

**GUARANTEE AND BOND FACILITY**

---

**AGREEMENT OF INDEMNITY**

---

---

**EULER HERMES UK**

## AGREEMENT OF INDEMNITY

### WHEREAS:

1. In this Agreement unless the context shall otherwise require the following words expressions and phrases shall have the meanings set out below:

"The Indemnitors":	The companies, corporations or firms set out in the Schedule to this Deed and each Additional Indemnitor.
"Additional Indemnitor":	Any company, corporation or firm which becomes a party to this Deed as one of the Indemnitors pursuant to a Co-Indemnity Agreement.
"Change of Control"	Any event by which a person or persons acting in concert (as that expression is defined in the City Code on Takeovers and Mergers) directly or indirectly cease(s) to be or become(s) entitled, directly or indirectly, to appoint or remove a majority of a company's board of directors.
"Co-Indemnity Agreement":	A Deed in the form of the specimen set out in the Appendix to this Deed.
"The Company":	Euler Hermes SA (NV) acting through its registered branch Euler Hermes UK, 1 Canada Square, London, E14 5DX.
"The Facility":	Guarantee and Bond Facility on behalf of _____ and approved subsidiary companies (hereinafter collectively and individually referred to as "the Clients") in accordance with the Terms of the Company dated the day of _____
"Ultimate Liability":	Any liability (actual, prospective or contingent) and also any claim and every other loss expense damage or cost of whatsoever nature and howsoever arising which at any time may be incurred by the Company in any way in connection with the Facility.

2. The Indemnitors have requested the Company to act and/or continue to act as surety, guarantor or insurer in the terms of the Facility.

NOW THIS DEED WITNESSETH that IN CONSIDERATION of the Company agreeing to provide or arrange the provision of the Facility (and any renewal extension or amendment thereof), and/or continue to provide the Facility the Indemnitors hereby agree that:

- (1) the Indemnitors will at all times indemnify and save harmless the Company against and from Ultimate Liability
- (2) the Indemnitors will promptly on demand pay or procure payment of any premium or fee due to the Company and any additional premium or fee in respect of the Facility or any renewal or extension or amendment thereof until such time as the Company shall cease to be exposed to Ultimate Liability
- (3) the Indemnitors will give immediate notification and provide full details thereof to the Company in the event of becoming aware of any circumstance or matter which may in any manner relate or be material to the Facility, the liability of the Company arising thereunder or any related security held by or otherwise available to the Company
- (4) any payment by the Company in respect of Ultimate Liability shall be made at its sole discretion without the need for the authority of the Indemnitors or any of them and in the event of any such payment being made by the Company the Indemnitors shall pay to the Company on demand any amount so paid
- (5) a) in the event of the liquidation of any of the Clients or any of the Indemnitors (except a voluntary liquidation for the purposes of reconstruction or amalgamation) or on the appointment of a Receiver, Administrative Receiver, Administrator or the like in respect of any or any part of the assets of any of the Clients or any of the Indemnitors and/or in the event that any of the Clients or any of the Indemnitors shall take any step to enter any kind of composition or scheme of compromise or arrangement with its creditors or otherwise admit inability to pay its debts as they fall due or is otherwise deemed to be insolvent or there being, at the discretion of the Company, any other material adverse change in the financial status or circumstances of

any of the Clients or any of the Indemnitors or in the event that any of the Clients or any of the Indemnitors shall suffer a Change of Control (other than a Change of Control arising as a direct consequence of a public offering or trading of a company's shares on a Stock Exchange) or in the event that any representation undertaking warranty or statement made to the Company by or on behalf of any of the clients or any of the Indemnitors shall be breached or in the reasonable opinion of the Company untrue in any material particular or in the event of failure between the Clients and the Company for whatever reason to agree terms for renewal or extension of the Facility then the Indemnitors shall forthwith upon receipt of a demand in writing deposit with the Company such sum or sums as the Company shall specify

- b) such sum or sums deposited in accordance with Clause (5) a) above shall not in the aggregate exceed the amount of Ultimate Liability and shall be placed and held by and in the name of the Company on deposit with a bank of standing to be used, together with any interest earned or accruing thereon, to pay Ultimate Liability. Any surplus remaining after such payment or payments have been made together with any surplus of accrued interest shall be refunded to the Indemnitors who contributed to the deposit in the shares that those contributions were made.
- (6) a demand in writing by the Company pursuant to the provisions of either Clause (4) or Clause (5) a) above shall constitute conclusive evidence of the fact and the aggregate amount of the liability of the Indemnitors to the Company at the time of such demand
- (7) the Indemnitors will provide to the Company all information requested by the Company relating to the business and activities of the Indemnitors and any associated or subsidiary company of any of the Indemnitors and will allow the Company to examine and retain copies of accounts and any other documents as the Company may require from time to time
- (8) the Company shall be under no obligation to pursue or enforce against any of the Clients any of the Indemnitors or any other party any right of recovery or other remedy which may howsoever arise in respect of the whole or any part of Ultimate Liability or any liability arising under this Agreement and any waiver release or indulgence afforded by the Company in respect of the same to any party, including any of the Clients or any of the Indemnitors, shall be without prejudice to and shall not diminish or extinguish the obligations and liabilities of the Indemnitors arising hereunder
- (9) all the terms provisions and conditions of this Agreement shall be extended to and shall operate for the benefit of not only the Company either as a direct underwriting company or as a co-surety or re-insurer, but also any surety or insurance company or companies with which the Company may participate as co-surety or re-insurer
- (10) the obligations and liabilities of the Indemnitors under this Agreement and of any Additional Indemnitor that becomes a party to this Agreement pursuant to a Co-Indemnity Agreement shall be both joint and several
- (11) this Agreement and any Co-Indemnity Agreement supplemental hereto shall be read and construed as a single instrument
- (12) this Agreement shall be governed in all respects by English Law and shall be subject to the exclusive jurisdiction of the English Courts.

The officers signing this Agreement hereby declare that they are respectively duly appointed officers of the Indemnitors and are empowered to execute this Agreement as a Deed on behalf of the Indemnitors in conformity with their respective Articles of Association.

**SCHEDULE**  
**THE INDEMNITORS**

---

**Executed and delivered as a Deed on behalf  
of  
Registered Number:**

By: 1. Director:    Name:

Signature:

2. Secretary:    Name:

Signature:

Date:

**Executed and delivered as a Deed on behalf  
of  
Registered Number:**

By: 1. Director:    Name:

Signature:

2. Secretary:    Name:

Signature:

Date:

**Executed and delivered as a Deed on behalf  
of  
Registered Number:**

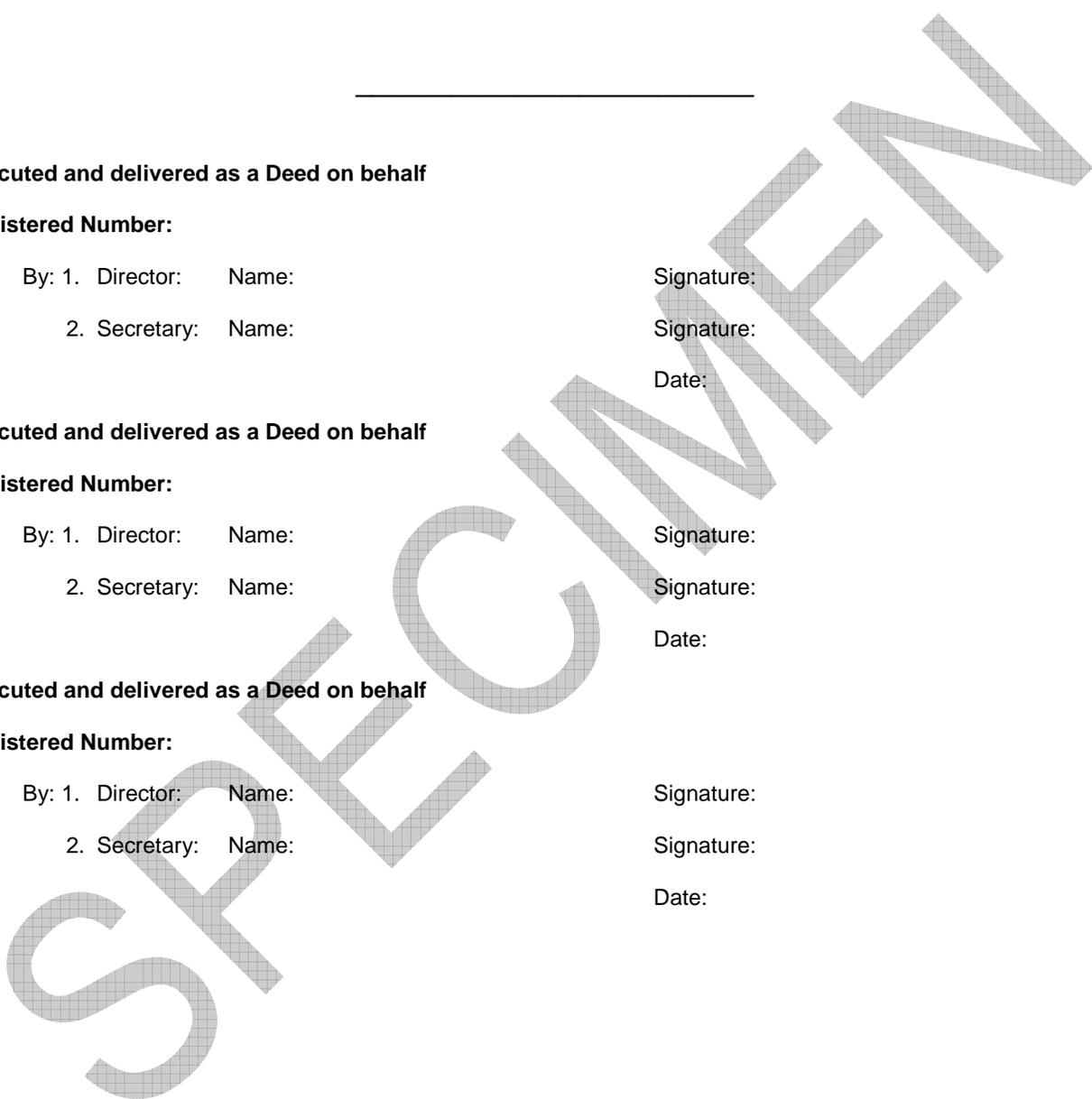
By: 1. Director:    Name:

Signature:

2. Secretary:    Name:

Signature:

Date:



**APPENDIX**

**SPECIMEN  
CO-INDEMNITY AGREEMENT**

*[Please note that this is merely a specimen of the form of Deed that will be required to be executed by any Additional Indemnitor joining in support of the Facility at a later date].*

**WHEREAS:**

1. In this Agreement unless the context shall otherwise require the following words expressions and phrases shall have the meanings set out below:

The Additional Indemnitor:

whose registered office is at

The Company: Euler Hermes SA (NV) acting through its registered branch Euler Hermes UK, 1 Canada Square, London, E14 5DX.

The Facility: Guarantee and Bond Facility on behalf of \_\_\_\_\_ and approved subsidiary companies in accordance with the Terms of the Company dated the \_\_\_\_\_ day of \_\_\_\_\_

2. This Co-Indemnity Agreement is supplemental to an Agreement of Indemnity (a copy of which is annexed hereto) dated the \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_\_\_\_ and entered into by \_\_\_\_\_ and others as Indemnitors in support of the Facility ("the A of I").

**NOW THIS DEED WITNESSETH** that IN CONSIDERATION of the Company agreeing to provide or arrange the provision of the Facility (and any renewal extension or amendment thereof) and/or continue to provide the Facility the Additional Indemnitor hereby agrees that:

- (1) as from the date hereof:
- a) the Additional Indemnitor is hereby bound by the terms and provisions of the A of I and
  - b) the A of I shall be read and construed
- as if the Additional Indemnitor had been named as one of the Indemnitors in the A of I and had duly executed the same
- (2) this Agreement, the A of I and any other Co-Indemnity Agreement supplemental thereto shall be read and construed as a single instrument
- (3) this Agreement shall be governed in all respects by English Law and shall be subject to the exclusive jurisdiction of the English Courts.

The officers signing this Agreement hereby declare that they are respectively duly appointed officers of the Additional Indemnitor and are empowered to execute this Agreement as a Deed on behalf of the Additional Indemnitor in conformity with its Articles of Association.