

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of The
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 1, 2016 (August 1, 2016)

AMC Networks Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-35106

(Commission
file number)

27-5403694

(I.R.S. Employer
Identification No.)

**11 Penn Plaza,
New York, NY**

(Address of principal executive offices)

10001

(Zip Code)

(212) 324-8500

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- r Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- r Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- r Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- r Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

The Board of Directors of AMC Networks Inc. (the “Company”) appointed Christian Wymbs, age 46, Executive Vice President and Chief Accounting Officer of the Company effective as of the date on which Mr. Wymbs commences employment with the Company (the “Effective Date”), which was August 1, 2016. Mr. Wymbs joined the Company from the American Express Company where he most recently served since October 2014 as the Senior Vice President and Chief Financial Officer of its Global Commercial Services business. Previous to this role, he served as Senior Vice President and Chief Financial Officer of its Enterprise Growth Group business from January 2012 to October 2014 and as Senior Vice President and Chief Financial Officer of its World Service Group from January 2010 through January 2012. From December 2006 to January 2010, Mr. Wymbs worked for the American Express Company where he held various financial positions in its global consumer business. Prior to American Express Company, Mr. Wymbs worked for the General Electric Company in the finance and audit areas from May 2002 to December 2006. He commenced his career at Ernst & Young LLP in September 1993. In connection with the commencement of Mr. Wymbs’ employment as Chief Accounting Officer, Sean Sullivan, the Company’s Executive Vice President and Chief Financial Officer, will cease performing the responsibilities of the Chief Accounting Officer.

On June 27, 2016, the Company entered into an employment agreement (an “Employment Agreement”) with Mr. Wymbs. The Employment Agreement provides for Mr. Wymbs’ employment as Executive Vice President and Chief Accounting Officer of the Company through the third anniversary of the Effective Date (the “Expiration Date”), with a minimum annual base salary of \$425,000 (subject to annual review and potential increase in the discretion of the Compensation Committee of the Board of Directors of the Company (the “Compensation Committee”)) and an annual target bonus opportunity equal to 50% of annual base salary in the discretion of the Compensation Committee. Mr. Wymbs will be offered the Company’s standard benefits and the opportunity to participate in the Company’s long-term equity and other incentive programs, in each case on the same basis as similarly situated executives at the Company. It is expected that Mr. Wymbs’ participation in the Company’s long-term equity and other incentive programs will consist of annual grants of cash and/or equity awards with a target value of not less than \$480,000, as determined by the Compensation Committee. For 2016, it is expected that Mr. Wymbs will receive a grant of equity awards in October 2016, with a prorated target value to reflect the number of days during the 2016 calendar year in which Mr. Wymbs is employed by the Company. In addition, Mr. Wymbs will be eligible to receive, subject to Mr. Wymbs’ continued employment with the Company, (i) a one-time award of restricted stock units with a target value of \$500,000 in October 2016 (the “Special Equity Award”), and (ii) a one-time lump sum cash bonus equal to \$250,000 in March 2017 (the “Special Cash Award”). The Special Equity Award is subject to grant by the Compensation Committee and will vest in three equal annual installments beginning on March 4, 2017.

If, prior to the Expiration Date, Mr. Wymbs’ employment with the Company is involuntarily terminated by the Company other than for Cause (as defined in the Employment Agreement) then, subject to Mr. Wymbs’ execution and effectiveness of a severance agreement satisfactory to the Company (including, without limitation, a general release in favor of the Company and its affiliates and non-competition, non-solicitation, non-disparagement, confidentiality and further cooperation obligations and restrictions on Mr. Wymbs), the Company will pay Mr. Wymbs an amount equal to (less applicable withholding taxes):

- a) The greater of (i) Mr. Wymbs’ aggregate base salary and annual target bonus (as in effect at the time of termination of employment) from the termination date through the second anniversary of the Effective Date and (ii) one year of base salary and annual target bonus (as in effect at the time of termination of employment); *plus*
- b) if Mr. Wymbs’ employment is involuntarily terminated other than for Cause following the six-month anniversary of the Effective Date but prior to the payment of the Special Cash Award, then \$250,000; *plus*
- c) if Mr. Wymbs’ employment is involuntarily terminated other than for Cause following the six-month anniversary of the Effective Date but prior to March 4, 2017, then a cash payment representing one-third of the monetary value of the Special Equity Award determined using the closing price of a share of Class A Common Stock of the Company on the NASDAQ on March 3, 2017.

The Employment Agreement contains certain covenants by Mr. Wymbs, including a non-competition agreement that restricts Mr. Wymbs’ ability to engage in competitive activities until the first anniversary of the termination of his employment with the Company. If any payment due under the Employment Agreement would result in the imposition of an excise tax under Section 4999 of the Internal Revenue Code, the Company will instead pay Mr. Wymbs either (a) the amount of that payment or (b) the maximum amount that could be paid to Mr. Wymbs without the imposition of the excise tax, depending on whichever amount results in Mr. Wymbs receiving the greater amount of after-tax proceeds.

The above description is qualified in its entirety by reference to the Employment Agreement with Mr. Wymbs, which is attached as Exhibit 10.1 and incorporated into this Item 5.02 by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

10.1 Employment Agreement dated June 27, 2016, between AMC Networks Inc. and Christian Wymbs.

99.1 Press Release, dated August 1, 2016, announcing the appointment of Christian Wymbs as Chief Accounting Officer



For Immediate Release

**AMC NETWORKS APPOINTS CHRISTIAN WYMBS AS
CHIEF ACCOUNTING OFFICER**

NEW YORK, NY, August 1, 2016 -- AMC Networks (NASDAQ:AMCX) announced that Christian Wymbs has been appointed Executive Vice President and Chief Accounting Officer of the Company effective today.

In his role, Mr. Wymbs will be responsible for managing the Company's corporate accounting, financial reporting and tax functions and will report to Sean Sullivan, Executive Vice President and Chief Financial Officer for AMC Networks. Mr. Wymbs will take over the responsibilities of the Chief Accounting Officer from Mr. Sullivan.

"Chris is an experienced finance and accounting executive and we are confident that he will bring added insight and experience that will be of great benefit to our business," said Mr. Sullivan.

Mr. Wymbs joins AMC Networks from the American Express Company where he has held a number of positions since 2006. Most recently, he served as Senior Vice President and Chief Financial Officer of its Global Commercial Services business. Previously, he served as SVP and CFO of its Enterprise Growth Group business, in addition to holding other various financial positions in its Global Consumer and World Services businesses.

Mr. Wymbs earned an MBA from NYU Stern School of Business, and a BS in Public Accounting & Finance from Fordham University.

About AMC Networks Inc.

Dedicated to producing quality programming and content for more than 30 years, AMC Networks Inc. owns and operates several of the most popular and award-winning brands in cable television. AMC, IFC, SundanceTV, WE tv, and IFC Films produce and deliver distinctive, compelling and culturally relevant content that engages audiences across multiple platforms. The Company also operates BBC America through a joint venture with BBC Worldwide. In addition, the Company operates AMC Networks International, its global division. For more information, please visit www.amcnetworks.com.

Forward-Looking Statements

This press release may contain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Investors are cautioned that any such forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties, and that actual results or developments may differ materially from those in the forward-looking statements as a result of various factors, including financial community and rating agency perceptions of the Company and its business, operations, financial condition and the industries in which it operates and the factors described in the Company's filings with the Securities and Exchange Commission, including the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained therein. The Company disclaims any obligation to update any forward-looking statements contained herein.

Contacts:
Seth Zaslow
Investor Relations
646-273-3766
seth.zaslow@amcnetworks.com

Georgia Juvelis
Corporate Communications
917-542-6390
georgia.juvelis@amcnetworks.com

June 27, 2016

Christian Wymbs
c/o AMC Networks Inc.
11 Penn Plaza
New York, New York 10001

Re: Employment

Dear Chris:

I am pleased to forward this letter agreement (the "Agreement") setting forth the terms of your employment with AMC Networks Inc. which, together with its subsidiaries, and affiliates, is referred to herein as the "Company."

The term of this Agreement shall commence on your first day of employment, which is anticipated to be August 1, 2016, (the "Effective Date"), and shall automatically expire on the three-year anniversary of the Effective Date (the "Expiration Date").

You will be employed in the position of Executive Vice President and Chief Accounting Officer. You agree to devote substantially all of your business time and attention to the business and affairs of the Company and shall perform your duties in a diligent, competent and skillful manner and in accordance with applicable law.

By signing this Agreement, you represent and warrant that you are aware of no obligations, contractual, or otherwise, relating to a prior employer or any other entity for which you rendered services or are affiliated which would prevent or prohibit you from accepting or commencing employment with the Company and/or performing fully your job responsibilities now or in the future.

Your annual base salary will be \$425,000, subject to annual review and potential increase by the Compensation Committee of the Board of Directors of AMC Networks Inc. (the "Compensation Committee"), in its discretion.

You will also be eligible to participate in our discretionary annual bonus program with an annual target bonus opportunity equal to fifty percent (50%) of salary. Bonus payments are based on actual salary dollars paid during the year and depend on a number of factors including Company, unit and individual performance. However, the decision of whether or not to pay a bonus, and the amount of that bonus, if any, will be made by the Compensation Committee in its discretion. Except as otherwise provided herein, in order to receive a bonus, you must be employed by the Company at the time bonuses are being paid. Such bonus shall be earned, only if and when actually paid to, and received by, you.

You will also be eligible, subject to your continued employment by the Company and actual grant by the Compensation Committee in its discretion, to participate in such long-term equity and other incentive programs as are made available in the future to similarly situated executives at the Company. It is expected that such awards will consist of annual grants of cash and/or equity awards with an annual target value of not less than \$480,000, as determined by the Compensation Committee. For 2016, it is expected that you will receive a pro-rated grant of equity awards in October 2016 to reflect your days of employment during the 2016 calendar year. Any such awards would be subject to actual grant to you by the Compensation Committee in its discretion pursuant to the applicable plan documents and would be subject to terms and conditions established by the Compensation Committee in its discretion that would be detailed in separate agreements you would receive after any award is actually made.

In addition, you will be eligible to receive a one-time lump sum cash bonus in the amount of \$250,000, less applicable withholding taxes, ("Special Cash Bonus") which shall be payable to you in March 2017 at the same time as discretionary annual bonuses are paid to similarly situated employees. Except as otherwise provided herein, in order to receive the Special Cash Bonus, you must be employed by the Company at the time bonuses are being paid. The Special Cash Bonus shall be earned, only if and when paid to, and received by, you.

You will also be eligible to receive, in October 2016, subject to your continued employment and actual grant by the Compensation Committee in its discretion, a one-time special award of restricted stock units with a target value of \$500,000 ("Special Equity Award"). The Special Equity Award will be subject to actual grant to you by the Compensation Committee pursuant to the applicable plan documents as well as the terms and conditions established by the Compensation Committee in its discretion that will be detailed in a separate award agreement you would receive after any award is actually made, including, but not limited to, a three-year pro-rata vesting schedule with an initial vesting event on March 4, 2017.

You will also be eligible for our standard benefits program at the levels that are made available to similarly situated executives at the Company. Participation in our benefits program is subject to meeting the relevant eligibility requirements, payment of the required premiums, and the terms of the plans themselves. We currently offer medical, dental, vision, life, and accidental death and dismemberment insurance; short and long-term disability

insurance; a savings and retirement program, and ten paid holidays. You will be eligible for 4 weeks' vacation to be accrued and used in accordance with Company policy.

If, prior to the Expiration Date, your employment is involuntarily terminated by the Company for reasons other than "cause," then subject to your execution and the effectiveness of a severance agreement (the "Severance Agreement") to the Company's satisfaction (to include, without limitation, non-compete, non-disparagement, non-solicitation, confidentiality and further cooperation obligations/restrictions on you as well as a general release by you of the Company and its affiliates), you will be paid no less than an amount (the "Severance Amount") equal to:

i) the greater of: (a) your aggregate base salary and annual target bonus opportunity, each as in effect on the effective date of your termination ("Termination Date"), from the Termination Date through the two-year anniversary of the Effective Date; or (b) one year of your base salary and annual target bonus opportunity, each as in effect on the Termination Date; *plus*

ii) in the event that your employment is involuntarily terminated by the Company for reasons other than "cause" following the six-month anniversary of the Effective Date but prior to the payment of the Special Cash Bonus, a cash payment in the amount of \$250,000, less applicable withholding taxes; *plus*

iii) in the event that your employment is involuntarily terminated by the Company for reasons other than "cause" following the six-month anniversary of the Effective Date but prior to March 4, 2017, the anticipated first scheduled vesting event in connection with the Special Equity Award, a cash payment representing one-third (1/3) the monetary value of the Special Equity Award, determined using the closing price of shares of Class A Common Stock of AMC Networks Inc. on the NASDAQ on March 3, 2017, less applicable withholding taxes.

An amount equal to sixty percent (60%) of the Severance Amount will be payable to you on the six-month anniversary of the Termination Date and the remainder of the Severance Amount will be payable to you over the six months following such six-month anniversary in accordance with the Company's then prevailing payroll policies.

For purposes of this Agreement, "cause" means, as determined by the Company, your (i) commission of an act of fraud, embezzlement, misappropriation, willful misconduct, gross negligence or breach of fiduciary duty against the Company or an affiliate thereof, or (ii) commission of any act or omission that results in a conviction, plea of no contest, plea of *nolo contendere*, or imposition of unadjudicated probation for any crime involving moral turpitude or any felony.

Effective immediately, you and the Company agree to be bound by the additional covenants and provisions applicable to each that are set forth in the *Annex* attached hereto, which *Annex* shall be deemed to be a part of this Agreement.

This Agreement does not constitute a guarantee of employment for any definite period or on any specific terms. Your employment is at will and may be terminated by you or the Company at any time, with or without notice or reason. The Company may withhold from any payment due to you any taxes that are required to be withheld under any law, rule or regulation. The Company may also offset from any payment otherwise due to you under this Agreement, to the extent that it does not constitute “non-qualified deferred compensation” pursuant to Section 409A of the Code, any outstanding amounts owed to the Company or any of its affiliates of whatever nature.

If any payment otherwise due to you hereunder would result in the imposition of the excise tax imposed by Section 4999 of the Internal Revenue Code, as amended (the “Code”), the Company will instead pay you either (i) such amount or (ii) the maximum amount that could be paid to you without the imposition of the excise tax, depending on whichever amount results in your receiving the greater amount of after-tax proceeds (as reasonably determined by the Company).

It is intended that this Agreement will comply with Section 409A of the Code and to the extent the Agreement is subject thereto, the Agreement shall be interpreted on a basis consistent with such intent. If and to the extent that any payment or benefit under this Agreement, or any plan, award or arrangement of the Company or its affiliates, constitutes “non-qualified deferred compensation” subject to Section 409A and is payable to you by reason of your termination of employment, then (a) such payment or benefit shall be made or provided to you only upon a “separation from service” as defined for purposes of Section 409A under applicable regulations and (b) if you are a “specified employee” (within the meaning of Section 409A as determined by the Company), such payment or benefit shall not be made or provided before the date that is six months after the date of your separation from service (or your earlier death) as set forth herein. Any amount not paid or benefit not provided in respect of the six-month period specified in the preceding sentence will be paid to you in the manner set forth in this Agreement. Any such payment or benefit shall be treated as a separate payment for purposes of Section 409A to the extent Section 409A applies to such payments.

This Agreement is personal to you and without the prior written consent of the Company shall not be assignable by you otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by your legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

To the extent permitted by law, you hereby waive any and all rights to the jury trial with respect to any matter relating to this Agreement.

This Agreement will be governed by and construed in accordance with the law of the State of New York applicable to contracts made and to be performed entirely within that State.

You hereby irrevocably submit to the jurisdiction of the courts of the State of New York and the federal courts of the United States of America located in the State of New York solely in respect of the interpretation and enforcement of the provisions of this Agreement, and you hereby waive, and agree not to assert, as a defense that you are not subject thereto or that the venue thereof may not be appropriate. You hereby agree that mailing of process or other papers in connection with any such action or proceeding in any manner as may be permitted by law shall be valid and sufficient service thereof.

This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. It is the parties' intention that this Agreement not be construed more strictly with regard to you or the Company.

This Agreement sets forth the entire agreement between the parties concerning the subject matter hereof and supersedes all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter hereof.

This Agreement will automatically terminate, and be of no further force or effect, on the earlier of (a) June 30, 2016 if it is not acknowledged by you below prior to such date, or (b) the Expiration Date (except as to any right that accrued prior to such date to receive the Severance Amount subject to the execution and effectiveness of the Severance Agreement); provided, however, that the confidentiality obligations set forth herein shall survive such termination.

We look forward to having you join us as part of the AMC Networks team.

Sincerely,

/s/ Sean Sullivan

Sean Sullivan
Chief Financial Officer
AMC Networks Inc.

ACCEPTED AND AGREED TO:

/s/ Christian Wymbs

Christian Wymbs

ANNEX

This Annex constitutes part of the Agreement, dated June 27, 2016, by and between Christian Wymbbs (“You”) and the Company. Terms defined in the Agreement shall have the same meanings in this Annex.

You agree to comply with the following covenants in addition to those set forth in the Agreement.

1. Confidentiality

(a) Agreement. You agree to keep the existence and terms of this Agreement confidential (unless it is made public by the Company) *provided* that (1) you are authorized to make any disclosure required of you by any federal, state or local laws or judicial proceedings, after providing the Company with prior written notice and an opportunity to respond to such disclosure (unless such notice is prohibited by law), and (2) you are authorized to disclose this Agreement and its terms to your legal, financial and tax advisors or to members of your immediate family so long as such advisors and family members agree to maintain the confidentiality of the Agreement.

(b) Confidential and Proprietary Information. You agree to retain in strict confidence and not use for any purpose whatsoever or divulge, disseminate, copy, disclose to any third party, or otherwise use any Confidential Information, other than for legitimate business purposes of the Company and its affiliates. As used herein, “*Confidential Information*” means any non-public information of a confidential, proprietary, commercially sensitive or personal nature of, or regarding, the Company or any of its affiliates or any director, officer or member of senior management of any of the foregoing (collectively “*Covered Parties*”). The term Confidential Information includes information in written, digital, oral or any other format and includes, but is not limited to: (i) information designated or treated as confidential; (ii) budgets, plans, forecasts or other financial or accounting data; (iii) subscriber, customer, guest, fan vendor or shareholder lists or data; (iv) technical or strategic information regarding the Covered Parties’ cable, data, telephone, programming, advertising, sports, entertainment, film production, theatrical, motion picture exhibition or other businesses; (v) advertising, business, programming, sales or marketing tactics and strategies; (vi) policies, practices, procedures or techniques; (vii) trade secrets or other intellectual property; (viii) information, theories or strategies relating to litigation, arbitration, mediation, investigations or matters relating to governmental authorities; (ix) terms of agreements with third parties and third party trade secrets; (x) information regarding employees, officers, directors, players, coaches, agents, talent, consultants, advisors or representatives, including their compensation or other human resources policies and procedures; and (xi) any other information the disclosure of which may have an adverse effect on the Covered Parties’ business reputation, operations or competitive position, reputation or standing in the community.

(c) Exception for Disclosure Pursuant to Law. Notwithstanding anything contained elsewhere in this Agreement, you are authorized to make any disclosure required of you by any federal, state or local laws or judicial, arbitral or governmental agency proceedings, including, but not limited to, providing truthful testimony concerning the Company or its affiliates as required by court order or other legal process; after providing the Company with prior written notice and an opportunity to respond prior to such disclosure. In addition, this Agreement in no way restricts or prevents you from providing truthful testimony concerning the Company to judicial, administrative, regulatory or other governmental authorities.

By signing this Agreement, you acknowledge that you have been advised that pursuant to the federal Defend Trade Secrets Act of 2016, you may not be held criminally or civilly liable under any federal or state trade secret law for disclosing a trade secret: (i) in confidence, to a federal, state, or local government official, or to your attorneys, for the purpose of reporting or investigating a suspected violation of the law; or (ii) in a complaint or other court document filed in connection with a lawsuit or court proceeding, provided that said filing is made under seal. In addition, you acknowledge that you have been advised that if you file an action for retaliation against the Company for reporting a suspected violation of law, you may disclose a trade secret to your attorneys and use the trade secret in connection with the court proceeding provided that you: (i) file any document containing the trade secret under seal; and (ii) do not disclose the trade secret, except pursuant to court order.

2. Non-Compete

You acknowledge that due to your executive position in the Company and your knowledge of Confidential Information, your employment by or affiliation with certain businesses would be detrimental to the Company or any of its direct or indirect subsidiaries. You agree that, without the prior written consent of the Company, you will not represent, become employed by, consult to, advise in any manner or have any material interest, directly or indirectly, in any Competitive Entity (as defined below). A “*Competitive Entity*” shall mean (1) any person, entity or business that (i) competes with any of the Company’s or any of its affiliates’ programming, distribution or other existing businesses, internationally, nationally or regionally; or (ii) directly competes with any other business of the Company or one of its subsidiaries that produced greater than 10% of the Company’s revenues in the calendar year immediately preceding the year in which the determination is made. Ownership of not more than 1% of the outstanding stock of any publicly traded company shall not, by itself, be a violation of this paragraph. This agreement not to compete will expire on the first anniversary of the date on which your employment with the Company has terminated if such termination occurs prior to the Expiration Date.

3. Additional Understandings

You agree, for yourself and others acting on your behalf, that you (and they) have not disparaged and will not disparage, make negative statements about or act in any

manner which is intended to or does damage to the good will of, or the business or personal reputations of the Company, any of its affiliates or any of their respective incumbent or former officers, directors, agents, consultants, employees, successors and assigns.

In addition, you agree that the Company is the owner of all rights, title and interest in and to all documents, tapes, videos, designs, plans, formulas, models, processes, computer programs, inventions (whether patentable or not), schematics, music, lyrics, programming ideas and other technical, business, financial, advertising, sales, marketing, customer, programming or product development plans, forecasts, strategies, information and materials (in any medium whatsoever) developed or prepared by you or with your cooperation during the course of your employment by the Company (the "*Materials*"). The Company will have the sole and exclusive authority to use the Materials in any manner that it deems appropriate, in perpetuity, without additional payment to you.

4. Further Cooperation

Following the date of termination of your employment with the Company, you will no longer provide any regular services to the Company or represent yourself as a Company agent. If, however, the Company so requests, you agree to cooperate fully with the Company in connection with any matter with which you were involved prior to such employment termination, or in any litigation or administrative proceedings or appeals (including any preparation therefore) where the Company believes that your personal knowledge, attendance or participation could be beneficial to the Company or its affiliates. This cooperation includes, without limitation, participation on behalf of the Company and/or its affiliates in any litigation, administrative or similar proceeding, including providing truthful testimony.

The Company will provide you with reasonable notice in connection with any cooperation it requires in accordance with this section and will take reasonable steps to schedule your cooperation in any such matters so as not to materially interfere with your other professional and personal commitments. The Company will reimburse you for any reasonable out-of-pocket expenses you reasonably incur in connection with the cooperation you provide hereunder as soon as practicable after you present appropriate documentation evidencing such expenses. You agree to provide the Company with an estimate of any such expense before it is incurred.

5. No Hire or Solicit

For the term of the Agreement and until one year after the termination of your employment, you agree not to hire, seek to hire, or cause any person or entity to hire or seek to hire (without the prior written consent of the Company), directly or indirectly (whether for your own interest or any other person or entity's interest) any employee of the Company or any of its affiliates. This restriction does not apply to any employee who was

discharged by the Company or any of its affiliates. In addition, this restriction will not prevent you from providing references.

6. Acknowledgments

You acknowledge that the restrictions contained in this *Annex*, in light of the nature of the Company's business and your position and responsibilities, are reasonable and necessary to protect the legitimate interests of the Company. You acknowledge that the Company has no adequate remedy at law and would be irreparably harmed if you breach or threaten to breach any of the provisions of this *Annex*, and therefore agree that the Company shall be entitled to injunctive relief to prevent any breach or threatened breach of any of the provisions and to specific performance of the terms of each of such provisions in addition to any other legal or equitable remedy it may have. You further agree that you will not, in any equity proceeding relating to the enforcement of the provisions of this *Annex*, raise the defense that the Company has an adequate remedy at law. Nothing in this *Annex* shall be construed as prohibiting the Company from pursuing any other remedies at law or in equity that it may have or any other rights that it may have under any other agreement. If it is determined that any of the provisions of this *Annex*, or any part thereof, is unenforceable because of the duration or scope (geographic or otherwise) of such provision, it is the intention of the parties that the duration or scope of such provision, as the case may be, shall be reduced so that such provision becomes enforceable and, in its reduced form, such provision shall then be enforceable and shall be enforced. Notwithstanding anything to the contrary contained in this Agreement, in the event you violate the covenants and agreements set forth in this *Annex*, then, in addition to all other rights and remedies available to the Company, the Company shall have no further obligation to pay you any severance benefits or to provide you with any other rights or benefits to which you would have been entitled pursuant to this Agreement had you not breached the covenants and agreements set forth in this *Annex*.

7. Survival

The covenants and agreement set forth in this *Annex* shall survive any termination or expiration of this Agreement and any termination of your employment with the Company, in accordance with their respective terms.