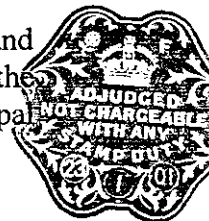


3948741

We hereby certify
this to be a true copy
of the original
Held Niche
24.01.01

THIS AGREEMENT is made the 24th day of November 2000 BETWEEN:-

- (1) W J MARSTON HOLDINGS LIMITED (In Members Voluntary Liquidation) (Company number 1352381) whose registered office is at 1 Stephendale Road, Fulham, London SW6 2LT ("the Old Company").
- (2) ANDREW WHITE and SUSAN AGNES MAUND of BDO Stoy Hayward, Nile House, Nile Street, Brighton, East Sussex the Old Company's Liquidators ("the Joint Liquidators").
- (3) MARSTON HOTELS HOLDINGS LIMITED (company number 03948742) whose registered office is at 1 Stephendale Road, Fulham, London, SW6 2LT ("New Co A").
- (4) MARSTON PROPERTIES HOLDINGS LIMITED (company number 03948741) whose registered office is at 1 Stephendale Road, Fulham, London, SW6 2LT ("New Co B").
- (5) THE SHAREHOLDERS OF THE OLD COMPANY whose names and addresses and number of Shares held are set out in Schedule 1 to this Agreement ("the Shareholders"), represented by John James Shepherd Marston ("the Principal Shareholder").



WHEREAS:-

- (A) The Old Company has an authorised share capital of £500,000 divided into 500,000 ordinary shares of £1 each, of which 271,043 have been issued and are registered in the several names of the Shareholders in the numbers set out in column 3 of Schedule 1.
- (B) (a) By Special Resolution of the Old Company passed on 1 April 2000 it was resolved that:-
 - (i) The Old Company be wound up voluntarily;
 - (ii) Andrew White and Susan Agnes Maund of BDO Stoy Hayward, Nile House, PO Box 1034, Nile Street, Brighton, East Sussex BN1 1JB be appointed Joint Liquidators for the purpose of such winding-up;
 - (iii) The Liquidators be authorised to divide among the Members in specie all or any part of the old company's assets;
 - (iv) The Liquidators be given the requisite sanction enabling them to act in accordance with Section 110(4) of the Insolvency Act 1986.
- (b) The basis for the liquidation of the Old Company was set out in the minutes of the meeting of the Board of Directors of W J Marston Holdings Limited held on 18 March 2000, which refers to the letter from BDO Stoy Hayward to the Inland Revenue dated 19 November 1999 setting out the proposed reconstruction of the company and its subsidiaries, and the two clearance letters received in response from the Inland Revenue dated 18 and 31 January 2000.



- (C) New Co A has been incorporated under the Companies Act 1985 and has an authorised share capital of £ 500,000 of which only the two subscriber shares have been issued and are held by John James Shepherd Marston.
- (D) New Co B has been incorporated under the Companies Act 1985 and has an authorised share capital of £ 500,000 of which only the two subscriber shares have been issued and are held by John James Shepherd Marston.
- (E) The old Company is the registered holder of all of the issued share capital of it's wholly owned subsidiaries, being Marston Hotels Limited, Marston Properties Limited and W J Marston and Son Limited.

NOW IT IS AGREED as follows:-

1 **Transfer of Shares in Marston Hotels Limited**

The old company shall transfer and New Co A shall acquire all of the issued share capital of the Old Company's wholly owned subsidiary Marston Hotels Limited.

2 **Issue of Shares in New Co A**

In consideration of the Old Company agreeing to transfer the shares in Marston Hotels Limited to New Co A, New Co A shall as soon as conveniently may be, issue credited as fully paid to the Old Company, for distribution by the Joint Liquidators to the Shareholders at completion, the number of Ordinary £1 Shares each in New Co A shown opposite their names in Column 4 of Schedule 1, taking into account the two subscriber shares already issued and held in New Co A by John James Shepherd Marston.

3 **Distribution of Shares in New Co A**

The effect of such distribution shall be to ensure that for each £1 share in the Old Company which each shareholder now holds he or she shall receive a pro-rata distribution of one such share in New Co A, with the exception of Christopher David Scragg, who shall receive 44,184 ordinary £1 shares in New Co A in respect of his holding of 20,668 shares in W J Marston Holdings Limited.

4 **Transfer of Shares in Marston Properties Limited and W J Marston & Son Limited**

The Old Company shall transfer and New Co B shall acquire all of the issued share capital of the Old Company's wholly owned subsidiaries Marston Properties Limited and W J Marston & Son Limited.

5 **Issue of Shares in New Co B**

In consideration of the Old Company agreeing to transfer the shares in Marston Properties Limited and W J Marston & Son Limited to New Co B, New Co B shall as soon as conveniently may be, issue credited as fully paid to the Old Company, for distribution by the Joint Liquidators to the shareholders at completion, the number of Ordinary £1 Shares each in New Co B shown opposite their names in Column 5 of Schedule 1, taking into account the two subscriber shares already issued and held in New Co B by John James Shepherd Marston.

6 **Distribution of Shares in New Co B**

The effect of such distribution shall be to ensure that for each £1 share in the Old Company which each shareholder now holds he or she shall receive a pro-rata distribution of one such share in New Co B, with the exception of Christopher David

Scragg, who shall receive a nil shareholding in New Co B in respect of his holding of 20,668 shares in W J Marston Holdings Limited.

7 **Filing of Agreement with Registrar of Companies**

New Co A and New Co B shall cause this Agreement to be filed with the Registrar of Companies pursuant to the Companies Act 1985 Section 88.

8 **Completion**

8.1 The transfer from the Old Company of the Shares in Marston Hotels Limited to New Co A and the transfer from the Old Company of the Shares in Marston Properties Limited and W J Marston & Son Limited to New Co B shall be completed at Nile House, Nile Street, Brighton, East Sussex on ~~22nd November~~ 2000.

8.2 At completion of the transfer of the Old Company's subsidiaries, Marston Hotels Limited, Marston Properties Limited and W J Marston & Son Limited the Joint Liquidators shall deliver or procure delivery to New Co A and New Co B definitive share transfers and relative share certificates of all of the issued share capital of such subsidiaries executed in favour of New Co A and New Co B respectively, and shall sign and execute such documents and deeds and so such things as New Co A and New Co B may reasonably require to vest the shares in the names of New Co A and New Co B respectively and use their best endeavours effectively to comply with their obligations under this agreement and enable those companies to obtain the full benefit of this agreement.

9 **General**

9.1 New Co A and New Co B shall accept such title as the Company may have in the Shares in its subsidiaries referred to in this Agreement and no warranty, term, representation or condition is given by the Old Company or the Joint Liquidators or shall be implied into the sale or transfer thereof under this Agreement.

9.2 The Principal Shareholder (on behalf of all of the Shareholders of the Old Company as set out in Schedule 1 to this Agreement) shall indemnify the Joint Liquidators, and at all times keep the Joint Liquidators free and effectually indemnified, against all debts, liabilities, actions, claims, demands, expenses, interest and all matters or things due, made, done or omitted by the Joint Liquidators under the provisions of this Agreement or otherwise in respect of the Liquidation of the Old Company and will procure payment and discharge of the remuneration, costs and expenses of the Joint Liquidators.

9.3 This Agreement shall be binding on each of the parties and their successors, assignees and legal personal representatives as the case may be.

9.4 Any variation of this Agreement shall be binding only if it is recorded in a document signed by or on behalf of the parties.

9.5 (a) Any notice pursuant to this Agreement shall be in writing signed by (or by some person duly authorised by) the person giving it and the respective addresses for service of notices under this Agreement shall be the registered office in the case of limited Companies, Nile House, Nile Street, Brighton, East

Sussex in the case of the Joint Liquidators, and the addresses set out in Column 2 of Schedule 1 in the case of shareholders, or such other address as any of the parties may from time to time notify to the other parties by giving written notice thereof.

(b) Notices may be given by being:-

- i) handed to the addressee;
- ii) left at the notice address; or
- iii) sent to the notice address by registered or recorded delivery post charges pre-paid.

(c) Any notice posted shall be deemed to have been received 48 hours after the time of posting and any notice given in any other manner shall be deemed to have been received at the time when in ordinary course it may be expected to have been received.

9.6 This Agreement shall be governed by and continued in accordance with the laws of England and the parties irrevocably submit to the jurisdiction of the English Courts.
AS WITNESS this Agreement has been signed by or on behalf of the parties hereto the day and year first before written.

Signed as a DEED by)
W J MARSTON HOLDINGS LIMITED)
in the presence of: *Eleanor Abbott*)
OCCUPATION: Personal Assistant)
Address: 1 Stephendale Road, Fulham, London, SW6 2LT)

Director: *[Signature]*
Secretary: *[Signature]*

Signed as a DEED by the said)
JOINT LIQUIDATORS)
in the presence of: *[Signature]*)
OCCUPATION: SOLICITOR)
ADDRESS: 39 Battersea Avenue Brighton)
BN1 8DH)

Andrew White *[Signature]*
Susan Agnes Maund *S. A. Maund.*

Signed as a DEED by)
MARSTON HOTELS HOLDINGS LIMITED)
in the presence of: *Eleanor Abbott*)
OCCUPATION: Personal Assistant)
Address: 1 Stephendale Road, Fulham, London, SW6 2LT)

Director: *[Signature]*
Secretary: *[Signature]*

Signed as a DEED by)
MARSTON PROPERTIES HOLDINGS LIMITED)
in the presence of: *Eleanor Abbott*)
OCCUPATION: Personal Assistant)
Address: 1 Stephendale Road, Fulham, London, SW6 2LT)

Director: *[Signature]*
Secretary: *[Signature]*

Signed as a DEED by)
JOHN JAMES SHEPHERD MARSTON)
in the presence of: *Eleanor Abbott*)
OCCUPATION: Personal Assistant)
Address: 1 Stephendale Road, Fulham, London, SW6 2LT)

[Signature]

SCHEDULE 1

<i>Names of Shareholders</i>	<i>Addresses of Shareholders</i>	<i>Number of Ordinary £1 Shares in Old Company</i>	<i>Number of Ordinary £1 Shares in New Co A</i>	<i>Number of Ordinary £1 Shares in New Co B</i>
(1)	(2)	(3)	(4)	(5)
John James Shepherd Marston	Flat 2, 41 Carlton Drive, Putney, London SW15 2DG	63,519	63,519	63,519
Anne Elizabeth Marston	Watermill, Mill Lane, Hythe, Kent CT21 5LP	54,390	54,390	54,390
Caroline Louise Beckman	43 Campana Road, London SW6 4AT			
William Robert Writer	8 Douglas Avenue, Hythe, Kent CT21 5JT			
As Trustees of the Estate of Anthony David Marston				
Andrew John Marston	9 Clifton Crescent, Falmouth, Cornwall, TR11 3QQ	33,108	33,108	33,108
Christopher David Scragg	The Old Rectory, Boughton Malherbe, Sandway, Kent TN26 3JP	20,668	44,184	NIL
Caroline Louise Beckman	43 Campana Road, Fulham, London SW6 4AT	21,735	21,735	21,735
Bridget Mary Carr	224 Crescent House, Golden Lane Estate, London EC1Y 0SL	18,750	18,750	18,750
Nicola Jane Marston	The Old Vicarage, 25 Rystone Road, Denver, Norfolk	14,524	14,524	14,524
Lucy Ann Marston	327 Crescent House, Golden Lane Estate, London EC1Y 0SN	12,799	12,799	12,799
Peter Keith Tonge	27 Standen Road, Wandsworth, London SW18 5HT	9,375	9,375	9,375
James Murray Marston	Moens Farm, Uploders, Bridport, Dorset DT6 4PH	12,800	12,800	12,800
Dr Barbara Leslie Tonge	Heathfield, Tarvin Road, Littleton, Chester CH3 7DF	3,891	3,891	3,891
Dr Vincent Tonge	Heathfield, Tarvin Road, Littleton, Chester CH3 7DF	3,890	3,890	3,890
David Mark Tonge	19 Pheasant Way, Rickmansworth, Herts WD3 2ET	1,594	1,594	1,594
TOTALS		271,043	294,559	250,375