

THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION
of
AUTOGARD HOLDINGS LIMITED



Dated 28 FEBRUARY 2005

By virtue of the Companies Act (as amended) and the Articles of Association of the Company, we the undersigned being the holders of all the shares of the Company, hereby resolve upon the following resolutions and intend that they will be as valid and effectual as if they had been passed as Special Resolutions at a general meeting of the Company duly convened and held:

Special Resolutions

1. That the Articles of Association of the Company be and are hereby amended by the insertion of the following new paragraphs (Q) and (R) at the end of existing article 13:

"(Q) Notwithstanding paragraph (A) of this article, in the event that a holder of "D" Shares is deemed to have given a Transfer Notice as a result of his ceasing to be an employee of the Company in the circumstances set out in paragraph (R) below, the Sale Price for all the "D" Shares held by him shall be the lower of:

- (i) the aggregate subscription price paid by him for the "D" Shares; and
- (ii) their fair value as defined in paragraph (A) of this article.

- (R) The circumstances referred to in paragraph (Q) above are the following:

- (i) the termination of the employment of the "D" Shareholder by the Company for gross misconduct or for conduct which in the reasonable opinion of the Company has brought the Company into serious disrepute;
- (ii) if the "D" Shareholder is convicted of a criminal offence (excluding an offence under Road Traffic Legislation in the United Kingdom or elsewhere for which he is not sentenced to any term of imprisonment whether immediate or suspended);
- (iii) if the "D" Shareholder commits any act of serious dishonesty relating to the affairs of the Company; or
- (iv) if the "D" Shareholder is disqualified from being a director of any company by reason of an order made by any competent court."

2. That the Deed of Grant of Option to be entered into between the Company and Martin William Griffiths relating to the grant to Martin William Griffiths of options to subscribe for 614 "D" shares of 1p in the capital of the Company, in the form attached hereto, be approved as being in the best interests of the Company.

Michael Richard Hutchings

Graham Stuart Gold

~~for and on behalf of~~
~~H J Weir Engineering Company Limited~~

Henry Gerald Mutkin

Christopher John Page

DATED _____ 2005

H. Mutton
F. F. F.
Amberley

AUTOGARD HOLDINGS LIMITED (1)

-and-

M W GRIFFITHS (2)

DEED OF GRANT OF OPTION
in respect of shares in Autogard Holdings Limited

Willans
28 Imperial Square
CHELTENHAM
GL50 1RH

H. Muthen
C. Ad

(1) **AUTOGARD HOLDINGS LIMITED** (registered no. 4421929) whose registered office is at 60 Kings Walk, Gloucester, GL1 1LA ("the Company"); and

(2) **MARTIN WILLIAM GRIFFITHS** of 9 Fernbank Road, Redland, Bristol BS6 6QA ("the Executive").

(A) The Executive is a director and employee of the Company and the Company wishes to retain the Executive as an employee of the Company.

(B) The Company intends to grant to the Executive an option to purchase shares in the Company subject to the terms and conditions of this Agreement.

1. Definitions and Interpretations

“the Agreement”	this Agreement between the Company and the Executive in its present form or as from time to time amended in accordance with the provisions hereof;
“the Board”	the board of directors (excluding the Executive) for the time being of the Company or a duly authorised committee thereof;
“Control”	has the meaning given by Section 840 of the Taxes Act;
“Controlling Interest”	an interest in shares conferring in aggregate more than 50% of the total voting rights conferred by all the shares in the equity share capital from time to time of the Company;
“Date of Grant”	the date of this Agreement;
“EMI”	Enterprise Management Incentive;
“Executive”	the Executive and (where the context so admits) the personal representative(s) of the Executive;
“Exercise Price”	the total amount payable in relation to the exercise of the Option, whether in whole or in part, being an amount equal to the Option Price multiplied by the number of Shares in respect of which the Option is exercised;
“Group”	the Company and any other company that is both a Subsidiary of and under the Control of the Company and “Group Company” shall be construed accordingly;

"Listing"	the inclusion of any part of the share capital of the Company on the Official List of the London Stock Exchange or any other recognised investment exchange (as defined by section 207 of the Financial Services Act 1986);
"Option"	the right to acquire Shares granted to the Executive pursuant to this Agreement;
"Option Price"	£1 per Share;
"PAYE Liability"	the amount of all taxes including employer's and employee's National Insurance contributions which a Group Company would be required to account for to the Inland Revenue or other taxation authority if the Executive exercises the Option;
"Sale of Business"	any sale or other disposal of the whole or substantially the whole of the undertaking and business of the Group including substantially the whole of the undertaking and business of British Autogard Limited;
"Share"	a fully paid "D" Share of 1p in the capital of the Company;
"Specified Event"	means any of: <ul style="list-style-type: none"> (a) the date of completion of an agreement or occurrence of any other event act or transaction whereby a Controlling Interest is obtained in the Company by any person other than Michael Richard Hutchings or his wife or direct descendants; (b) the date of completion of a Sale of Business; (c) the date of a Listing;
"Subsidiary"	the meaning given by Section 736 of the Companies Act 1985.

- 1.2. Words and expressions not otherwise defined in the Agreement have the same meaning they have in the Income and Corporation Taxes Act 1988 ("the Taxes Act").
- 1.3. Where the context so admits or requires words importing the singular shall include the plural and vice versa and words importing the masculine shall include the feminine.
- 1.4. Reference in the Agreement to any statutory provisions are to those provisions as amended, extended or re-enacted from time to time, and shall include any regulations made thereunder. The Interpretation Act 1978 shall apply to the Agreement mutatis mutandis as if it were an Act of Parliament.
- 1.5. The headings in the Agreement are for the sake of convenience only and should be ignored when construing this Agreement.

2. **Grant of Option**

- 2.1. The Company hereby grants the Executive an option to purchase 614 Shares at the Option Price.
- 2.2. The Option is intended to be a qualifying option under EMI as provided in Schedule 14 to the Finance Act 2000.

2.3. Subject to any rights of exercise by the Executive's personal representatives pursuant to Clause 3.3, the Option shall be personal to the Executive and shall not be transferable or in any way alienable.

2.4. The Executive shall pay the sum of £1 to the Company on today's date in consideration of the grant of the Option (receipt of which is hereby acknowledged by the Company).

3. Rights of Exercise

3.1. Subject to clause 3.4, the Option may be exercised by the Executive at any time from the earlier of:

3.1.1. the first anniversary of the date of this Agreement; and

3.1.2. the date which shall be seven days prior to the completion of a Specified Event.

3.2. If the Option is not a qualifying option under the provisions of EMI the Option may only be exercised if the provisions of Clause 8 are satisfied.

3.3. If the Option has become exercisable it may be exercised by the Executive's personal representative(s) during the six months following the date of death of the Executive.

3.4. All Options shall terminate upon the occurrence of the earlier of:

3.4.1. the seventh anniversary of the Date of Grant;

3.4.2. the date when the Executive shall cease to be an employee of the Company except in the event of his death;

3.4.3. the expiry of the period specified in Clause 3.3;

3.4.4. one month following the date on which any person (or any person together with any persons acting in concert with him (as defined in the City Code on Takeovers and Mergers)) obtains Control of the Company and any conditions subject to which Control is obtained are satisfied;

3.4.5. one month following the date on which any person first becomes bound or entitled to acquire Shares under section 428 to 430F of the Companies Act 1985;

3.4.6. one month following the passing of an effective resolution, or the making of an order by the Court, for the winding-up of the Company;

3.4.7. the Executive doing or omitting to do anything which causes him to be declared bankrupt;

3.4.8. one month following a Listing.

4. Notification of Specified Event

Upon the Company becoming aware of the likely occurrence of any Specified Event it shall forthwith notify the Executive in writing giving him as much information as is reasonably practicable in the circumstances which information the Executive undertakes to maintain in strict confidence. The Company shall give the Executive not less than 7 days' prior notice in writing of the date and time fixed for completion of the Specified Event.

5. Exercise of Option

- 5.1. Subject to the provisions of Clause 3, the Option may be exercised in whole or in part by the delivery to the Company of the notice of exercise in the prescribed form duly completed and signed by the Executive together with a remittance of the Exercise Price. The provisions of Clause 7.1 relating to the deemed receipt of notices and other communications shall not apply to the delivery of a notice of exercise under this Clause 5.
- 5.2. Shares to be issued pursuant to the exercise of the Option shall be allotted to the Optionholder within 28 days following the date of effective exercise of the Option unless the Option is exercised following notification of a Specified Event in which case the allotment shall be made immediately prior to completion of the Specified Event.

6. Expenses

Any expenses of the Company involved in the issue of Shares to the Executive or his personal representative(s) as the case may be shall be payable by the Company.

7. Administration

- 7.1. Any notice or other communication under or in connection with the Agreement may be given by personal delivery or by sending the same by post, to a party at his last known address and where a notice or other communication is given by first-class post, it shall be deemed to have been received 72 hours after it was put into the post properly addressed and stamped.

8. General

- 8.1. If any PAYE Liability will become due on the exercise of the Option, the Option may not be exercised unless:
 - 8.1.1. the Group is able to deduct an amount equal to the whole of the PAYE Liability from the Executive's net pay for the next pay period; or
 - 8.1.2. the Executive has paid to the Group an amount equal to the PAYE Liability; or
 - 8.1.3. the sum of the amount that the Executive has paid to the Group in respect of the Group's obligation to satisfy the PAYE Liability and the total amount that the Group is able to deduct from the Executive's net pay for the next pay period is equal to or more than the PAYE Liability; or
 - 8.1.4. the Executive has secured to the reasonable satisfaction of the Board arrangements for the payment of an amount equal to the PAYE liability to the Group prior to the date on which the relevant Group Company will have to make such payment to the Inland Revenue; or
 - 8.1.5. the Board determines otherwise.

9. Variations to be in writing

No variation to this Agreement shall be effective unless in writing and signed by or on behalf of each party or by a person duly authorised so to do.

10. **Governing Law and Jurisdiction**

10.1. This Agreement shall be governed by and construed in all respects in accordance with the law of England and Wales.

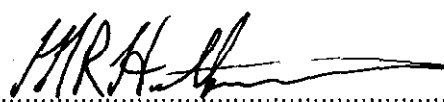
10.2. The parties to this Agreement submit to the non-exclusive jurisdiction of the courts of England and Wales as regards any action, claim or matter arising out of or in connection with or in relation to this Agreement.

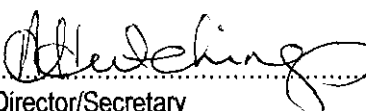
11. **Assignment**

This Agreement may not be assigned by either party.


THIS DEED is entered into on the date specified above.

EXECUTED AS A DEED
by **AUTOGARD HOLDINGS LIMITED**
acting by:

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Director


.....
Director/Secretary

SIGNED AND DELIVERED AS A DEED
by **MARTIN WILLIAM GRIFFITHS**
in the presence of:


)
)
)

.....

Witness

Signature

Name

Address


.....

KAREN FALL
.....

29 MARINES DRIVE
.....

FARINGDON, OXON, SN7 7UH
.....

Occupation

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