

Management Incentive Share Plan

Emeco Holdings Limited

ACN 112 188 815

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1 Introduction

1.1 Purpose of plan

The Company has established this Plan to encourage Employees to share in the ownership of the Company, in order to promote the long-term success of the Company as a goal shared by all Employees.

1.2 Advice

There are legal and tax consequences of participating in this Plan. Potential Participants should take their own advice in respect of this Plan and its Rules.

2 Interpretation

2.1 Definitions

In these Rules:

Board means the board of Directors of the Company as constituted from time to time.

Borrower means a Participant who receives Financial Assistance.

Company means Emeco Holdings Limited (ACN 112 188 815).

Constitution means the constitution of the Company.

Control has the same meaning as in section 50AA of the Law.

Directors means the directors of the Company from time to time and Director means any one of them.

Employee means an employee of any Group Company.

Financial Assistance means a loan made to a Participant on the terms and conditions of these Rules to enable the Participant to subscribe for Shares.

Group means the Company and its Subsidiaries from time to time and **Group Company** means any one of them.

Insolvency Event means being in liquidation or provisional liquidation or under administration, having a controller (as defined in the Law) or analogous person appointed to it or any of its property, being taken under section 459F(1) of the Law to have failed to comply with a statutory demand, being unable to pay its debts as and when they fall due or otherwise insolvent, entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors, or any analogous event, but does not include any of the above which occurs in relation to a corporate reconstruction or for the purposes of a sale of all the shares issued by the Company. **Insolvency Event** also includes any analogous or similar event in any other jurisdiction as determined by the Board.



Law means the *Corporations Act 2001* and its associated regulations.

Leaver means if the Board so determines at any time:

- (a) any Employee who ceases to be employed or engaged by any Group Company within 5 years of the date of provision of Shares to the Employee under this Plan (or such other period as stated in the relevant invitation);
- (b) any Nominee whose appointing Employee ceases to be employed or engaged by any Group Company within 5 years of the date of provision of Shares to the Nominee under this Plan (or such other period as stated in the relevant invitation);
- (c) any other person who receives Shares under this Plan (other than an Employee or the Nominee of an Employee) who ceases to have the relationship with any Group Company that they had at the date of provision of Shares under this Plan, or a substantially similar relationship with any Group Company as approved by the Board, within 5 years of the date of provision of Shares to the Participant under this Plan (or such other period as stated in the relevant invitation); or
- (d) where a Group Company ceases to be a Subsidiary or any business ceases to be operated by the Group within 5 years of the date of provision of Shares to the Participant under this Plan (or such other period as stated in the relevant invitation), any Participant who is employed or engaged by that Group Company or primarily in the relevant business.

Listing Rules means the official listing rules of Australian Stock Exchange Limited or any other recognised stock exchange approved by the Board.

Nominee means any entity or person (approved by the Board) who is nominated by an Employee or other person to hold Shares provided under this Plan.

Ordinary Share means an ordinary share in the capital of the Company having the rights set out in the Constitution.

Participant means an Employee, a Nominee or any other person who receives Shares under this Plan.

Performance Hurdles means the performance, vesting and/or other criteria (if any), which are determined by the Board and notified to the Participant with an invitation under clause 3.2, and which are required to be met before Shares to which such invitation relates will vest in the Participant, as reduced (if at all) or waived in whole or in part (conditionally or unconditionally) at any time by the Board and notified to the Participant.

Plan means this Management Incentive Share Plan and its rules.

Related Body Corporate has the same meaning as in the Law.

Sale means the sale of all of the issued shares in the Company (or substantially all of its assets) to a third party but excludes, for the avoidance of doubt, a sale to any Group Company or any parent or holding company of a Group Company.

Security Interest means an interest in an asset which provides security for, or protects against default by, a person for the payment or satisfaction of a debt, obligation or liability including a mortgage, charge, bill of sale, pledge, deposit, lien, encumbrance, hypothecation, first right of refusal, voting right or arrangement for the retention of title or any agreement, option or other arrangement to grant such an interest or right.

Shares means Ordinary Shares or, if the context requires, other shares in the Company.

Subscription Price in respect of a Share provided under this Plan means the price set out in an invitation made under clause 3.

Subsidiaries means the subsidiaries (as defined in the Law) of the Company from time to time (if any).

2.2 Construction

In these Rules, unless expressed to the contrary:

- (a) words importing:
 - (i) the singular include the plural and vice versa;
 - (ii) any gender includes the other genders;
- (b) if a word or phrase is defined cognate words and phrases have corresponding definitions;
- (c) a reference to:
 - (i) a person includes a firm, unincorporated association, corporation and a government or statutory body or authority;
 - (ii) a person includes its legal personal representatives, successors and assigns;
 - (iii) a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
 - (iv) a right includes a benefit, remedy, discretion, authority or power;
 - (v) an obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation;
 - (vi) \$ or dollars is a reference to the lawful currency of Australia;
 - (vii) this or any other document includes the document as varied or replaced and notwithstanding any change in the identity of the parties; and
 - (viii) anything (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them.

2.3 Headings

Headings do not affect the interpretation of these Rules.

2.4 Board determinations

- (a) Any interpretation, requirement, determination, decision, act or approval of the Board in respect of this Plan may be made in the Board's absolute discretion (and will be final and binding when made unless the Board later varies or revokes that determination, decision, act or approval).



- (b) This Plan (and any applicable invitation) may be interpreted and enforced by the Board to give effect to the intent of this Plan (and any applicable invitation) as determined by the Board by reference to any particular Rules or otherwise.

2.5 Trustees

- (a) Notwithstanding any other provision of this Plan, a person (**Trustee**) approved by the Board may hold Shares provided under this Plan as trustee for any beneficiary (**Beneficiary**) approved by the Board.
- (b) The Trustee and the Beneficiary shall be bound by this Plan (and any applicable invitation).
- (c) Without prejudice to the generality of clauses 2.4(b) and 2.5(b), the Board may determine from time to time that either or both of the Trustee and the Beneficiary is (any or all of) a Participant, a Borrower, an Employee, a Leaver, a Nominee or any other person to whom this Plan (and any relevant invitation) is applicable, for any reason or purpose in connection with the Plan (and any applicable invitation) and the Trustee and the Beneficiary shall be bound accordingly.

3 Invitations to Participate

3.1 Discretion to make invitations

Subject to this clause 3, the Board has an absolute discretion in determining whether to make an invitation to a person, when to make an invitation and the number of Shares (if any) that a person is invited to subscribe for.

3.2 Form of invitation

An invitation must be in writing and must specify (unless the Board otherwise determines):

- (a) the total number of Shares for which the Participant or his or her Nominee may subscribe;
- (b) the class of Shares to which the invitation relates;
- (c) the Subscription Price or method for calculating the Subscription Price for a Share;
- (d) the terms and conditions of any Financial Assistance offered;
- (e) the terms of any escrow to be applied to the Shares;
- (f) the Performance Hurdle (if any) applicable to the invitation; and
- (g) the time within which and the method by which the invitation may be accepted.

4 Acceptance and provision of Shares

4.1 Acceptances

An invitation may be accepted in whole or in part by the invited person signing and returning the form of acceptance in accordance with the invitation, together with a duly completed request for Financial Assistance (if applicable).



4.2 Allotment of Shares

The Board must, upon receipt of the duly completed form of acceptance and (if applicable) a duly completed request for Financial Assistance, provide to the Participant or his or her Nominee the Financial Assistance and, following the provision of the Financial Assistance, the number of Shares applied for, credited as fully paid up.

Under no circumstances will shares be provided under this clause if to do so would be in breach of the Law, the Listing Rules (if applicable) or any other law or regulation in any jurisdiction.

4.3 Provision or transfer of Shares

- (a) The Company may, in the Board's absolute discretion, either issue new Shares or cause existing Shares to be acquired for transfer to the Participant, or a combination of both alternatives, to satisfy the Company's obligations under these Rules.
- (b) If the Board determines to cause the transfer of Shares to a Participant, the Shares may be acquired in such manner as the Board considers appropriate.

4.4 Restrictions on dealing with Shares

- (a) While any Shares are pledged as security for Financial Assistance under clause 5 those Shares cannot be sold, transferred, or otherwise disposed of, and no Security Interest may be created in them, except in accordance with these Rules or as the Board otherwise determines.
- (b) Unless the Board otherwise determines, none of the Shares provided under this Plan may be sold, transferred, or otherwise disposed of, and no Security Interest may be created in them, until 5 years after the date of their issue (or such other period as stated in the relevant invitation).
- (c) If Shares are issued under this Plan to an entity, any change of control of that entity is prohibited unless the Board otherwise determines.
- (d) The Company may impose a holding lock or any form of escrow on the Shares to enforce these restrictions.

5 Financial Assistance

5.1 Request for Financial Assistance

A Participant may apply to the Company for Financial Assistance to finance the Participant's subscription for Shares.

5.2 When application made

An application for Financial Assistance must be made at the time of returning to the Company the form of acceptance of an invitation to subscribe for Shares (unless the Board otherwise determines).

5.3 Form of application

Each application for Financial Assistance must be made on a form approved by the Board duly completed and signed by the Participant. The Company must set out in the form of application the terms and conditions of the Financial Assistance.



5.4 Acceptance and terms

The Company may accept an application for Financial Assistance by making a loan to the Borrower, on the terms and subject to such conditions set out in the application form and in these Rules. The Financial Assistance will be provided on an interest free basis unless the Board otherwise determines. In any event the Company will not accept an application for Financial Assistance under this clause if to do so would be in breach of the Law, the Listing Rules (if applicable) or any other law or regulation in any jurisdiction.

5.5 When Financial Assistance repayable

- (a) Subject to clauses 5.5(b) and (c), Financial Assistance provided to a Borrower will be repayable by the Borrower in accordance with the terms upon which the Financial Assistance was provided. However, the Board may extend the period for repayment of the Financial Assistance under this clause or otherwise vary the terms of the Financial Assistance for the benefit of the Borrower.
- (b) Subject to the approval of the Board, the Borrower may repay the Financial Assistance to the Company at any time.
- (c) Unless the Board otherwise determines, Financial Assistance must be repaid immediately upon the earlier of:
 - (i) the Participant's Shares being bought back or transferred under clause 7.1;
 - (ii) any other sale, transfer or disposal of a Share by a Participant, including as part of a Sale;
 - (iii) the tenth anniversary of the commencement date of this Plan under clause 10;
 - (iv) any breach by the Participant of this Plan; or
 - (v) an application being made to a court for an order, or an order being made, that the Participant be made bankrupt or any other Insolvency Event occurring in respect of the Participant (or any similar event in any jurisdiction as determined by the Board).

5.6 Reduction of indebtedness

- (a) A Borrower who has been provided the Financial Assistance under this clause is taken to have given an irrevocable direction to the Company, such that the Company may pay to itself on behalf of the Borrower and for the purposes of reducing the amount of the Borrower's indebtedness to the Company, any moneys (including dividends) and any capital distributions that may from time to time become payable in respect of the Shares.
- (b) No Borrower may participate in any dividend reinvestment plan (or similar plan) which may be established by the Company from time to time until the Financial Assistance in respect of his or her Shares has been fully repaid.

5.7 Amount repayable

The amount of Financial Assistance repayable by a Borrower in respect of a Share is the lesser of the amount of the Financial Assistance provided in respect of the Share (less any reduction under clause 5.6) and the value of the Share (as determined by the Board) as at the date on which the Financial Assistance is repayable. If Financial Assistance in respect of a Share provided to a Borrower becomes repayable, the Company may accept the transfer of the Share to the Company (or a nominee of the Board) in accordance with clause 7.1 as repayment under this clause.



5.8 Limited recourse

If Financial Assistance is repaid under clause 5.7 then no further amount of moneys will be repayable by the Borrower to the Company under the Financial Assistance in respect of the Shares, and no further amount will at any time be recoverable by the Company from the Borrower in respect of the Financial Assistance. (For the avoidance of doubt, in these circumstances, the value or proceeds of the transferred Shares will satisfy the Financial Assistance in respect of the Shares.)

6 Security for Financial Assistance

6.1 Security

The Borrower must not create, other than in favour of the Company, any Security Interest over any Shares whilst they are subject to the restrictions of this Plan (unless the Board approves any Security Interest).

6.2 Bonus and entitlement issues

If any shares are issued in respect of the Shares provided under this Plan as part of a bonus or entitlement issue, then such shares will also be subject to the terms of this Plan as if they were Shares provided under this Plan (unless the Board otherwise determines).

7 Share buy-back or transfer

7.1 When Shares are bought back or transferred

Unless the Board otherwise determines:

- (a) Shares held by a Participant will be bought back and cancelled or, if the Board elects, transferred to a nominee of the Board:
 - (i) if the Participant so requests when the Financial Assistance becomes repayable or otherwise;
 - (ii) at any time after any breach by the Participant of this Plan; or
 - (iii) at any time after an application being made to a court for an order, or an order being made, that the Participant be made bankrupt or any other Insolvency Event occurring in respect of the Participant (or any similar event in any jurisdiction as determined by the Board).

- (b) Immediately before a Sale occurs or when a Participant becomes a Leaver which in either case is:
 - (i) less than 2 years after the date of first provision of Shares to a Participant, 100% of the Shares held by the Participant will be bought back and cancelled or, if the Board elects, transferred to a nominee of the Board for the price determined under clause 7.2;
 - (ii) 2 years or more but less than 3 years after the date of first provision of Shares to a Participant, 75% of the Shares held by the Participant will be bought back and cancelled or, if the Board elects, transferred to a nominee of the Board for the price determined under clause 7.2;
 - (iii) 3 years or more but less than 4 years after the date of first provision of Shares to a Participant, 50% of the Shares held by the Participant will be bought back and cancelled or, if the Board elects, transferred to a nominee of the Board for the price determined under clause 7.2; or



- (iv) 4 years or more but less than 5 years after the date of first provision of Shares to a Participant, 25% of the Shares held by the Participant will be bought back and cancelled or, if the Board elects, transferred to a nominee of the Board for the price determined under clause 7.2.
- (c) If the Participant is a Leaver, then the remainder of their Shares (**Remaining Shares**) provided under this Plan (if any, after the operation of clause 7.1(b)) will be bought back and cancelled or, if the Board elects, transferred to a nominee of the Board for the following prices:
 - (i) if the Participant becomes a Leaver 2 years or more but less than 3 years after the date of first provision of Shares to a Participant, 25% of the Remaining Shares for their value as determined by the Board by reference to their most recent valuation at the time when the Participant becomes a Leaver or otherwise (**Market Value**) and 75% of the Remaining Shares for the price determined under clause 7.2;
 - (ii) if the Participant becomes a Leaver 3 years or more but less than 4 years after the date of first provision of Shares to a Participant, 50% of the Remaining Shares for Market Value and 50% of the Remaining Shares for the price determined under clause 7.2; or
 - (iii) if the Participant becomes a Leaver 4 years or more but less than 5 years after the date of first provision of Shares to a Participant, 75% of the Remaining Shares for Market Value and 25% of the Remaining Shares for the price determined under clause 7.2,

or, if greater in respect of any Share, the price determined under clause 7.2 subject to (in respect of any Share whether its price is Market Value or otherwise) the Company or the transferee setting off (and, in the case of a transferee, repaying to the Company) the amount of any Financial Assistance outstanding in respect of the Shares.

7.2 Price

- (a) The consideration to be paid to the Participant under clause 7.1 (except as otherwise stated in clause 7.1(c)) for the buy back or transfer of a Share provided under this Plan is (if no Financial Assistance was provided in respect of the Share) the issue price of the Share or (if Financial Assistance was provided in respect of the Share) the amount of Financial Assistance outstanding in respect of the Share (which may be nil) which the Company will set off in full and complete satisfaction of the Borrower's indebtedness and obligations to it under the Financial Assistance.
- (b) The Board may determine that the Company should pay to the Participant greater consideration than set out in clause 7.2(a).

(Examples of how clauses 7.1 and 7.2 would operate in the stated circumstances are set out in Annexure 1.)

7.3 Attorney

A Participant and the Company must do whatever is necessary or desirable to effect a buy-back or transfer of Shares when required under clause 7. Each Participant irrevocably appoints the Company and each of its Directors from time to time severally as its attorney to sign any document necessary or desirable, and carry out any act, on that Participant's behalf for the purposes of this clause 7.

7.4 Nominees

If a Nominee or any other person who receives Shares under this Plan suffers a change of control or ownership (direct or indirect), as determined by the Board, then the Board may require that the Shares be



immediately transferred to a person determined by the Board or that any Financial Assistance in respect of the Shares be immediately repaid (or both).

8 Shares

8.1 Maximum number of Shares

Subject to clauses 8.2 and 8.3, the aggregate number of Shares that are or may be issued under this Plan and other employee share and option plans adopted by the Company from time to time must not exceed 5% of the issued share capital of the Company from time to time (but, for the avoidance of doubt, this does not include Shares transferred to a Participant after having been acquired for that purpose).

8.2 Adjustments

The number of unissued Shares that may be issued under clause 8.1 is to be adjusted in proportion to any share consolidation, share split, bonus issue, or other capital reconstruction of the Company as determined by the Board to be appropriate.

8.3 Shareholder approval

Notwithstanding any other provision of this Plan, clause 8.1 or 8.2 may only be amended or waived by ordinary resolution of the shareholders of the Company from time to time.

9 Alteration of Terms and Provisions of Plan

- (a) Subject to clause 9(b), the Law and the Listing Rules (if applicable), the Board may make such alterations, variations, additions, deletions or modifications to all or any of the provisions of these Rules or to all or any of the rights or obligations of the Participants or any of them as may be determined by the Board from time to time.
 - (b) Variations, additions, deletions or modifications made under clause 9(a) above will not have any effect in respect of invitations which have already been made as at the date of the alteration unless the Board determines that they are for the benefit of the relevant Participants.
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10 Period of Plan

The Plan will commence on 1 July 2005.

11 Expenses

The Company will meet the ongoing administration expenses of the Plan itself. Participants will meet all outgoings and expenses in holding, selling or otherwise dealing with their Shares (to the extent that they are permitted to do so under this Plan or otherwise) unless the Board otherwise determines.

12 Miscellaneous

12.1 Bound by Rules and Constitution

- (a) Participants provided Shares under this Plan are bound by these Rules and the Constitution of the Company.
- (b) If there is any inconsistency between this Plan and the Constitution of the Company, then this Plan shall prevail.

12.2 Assignment

Participants must not assign any of its rights or transfer any of its obligations under this Plan (unless the Board otherwise determines).

12.3 Notices

Any notice required to be given by the Company to a Participant or any correspondence to be made between the Company and a Participant may be given or made by the Board or its delegate on behalf of the Company.

12.4 Effect on employment and other acknowledgements

- (a) Participation in this Plan does not affect a Participant's terms of employment or appointment with any Group Company. In particular, participation in the Plan does not detract from any right any Group Company may have to terminate the employment or appointment of a Participant.
- (b) Participation in the Plan, or the provision of any Shares, does not form part of the Participant's remuneration for the purposes of determining payments in lieu of notice of termination of employment, severance payments, leave entitlements, or any other compensation payable to a Participant upon the termination of employment (unless the Board otherwise determines).
- (c) By accepting an invitation to participate in the Plan, the Participant also acknowledges that:
 - (i) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, suspended or terminated by the Company at any time, as provided in the Plan;
 - (ii) participation in the Plan is voluntary and occasional and does not create any contractual or other right to future participation in the Plan, or benefits in lieu of participation in the Plan, even if participation is offered repeatedly;
 - (iii) all decisions with respect to future participation in the Plan, if any, will be at the sole discretion of the Company;
 - (iv) the Participant's participation in the Plan shall not create a right to further employment with his or her employer;
 - (v) Shares acquired pursuant to the Plan are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to any Group Company or the Participant's employer, and which are outside the scope of the Participant's employment contract, if any;
 - (vi) the future value of the underlying Shares is unknown and cannot be predicted with certainty and the Shares may increase or decrease in value, even below the Subscription Price;
 - (vii) the Participant will have no entitlement to compensation or damages as a result of any loss or diminution in value of Shares or any other rights acquired pursuant to the Plan, including, without limitation, as a result of the termination of the Participant's employment by the Company or any Group Company or other affiliate for any reason whatsoever and



whether or not in breach of contract, and, upon commencing participation in the Plan, the Participant will be deemed irrevocably to have waived any such entitlement as might arise.

12.5 Compliance with law

Despite the terms of these Rules, nothing is required to be done under these Rules if it would contravene the Law, the Listing Rules (if applicable) or any law or regulation of any applicable jurisdiction.

12.6 Waivers, remedies and enforceability

- (a) No failure or delay by the Company in exercising any right, power or remedy under this Plan operates as a waiver. The rights, powers and remedies of the Company under this Plan are cumulative and do not exclude those provided by law.
- (b) If at any time any provision of this Plan is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity and enforceability of that provision under the law of any other jurisdiction, and of the remaining provisions of this Plan, are not affected or impaired thereby.

12.7 Governing law

These Rules are governed by and construed in accordance with the laws of New South Wales.

12.8 Overseas requirements

The Board may impose any other requirements in respect of any Shares provided under this Plan to any Participant who is situated outside of Australia as it thinks necessary or desirable to comply with applicable laws, regulations or otherwise from time to time.



Annexure 1 – Examples for Leavers

The Shares are issued to the Participants at a price of \$1.50 each. The Company provides a loan to the Participants for the entire issue price. No loan repayments have been made at any time prior to the events in the examples below.

1 Say, after 2 years, the value of the Shares is \$1.60.

If Participant 1 becomes a Leaver 2.5 years after he receives 2000 Shares under this Plan, then clauses 7.1(b)(ii) and 7.1(c)(i) apply and he will receive:

- \$0.10 each for 125 Shares (ie \$1.60 less the amount of the loan of \$1.50 outstanding on each Share)
- nil for 1875 Shares (after repayment of the loan outstanding on the Shares)

2 Say, after 3 years, the value of the Shares is \$1.40.

If Participant 2 becomes a Leaver 3.5 years after she receives 2000 Shares under this Plan, she will receive nil because the value of the Shares is less than the loan outstanding on the Shares (but the loan will be satisfied in full).

3 Say, after 4 years, the value of the Shares is \$2.00.

If Participant 3 becomes a Leaver 4.5 years after he receives 2000 Shares under this Plan, then clauses 7.1(b)(iv) and 7.1(c)(iii) apply and he will receive:

- \$0.50 each for 1125 Shares (ie \$2.00 less the amount of the loan of \$1.50 outstanding on each Share)
- nil for 875 Shares (after repayment of the loan outstanding on the Shares)



Table showing different outcomes (for illustration of clauses 7.1 and 7.2 only and subject to clauses 7.1 and 7.2)

	0-2 years after provision of Shares	2-3 years after provision of Shares	3-4 years after provision of Shares	4-5 years after provision of Shares	5+ years after provision of Shares
Sale	100% of Shares bought back or sold for cost or outstanding loan amount	75% of Shares bought back or sold for cost or outstanding loan amount Remainder sold in the Sale for price paid by purchaser	50% of Shares bought back or sold for cost or outstanding loan amount Remainder sold in the Sale for price paid by purchaser	25% of Shares bought back or sold for cost or outstanding loan amount Remainder sold in the Sale for price paid by purchaser	All Shares sold in the Sale for price paid by purchaser
Leaver	100% of Shares bought back or sold for cost or outstanding loan amount	75% of Shares bought back or sold for cost or outstanding loan amount Remainder of Shares sold as follows: 25% of the remaining 25% (ie 6.25% of all the Shares) for Market Value (or if greater cost or outstanding loan amount) Balance of remaining Shares for cost or outstanding loan amount	50% of Shares bought back or sold for cost or outstanding loan amount Remainder of Shares sold as follows: 50% of the remaining 50% (ie 25% of all the Shares) for Market Value (or if greater cost or outstanding loan amount) Balance of remaining Shares for cost or outstanding loan amount	25% of Shares bought back or sold for cost or outstanding loan amount Remainder of Shares sold as follows: 75% of the remaining 75% (ie 56.25% of all the Shares) for Market Value (or if greater cost or outstanding loan amount) Balance of remaining Shares for cost or outstanding loan amount	All Shares sold as "Good Leaver" under the Shareholders Agreement/Deed



Invitation to participate in the Management Incentive Share Plan of Emeco Holdings Limited and Application for Financial Assistance [Suggested form]

Date:

Dear

The Board of Emeco Holdings Limited invites you to participate in the Management Incentive Plan on the following basis and in accordance with the Rules of the Plan (a copy of which is provided to you with this invitation or is available upon request of the Board). Words and expressions defined in the Plan have the same meaning in this letter.

- Name of Participant:.....(or any Nominee approved by the Board)
- Total number and class of Shares for which the Participant may subscribe:[] **Ordinary Shares.**
- Subscription Price:
- Terms and conditions of any Financial Assistance: **Prior to issuing the Shares to you, the Company will provide you with an interest free loan equal to the aggregate Subscription Price for the Shares referred to at item 2 above to enable you to pay the Subscription Price. The loan is subject to the terms of the Plan and is repayable in accordance with clauses 5.5, 5.6, 5.7, 5.8 and 7 of the Plan.**
- Terms of any short and/or long term escrow to be applied to the Shares: **Nil**
- Performance Hurdle (if any) applicable to this invitation: **Nil**

In order to accept this invitation and apply for Financial Assistance, you should return this letter, countersigned below together with the enclosed Deeds of Adherence and Power of Attorney each duly executed in a form satisfactory to the Board, to [*insert name of recipient*] by [] 2005.

Sincerely

Laurence Freedman
For and on behalf of Emeco Holdings Limited



To:

- The Directors of Emeco Holdings Limited (the **Company**)

I accept the above invitation to participate in the Plan and apply for the Financial Assistance referred to above. I (on behalf of my Nominee, as applicable) hereby irrevocably instruct the Company to apply the Financial Assistance for the acquisition of the Shares referred to above. I acknowledge (on behalf of my Nominee, as applicable) that the Shares provided under the Plan are held, and the Financial Assistance is provided, subject to the terms of the Plan and the Constitution. I (on behalf of my Nominee, as applicable) accept that the Shares are subject to security in favour of the Company.

I hereby agree to indemnify the Company promptly on demand for any liability which the Company (or any Group Company) suffers in respect of any tax or duty in connection with the Shares provided to me (or my Nominee, as applicable) and authorise the Company to set off any amounts owing by me under this indemnity against any amounts owing by the Company to me from time to time (including any remuneration or other entitlements).

I enclose the Power of Attorney each duly executed by me (or my Nominee).

Signed:

Date:

Witness Signature:

Date:

Witness Name:



Power of Attorney

We, the undersigned shareholders of Emeco Holdings Limited (**Company**), hereby irrevocably appoint the Company and each of its directors from time to time severally as our attorney to vote on any resolution, or at any general meeting of, the Company on our behalf as the attorney thinks fit (in his, her or its absolute discretion) in respect of the shares in the Company held by us. This Power of Attorney shall expire on the fifth anniversary of the date of the provision of the shares to us or at any other time approved by the directors of the Company.

Executed as a deed

Signed sealed and delivered

by **[insert name]**

in the presence of:

Signature of witness

Signature of **[insert name]**

Name of witness (please print)

