

2490160

DATED 25 July 2001

---

**SKIPTON BUILDING SOCIETY (1)**

and

**AMBER HOMELOANS LIMITED (2)**



---

**AGREEMENT**  
for the acquisition of shares in  
certain subsidiaries of  
Skipton Building Society  
by  
Amber Homeloans Limited  
on a share exchange basis

---

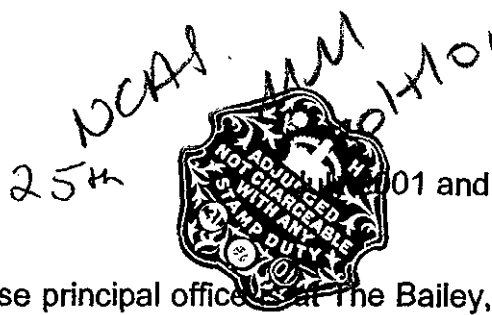
## CONTENTS

| Clause | Heading  | Page |
|--------|--|------|
| 1.     | Interpretation _____                           | 3    |
| 2.     | The Share Exchange _____                       | 4    |
| 3.     | Transfers, certificates and registration _____ | 4    |
| 4.     | Entire Agreement _____                         | 5    |
| 5.     | Counterparts _____                             | 5    |
| 6.     | Notices _____                                  | 5    |
| 7.     | Waiver and general provisions _____            | 6    |
| 8.     | Assignment _____                               | 6    |
| 9.     | Rights of Third Parties _____                  | 6    |
| 10.    | Governing law and jurisdiction _____           | 7    |

### **Schedule**

|    |                         |   |
|----|-------------------------|---|
| 1. | Companies Details _____ | 8 |
|----|-------------------------|---|

THIS AGREEMENT is dated  
BETWEEN:



01 and is made

1. **SKIPTON BUILDING SOCIETY** whose principal office is at The Bailey, Skipton, North Yorkshire, BD23 1DN, ("**SBS**"); and
2. **AMBER HOMELOANS LIMITED** (Company number 2819645) whose registered office is at 1 Providence Place, Skipton, North Yorkshire, BD23 2HL ("**AHL**").

**WHEREAS:**

- A. SBS is the owner of the shares in the Companies (as defined below) set out in the Schedule;
- B. AHL is a private company limited by shares incorporated in England and Wales under the Companies Acts 1985 and 1989 on 19 May 1993 with No. 2819645 and has an authorised share capital of 5,000,000 divided into 5,000,000 ordinary shares of £1 each of which one share has been issued to SBS and is fully paid;
- C. The directors of AHL are duly authorised to allot the New Exchange Shares (as defined below) pursuant to section 80 Companies Act 1985 and all the other requirements of Part II of that Act have been complied with or will be complied with not later than the date of the transfer provided for by this Agreement;
- D. SBS has agreed to transfer all issued shares in the Companies to AHL in consideration of the issue by AHL of shares to SBS on the terms and conditions set out herein.

1. **Interpretation**

- 1.1 In this Agreement unless the context otherwise requires the following expressions have the following meanings;

"**Business Day**" means any day from Monday to Friday (inclusive) other than UK public bank holidays during normal working hours;

"**Companies**" means all the companies, the details of which are set out in column A of the Schedule;

"**Companies' Shares**" means all the shares beneficially owned by SBS as at the date of this Agreement in each of the Companies including but without limitation those shares set out in column B of Schedule 1 comprising the whole of the issued share capital of the Companies;

"**Completion Date**" means the date of this Agreement;

"**New Exchange Shares**" means the 3,674,130 ordinary shares of £1 each of AHL to be issued in accordance with Clause 2.2 of this Agreement;

1.2 In this Agreement;

- (a) The headings to the Clauses are for convenience only and have no legal effect;
- (b) References to Clauses and the Schedule are to the clauses of and the schedule to this Agreement respectively; and
- (c) References to the singular include the plural and vice versa and references on any gender include references to each other gender.

**2. The Share Exchange**

- 2.1 SBS agrees to sell and AHL agrees to buy the Companies Shares together with all rights now or hereafter attaching to those Companies Shares (including all dividends and distributions declared, made or paid in respect of the Companies Shares on or after the Completion Date together with the benefit of all rights of SBS against previous owners of the Companies Shares including the benefit of all warranties, indemnities and restrictive covenants) free from all claims, liens, charges, encumbrances and equities and all other third party rights and also, but without prejudice thereto, with full title guarantee.
- 2.2 The consideration for the transfer by SBS of the Companies Shares shall be the sum of £3,674,130 (allocated between the Companies Shares as set out in column (d) of the Schedule) to be satisfied by the allotment and issue to SBS of the New Exchange Shares credited as fully paid at £1 per share and ranking pari passu in all respects with the £1 ordinary share of AHL now in issue, including the right to receive all dividends and other distributions declared, paid or made on the shares of AHL after the date of this Agreement.

**3. Transfer, certificates and registration**

- 3.1 The Board of Directors of SBS and AHL shall pass resolutions approving the allotment of shares and the transfer and the registration of the exchange of shares.
- 3.2 Upon the Completion Date or as soon as reasonably practicable thereafter SBS shall deliver to AHL transfers in respect of the Companies Shares duly completed by the registered holder thereof in favour of AHL together with the certificates for the Companies shares.
- 3.3 Upon the Completion Date or as soon as reasonably practicable thereafter AHL shall:
  - (a) Issue to SBS the New Exchange Shares due to them pursuant to Clause 2.2;
  - (b) Deliver to SBS a duly executed share certificate in respect of the New Exchange Shares; and

(c) Duly register SBS (or such person as SBS may nominate) as the holder of the New Exchange Shares subject to the memorandum and articles of association of AHL.

3.4 SBS hereby agrees that upon the Completion Date or as soon as reasonably practicable thereafter it shall;

(a) Promptly send any notices in respect of the Companies Shares to AHL and

(b) To exercise all voting and other rights relating to the Companies Shares transferred by it pursuant to this Agreement and to complete and return any proxy cards, consents to short notice and any other documents required to be signed by SBS in the capacity as a member of the Companies in such a manner as AHL directs.

3.5 For the avoidance of doubt where any discrepancy arise between the number of Companies Shares transferred pursuant to this Agreement and the number of shares in the Companies, (found upon due enquiry) to have been in fact beneficially owned by SBS as at the date of this Agreement (such shares being the "**Residual Companies' Shares**") then both parties hereby agree to do all such things as may be required to transfer the Residual Companies' Shares to AHL and the consideration for such transfer shall be deemed to have been given part of this Agreement.

#### 4. Entire Agreement

4.1 This Agreement constitutes the entire agreement between the parties hereto in relation to its subject matter and replaces and extinguishes all prior agreements undertakings arrangements or statements with respect to such subject matter and no amendment change or addition hereto shall be effective or binding on any party unless reduced to writing and executed by the parties for the time being.

#### 5. Counterparts

5.1 This Agreement may be executed in several counterparts (whether original or facsimile counterparts) and upon due execution of all such counterparts by one or more parties, each counterpart shall be deemed to be an original hereof but all the counterparts together shall constitute one and the same agreement.

#### 6. Notices

6.1 Any notices given in connection with this Agreement must be in writing and shall be given to AHL at its registered office for the time being or to SBS at its principal office for the time being (or such other address as either party may notify to the other party to this Agreement for such purpose) and will be effectively served;

- (a) On the day of receipt, where any hand delivered letter or facsimile transmission is received on any Business Day or during normal working hours;
- (b) On the following Business Day, where any hand delivered letter or facsimile transmission is received either on any Business Day after normal working hours or on any day which is not a Business Day; or
- (c) On the second Business Day following the day of posting, upon despatch from within the United Kingdom of any posted letter by post office inland first class mail or (as the case may be) airmail postage prepaid.

## **7. Waiver and General Provisions**

- 7.1 A waiver of any term, provision or condition of, or consent granted under, this Agreement shall be effective only if given in writing and signed by the waiving or consenting party and then only in the instance and for the purpose for which it is given.
- 7.2 No failure or delay on the part of any party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise of any right, power or privilege.
- 7.3 No breach of any provision of this Agreement shall be waived or discharged except with the express written consent of the parties.
- 7.4 If at any time part of this Agreement is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby.

## **8. Assignment**

- 8.1 This Agreement is personal to the parties and neither it nor any benefit arising under it may be assigned without prior written consent of the other parties and no party shall purport to assign or transfer the same provided that this Agreement may be assigned by either party to any company which is for the time being an associated company of such party.

## **9. Rights of Third Parties**

- 9.1 A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement. This clause 9.1 does not affect any right or remedy of a third party which exists or is available otherwise than by operation of that Act.

**10. Governing Law and Jurisdiction**

- 10.1 This Agreement is governed by and is to be construed in accordance with the laws of England and the parties hereby agree to submit to the exclusive jurisdiction of the English courts in relation to any dispute which may arise out of or in connection with it.

**IN WITNESS** whereof this Agreement has been entered into the day and year first above written

**SCHEDULE 1**

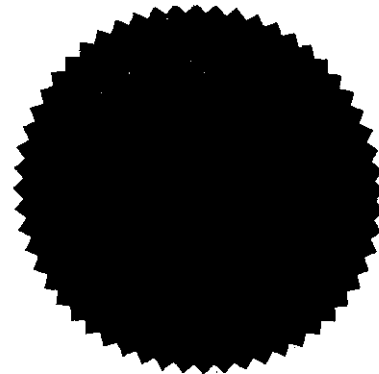
**COMPANIES DETAILS**

| (a) Name and address of Companies in which SBS owns shares   | (b) Number and type of shares held by SBS | (c) Percentage of Company currently owned by SBS | (d) Number of New Shares to be issued in exchange for the shares as set out in column (b) |
|--|---|--|---|
| Skipton Mortgages Limited<br>(Company number 2491892)<br>1 Providence Place<br>Skipton<br>North Yorkshire<br>BD23 2HL                              | 3,000,000 ordinary shares of £1 each      | 100%   | 3,000,000   |
| Mortgage Marque Limited<br>(Company number 2283327)<br>1 Providence Place<br>Skipton<br>North Yorkshire<br>BD23 2HL                                | 24,999 ordinary shares of £1 each         | 100%   | 25,000  |
| Skipton Mortgage Corporation Limited<br>(Company number 2490160 )<br>1 Providence Place<br>Skipton Building Society North<br>Yorkshire<br>BD23 2HL | 647,027 ordinary shares of £1 each        | 100%   | 649,130   |



The common seal of **SKIPTON BUILDING SOCIETY** was affixed to this Agreement in the presence of:


)  
)  
)



  
\_\_\_\_\_  
Authorised Signatory

Signed by **AMBER HOMELOANS LIMITED** in the presence of:

)  
)

  
T. G. Healy  
Solicitor

  
\_\_\_\_\_  
Director