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Dated 6-9-01

Hammond Suddards Edge
Hammond Suddards Edge

AGJ

DATED 3 August 2001 2001

DENNIS MURPHY CAMPBELL LIMITED (1)

and

BWD RENSBURG LIMITED (2)

**INTRA GROUP BUSINESS PURCHASE
AGREEMENT**

relating to the business and assets of Dennis Murphy
Campbell Limited



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COMPANIES HOUSE

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Hammond Suddards Edge

CONTENTS

1	DEFINITIONS	1
2	SALE AND PURCHASE	2
3	CONSIDERATION	3
4	COMPLETION	3
5	WARRANTIES	3
6	INDEMNITY	4
7	THE EMPLOYEES	4
8	RECORDS	4
9	THE CONTRACTS	4
10	BENEFIT OF RIGHTS	5
11	FURTHER ASSURANCE	5
12	SURVIVAL OF PROVISIONS	5
13	INSURANCES	6
14	LAW	6
15	NOTICES	6

DATE OF AGREEMENT

3 August



2001

PARTIES

- (1) **DENNIS MURPHY CAMPBELL LIMITED** (Company Number 4172263) whose registered office is at Quayside House Canal Wharf Leeds West Yorkshire LS11 5PU (the "**Seller**")
- (2) **BWD RENSBURG LIMITED** (Company Number 2144551) whose registered office is at Quayside House Canal Wharf Leeds West Yorkshire LS11 5PU (the "**Buyer**")

INTRODUCTION

- A The Seller and the Buyer are both registered for VAT.
- B The Seller and the Buyer have agreed that on and with effect from the Transfer Date, the Seller shall sell and the Buyer shall purchase the Business of the Seller (as hereinafter defined).

IT IS AGREED THAT:

1 DEFINITIONS

Unless the context otherwise requires the following expressions shall have the following meanings wherever used in this agreement.

"Assets" means the assets of the Business comprising Goodwill, Plant and Machinery, Industrial Property Rights, Contracts, Cash in Hand, General Assets and the Premises.

"Book Debts" means all amounts owing to the Seller on the Transfer Date together with the benefit of all retention of title rights and securities (if any) of the Seller in connection therewith.

"Business" means all the business carried on by the Seller at the Transfer Date.

"Cash in hand" means the cash balance of the Seller at the Transfer Date relating to the Business.

"Contracts" means all engagements and contracts of the Seller relating to the Business and wholly or partly uncompleted at the Transfer Date including all pending contracts and orders of the Seller in connection with the Business insofar as the same are capable of assignment or vicarious performance.

"Employees" means all the employees employed at the Transfer Date by the Seller in connection with the Business.

"General Assets" means all other intangible assets and choses in action of the Seller (not otherwise defined herein) relating to the Business including without limitation (i) all inventions, discoveries, improvements, trade secrets, ideas and know how in relation to the Business, (ii) all of the Seller's rights against manufacturers and suppliers (including all rights in connection with such manufacturers and suppliers warranties) of the Seller in connection with the Business.

"Goodwill" means the goodwill of the Seller in connection with the Business together with the exclusive right for the Buyer to represent itself as carrying on the Business in succession to the Seller the right to all information exclusively relating to the Business and the right to all lists of customers and suppliers of the Business, including the Walters Rights.

"Industrial Property Rights" means the Seller's patents, pending patent applications, registered and unregistered trade marks, pending trade mark applications, trade names, registered designs, and pending applications for registered designs copyrights and topography rights, if any.

"Liabilities" means all creditors, liabilities and obligations of the Seller (other than in respect of the Contracts) in connection with the Business as at the Transfer Date (including without limitation all liabilities whether actual, potential or contingent of the Seller to taxation of any nature whatsoever and all interest, fines and penalties relating thereto).

"Plant Machinery" means all plant, machinery, motor and vehicles, loose tools, equipment, fittings and furnishings of the Seller comprised in the Business at the Transfer Date.

"Premises" means the leasehold premises of the Seller.

"Transfer Date" means close of business on 3 August 2001.

"Walters Rights" means those rights referred to as "Walters Rights" in the offer for the Business dated 20 July 2001 made by the Seller.

2 SALE AND PURCHASE

2.1 Subject to the terms and conditions of this agreement the Seller shall sell and the Buyer shall purchase the Business as a going concern, free from all liens, charges and encumbrances, with effect from the Transfer Date, to the intent that with effect from the Transfer Date the Buyer shall carry on and continue the Business in succession to and to the exclusion of the Seller.

2.2 The assets of the Business shall comprise the following:

- (a) the Goodwill;
- (b) the Plant and Machinery;
- (c) the Industrial Property Rights;
- (d) the Contracts; and
- (e) the General Assets.

2.3 The Sale and purchase under this agreement excludes all other assets of the Seller of any kind in respect of the Business which are not specified in clause 2.2 (including without limitation to those referred to in clause 2.4).

2.4 The following are excluded from the sale and purchase under this agreement:

- (a) the statutory books and records of the Seller; and
- (b) the Book Debts and Cash in Hand.

2.5 Risk and property in the Assets shall pass to the Buyer on the Transfer Date, and the Buyer shall be entitled to all profits earned by the Business after the Transfer Date or shall suffer all losses incurred thereby after the Transfer Date (as the case may be).

3 CONSIDERATION

3.1 The consideration for the sale and purchase (the "**Consideration**") shall be the aggregate of the sums calculated as set out below:

- (a) the Goodwill £1,857,484
- (b) all other Assets £16

3.2 The Consideration shall be satisfied by the issue by the Buyer of 250,000 ordinary shares of £1 each in the share capital of the Buyer, fully paid with a premium of £6.43 per share.

4 COMPLETION

4.1 Completion of the sale and purchase ("**Completion**") shall take place on the Transfer Date at the registered office of the Seller or at such other place as the parties may agree.

4.2 On Completion the Seller shall (to the extent it has not previously done so):

- (a) deliver to the Buyer such of the Assets as are capable of passing by delivery;
- (b) deliver to the Buyer all current engagements, orders, lists of customers and suppliers, and all other papers and materials relating to customers and suppliers, and give to the Buyer all information necessary to enable the Buyer to carry on the Business; and
- (c) deliver to the Buyer the books of account, price lists, cost records, catalogues and advertising and all other documents, papers and records including VAT records of the Seller appertaining to the Business.

4.3 The Seller agrees and declares that as soon as reasonably possible after Completion it will:

- (a) execute and do and procure to be executed and done all such deeds and documents and things as the Buyer may reasonably require for vesting in the Buyer or as it shall direct all the Assets and for giving the Buyer the full benefits of this agreement so far as they are not already given; and
- (b) deliver to the Buyer (if so required) a Deed of Assignment relating to the Goodwill.

5 WARRANTIES

5.1 Full details of the Assets having been made available to the Buyer prior to the date hereof the Buyer shall be deemed to purchase with full knowledge of their state and condition and shall take the same in the condition in which they are now and no warranty

condition, representation, statement of assurance is given or implied as to the description, condition or fitness of the assets.

- 5.2 The Seller sells the Assets with full title guarantee and subject thereto the Buyer accepts the title of the Seller as to such assets and shall raise no requisition or objection to the same.
- 5.3 The Buyer warrants to the Seller that this Buyer is registered for VAT at the date of this agreement.

6 INDEMNITY

- 6.1 The Buyer undertakes to indemnify and keep indemnified the Seller from and against any and all losses, costs, liabilities and expenses arising out of or in connection with:
- (a) any and all liabilities and obligations of the Seller expressly assumed by the Buyer pursuant to this agreement; and
 - (b) *any and all liabilities and obligations arising from the carrying on of the Business by the Buyer from the Transfer Date; and*
 - (c) any and all actions, suits, proceedings, claims, demands, assessments and judgments with respect to the foregoing.

7 THE EMPLOYEES

- 7.1 The parties declare that this agreement shall operate as a "relevant transfer" for purpose of the Transfer of Undertakings (Protection of Employment) Regulations 1981 and that accordingly the contracts of employment of the Employees shall be transferred to the Buyer as from Completion but with effect from the Transfer Date in accordance with the Regulations.
- 7.2 The Buyer shall indemnify and keep indemnified the Seller from and against any all claims made by the Employees against the Seller in connection with the transfer of their employment under this agreement or as a result of any subsequent termination of their employment by the Buyer (whether such claim shall be for unfair dismissal, redundancy payment, dismissal at common law, or otherwise).

8 RECORDS

The Seller shall have the right during the period of six years from Completion to inspect all documents and records delivered to the Buyer on Completion and to take copies thereof and the Buyer undertakes to the Seller for the safe custody of them.

9 THE CONTRACTS

- 9.1 The Buyer agrees to fulfil the Contracts in accordance with their terms and shall keep the Seller indemnified against all proceedings, claims, costs and expenses in respect of them.
- 9.2 If the benefit or burden of the Contracts or any other right or interest transferred or purported to be transferred under this agreement (including, without limitation, the benefit of the matters described in clause 10 below) cannot effectively be transferred to the Buyer without the agreement of a third party or a novation:

- (a) the Seller and the Buyer shall (if the Buyer so requires) do all things necessary to procure the assignment or novation; and
- (b) unless and until any such contracts, rights or interests shall be assigned or novated:
 - (i) the Buyer shall perform all the obligations of the Seller under them as the Seller's sub-contractor and shall indemnify the Seller against all costs, proceedings, claims, demands and expenses which may be incurred by the Seller as a result of any failure by the Buyer in the performance of such contracts; and
 - (ii) the Seller shall (so far as it is lawful to do so) give all such assistance to the Buyer (if the Buyer so requires) to enable the Buyer to enforce its rights in the name or as successor to or assignee of the Seller under such contract including (without limitation) the provision of access to all relevant books, documents and other information that the Buyer may require from time to time.

9.3 Where the Seller and the Buyer are unable to procure any such assignment or novation as is referred to in clause 9.2(a), or such assignment or novation or the performance of the Contract, right or interest pursuant to clause 9.2(b) would entitle the other party or parties to terminate such Contract, right or interest the Seller shall hold all the benefit of such Contract, right or interest in trust for the benefit of the Buyer absolutely.

10 BENEFIT OF RIGHTS

10.1 The Seller assigns to the Buyer all its rights and obligations including all warranties, undertakings, guarantees and indemnities given by or to the Seller, to the extent that any or all of those rights and obligations relate to the Business (providing that nothing contained in this agreement shall or shall be deemed to operate as such an assignment as would or might give rise to any termination, suspension or forfeiture of, or any reduction of diminution in, any benefit, right, claim or interest of the Seller or the Buyer in any of the contracts or arrangements in question).

10.2 If the Buyer shall subsequently cease to be a subsidiary of the Group and if the Group shall so require the Buyer undertakes to reassign to the Seller or the Group (as the Seller shall direct) rights and obligations assigned by clause 10.1.

11 FURTHER ASSURANCE

The Seller will do such further acts and things and execute such further deeds and documents as may be necessary fully and effectively to vest in the Buyer the Assets and to assure to the Buyer the rights agreed to be granted under this agreement.

12 SURVIVAL OF PROVISIONS

This agreement shall remain in full force and effect after Completion in respect of any matters, covenants or conditions which shall not have been done observed or performed and all representations, warranties and obligations of the parties shall (except for any obligations fully performed on Completion) continue in full force and effect notwithstanding the completion of the sale and purchase under this agreement.

13 **INSURANCES**

The Buyer shall, subject to the consent of the relevant insurance offices, be entitled to the benefit of all current insurances on the Assets and the Seller will until Completion maintain all usual insurances on the Assets.

14 **LAW**

This agreement shall be governed by and interpreted and construed in accordance with English law and the parties submit to the exclusive jurisdiction of the English courts

15 **NOTICES**

15.1 Any notice to be given under this agreement shall be in writing and delivered by hand or by first class recorded delivery post addressed and sent to the party to be served at its registered office for the time being.

15.2 Notice delivered by hand shall be deemed to have been served at the time of actual delivery. Notice sent by post shall be deemed to have been served at the expiry of 48 hours after posting.

SIGNED by JONATHAN WRAGG director
of DENNIS MURPHY CAMBELL LIMITED
in the presence of:




Witness

Signature

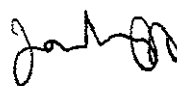
Name

Occupation

Address

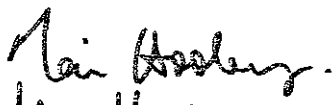
: 
: IAIN HOOLEY
: CHARTERED ACCOUNTANT
: Flat 3, Southdowne Mews
: Southdowne Road
: Sheffield
: S10 2QN

SIGNED by JONATHAN WRAGG director
of BWD RENSBURG LIMITED in the
presence of:



Witness

Signature
Name
Occupation
Address

: 
: IAIN HOOLEY
: CHARTERED ACCOUNTANT
: FLAT 3, SOUTHBURGANE MEWS
SOUTHBURGANE ROAD
SHEFFIELD
S10 2QN