

GROUP 4 SECURICOR PLC

and

**[Director's Name]**

**Deed of Indemnity**

**This Deed** is dated [                    ] and made between:

- (1) Group 4 Securicor plc (registered in England and Wales No. 4992207) whose registered office is at The Manor, Manor Royal, Crawley, West Sussex RH10 9UN; and
- (2) [director's name] whose address is [director's address] (the **Director**).

## **Background**

- (A) Pursuant to the Companies Act 1985 and the Company's Memorandum and Articles of Association, the Board may exercise the power of the Company to indemnify its directors against certain liabilities, and to provide its directors with funds to meet expenditure incurred or to be incurred in defending certain legal proceedings or in connection with certain applications to the court.
- (B) In exercise of that power and by resolution of the Board on 5 October 2006, the Company has agreed to enter into this Deed of Indemnity with the Director.

## **It is agreed as follows:**

### **1. Definitions and interpretation**

- 1.1 In this Deed, unless the context otherwise requires, the following definitions apply:

**Act** means the Companies Act 1985;

**Board** means the board of directors of the Company from time to time;

**Business Day** means a day other than a Saturday or Sunday or a bank holiday or public holiday in England and Wales;

**Associated Company** means an associated company (within the meaning given in section 309A(6) of the Act) of the Company;

**Defence Costs** has the meaning given in clause 3.1;

**Final** has the meaning given in section 309B(6) of the Act;

**Relevant Application** means an application under section 144(3) or (4), or section 727, of the Act; and

**Relevant Liability** means a liability falling within clause 2.1.

- 1.2 In this Deed (except where the context otherwise requires):

- 1.2.1 words in the singular include the plural and vice versa, and words importing any gender include every gender;

- 1.2.2 references to clauses are to clauses of this Deed;

- 1.2.3 the clause headings are included for ease of reference only and shall not affect the interpretation of this Deed; and
- 1.2.4 a reference to a statute or statutory provision includes a reference to such statute or statutory provision as from time to time amended, re-enacted or replaced (whether before or after the date of this Deed).

## 2. **Indemnity**

- 2.1 Subject to the Act and the provisions of this Deed, the Company shall indemnify and keep indemnified the Director against all liabilities (other than the liabilities set out in clause 2.2) attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company.
- 2.2 Clause 2.1 shall not apply to any liability incurred by the Director:
  - 2.2.1 to the Company;
  - 2.2.2 to any Associated Company;
  - 2.2.3 to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising);
  - 2.2.4 in defending any criminal proceedings in which the Director is convicted;
  - 2.2.5 in defending any civil proceedings brought by the Company, or an Associated Company, in which judgment is given against the Director;
  - 2.2.6 in connection with any Relevant Application in which the court refuses to grant the Director relief.
  - 2.2.7 in the event that the liability incurred by the Director is, in the reasonable opinion of the Board, a result of fraud or wilful misconduct by the Director; or
  - 2.2.8 in defending any proceedings brought by a regulatory authority in which a penalty is imposed on the Director.

For the purposes of this clause, any reference to a conviction, judgment or refusal of relief is to one that has become Final.

- 2.3 Any indemnity payment by the Company to the Director pursuant to clause 2.1 is conditional upon:
  - 2.3.1 compliance by the Director with clause 4.1, to the extent applicable in the circumstances; and
  - 2.3.2 the Director having made an application in writing (complying, if applicable, with clause 2.4) to the Company supported by the production of documentation which is, in the reasonable opinion of the Board, satisfactory evidence that the Relevant Liability has been incurred by the Director and of the date that it was incurred.

- 2.4 Without prejudice to the Director's right under clause 3 to request interim assistance with the payment of Defence Costs, if any liability is incurred by the Director in defending any criminal or civil proceedings or in connection with any Relevant Application, the Director may not make an application under clause 2.3 to be indemnified pursuant to clause 2.1 in relation to that liability unless and until any decision of the court in respect of the matter has become Final, provided that the Director may also make such an application:
- 2.4.1 if any liability is incurred by the Director in defending any criminal proceedings and the Board is satisfied that the proceedings have been abandoned or discontinued by the relevant prosecuting authorities; or
- 2.4.2 if any liability is incurred by the Director in defending any civil proceedings brought by parties other than the Company or an Associated Company and the Board is satisfied that the matter has been finally settled or otherwise disposed of prior to being decided by the court.
- 2.5 If the Board is satisfied that the conditions set out in clause 2.3 have been fulfilled, it shall (subject to clause 3.4) make payment to the Director pursuant to clause 2.1 within 28 days of receipt of the evidence referred to in clause 2.3.2.
- 2.6 The obligation of the Company to indemnify the Director pursuant to clause 2.1 shall (subject to clause 2.3) remain in full force and effect in respect of any Relevant Liability arising from the acts or omissions of the Director at any time during his period of office as a director of the Company (including, without limitation, any Relevant Liability arising from the Director's acts or omissions during such period but incurred after he ceases to hold office).
3. **Defence costs**
- 3.1 Subject to the Act and the provisions of this Deed, the Company may at its sole discretion agree to fund all or part of the legal and other expenses ('**Defence Costs**') incurred or to be incurred by the Director in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or in connection with any Relevant Application. Any request for funding under this clause shall be made in writing by the Director to the Company and determined by resolution of the Board, subject to such conditions as the Board thinks fit.
- 3.2 Any funding which the Board resolves to provide to the Director pursuant to clause 3.1 shall be treated as a loan from the Company to the Director repayable on demand and otherwise on the terms set out in clause 3.3, together with such further terms as may be determined by the Board at the time that the arrangement is entered into.
- 3.3 The terms are that if the Company provides funds to the Director in respect of Defence Costs arising in relation to criminal proceedings in which the Director is subsequently convicted or civil proceedings in which judgment is subsequently given against the Director or a Relevant Application in which the court subsequently refuses to grant the Director relief then any obligation of the Company to make further contributions towards the Director's Defence Costs shall cease and any amounts already advanced by the Company must be repaid not later than the date that the

conviction, judgment or refusal to grant relief becomes final (within the meaning of section 337A(5) of the Act).

- 3.4 Subject to the provisions of this Deed, if in relation to any matter:
  - 3.4.1 funds have been advanced to the Director in respect of Defence Costs pursuant to clause 3.1; and
  - 3.4.2 prior to having repaid such funds in full, the Director seeks an indemnity in relation to that matter pursuant to clause 2.1,

then if the Board shall determine that the Director is entitled to an indemnity in accordance with clause 2.3, it shall be entitled to direct that the amount that the Director is or remains liable to repay to the Company pursuant to clause 3.2 shall be set against the amount that the Company is liable to pay to the Director by way of indemnity pursuant to clause 2.1, and each party's liability to the other shall be reduced or extinguished (as the case may be) accordingly.

#### **4. Conduct of claims and recovery**

- 4.1 If the Director becomes aware of any circumstances which may lead to the Company being requested to make a payment or advance funds under this Deed, the Director shall:
  - 4.1.1 as soon as practicable, give written notice of such circumstances to the Company;
  - 4.1.2 keep the Company informed of any developments in relation to such circumstances (including by providing the Company with such information and copies of such documents as the Company may reasonably request) and consult the Company regarding the conduct of any claim arising in connection with such circumstances; and
  - 4.1.3 not make any admission of liability, agreement or compromise with any person in relation to any such circumstances without the prior written consent of the Company (such consent not to be unreasonably withheld or delayed).
- 4.2 In the event that the Company makes any payment pursuant to this Deed, the Company shall be subrogated to the extent of such payment to all of the Director's rights of recovery against third parties (including any claim under any applicable directors' and officers' insurance policy) in respect of the payment and the Director shall do everything that may be necessary to secure any rights including:
  - 4.2.1 the execution of any documents necessary to enable the Company effectively to bring an action in the name of the Director; and
  - 4.2.2 the provision of assistance as a witness.
- 4.3 If the Company makes any payment to or for the benefit of the Director pursuant to this Deed and the Director subsequently recovers or becomes entitled to recover from a third party any amount which is referable to any part of the liability for which payment was made by the Company, the Director shall immediately repay or procure the repayment to the Company of so much of the amount paid by the Company as does not exceed the amount recovered (or entitled to be recovered) by the Director,

less any reasonable costs and expenses incurred by the Director in effecting any such recovery which are not recoverable from any third party.

4.4 The Director shall not be entitled to recover more than once pursuant to this Deed in respect of any matter giving rise to a Relevant Liability.

## 5. **General**

5.1 This Deed shall be binding on and shall enure for the benefit of the successors of the parties to this Deed.

5.2 A party may not (whether at law or in equity) assign, transfer, grant any security interest over, hold on trust or deal in any other manner with the benefit of the whole or any part of this Deed, nor purport to do any of the same.

5.3 A person who is not a party to this Deed (a '**third party**') has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

5.4 No variation of this Deed shall be effective unless it is in writing and signed by or on behalf of each of the parties to this Deed.

5.5 Each party shall pay its own costs relating to the negotiation, preparation, execution and performance of this Deed.

5.6 Any notice or other communication to be given under this Deed shall be in writing and shall be delivered personally or sent by pre-paid first class recorded delivery post or receipted courier (marked, in the case of communications to the Company, for the attention of the Company Secretary) to the parties' respective addresses set out in this Deed or as otherwise notified by the relevant party from time to time (in accordance with the provisions of this clause). A notice or other communication given under this Deed shall be deemed to have been received upon delivery to the address referred to in clause 5.6; and

For the purposes of this Deed, notices or other communications shall not be validly given if sent by e-mail.

5.7 This Deed may be executed in any number of counterparts each of which when executed shall be an original but all the counterparts shall together constitute one and the same instrument.

5.8 This Deed shall be governed by and construed in accordance with the laws of England.

5.9 Each party irrevocably agrees to submit to the exclusive jurisdiction of the courts of England and Wales over any claim or matter arising under or in connection with this Deed.

**In witness** of which this document has been executed by each of the Company and the Director as a **Deed** on the date set out at the head of this document.

**Execution page**  
**Deed of Indemnity**  
**The Company**

**Executed as a Deed by** )  
**Group 4 Securicor plc** )  
acting by: )

sign here: \_\_\_\_\_  
**Director**

print name: \_\_\_\_\_

sign here: \_\_\_\_\_  
**Director/Secretary**

print name: \_\_\_\_\_

**The Director**

**Signed as a Deed by** )  
**[director's name]** )  
in the presence of: )

sign here: \_\_\_\_\_

print name: \_\_\_\_\_

**Witness signature:**

Witness sign here: \_\_\_\_\_

**Witness name:**

print name: \_\_\_\_\_

**Witness address:**

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**Witness occupation:**