

## CLEAN TEAM CONFIDENTIALITY AGREEMENT

This Clean Team Confidentiality Agreement (the *Agreement*) is entered on 7 July 2021, by and between:

Parker-Hannifin Corporation, a corporation registered in Ohio with registered number 34-0451060, whose registered office is at 6035 Parkland Boulevard, Cleveland, Ohio, 44124-4141, United States of America (*Parker-Hannifin*); and

Meggitt PLC, a public limited company registered in England and Wales with registered number 00432989, whose registered office is at Pilot Way, Ansty Business Park, Coventry, England, CV7 9JU (*Meggitt*),

Parker-Hannifin and Meggitt are together referred to as the *Parties* and individually as a *Party*.

In connection with the proposed acquisition of Meggitt by Parker-Hannifin (the *Proposed Transaction*), the Parties recognise that they may need access to competitively sensitive information of the other Party to (i) carry out commercial due diligence in order to evaluate the Proposed Transaction; (ii) undertake a preliminary evaluation of regulatory clearance matters, including antitrust, foreign investment, and other regulatory approvals; (iii) undertake the relevant regulatory processes including (but not limited to) the preparation of submissions to and responding to questions asked by antitrust and foreign investment authorities; and (iv) integration planning (the *Designated Matters*). Access to this information will be limited to certain employees of the Parties and outside counsel and experts hired by the Parties in connection with the Proposed Transaction and will not be accessible to other employees of the Parties (the *Clean Team*). The purpose of the Clean Team is to collect and analyse data that will be used solely for purposes of the Designated Matters and will be undertaken in a manner that is fully consistent with and in compliance with all relevant antitrust and competition laws and regulations.

Parker-Hannifin and Meggitt have entered into a non-disclosure agreement dated 1 July 2021 (the *NDA*) and a confidentiality and joint defence agreement dated 5 July 2021 (the *JDA*).

Any information provided by the Parties for purposes of the Designated Matters that is competitively sensitive will be designated “Clean Team Only Information” and disclosure, sharing or use of such Clean Team Only Information is limited to that prescribed in this Agreement. Examples of Clean Team Only Information are attached as **Exhibit A**.

The Parties recognise that Clean Team Only Information is Confidential Information (as defined in the NDA) and acknowledge that its review is subject to the following terms and conditions:

1. “Clean Team Only Information” shall have the meaning given in Exhibit A.

2. “Clean Team Member” shall mean both (i) employees of the Parties listed in **Exhibits B & C** or added to the Clean Team in accordance with this clause (***Clean Team Employees***), who have signed a confirmation as set out in **Exhibit D** prior to being granted access to any Clean Team Only Information, and (ii) professional advisers hired in connection with the Proposed Transaction (***Outside Advisers***). Each Party may appoint additional individuals as Clean Team Members with the written agreement of the other Party (such agreement not to be unreasonably withheld or delayed). Each Party shall keep an up-to-date list of its Clean Team Members and provide it to the other Party on request. Each Party shall ensure compliance by each of its Clean Team Members with the obligations imposed on that Party under this Agreement, as if such Clean Team Member were that Party.
3. The Parties shall limit disclosure and access to Clean Team Only Information to Clean Team Members, and even then only to such extent as is reasonably necessary for the Designated Matters.
4. No person shall be appointed as a Clean Team Member if they have responsibility for making decision on sales, pricing, marketing, research and development, and other commercially sensitive areas relating to products and services on which the Parties compete. Such person may only be added as a Clean Team Member on the basis that the relevant person temporarily will be quarantined from such decisions.
5. Each Party and its Clean Team Members agree not to involve or return any Clean Team Member to direct responsibilities for making decisions on sales, pricing, marketing, research and development and other commercially sensitive areas relating to products and services on which the Parties compete for at least 12 months from the date on which either Party gives written notice to the other that it no longer intends to pursue the Proposed Transaction.
6. For the avoidance of doubt nothing in this Clean Team Agreement will prevent in-house counsel of either Parker-Hannifin or Meggitt who are Clean Team Members, and/or Outside Advisers, advising on any matter not connected with the Proposed Transaction.
7. Clean Team Members will preserve the confidential nature of Clean Team Only Information in accordance with the provisions of the NDA. Neither Party shall disclose any of the Clean Team Only Information to any third party (except Clean Team Members), unless required by law or court order, and, even then, it shall provide to the other Party at least ten (10) days’ notice prior to such required disclosure under the law or court order, provided, however, that if the pertinent law or court order does not permit at least ten days’ notice, as much notice as is reasonably practicable under the circumstances.
8. To the extent practicable, each Party will ensure that Clean Team Only Information is uploaded to folders designated as “Clean Team Only” in a virtual data room where such Clean Team Only Information is requested by the other Party. The Party providing the Clean Team Only Information shall have the sole right (acting

reasonably) to determine the documents or information to be designated as Clean Team Only Information. For the avoidance of doubt, where appropriate, Clean Team Only Information may be requested and exchanged in meetings and/or telephone calls and/or email correspondence provided no disclosure is made to non-Clean Team personnel. To the extent information is exchanged in meetings and/or telephone calls and/or email correspondence in this way, the party disclosing such information will be solely responsible for clearly identifying whether such information is Clean Team Only Information to receive the applicable treatment under this Agreement.

9. Clean Team Only Information will be used only in connection with the Designated Matters. No other use will be made of the Clean Team Only Information, it being recognized that each Party reserves all rights to its Clean Team Only Information not expressly granted herein.
10. None of the underlying data provided to the Clean Team, and none of the analyses, findings, or recommendations of the Clean Team shall be shared with or provided to non-Clean Team personnel, unless all Clean Team Only Information has been redacted, sufficiently aggregated or otherwise masked, or until closing of the Proposed Transaction.
11. The Clean Team may report to the management of the Parties on its progress, its conclusions with regard to the Designated Matters and summarise the results of any analysis of Clean Team Only Information, subject to the obligation in clause 10 not to disclose Clean Team Only Information. It may obtain input from management and business representatives as needed to perform this joint analysis, provided that no Clean Team Member shall disclose to any non-Clean Team personnel any Clean Team Only Information.
12. Clean Team Only Information shall not include information which: (i) is in the public domain prior to the disclosure; (ii) is lawfully in the other Party's possession prior to the disclosure; (iii) becomes part of the public domain by publication or otherwise through no violation of this Agreement; (iv) is independently developed by an employee(s) or other agent(s) of the Parties; or is (v) otherwise not competitively sensitive as between the Parties.
13. All documents containing Clean Team Only Information required to be maintained in confidence under this Agreement shall remain the property of the producing Party, and all such documents and copies thereof shall, upon request, be returned to the producing Party or destroyed (at the election of the other Party). Clean Team Members shall, on request, destroy or return to the other party (at their election) any Clean Team Only Information in the event that (i) the Proposed Transaction does not proceed; or (ii) they cease to be a Clean Team Member. Nothing in this clause 13 requires any Clean Team Member, Party, or Outside Advisor to alter, modify, delete, destroy, or otherwise remove Clean Team Only Information from back-up tapes or other back-up media made in the ordinary course of business.

14. All Clean Team Only Information will be kept secure and separate from other records, documents or information. The Parties will take sufficient steps to firewall the Clean Team Only Information to ensure that non-Clean Team personnel cannot access information provided to, or analyses generated by, the Clean Team Members. Any breach of any of these rules by a Party will be reported to the other Party's respective Legal Contact as soon as possible.

The Legal Contacts for Parker-Hannifin are [REDACTED] and [REDACTED].

The Legal Contacts for Meggitt are [REDACTED] and [REDACTED].

15. This Agreement shall be effective as of the date hereof. The obligations under this Agreement will expire 2 years from the date of this Agreement except where expressly provided otherwise in the terms of this Agreement. Such expiry shall be without prejudice to any rights and liabilities which have accrued before termination or under any of clauses 16 to 20 (inclusive).
16. The Parties acknowledge and agree that a breach of the provisions of this Agreement would cause the Parties to suffer irreparable damage that could not be adequately remedied by an action at law. Accordingly, Parker-Hannifin agrees that Meggitt and Meggitt agrees that Parker-Hannifin is entitled to specific performance of the provisions of this Agreement to enjoin a breach or attempted breach of the provisions thereof and to any other remedy, including, *inter alia*, damages and injunctive relief, awarded by a court of competent jurisdiction as set forth in clause 20.
17. No failure or delay by the Parties in exercising any right or remedy under this Agreement shall impair such right or remedy or operate or be construed as a waiver or variation of it or preclude its exercise at any subsequent time. No single or partial exercise of any such right or remedy shall prevent any further exercise of it or the exercise of any other remedy. The rights and remedies of the parties under this Agreement are cumulative and not exclusive of any rights or remedies provided by law.
18. Except as specifically provided herein, this Agreement shall not affect or supersede the confidentiality obligations of the Parties with respect to any other agreement(s) related to the Proposed Transaction (including the NDA and the JDA), all of which remain in full force and in effect.
19. Each Party shall take all such reasonable measures as may be appropriate to ensure that its obligations of non-use and non-disclosure set forth herein shall be respected by any of its outside counsel and experts, who may receive Clean Team Only Information.
20. This Agreement is governed by and shall be construed in accordance with the laws of England and Wales and the Parties submit to the exclusive jurisdiction of the English courts.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed  
as of the date and year first above written.

**Parker-Hannifin Corporation**

BY:



**Meggitt PLC**

BY: \_\_\_\_\_

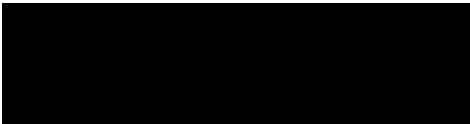
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date and year first above written.

**Parker-Hannifin Corporation**

BY: \_\_\_\_\_

**Meggitt PLC**

BY:



## EXHIBIT A

**“Clean Team Only Information”** is Confidential Information (as defined in the NDA) which is competitively sensitive under applicable competition laws relating to products or services on which the Parties compete and which might reasonably be expected to influence the commercial strategy or conduct of the Parties, such as:

- Recent, current, non-public, or future prices, certain detailed costs, fee schedules, pricing policies, or plans;
- Recent, current, or future margins;
- Specifics of planned new products;
- Recent, current, or proposed company specific marketing plans, market evaluations, or strategic plans;
- Status of negotiations with present or potential customers;
- Information about present third party relationships including customers, suppliers and other partners, including commercial terms agreed with or in discussion with those third parties, certain detailed costs, prices, profitability, marketing plans, product development plans, or other specific customer information;
- Recent, current, or future confidential research and technology programmes;
- Recent, current, or planned production and/or sales amounts; and
- Any other confidential business information that could be used to reduce competition.

For the avoidance of doubt, execution of this Agreement does not in itself authorise the exchange between Clean Team Members of the respective Parties of all the types of information listed above and each proposed exchange must be subject to the requirement that it is reasonably necessary for the Designated Matters.

## **EXHIBIT B**

### **List of Parker-Hannifin Clean Team Employees**

Clean Team Members, as defined in clause 2 above, for Parker-Hannifin are:

<b>Employee</b>	<b>Title</b>



**EXHIBIT C**

**List of Meggitt Clean Team Employees**

Clean Team Members, as defined in clause 2 above, for Meggitt are:

<b>Employee</b>	<b>Title</b>

*Table deliberately left blank for now.*

## **EXHIBIT D**

1. I, \_\_\_\_\_, have read the Clean Team Confidentiality Agreement for the protection and exchange of competitively sensitive information between Parker-Hannifin Corporation and Meggitt PLC dated 7 July 2021 (the ***Agreement***), and agree to be bound by its terms with respect to any Clean Team Only Information that is furnished to me as set forth in the Agreement.

2. I further agree (i) not to disclose to anyone any Clean Team Only Information other than as set forth in the Agreement, and (ii) to use Clean Team Only Information only under the terms outlined in the Agreement.

3. I further agree that any Clean Team Only Information furnished to me will be used by me only for the Designated Matters as identified in the Agreement in connection with the Potential Transaction, and for no other purpose, and will not be used by me in any business affairs or of my own or be imparted by me to any other person other than as set forth in the Agreement.

*Agreed to and Accepted on* \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_