

Private & Confidential

3205201
3205201
PASSED FOR FILING

DATED 1 August 1996

HSBC INVESTMENT BANK PLC (1)

EQUATOR MANAGEMENT SERVICES (2)

NEDEUROPE S.A. (3)

and

EQUATOR HOLDINGS LIMITED
(incorporated in England) (4)

AGREEMENT

for the acquisition of the issued share capital of
EQUATOR HOLDINGS LIMITED
(incorporated in the Bahamas)
on a share exchange basis

Norton Rose
London



THIS AGREEMENT is dated August 1996 and is made BETWEEN:

- (1) **HSBC INVESTMENT BANK PLC** (No. 976092) whose registered office is at Thames Exchange, 10 Queen Street Place, London EC4R 1BL ("**HIB**");
- (2) **EQUATOR MANAGEMENT SERVICES**, a partnership established under the laws of the State of Connecticut, whose registered office is at 45 Glastonbury Boulevard, Glastonbury, Connecticut 06033-4411, U.S.A. ("**Equator Management**");
- (3) **NEDEUROPE S.A.**, a company established under the laws of Luxembourg, whose registered office is at 231 Val des Bons Malades, L-212, RC Luxembourg, B.10.402 ("**NedEurope**"); and
- (4) **EQUATOR HOLDINGS LIMITED** (No. 3205201) whose registered office is at Equator House, 66 Warwick Square, London SW1V 2AL ("**the Purchaser**").

WHEREAS:

- 1 The Vendors are together the owners of the entire issued share capital of the Company.
- 2 HIB is currently the beneficial owner of 2 ordinary shares of US\$1 in the Purchaser.
- 3 A share exchange is to be effected whereby the entire issued share capital of the Company is to be transferred to the Purchaser in return for the allotment by the Purchaser of shares to the Vendors so that (taking into account the shares in the Purchaser currently owned by HIB) the Vendors will after completion own the issued share capital of the Purchaser in the same proportion in which they currently own the issued share capital of the Company.

NOW IT IS HEREBY AGREED as follows:

1 Interpretation

- 1.1 In this Agreement the following expressions have the following meanings:

"**the Company**" means Equator Holdings Limited (No. 29850) a Company established under the laws of the Commonwealth of the Bahamas, whose registered office is at 2nd Floor, Cloughton House, Shirley and Charlotte Streets, PO Box SS-6273, Nassau, NP, Bahamas;



mdks/Y154678/mgt2805.15

"the Consideration Shares" means 99,998 new Ordinary Shares of US\$1 each of the Purchaser ranking pari passu in all respects with the existing issued Ordinary Shares of US\$1 each of the Purchaser;

"the Sale Shares" means those Ordinary Shares of US\$1.00 each fully paid of the Company owned by each Vendor respectively, as set out in column 2 of the table in the Schedule, being in total the entire issued share capital of the Company; and

"the Vendors" means HIB, Equator Management and NedEurope or each of them (as the context may require).

- 1.2 The headings to the clauses are for convenience only and have no legal effect.

2 Sale of the Sale Shares

- 2.1 Each Vendor shall sell the number of Sale Shares set against its name in column 2 of the table in the Schedule to the Purchaser. The Sale Shares are sold free from all claims, liens, charges, encumbrances and equities and all other third party rights and also, but without prejudice to those terms, with full title guarantee and the Purchaser shall purchase the Sale Shares.
- 2.2 The Purchaser shall not be obliged to complete the purchase of any of the Sale Shares unless the purchase of all the Sale Shares is completed simultaneously.

3 Consideration

- 3.1 The consideration for the sale of the Sale Shares shall be such amount as shall be equal to the net asset value of the Company as at the close of business on 31st July 1996 (and as agreed between the Purchaser and the Vendors) such consideration to be satisfied by the allotment and issue by the Purchaser to the Vendors of the Consideration Shares credited as fully paid.
- 3.2 HIB hereby waives any rights of pre-emption conferred on it by the Articles of Association of the Purchaser or otherwise over the Consideration Shares to be allotted.

4 Completion

Completion of the sale and purchase of the Sale Shares shall take place immediately following the execution hereof, when:



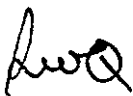
mdks/Y154678/mgt2805.15

- (a) the Vendors shall deliver or procure to be delivered to the Purchaser transfers in respect of the Sale Shares duly completed in favour of the Purchaser (or as it may direct) together with the certificates therefor;
- (b) such other documents as may be required to give a good title to the Sale Shares and to enable the Purchaser to become the registered holder thereof; and
- (c) the Purchaser shall allot to each of the Vendors such number of Consideration Shares as is set out in column 1 of the table in the Schedule and deliver to each of the Vendors a share certificate in its name in respect thereof.

5 Governing Law

- 5.1 This Agreement shall be governed by and construed in accordance with English Law.
- 5.2 The parties hereby submit to the exclusive jurisdiction of the High Court of Justice in England.

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

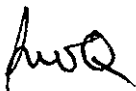


mdks/Y154678/mgt2805.15

Schedule 1

The Consideration Shares

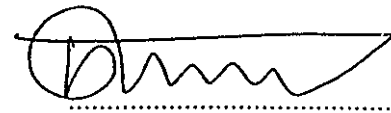
<u>Vendor</u>	(1) <u>Consideration Shares</u>	(2) <u>Respective Number</u>
HIB	59,998	210,000
Equator Management	20,000	70,000
NedEurope	20,000	70,000



mdks/Y154678/mgt2805.15

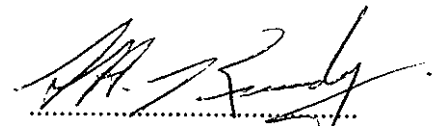
SIGNED by)
I C COTTERILL)
for and on behalf of)
HSBC INVESTMENT BANK PLC)
in the presence of:)

Richard Quinn
10 Lower Thames Street
London EC3R 6AE
Chartered Secretary


Director

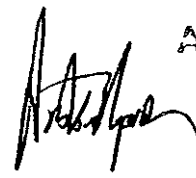
SIGNED by)
F H KENNEDY)
for and on behalf of)
EQUATOR MANAGEMENT)
SERVICES)
in the presence of:)

Richard Quinn
as above


Duly authorised signatory


SIGNED by)
AJ GARDEN)
for and on behalf of)
NEDEUROPE S.A.)
in the presence of)

Richard Quinn
as above


Andrew J. Garden, ~~XXXX~~
Director

SIGNED by)
C J NEWTON)
for and on behalf of)
EQUATOR HOLDINGS)
LIMITED)
in the presence of:)

Richard Quinn
as above


Director