists, research results, data, formulae, specifications, inventions, processes, equipment or other materials (collectively, **'Employer Materials'**).

CLAUSE 2 TERM OF UNDERTAKING

- 2.1 This Undertaking shall come into force on the date first above mentioned and shall continue in full force and effect for the duration of my employment with the Employer and thereafter, until terminated through a written instrument signed by both Parties.

CLAUSE 3 CONFIDENTIAL INFORMATION

- 3.1 *Existence of Confidential Information:* The Employer owns and has developed and compiled, and will develop and compile, certain trade secrets, proprietary techniques and other Confidential Information which have great value to its operations. This Confidential Information includes not only information disclosed by the Employer to me, but also information developed or learned by me during the course of my employment with the Employer.
- 3.2 *Protection of Confidential Information:* I will not, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any third party, other than in performing my assigned duties and for the benefit of the Employer, any of the Employer's Confidential Information, either during or after my employment with the Employer. In the event I desire to publish the results of my work for the Employer through literature or speeches, I will submit such literature or speeches to _____ (*Designation*) of the Employer at least 10 days before dissemination of such information for a determination of whether such disclosure may alter trade secret status, may be prejudicial to the interests of the Employer, or may constitute an invasion of its privacy. I agree not to publish, disclose or otherwise disseminate such information without the prior written approval of the _____ (*Designation*) of the Employer. I am aware that the unauthorized disclosure of Confidential Information of the Employer may be highly prejudicial to its interests, an invasion of privacy, and an improper disclosure of trade secrets. If I am compelled to disclose any Confidential Information by a court order or otherwise, I shall immediately notify the Employer so that the Employer may take any actions it deems necessary to protect its interests.
- 3.3 *Delivery of Confidential Information:* Upon request or when my employment with the Employer terminates, I will immediately deliver to the Employer all copies of any and all

materials and writings received from, created for, or belonging to the Employer including, but not limited to, those which relate to or contain Confidential Information.

- 3.4 *Location and Reproduction*: I shall maintain at my workplace only such Confidential Information as I may have a current need on a "need to know" basis. I shall return to the appropriate person or location or otherwise properly dispose of Confidential Information once that need to know no longer exists. I shall not make copies of or otherwise reproduce Confidential Information unless there is a legitimate need of the Employer for reproduction.
- 3.5 *Prior Actions and Knowledge*: I represent and warrant that from the time of my first contact with the Employer I have held in strict confidence all Confidential Information and have not disclosed any Confidential Information, directly or indirectly, to anyone outside the Employer, or used, copied, published, or summarized any Confidential information, except to the extent otherwise permitted in this Undertaking.
- 3.6 *Third-Party Information*: I acknowledge that the Employer has received and in future will receive from third parties their confidential information subject to a duty on the Employer's part to maintain the confidentiality of such information and to use it only for certain limited purposes. I agree that I will at all times hold all such confidential information in the strictest confidence and shall not disclose or use it, except as necessary to perform my obligations hereunder and as is consistent with the Employer's agreement with such third parties. I further agree that my obligations under this Undertaking in respect of the Employer's Confidential Information shall apply mutatis mutandi to such third party confidential information.
- 3.7 *Third Parties*: I represent that my employment with the Employer does not and will not breach any agreements with or duties to a former employer or any other third party. I will not disclose to the Employer or use on its behalf any confidential information belonging to others and I will not bring onto the premises of the Employer any confidential information belonging to any such party unless consented to in writing by such party and the Employer.

CLAUSE 4 INVENTIONS

- 4.1 *Employer Ownership*: The Employer owns all Inventions I make, conceive, develop, discover, reduce to practice or fix in a tangible medium or expression, alone or with others, either (a) during my employment with the Employer (whether or not during working hours), or (b) within one year after my employment ends if the Inventions, results from any work performed by me for the Employer or involves the use or assistance of the Employer's facilities, materials, personnel or Confidential Information. The Employer also owns all Inventions that I bring to the Employer that are used in the course of the Employer's operations or that are incorporated into any Inventions that belong to the Employer. All right, title and interest in and to all Inventions, including but not limited to all registrable intellectual property rights which may subsist therein, shall be held and owned solely by the Employer, and where applicable, all Inventions shall be considered works made in the course of contract of service / works made for hire. I shall mark all Inventions with the Employer's copyright or other proprietary notice as directed by the Employer and shall take all actions deemed necessary by the Employer to protect the Employer's rights therein. In the event that the Inventions shall be deemed not to constitute works made in the course of contract of service / works made for hire, or in the event that I should otherwise, by operation of law, be deemed to retain any rights (whether moral rights or otherwise) to any Inventions, I agree to assign to the Employer, without further consideration, my entire right, title and interest in and to each and every such Invention.

- 4.2 Disclosure:** I agree to disclose promptly to the Employer full details of any and all Inventions.
- 4.3 Maintenance of Records:** I agree to keep and maintain adequate and current written records of all Inventions and their development made by me (solely or jointly with others) during the term of my employment with the Employer. These records will be in the form of notes, sketches, drawings, and any other format that may be specified by the Employer. These records will be available to and remain the sole property of the Employer at all times.
- 4.4 Determination of Inventions:** I further agree that all information and records pertaining to any idea, process, trademark, service mark, invention, technology, computer hardware or software, original work of authorship, design, formula, discovery, patent, copyright, product, and all improvements, know-how, rights, and claims related to the foregoing ("Intellectual Property"), that I do not believe to be an Invention, but that is conceived, developed, or reduced to practice by the Employer (alone by me or with others) during the period of my employment with the Employer and for 2 (two) years thereafter, shall be disclosed promptly by me to the Employer (such disclosure to be received in confidence). The Employer shall examine such information to determine if in fact the Intellectual Property is an Invention subject to this Undertaking.
- 4.5 Access:** Because of the difficulty of establishing when any Inventions are first conceived by me, or, or whether they result from my access to the Confidential Information of the Employer or to Employer Materials, I agree that any Invention shall, among other circumstances, be deemed to have resulted from my access to Confidential Information and Employer Materials if: (1) it grew out of or resulted from my work with the Employer or is related to the operations of the Employer, and (2) it is made, used, sold, exploited or reduced to practice, or an application for patent, trademark, copyright or other proprietary protection is filed thereon, by me or with my significant aid, within one year after termination of the period of my employment with the Employer.
- 4.6 Assistance:** I further agree to assist the Employer in every proper way (but at the Employer's expense) to obtain and from time to time enforce patents, copyrights, trademarks, or other rights or registrations on said Inventions in any and all countries, and to that end will execute all documents necessary:
- a) to apply for, obtain and vest in the name of the Employer alone (unless the Employer otherwise directs) letters patent, copyrights or other analogous protection in any country throughout the world and when so obtained or vested to renew and restore the same; and
 - b) to defend any opposition proceedings in respect of such applications and any opposition proceedings or petitions or applications for revocation of such letters patent, copyright or other analogous protection; and
 - c) to cooperate with the Employer (but at the Employer's expense) in any enforcement or infringement proceeding on such letters patent, copyright or other analogous protection.
- 4.7 Authorization to Employer:** In the event the Employer is unable, after reasonable effort, to secure my signature on any patent, copyright or other analogous protection relating to an Invention, whether because of my physical or mental incapacity or for any other reason whatsoever, I hereby irrevocably designate and appoint the Employer and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and on my behalf and stead to execute and file any such application, applications or other documents and to do all other lawfully permitted acts to further the prosecution, issuance, and enforcement of letters patent, copyright or other analogous rights or protections thereon

with the same legal force and effect as if executed by me. My obligation to assist the Employer in obtaining and enforcing patents and copyrights for Inventions in any and all countries shall continue beyond the termination of my employment with the Employer, but the Employer shall compensate me at a reasonable rate after such termination for time actually spent by me at the Employer's request on such assistance.

- 4.8 *Acknowledgement*: I acknowledge that there are no currently existing ideas, processes, inventions, discoveries, marketing or business ideas or improvements which I desire to exclude from the operation of this Undertaking. To the best of my knowledge, there is no other contract to assign inventions, trademarks, copyrights, ideas, processes, discoveries or other intellectual property that is now in existence between me and any other person (including any business or governmental entity).
- 4.9 *No Use of Name*: I shall not at any time use the Employer's name or any the Employer trademark(s) or trade name(s) in any advertising or publicity without the prior written consent of the Employer.

CLAUSE 5 CONFLICT OF INTEREST

- 5.1 I shall refrain from carrying on activities that create or may potentially create a conflict between my personal interest and the interests of the Employer. The activities which create / may potentially create a conflict of interest include (but are not limited to) dealings with suppliers, customers or other entities connected howsoever with the Employer (under a contract or otherwise), including (but not limited to) the following:
- a) According preferential treatment to entities in which substantive interest is held by me, my family members, my close relatives or by any entity in which substantive interest is held by any of the foregoing persons; and
 - b) Entering into any contract (written or oral) on a non-arms length basis by me, my family members, my close relatives or any by entity in which substantive interest is held by any of the foregoing persons.

CLAUSE 6 COMPETITIVE ACTIVITY

- 6.1 *Acknowledgment*: I acknowledge that the pursuit of the activities forbidden by Section 6.2 below would necessarily involve the use, disclosure or misappropriation of the Inventions and / or Confidential Information.
- 6.2 *Prohibited Activity*: To prevent the above-described disclosure, misappropriation and breach, I agree that during my employment with the Employer and for a period of two (2) years thereafter, without the Employer's express written consent, I shall not, directly or indirectly, solicit employment, be employed in or be engaged in, or be associated with any present or contemplated business activity that is or may compete with the operations or business of the Employer (or with the operations or business of any group entity or any affiliate of the Employer). I further agree that I shall not, on my own or on behalf of or in connection with any person, directly or indirectly, in any capacity whatsoever including as an employer, employee, principal, agent, joint-venture partner, partner, shareholder or other equity holder, independent contractor, licensor, licensee, franchiser, franchisee, distributor, consultant, supplier or trustee or by/through any corporation, cooperative, partnership, trust, unincorporated association or otherwise carry on, be engaged in, have any financial or other interest in or be otherwise commercially involved in any

endeavour, activity or business which is similar to or is / may be in competition with the business of the Employer.

CLAUSE 7 NON-SOLICITATION

7.1 I agree that for a period commencing on the date of this Undertaking and ending two years after I cease to be employed by the Employer:

- (a) I will not, directly or indirectly, hire or attempt to hire for any purpose whatsoever (whether as an employee, consultant, advisor, independent contractor or otherwise) any employee of the Employer or any person who was an employee of the Employer at any time during the last twelve months of my employment with the Employer, and shall use my best efforts to prevent any of my subsequent employers or related entities or persons from taking any such action. I will not (i) disclose to any third party the names, backgrounds or qualifications of any employees of the Employer or otherwise identify them as potential candidates for employment (b) personally or through any other person, approach, recruit or otherwise solicit employees of the Employer to work for any other employer; or (c) participate in any pre-employment interviews with any person who was employed by the Employer, while the Employee was employed by the Employer.
- (b) I shall not, on my own or on behalf of or in connection with any other person, directly or indirectly, in any capacity whatsoever including as an employer, employee, principal, agent, joint-venture partner, partner, shareholder or other equity holder, independent contractor, licensor, licensee, franchiser, franchisee, distributor, consultant, supplier or trustee or by or through any corporation, cooperative, partnership, trust, unincorporated association or otherwise:
 - i. Canvass or solicit the business of (or procure or assist the canvassing or soliciting of the business of) any customer or prospective customer of the Employer; and / or;
 - ii. Accept (or procure or assist the acceptance of) any business from any customer or prospective customer of the Employer; and / or;
 - iii. Supply (or procure or assist the supply of) any goods or services to any customer or prospective customer of the Employer.
- (c) I shall not on my own or on behalf of or in connection with any other person, directly or indirectly, in any capacity whatsoever including as an employer, employee, principal, agent, joint-venture partner, partner, shareholder or other equity holder, independent contractor, licensor, licensee, franchiser, franchisee, distributor, consultant, supplier or trustee or by and through any corporation, cooperative, partnership, trust, unincorporated association or otherwise, interfere or attempt to interfere with the Employer's business or persuade or attempt to persuade any customer, prospective customer, employee or supplier of the Employer to discontinue or alter such person's relationship with the Employer.

CLAUSE 8 REPRESENTATIONS AND WARRANTIES

8.1 I hereby represent and warrant

- a) that I have no obligations, legal or otherwise, inconsistent with the terms of this Undertaking or with my undertaking employment with the Employer;
- b) that the performance of the services called for by this Undertaking do not and will not violate any applicable law, rule or regulation or any proprietary or other right of any third party;
- c) that I will not use in the performance of my responsibilities for the Employer, any confidential information or trade secrets of any other person or entity; and
- d) that I will not enter into any agreement, arrangement or understanding, whether written or oral, with any supplier, contractor, distributor, wholesaler, sales representative, representative group, customer or any third party, relating to the operations of the Employer, without the express written consent of the Employer;
- e) that I will, at all times, take appropriate steps to safeguard confidential Information and shall protect it against disclosure, misuse, espionage and theft;
- f) that I have not entered into or will not enter into any agreement (whether oral or written) in conflict with this Undertaking; and
- g) that I will not disparage the Employer or its operations or services and will not interfere with the Employer's relationships with its customers, employees, vendors, bankers or other third parties.

**CLAUSE 9
TERMINATION OBLIGATIONS**

- 9.1 Upon the termination of my employment with the Employer or promptly upon the Employer's request, I shall surrender to the Employer all Employer Materials, equipment, tangible proprietary information, documents, books, notebooks, records, reports, notes, memoranda, drawings, sketches, models, maps, contracts, lists, computer disks (and other computer-generated files and data), any other data and records of any kind, and copies thereof, created on any medium and furnished to, obtained by, or prepared by myself in the course of or incident to employment with the Employer, that are in my possession or under my control.
- 9.2 My representations, warranties, and obligations contained in this Undertaking shall survive the termination of my employment with the Employer.
- 9.3 Following any termination of my employment with the Employer, I will fully cooperate with the Employer in all matters relating to my continuing obligations under this Undertaking.
- 9.4 I hereby grant consent to notification by the Employer to any of my future employers or companies I consult with about my rights and obligations under this Undertaking.
- 9.5 Upon termination of my employment with the Employer, I will execute a certificate acknowledging compliance with this Undertaking in a form requested by the Employer.
- 9.6 Within a period of 24 (twenty-four) months after termination of my employment with the Employer, I shall, before undertaking any work for anyone else which involves subject matter related to the Employer's activities, fully disclose the nature of proposed work to the Employer.

CLAUSE 10
GOVERNING LAW AND INJUNCTIVE RELIEF

- 10.1 *Governing Law:* This Undertaking shall be construed in accordance with, and all actions arising under or in connection therewith shall be governed by, the laws of the Republic of India (without reference to conflict of law principles).
- 10.2 *Injunctive Relief:* I acknowledge that my failure to carry out any obligation under this Undertaking, or a breach by me of any provision herein, will constitute immediate and irreparable damage to the Employer, which cannot be fully and adequately compensated in money damages and which will warrant preliminary and other injunctive relief, an order for specific performance, and other equitable relief. I further agree that no bond or other security shall be required in obtaining such equitable relief and I hereby consent to the issuance of such injunction and to the ordering of specific performance. The Employer's right to injunctive relief shall be in addition to any and all other remedies available to them and shall not be construed to prevent them from pursuing any and all other legal or equitable remedies available to them including recovery of monetary damages.

CLAUSE 11
GENERAL

- 11.1 *Binding Effect:* This Undertaking shall be binding upon my heirs, my executors, assigns, administrators and me and is for the benefit of the Employer and its successors and assigns.
- 11.2 *Integration:* This Undertaking sets forth the Parties' mutual rights and obligations with respect to Confidential Information, Inventions, prohibited competition, Intellectual Property and other obligations relating to my employment with the Employer. It is intended to be the final, complete, and exclusive statement of the terms of the Parties' agreements regarding these subjects. This Undertaking supersedes all other prior and contemporaneous agreements and statements on these subjects, and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. To the extent that the practices, policies, or procedures of the Employer, now or in the future, apply to myself and are inconsistent with the terms of this Undertaking, the provisions of this Undertaking shall control unless changed in writing by the Employer.
- 11.3 *Not Employment Undertaking:* This Undertaking is not an employment contract. I understand that the Employer may terminate my employment at any time, with or without cause, subject to the terms of the appointment letter. I acknowledge and agree that this Undertaking is not intended and will not be construed to grant me any right to continued employment with the Employer.
- 11.4 *Construction:* This Undertaking shall be construed as a whole, according to its fair meaning, and not in favor of or against any Party. By way of example and not limitation, this Undertaking shall not be construed against the Party responsible for any language in this Undertaking. The headings of the paragraphs hereof are inserted for convenience only, and do not constitute part of and shall not be used to interpret this Undertaking.
- 11.5 *Advocates' Fees:* Should either I or the Employer, or any heir, personal representative, successor or permitted assign of either Party, resort to legal proceedings to enforce this Undertaking, the prevailing Party in such legal proceeding