

4195561

**Share Sale and Purchase
Agreement**
relating to
HUTHWAITE (CBS) LIMITED

Dated

11th

May 2007

R Huthwaite Esq and Others (1)
Colliers CRE plc (2)

MICHAEL CONN GOLDSOBEL
Solicitors
24 Queen Anne Street
London W1G 9AX



Authentic true copy
[Signature]
Group Company Secretary
& Solicitor
6/7/09

DATE

// May 2007

THE PARTIES

- (1) ROBERT WILLIAM HUTHWAITE of 48 Oakwood Road Henleaze Bristol BS9 4NT, SARAH JANE HUTHWAITE of 8 Bayswater Road Horfield Bristol BS7 0BV and MARTIN NICHOLAS WRIGHT of 1 Birchall Road Redland Bristol BS6 7TW (each "a Vendor", and together "the Vendors")
- (2) COLLIERS CRE PLC (a company registered in England & Wales under no 4195561) whose registered office is at 9 Marylebone Lane London W1U 1HL ("the Purchaser")

INTRODUCTION

- (A) The Vendors are the legal and beneficial owners of the entire issued share capital of the Company and as such have the right, power and authority to sell and transfer the Shares in the manner contemplated by this Agreement.
- (B) The Vendors have agreed to sell to the Purchaser and the Purchaser has agreed to purchase the Shares in reliance upon the covenants, undertakings, warranties and indemnities contained in this Agreement in the manner and on and subject to the terms of this Agreement.

OPERATIVE PROVISIONS

1 Interpretation

- 1.1 In this Agreement, except where a different interpretation is necessary in the context, the parties shall be referred to in the manner set out after their names above and the following expressions shall have the following meanings:

the Accounts	the balance sheet as at the Accounts Date, and the profit and loss account for the Financial Period ended on the Accounts Date, of the Company together with the notes, reports, statements (including cash flow statements, if applicable) and other documents which are or would be required by law to be annexed to such accounts and to be sent or made available to members, a copy of which has been supplied to the Purchaser and is included in the Disclosure Documents;
the Accounts Date	31 May 2006;
Accounts Standards	in relation to the Company, the applicable requirements of the special provisions of Part VII of the Companies Act 1985 relating to small companies and generally accepted accounting principles as embodied in FRSSE, in each case as at the date of the relevant accounts;
this Agreement	this agreement including the Introduction and the Schedules;
the Business	the business as carried on by the Company;

Business Day	a day (other than a Saturday, Sunday or public holiday) when banks are open for business in the City of London;
Business IP	all Intellectual Property which is owned and used by the Company in its business including Intellectual Property in the products and services supplied and/or developed by it and any Licensed IP;
the Business Name	Huthwaite Building Consultants;
CAA	the Capital Allowances Act 2001;
Commercial Information	all technical, financial, commercial and other information of a confidential nature, including, without limitation, trade secrets, know-how, inventions, secret or confidential information in respect of the Company's suppliers and customers (including any customer or supplier lists) and any other person who has had material dealings with them, and any other information relating to the business of the Company, the disclosure of which would be reasonably likely to cause loss or damage to or adversely affect the Company to a material extent;
the Company	Huthwaite (CBS) Limited, short particulars of which are set out in Schedule 1;
Company Licence	an agreement by a third party to license part of the Licensed IP to the Company;
Company Web Site	any internet web site owned, operated or hosted by the Company or through which the Company conducts its business;
Completion	completion of the sale and purchase of the Shares in accordance with the terms of Clause 3;
Confidential Information	all information of a confidential nature which relates to: <ul style="list-style-type: none"> (i) the Company; (ii) any aspect of the Business; (iii) the provisions of this Agreement; (iv) the negotiations relating to this Agreement; (v) the subject matter of this Agreement; or (vi) the Purchaser; and which is not in the public domain;
Connected Person	a person connected with any of the Vendors or any Director (or any former director of the Company) within the meaning of Section 839 of ICTA;
Consideration Shares	Ordinary Shares of 50p each in the capital of the Purchaser;
Contractual Documents	this Agreement, together with any other written agreements between the parties and referred to in this Agreement;

Data Protection Legislation	the Data Protection Acts of 1984 and 1998, and the EU Data Protection Directive 95/46/EC;
Data Protection Principles	the same meaning as the term "Data Protection Principles" under the Data Protection Legislation;
the Directors	the persons specified as the directors of the Company in Schedule 1 (the expression "Director" meaning any of them);
the Disclosure Documents	the Disclosure Letter and the documents attached thereto as listed in the schedule annexed to the Disclosure Letter;
the Disclosure Letter	a letter in the agreed form dated on or before the date of this Agreement from the Vendors to the Purchaser, delivered to the Purchaser immediately before the execution of this Agreement;
Employees	those persons (including Directors) whose names appear in the list of employees included in the Disclosure Documents;
Encumbrance	any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement;
Environment	includes (but is not limited to) any of the following media: namely air (including without limitation air within buildings, structures, enclosures and other constrictions above or below ground level), water (including without limitation territorial waters, coastal and inland waters, surface and ground waters, and waters in wells, boreholes, drains and sewers), land (including without limitation surface land and sub-surface strata and any land under sea beds or rivers, wetlands or flood plains), habitats, natural or man-made buildings, structures, enclosures and other constructions, natural resources, flora, fauna and human health;
Environmental Consent	any assessment, authorisation, certificate, consent, licence, permission, permit, ruling, variation, modification, transfer or any other information or approval required by any Environmental Law or agreement made pursuant to Environmental Law;
Environmental Law	all international, EU, national, federal, state or local laws (both common law and statute law and civil and criminal law) and all subordinate legislation and regulatory codes of practice (including, without limitation, statutory instruments, guidance notes, circulars, directives, decisions, regulations, treaties and conventions) concerning the Environment or health and safety which are or were binding upon the Vendors or the Company in the relevant jurisdiction in which any of the Vendors or the Company are or have been operating (including by the export of their products or their Waste thereto) on or before Completion or which are or were so binding upon the Business;
Established Claims	all claims from time to time under this Agreement or the Tax Deed which:

	<ul style="list-style-type: none"> (a) have been settled by written agreement between the Warrantors and the Purchaser, or are the subject of an acknowledgement in writing by the Warrantors that they accept liability and quantum in respect of that relevant claim; or (b) are the subject of an order as to both liability and quantum made by a court of competent jurisdiction where either no right of appeal lies or the parties are debarred (whether by the passage of time or otherwise) from exercising such a right; or (c) are the subject of a written Opinion of Counsel of at least 10 years' call jointly instructed by the Parties that they are on balance likely to succeed;
Financial Period	a financial period as determined in accordance with Section 223 of the Companies Act 1985;
FISMA	the Financial Services and Markets Act 2000;
FRSSE	Financial Reporting Standard for Smaller Entities issued by the Accounting Standards Board;
FSA	the Financial Services Authority;
ICTA	the Income and Corporation Taxes Act 1988;
IHTA	the Inheritance Tax Act 1984;
Intellectual Property	<p>any current and future intellectual property rights, including:</p> <ul style="list-style-type: none"> (a) copyrights, trade marks, rights in confidential information, design rights, patents, utility models, semi-conductor topographies, all rights of whatsoever nature in computer software and data, rights in databases, rights in plant varieties; and (b) all intangible rights and privileges of a nature similar, analogous to any of the above; <p>in every case in any part of the world and whether or not registered, including in relation to the above:</p> <ul style="list-style-type: none"> (a) all granted registrations and all applications for registration; (b) all renewals, reversions or extensions; (c) the right to sue for damages for past infringement; and (d) all forms of protection of a similar nature which may subsist anywhere in the world;
ITEPA	Income Tax (Earnings and Pensions) Act 2003;
ITTOIA	Income Tax (Trading and Other Income) Act 2005;

Key Employee	any person who at, or at any time during the 12 months immediately preceding, the date of this Agreement, or who at the date of Completion, is or was an employee or consultant of or to the Company and who during that period is or was acting at management grade or in a senior capacity or is or was in possession of confidential information relating to the Company;
Licensed IP	any Intellectual Property owned by a third party which is licensed to the Company and used in the Business;
Losses	actions, proceedings, losses, taxes (excluding stamp duty), damages, liabilities, claims, interest, costs and expenses including fines and penalties and reasonable legal and other professional fees which are reasonably incurred;
LPMPA	the Law of Property (Miscellaneous Provisions) Act 1994;
the Management Accounts	the management accounts of the Company for the period from the Accounts Date to 31 March 2007, a copy of which is included in the Disclosure Documents;
Official List	the official list of the UK Listing Authority;
Personal Data	the same meaning as the term "personal data" under the Data Protection Legislation;
the Property	184 Henleaze Road Henleaze Bristol BS9 4NE;
the Purchaser's Accountants	Baker Tilly of 2 Bloomsbury Street, London WC1B 3ST;
the Purchaser's Solicitors	Michael Conn Goldsobel, 24 Queen Anne Street, London W1G 9AX;
Relief	the same meaning as in the Tax Deed;
the Restricted Territory	the United Kingdom;
Service Agreements	the service agreements of even date between the Purchaser and Robert William Huthwaite and Martin Nicholas Wright;
the Shares	50,010 issued Ordinary Shares of £1 each in the capital of the Company, being the entire issued share capital of the Company;
Software	any and all computer programs in both source and object code form, including all modules, routines and sub-routines thereof and all source and other preparatory materials relating thereto, including user requirements, functional specifications and programming specifications, ideas, principles, programming languages, algorithms, flow charts, logic, logic diagrams, orthographic representations, file structures, coding sheets, coding and including any manuals or other documentation relating thereto and computer generated works;
SSAP	a statement of Standard Accounting Practice published by the former Accounting Standards Committee or the present Accounting Standards Board;

the Subsidiaries	the companies details of which appear in Part II of Schedule 1;
the Tax Deed	the deed of covenant relating to taxation in the agreed form between the Vendors and the Purchaser;
Taxation	the same meaning as in the Tax Deed;
Taxing Authority	the same meaning as in the Tax Deed;
TCGA	the Taxation of Chargeable Gains Act 1992;
the Tenancy	the Tenancy at will of the Property to be granted at Completion in the agreed form by the Warrantors to the Purchaser;
Third Party Licence	an agreement by the Company to license part of the Business IP to a third party, or, in the case of the Licensed IP, an agreement by the Company to sub-license part of the Licensed IP;
Transfer Regulations	the Transfer of Undertakings (Protection of Employment) Regulations 1981, as amended;
VAT	Value Added Tax;
VATA	the Value Added Tax Act 1994;
the Vendors' Accountants	Houghton Stone of The Conifers Filton Road Hambrook Bristol BS16 1QG;
Vendors' Relevant Percentages	in the case of Robert William Huthwaite 58%; in the case of Sarah Jane Huthwaite 4%; and in the case of Martin William Wright 38%;
the Vendors' Solicitors	Bartons of 22 Orchard Street Bristol BS1 5EH;
Warranties	the warranties given in Clause 5 and Schedule 4 (and so that each warranty statement shall be a "Warranty");
Warrantors	Robert William Huthwaite and Martin Nicholas Wright;
Warrantors' Relevant Percentages	in the case of Robert William Huthwaite 60.417% and in the case of Martin William Wright 39.583%;
Waste	waste, controlled waste, directive waste, special waste, hazardous waste or refuse as defined in Environmental Law.

- 1.2 All references to statutory provisions, enactments or EU directives shall include references to any amendment, modification, extension, consolidation, replacement or re-enactment of any such provision, enactment or directive (whether before or after the date of this Agreement), to any previous enactment which has been replaced or amended and to any regulation, instrument or order or other subordinate legislation made under such provision, enactment or directive, unless any such change imposes upon any party any liabilities or obligations which are more onerous than as at the date of this Agreement.
- 1.3 A company or other entity shall be a "holding company" for the purposes of this Agreement if it falls within the meaning attributed to that term in section 736 and 736A of the Companies Act 1985 (as amended), and a company or other entity shall be a "subsidiary" for the purposes of this Agreement if it falls within any of the meanings attributed to a "subsidiary" in section 736

and 736A of the Companies Act 1985 (as amended), and the terms "subsidiaries" and "holding companies" are to be construed accordingly.

- 1.4 References to documents "in the agreed form" are to documents in terms agreed between the Parties prior to the execution of this Agreement.
- 1.5 References in this Agreement and the Schedules to the Parties, the Introduction, Schedules and Clauses are references respectively to the Parties, the Introduction and Schedules to and Clauses of this Agreement.
- 1.6 References to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept, state of affairs or thing shall in respect of any jurisdiction other than England be deemed to include that which most approximates in that jurisdiction to the English legal term.
- 1.7 Except as otherwise expressly stated herein, nothing in this Agreement confers any rights on any person (other than the parties hereto) pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 1.8 Any reference to "writing" or "written" includes faxes and emails and any other non-transitory form of visible reproduction of words.
- 1.9 References to times of the day are to that time in London and references to a day are to a period of 24 hours running from midnight.

2 Sale and Purchase of the Shares

- 2.1 The Vendors shall sell on and with effect from Completion and the Purchaser shall purchase on and with effect from Completion all the Shares with any dividends, distributions and rights declared, paid, created or arising after the date of Completion and free from all Encumbrances.
- 2.2 Neither the Purchaser nor the Vendors shall be obliged to complete the purchase of any of the Shares unless the purchase of all the Shares is completed simultaneously in accordance with this Agreement.
- 2.3 The Vendors irrevocably and unconditionally waive any and all pre-emption rights in respect of the Shares whether arising by virtue of any articles of association, agreement, law or otherwise.
- 2.4 The aggregate consideration for the sale and purchase of the Sale Shares shall be calculated, paid and/or satisfied as provided in Schedule 3.

3 Completion

- 3.1 Completion shall take place at such location as may be agreed upon by the Vendors' Solicitors and the Purchaser's Solicitors immediately following the execution and exchange of this Agreement or on such other date as the parties may agree.
- 3.2 At Completion, the Vendors shall deliver, or where so agreed with the Purchaser, make available at the Company's registered office (where appropriate as agent for the Company) to the Purchaser each of the documents set out in Schedule 2.
- 3.3 When the Vendors have complied with the terms of Clause 3.2, the Purchaser shall:

- (a) procure the delivery to the Vendors' Solicitors for the account of the Vendors of a CHAPS transfer in favour of the Vendors' Solicitors for the amount arising under Part 1 of Schedule 3;
- (b) procure the delivery to each of the Vendors of counterparts of the Tax Deed duly executed by the Purchaser;
- (c) deliver to each of the relevant Vendors his Service Agreement duly executed by the Purchaser;
- (d) procure the delivery to the Vendors of certified copy board minutes authorising the Purchaser to enter into this Agreement;
- (e) procure that a meeting of the board of directors of the Purchaser (or a duly authorised committee) is held at which the first tranche of Consideration Shares shall be issued and the relevant number of Consideration Shares shall be allotted to the Vendors in accordance with paragraph 3(c) of Part 1 of Schedule 3; and
- (f) procure that the Purchaser's registrar shall as soon as is reasonably practicable enter the names of the Warrantors in its register of members in respect of their respective entitlement to the issued Consideration Shares

4 HFM

The Vendors hereby:

(a) severally warrant that:

- (i) they have ceased to refer facilities management services to Huthwaite Facilities Management Limited ("HFM") or elsewhere;
- (ii) HFM has changed its name to exclude the Word "Huthwaite" or any word similar thereto or likely to be confused therewith; and
- (iii) none of them has any continuing involvement with HFM as a shareholder or director or otherwise howsoever;

(b) severally indemnify the Purchaser against all liabilities, costs and reasonable expenses which the Company may suffer after Completion by reason of any claim by HFM or any person interested therein or claiming through HFM.

5 Warranties

5.1 The Warrantors warrant to the Purchaser that each and every Warranty is true, correct, accurate and not misleading at the date of this Agreement, subject only to:

- (a) the matters specifically referred to in the Disclosure Documents, provided that:
 - (i) such matters will be treated as qualifying or limiting the application of any Warranty only to the extent that such disclosure is fair; and
 - (ii) no qualification or limitation shall be possible or effective in relation to the Warranties contained in paragraph 1 of Schedule 4; and

- (b) any exceptions for which express provision is made pursuant to this Agreement.
- 5.2 Each Warranty is a separate and independent warranty and, except as otherwise expressly provided, no Warranty shall be limited by reference to any other Warranty or by the other terms of this Agreement, the Disclosure Documents or the Tax Deed.
- 5.3 The liability of the Warrantors in respect of any claim under the Warranties shall be limited as provided in Schedule 5 except:
 - (a) in the case of a breach of the Warranties contained in paragraph 1 of Schedule 4; or
 - (b) in relation to any claim which arises out of any fraud or dishonesty by or on behalf of any of the Vendors or the liability in question relates to a matter which has been deliberately concealed or withheld by the Vendors.
- 5.4 Other than in relation to the Disclosure Documents, the rights and remedies of the Purchaser in respect of any breach of the Warranties shall not be affected by Completion.
- 5.5 Any information supplied by the Company, its officers, employees, agents, representatives or advisers to any of the Warrantors, their agents, representatives or advisers in connection with, or to form the basis of, the Warranties or the Tax Deed or any matter covered in the Disclosure Documents, or for any other reason, shall be deemed not to include or have included a representation, warranty or guarantee of its accuracy to the Warrantors and shall not constitute a defence to any of the Warrantors to any claim made by the Purchaser. The Warrantors hereby waive any and all claims against the Company, its officers or employees in respect of any information so supplied (and undertake that no other person claiming under or through them will make any such claim).
- 5.6 References to the awareness or knowledge of the Warrantors in a Warranty in Schedule 4 shall only limit that Warranty by the Warrantors' awareness or knowledge if the Warrantors have made all reasonable enquiries of each other to ascertain if the relevant information is true, accurate, correct and not misleading.
- 5.7 In determining damages for any breach of the Warranties or any other provision of this Agreement, the Purchaser shall not be required to cause the Company to be wound up or to rely on the limited liability of any company in mitigation of its loss, but shall be deemed for this purpose to be under a duty to maintain the Company as a going concern and to make good any deficiency in its assets.

6 Protection of Goodwill

- 6.1 As further consideration for the Purchaser agreeing to purchase the Shares on the terms contained in this Agreement and with the intent of assuring to the Purchaser the full benefit and value of the goodwill and connections of the Company and as a constituent part of the sale of the Shares, each Vendor hereby undertakes to the Purchaser (contracting for itself and as trustee for the Company) that he will not, whether on his own behalf or with or on behalf of any person and whether directly or indirectly by any person or business controlled by him or any Connected Person (except with the prior written consent of the Purchaser):
 - (a) at any time prior to the third anniversary of Completion carry on or be employed, engaged, concerned, interested or in any way assist in any business which may be in direct competition with all or part of the Business in the Restricted Territory, provided that nothing in this Clause 6.1(a) shall prevent the Vendors from holding for investment purposes only any units of an authorised unit trust and/or not more than

3% of any class of the issued share or loan capital of any company quoted on a recognised investment exchange (as defined in FISMA);

- (b) at any time prior to the third anniversary of Completion on behalf of a business which may compete directly with all or part of the Business, canvass, solicit or approach or cause to be canvassed, solicited or approached any person who at any time during the 12 months preceding the date on which Completion takes place shall have been a client of the Company;
- (c) at any time prior to the third anniversary of Completion offer employment to or employ or offer to conclude any contract of services with any Key Employee or procure or facilitate the making of such an offer by any person, firm or company or entice or endeavour to entice any Key Employee to terminate their employment or contract for services with the Company (except with the prior written consent of the Purchaser or the Company, or where such person has given notice to cease employment with, or ceased to be employed by, the Company); or
- (d) at any time after Completion disclose to any person whatsoever or use to the detriment of the Company or otherwise make use of any Confidential Information obtained or received as a result (directly or indirectly) of negotiating, entering into or performing this Agreement or any Commercial Information or Business IP relating or belonging to the Company or in respect of which the Company is bound by an obligation of confidence to a third party, except as required by law or by any court of competent jurisdiction (in which case, the Purchaser shall be given reasonable advance notice of any such required disclosure).

Each undertaking contained in this Clause 6.1 shall be read and construed independently of the other undertakings herein as an entirely separate and severable undertaking.

6.2 The Vendors agree that they shall not at any time carry on or be employed, engaged, concerned, interested or in any way assist in any business which uses any name which is likely to be confused with that of the Company or might imply any ongoing connection with the Company.

6.3 The Parties hereby confirm and agree that they consider that the undertakings in Clauses 6.1 and 6.2:

- (a) are reasonable in all the circumstances;
- (b) are of no greater duration, extent and application than is necessary for the protection of the goodwill of the businesses of the Company; and
- (c) have been taken into account in determining, and are adequately compensated for by, the amount of the consideration payable by the Purchaser for the Shares pursuant to this Agreement.

6.4 If any one or more of such undertakings should for any reason be held to be invalid but would have been held to be valid if part of the wording thereof was deleted or the period thereof reduced or the range of activities or area covered thereby reduced in scope, the said undertakings shall apply with the minimum modifications necessary to make them valid and effective.

6.5 The restriction contained in Clause 6.1(d) shall not extend to any confidential or secret information which may come into the public domain otherwise than through the default of, or other wrongful disclosure by, either of the Vendors.

7 Announcements

- 7.1 No announcement or other communication concerning Confidential Information or the transactions referred to in this Agreement, or in connection with the Company or otherwise relating to the financial condition or trading or financial prospects of the Company, shall be made or despatched by either of the Parties without the prior written consent of the other.
- 7.2 The restrictions contained in this Clause 7 shall continue to apply after Completion without limit in time.

8 General

8.1 Implied Covenants for Title

LPMPA shall apply to any disposition of property made under or pursuant to this Agreement as though such disposition were expressed to be made with full title guarantee, except that:

- (a) the word "reasonably" shall be deleted from the covenant set out in Section 2(1)(b) of LPMPA;
- (b) the covenant set out in Section 3(1) of LPMPA shall not be qualified by the words "other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about"; and
- (c) Section 6(2) of LPMPA shall not apply to any of the covenants (express or implied) deemed to be given in respect of such dispositions.

8.2 Further Assurance

- 8.2.1 In addition to Clause 8.1, each of the Parties from time to time on or following Completion on being required to do so by the other shall do or procure the doing of all such acts and/or execute or procure the execution of all such documents in a form satisfactory to the other as the other may reasonably consider necessary for giving full effect to this Agreement and securing to the other the full benefit of the rights, powers and remedies conferred upon the Parties in this Agreement.
- 8.2.2 Until such time as the Shares are registered in the name of the Purchaser, each of the Vendors hereby irrevocably and unconditionally appoint the Purchaser with effect on and from Completion as his attorney with full powers of substitution in its name and for it and on its behalf (and to the complete exclusion of any rights it may have in such regard) lawfully to exercise all voting and other rights and receive all the benefits and entitlements which may now or at any time hereafter attach to the Shares.

8.3 Assignment

- 8.3.1 Neither Party may assign the benefit of this Agreement whether absolutely or by way of security, and any purported assignment in contravention of this Clause 8.3.1 shall be ineffective.
- 8.3.2 This Agreement shall be binding upon and enure for the benefit of the personal representatives and successors in title of the Vendors, and references to the Parties shall be construed accordingly.

8.4 Entire Agreement

- 8.4.1 The Contractual Documents constitute the whole and only agreement between the Parties relating to the subject matter hereof and supersede and extinguish any prior drafts, previous

agreements, undertakings, representations, warranties and arrangements of any nature whatsoever, whether or not in writing, between the Parties in connection with the subject matter hereof. No Party has entered into this Agreement in reliance on, and each Party unconditionally waives any claims in relation to, any statement, representation, warranty or undertaking which is not expressly set out or referred to in this Agreement or the Disclosed Documents.

8.4.2 The rights of the Parties under this Agreement are independent, cumulative and without prejudice to all other rights available to it whether as a matter of common law, statute, custom or otherwise.

8.4.3 Nothing in this Agreement, the Tax Deed or in any other document referred to herein shall be read or construed as excluding any liability or remedy as a result of fraud.

8.5 Waiver, Variation and Release

8.5.1 No omission to exercise or delay in exercising on the part of any Party any right, power or remedy provided by law or under this Agreement shall constitute a waiver of such right, power or remedy or any other right, power or remedy or impair such right, power or remedy. No single or partial exercise of any such right, power or remedy shall preclude or impair any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under this Agreement.

8.5.2 Any waiver of any right, power or remedy under this Agreement must be in writing. Unless otherwise expressly stated, any waiver shall be effective only in the instance and only for the purpose for which it is given.

8.5.3 No variation to this Agreement shall be of any effect unless it is agreed in writing and signed by or on behalf of each Party.

8.6 Costs and Expenses

Except as otherwise stated in this Agreement, each Party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and other agreements forming part of the transaction.

8.7 Withholding

All sums payable by the Vendors to any person pursuant to this Agreement shall be paid free of any rights of counterclaim or set off and without any deductions or withholdings whatsoever, save only as may be required by any applicable law.

8.8 Notices

8.8.1 Any communication to be given in connection with the matters contemplated by this Agreement shall be in writing except where expressly provided otherwise and shall either be delivered by hand or sent by first class pre-paid post. Delivery by courier shall be regarded as delivery by hand.

8.8.2 Such communication shall be sent, in respect of each of the Vendors, to his address set out on page 1 of this Agreement and, in respect of the Purchaser, to its registered office, or to such other address as may previously have been communicated to the other Parties in accordance with Clause 8.8.5. Each communication shall be marked for the attention of the relevant person.

8.8.3 A communication shall be deemed to have been served:

- (a) if delivered by hand at the address referred to in Clause 8.8.2, at the time of delivery; and
- (b) if sent by first class pre-paid post to the address referred to in Clause 8.8.2, at the expiration of two clear days after the time of posting.

If a communication would otherwise be deemed to have been delivered outside normal business hours (being 0930 to 1730 on a Business Day) under the preceding provisions of this Clause 8.8.3, it shall be deemed to have been delivered at the next opening of such business hours.

8.8.4 In proving service of the communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a first class pre-paid letter.

8.8.5 A Party may notify the other Parties in writing of a change to its name and address, for the purposes of Clause 8.8.2 but such notification shall only be effective on:

- (a) the date specified in the notification as the date on which the change is to take place; or
- (b) if no date is specified or the date specified is less than five clear Business Days after the date on which notice is deemed to have been served, the date falling five clear Business Days after notice of any such change is deemed to have been given.

8.8.6 Service by fax or email shall not be deemed to be satisfactory service.

8.9 Counterparts

8.9.1 This Agreement may be executed in any number of counterparts (whether original or facsimile) and by the parties on different counterparts, but shall not be effective until each party has executed at least one counterpart.

8.9.2 Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same agreement.

8.10 Severability

Each of the provisions of this Agreement is severable. If any such provision is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability in that jurisdiction of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

8.11 Effect of Completion

This Agreement together with the Tax Deed shall, to the extent that it remains to be performed, continue in full force and effect notwithstanding Completion.

8.12 Liability

The liability of the Vendors and the Warrantors under this Agreement shall be several, in the former case by reference to the Vendors' Relevant Percentages and in the latter case by reference to the Warrantors' Relevant Percentages.

8.13 Governing Law and Jurisdiction

8.13.1 This Agreement shall be governed by and construed in accordance with English law.

- 8.13.2 The parties irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement in respect of any claim brought against the Purchaser and shall have non-exclusive jurisdiction in respect of claims brought by the Purchaser.

SCHEDULE 1

Particulars of the Company

Name	Huthwaite (CBS) Limited
Number	4222987
Date of registration	24 May 2001
Status	Private Company
Registered Office	Houghton Stone The Conifers Filton Road Hambrook Bristol BS16 1QG
Authorised share capital	£3,001,000
Issued share capital	£50,010
Charges	Debenture dated 27 August 1985 and made between the Company (1) and The Royal Bank of Scotland PLC (2)
Directors	Robert William Huthwaite Martin Nicholas Wright
Secretary	Sarah Huthwaite
Accountants	Houghton Stone

SCHEDULE 2

Documents to be delivered on Completion

- 1 Transfers in respect of the Shares duly executed by the registered holders thereof in favour of the Purchaser or as it may direct.
- 2 Certificates for the Shares and any other documents which may be required to give good title to the Shares and to enable the Purchaser to procure registration of the same in its name or as it may direct.
- 3 The Tax Deed duly executed by each of the Warrantors.
- 4 Cheque books in respect of all bank accounts operated by the Company together with bank statements drawn up to the preceding day relating to such accounts.
- 5 The Company's certificate of incorporation, certificates of incorporation on change of name (if applicable), common seals (if any), statutory registers, minute books, share certificate books, books of account (in whatever form) and all other books (all duly written up to date).
- 6 Resignations of the directors and company secretary from the Company in the agreed form confirming that nothing is owing nor are there any outstanding claims between the Company on the one hand and each of the Vendors on the other and, to the extent that there are possible claims, then these have been waived.
- 7 Appointments in the agreed form of DAVID COLIN DOYLE and MARK JOHN SAMPLE as directors, and of HOWARD GOLDSOBEL as company secretary, of the Company.
- 8 A certified copy of board resolutions of the Company in the agreed form:
 - (a) approving (subject only to proper stamping) the transfers of the Shares delivered under this Agreement;
 - (b) approving the placing on the register of members of the Company of the names of the transferees for registration in accordance with the share transfer forms referred to above and authorising the issue of appropriate share certificates;
 - (c) revoking all existing authorities and adopting new bank mandates and changed authorities in respect of existing bank accounts operated by the Company in accordance with the directions of the Purchaser;
 - (d) changing the situation of the registered office of the Company to 9 Marylebone Lane London W1U 1HL; and
 - (e) recording the resignations and appointments described in paragraphs 7 and 8 of this Schedule 2.
- 9 Evidence to support the warranty in Clause 4.1(a).
- 10 Evidence of the surrender of the existing Lease of the Property, and the Tenancy signed by the Warrantors.
- 11 Elections under S431 of ITEPA duly signed by each of the Vendors.

SCHEDULE 3

Part 1

Provisions relating to the Consideration

- 1 The consideration for the Shares is £1,100,000 subject to adjustment in accordance with Part 2 of this Schedule and to paragraphs 6 and 10 of this Part 1, and shall be paid and satisfied as follows.
- 2 On Completion:
 - (a) the cash sum of £550,000 shall be paid; and
 - (b) £110,000 shall be satisfied by the issue of Consideration Shares.
- 3 On each of the first, second and third anniversaries of Completion (or, if any such anniversary is not a Business Day, on the next succeeding Business Day) the remaining consideration in respect of the Ordinary Shares shall be paid or satisfied as follows:
 - (a) by the payment of £73,333 by way of CHAPS transfers to the bank accounts of the Vendors notified to the Purchaser for that purpose from time to time; and
 - (b) by the issue of £73,333-worth of Consideration Shares at their Market Value on the Business Day next preceding such anniversary;in all cases in accordance with the Vendors' Relevant Percentages.

For the purpose of paragraphs 2(b) and 3(b) the value of the Consideration Shares shall be calculated as the average of the middle-market quotations for the Ordinary Shares of the Purchaser as shown in the AIM section of the Official List at the close of business on each of the 10 Business Days immediately preceding the issue.
- 4 The Consideration Shares shall rank *pari passu* in all respects with the Ordinary Shares in the capital of the Purchaser in issue as at the date on which such Consideration Shares are issued to the Vendors in accordance with this Schedule 3, save that they shall not rank for any dividend payable in respect of a period during the majority of which they were not in issue.
- 5 The Purchaser shall, prior to their issue and provided that at the time of such issue the Ordinary Shares of the Purchaser are traded on the Alternative Investment Market, apply to the Stock Exchange for the Consideration Shares to be issued in accordance with this Schedule 3 to be admitted to trading on the Alternative Investment Market, and the Purchaser hereby confirms that it will have the requisite authority to allot such Consideration Shares pursuant to Section 80 of the Companies Act 1985.
- 6 Any payment made by the Warrantors in respect of a breach of any Warranties or pursuant to the Tax Deed, and any payment made pursuant to Part 2 of this Schedule, shall constitute an adjustment to the consideration for the Ordinary Shares.
- 7 The Purchaser shall be entitled, without prejudice to any other rights or remedies available to it at its election, to set off against the consideration due to the Warrantors pursuant to paragraph 3 of this Part 1 any amounts due to it from the Warrantors in respect of any Established Claims; to any such set-off the Warrantors' Relevant Percentages shall apply.

- 8 The Purchaser may, in respect of any issue of Consideration Shares which it is obligated to make hereunder, instead pay cash representing the appropriate percentage of the aggregate consideration and shall pay cash if the obligations in paragraphs 2(b) or 3(b) cannot for whatever reason be satisfied or if the value at which the Consideration Shares would otherwise be issued is less than par
- 9 Consideration Shares issued hereunder shall be subject to the following restrictions:
- (a) the holder may not transfer or otherwise dispose of the same without first offering to sell the same through the Purchaser's brokers, provided that the price obtainable therefor by such brokers is not less than that otherwise so obtainable;
 - (b) no Vendor may sell any shares before the third anniversary of Completion, except in the case of death or bankruptcy, or to an immediate family member who by Deed accepts the restrictions imposed hereunder, or to the extent necessary to meet a claim in respect of a breach of any Warranties or pursuant to the Tax Deed or made in acceptance of a recommended general offer for the whole of the issued equity share capital of the Purchaser (other than an equity share capital held by the offeror and/or persons acting in concert with the offeror) whether or not such offer is conditional or unconditional or made in the execution of an irrevocable commitment to accept a recommended general offer for the whole of the issued share capital of the Purchaser (other than any equity share capital held by the offeror and/or persons acting in concert with the offeror); and
 - (c) in the case of any shares issued upon the third anniversary of Completion, no Vendor may sell any of the same for a year thereafter, except in the case of death or bankruptcy, or to an immediate family member who by Deed accepts the restrictions imposed hereunder, or to the extent necessary to meet a claim in respect of a breach of any Warranties or pursuant to the Tax Deed or made in acceptance of a recommended general offer for the whole of the issued equity share capital of the Purchaser (other than an equity share capital held by the offeror and/or persons acting in concert with the offeror) whether or not such offer is conditional or unconditional; or made in the execution of an irrevocable commitment to accept a recommended general offer for the whole of the issued share capital of the Purchaser (other than any equity share capital held by the offeror and/or persons acting in concert with the offeror).
- 10 No payment of additional consideration under paragraph 3 shall be made if, at the time when such consideration falls to be paid or satisfied, the relevant Vendor has resigned (or given notice of resignation) as an employee of the Company or the Purchaser, or has been dismissed from such employment for gross misconduct justifying summary dismissal.

Part 2

Provisions relating to the Completion Accounts

- 1 Within 45 days from Completion, the Vendors' Accountants shall at the Vendors' cost prepare in accordance with Part 3 of this Schedule 3 and deliver to the Purchaser a balance sheet of the Company as at the close of business on the date of Completion ("Completion Accounts").
- 2 The Purchaser shall procure that the Purchaser's Accountants, at the expense of the Purchaser, shall as soon as reasonably practicable and in any event on or before the date falling 28 days after receipt by them of the Completion Accounts, deliver to the Vendors' Accountants a report setting out the amendments, if any, which they propose should be made to the Completion Accounts so that the Completion Accounts are prepared in accordance with this Agreement. If any amendments are proposed, the Vendors and the Purchaser shall then (and until the Completion Accounts are finalised) use all reasonable endeavours to agree the Completion Accounts.
- 3 If the Vendors and the Purchaser are unable to resolve all differences of view regarding the Completion Accounts within 21 days of the receipt by the Vendors' Accountants of the report referred to in paragraph 2, then either Party may submit the matters in dispute to the decision of a single independent chartered accountant or an independent firm of chartered accountants to be agreed upon between the Purchaser and the Vendors or, in default of such agreement, to be selected (at the instance of either the Purchaser or the Vendors) by the President for the time being of the Institute of Chartered Accountants in England and Wales, and any such accountant or firm (whose costs shall be paid as he or they shall direct) shall act as experts (and not as arbitrators) in connection with the giving of such decision which shall, except in the event of manifest error, be binding on the Purchaser and the Vendors. In giving such decision, the accountant or firm shall state the adjustments (if any) to be made to the draft Completion Accounts. The Vendors and the Purchaser shall act in good faith towards each other regarding such application and shall with reasonable expedition endeavour to agree any terms of reference of the independent accountant or procedures relating to the determination of the independent accountant. In default of agreement relating to the terms of reference of the independent accountant within 10 days of either Party making time of the essence, the independent accountant shall determine his own terms of reference and the procedures to be applied relating to the determination of any dispute between the Parties pursuant to this paragraph 3. The cost of such determination shall be borne by the Parties as determined by the independent accountant.
- 4 The Completion Accounts agreed between the Vendor's Accountants and the Purchaser's Accountants, or as adjusted by the independent accountants, as the case may be, shall be the Completion Accounts for the purposes of this Agreement and shall be final and binding on the Purchaser and the Vendor.
- 5 It is hereby agreed between the Purchaser and the Vendors that, when the Completion Accounts have been agreed or determined in accordance with this Part 2 of Schedule 3:
 - (a) to the extent the Net Asset Value is less than £150,000, the Vendors shall pay to the Purchaser within five Business Days of such agreement or determination the amount of such shortfall, on the basis of £1 for every £1 by which the actual amount or value of such net assets is less than such amount; and

(b) to the extent the Net Asset Value exceeds £150,000, the Purchaser shall pay to the Vendors within five Business Days of such agreement or determination the amount of such excess, on the basis of £1 for every £1 by which the actual amount or value of such net assets exceeds such amount but subject to a maximum payment of £35,000.

6 For the purposes of this Part 2, the Net Asset Value shall consist of the total assets less the total liabilities of the Company as per the Completion Accounts.

Part 3

Preparation of the Completion Accounts

- 1 The Completion Accounts shall be prepared in accordance the process set out in Part 2 of Schedule 3 and with the relevant requirements of the Companies Act 1985 and with generally accepted accounting principles as embodied in the FRSSE.
- 2 Subject as aforesaid and except as otherwise specified in this Part 3, the accounting bases and policies upon which the Completion Accounts are prepared shall be consistent with the basis and policies upon which the Accounts are prepared.
- 3 No value shall be attributed to work-in-progress goodwill or any other intangible asset.
- 4 No value shall be attributed to any assets (including in particular any prepayment or debt) except to the extent that (following Completion) the Company will have the benefit of the same.
- 5 Full provision shall be made for all liabilities and capital commitments of the Company as at the Completion Date as required by paragraphs 1 and 2 above.
- 6 Full provision shall be made for rebates or discounts that will fall due and fees/commissions that will become payable after Completion in respect of transactions which took place prior to Completion.
- 7 Full provision shall be made for bad or doubtful debts identified in the Disclosure Letter, and an adequate provision for bad or doubtful debts generally.
- 8 Full provision shall be made in respect of any dividend payable on the Shares.
- 9 A full accrual will be made for Corporation Tax in the period to Completion.

SCHEDULE 4

Warranties

1 Structure

- 1.1 The Shares constitute the whole of the issued and allotted share capital of the Company and are fully paid or credited as fully paid and there are no options over or other rights (whether exercisable now or in the future and whether contingent or not) to acquire any shares or subscribe shares in the capital of the Company.
- 1.2 The Vendors are the legal and beneficial owners of the Shares and have full capacity and authority to sell them in accordance with the terms of this Agreement.
- 1.3 There is no pledge, lien, option, warrant, charge or encumbrance on, over or affecting any of the Shares, no agreement to create such pledge, lien, option, warrant, charge or encumbrance has been made and no claim has been made that any person is entitled to any such pledge, lien, charge or encumbrance.
- 1.4 No consent, approval, authorisation or order of any court or government or local agency or body or any other person is required by any of the Vendors or the Company for the execution or implementation of this Agreement and the documents in the agreed form and compliance with the terms of this Agreement and each of the documents in the agreed form does not and will not:
 - (a) conflict with, result in the breach of or constitute a default under any obligation by which the Company may be bound or any provision of the Memorandum or Articles of Association of the Company;
 - (b) relieve any person from any material obligation to the Company or provide grounds for the termination by any party of any agreement with the Company or the cessation of any licence or permission; or
 - (c) result in the creation, imposition, crystallisation or enforcement of any encumbrance on any of the assets of the Company.

2 Accuracy of Information

The information contained or referred to in the Introduction and Schedule 1 is true, complete and accurate and not misleading, and the Company does not have and has never had any subsidiary or any associate (being a company which falls to be treated as such for the purposes of FRS 9).

3 Compliance with Laws and Record Keeping

3.1 Licences and Other Requirements

All statutory, municipal, governmental, court and other requirements applicable to the formation, continuance in existence, creation and issue of securities, management, property or operations of the Company, and all licences and consents (including planning consents) involved in the carrying on of the business of the Company, have been obtained and complied in all material respects with and the Vendors are not aware of any contemplated revocation of any such licence or consent.

3.2 Statutory Books

The statutory books of the Company are duly entered up and maintained in accordance with all legal requirements applicable thereto and contain true, full and accurate records of all matters required to be dealt with therein and such books are in its possession or under its control and all accounts, documents, returns and forms required to be delivered or made to the Registrar of Companies and any relevant foreign equivalent have been duly and correctly delivered or made.

3.3 Illegal Acts

So far as the Vendors are aware, the Company has not committed and is not liable for any criminal, illegal, unlawful, ultra vires or unauthorised act or statutory duty and there is no violation of, or default with respect to, any statute, regulation, order, decree or judgement of any court or central or local government agency of the United Kingdom or any foreign country.

3.4 Ordinary Course of Business

Since the Company's incorporation it has not done any act or thing or engaged in any activity or incurred any debts and liabilities otherwise than in the ordinary course of the business carried on by it from time to time.

3.5 Trading Name

The Company does not trade and has never traded under any name other than its corporate name and/or the Business Name and no action has been taken against the Company under Section 28 of the Companies Act 1985.

3.6 The Directors

- 3.6.1 None of the directors of the Company has been subject to any order made under the Company Directors Disqualification Act 1986.
- 3.6.2 None of the directors of the Company has been censured by the UKLA, the Stock Exchange or any other recognised investment exchange (whether privately or publicly).
- 3.6.3 None of the directors of the Company has been declared bankrupt or entered into a voluntary arrangement with his/her creditors.

4 Capital, Distributions, Contracts and Liabilities

4.1 The Company has not at any time:

- (a) repaid, redeemed or purchased or agreed to repay, redeem or purchase any securities or shares of any class of its share capital or otherwise reduced or agreed to reduce its issued share capital or any class thereof; or
- (b) directly or indirectly provided any financial assistance (as defined in Section 151 of the Companies Act 1985) for the purpose of the acquisition of shares of the Company or of any holding company of the Company or for the purpose of reducing or discharging any liability incurred in any such acquisition whether pursuant to Section 155 of the Companies Act 1985 or otherwise; or
- (c) capitalised or agreed to capitalise in the form of shares, debentures or any other securities or in paying up any amounts unpaid on any shares, debentures or other

securities any profits or reserves of any class or description or passed or agreed to pass any resolutions to do so.

- 4.2 The Company has not received a distribution from any company in contravention of Section 263 or Section 264 of the Companies Act 1985.
- 4.3 There is no outstanding indebtedness or other liability (of whatsoever nature, whether present or future, actual or contingent) owing:
- (a) by the Company to any Vendor or to any director or former director of the Company or to any independent contractor providing the services of any such persons or to any person connected with the Company or with any such director, former director or contractor; or
 - (b) to the Company by any Vendor or by any such director, former director or contractor or by any person connected with the Company or with any Vendor or with any such director, former director or contractor.
- 4.4 There are no existing contracts (including, without limitation, customer and supply contracts) to which the Company is a party and in which any Vendor or any director or shareholder of the Company or any person connected with any of them is interested (and for the purposes of this paragraph a person shall be deemed to be interested in a contract if, were he a director of the Company, he would be interested in that contract for the purposes of Section 317 of the Companies Act 1985).
- 4.5 So far as the Warrantors are aware, as a result of the acquisition of the Shares by the Purchaser:
- (a) no client of the Company will cease dealing with or reduce the level of business done with the Company; and
 - (b) no Key Employee of the Company will leave.
- 4.7 No person is entitled to receive from the Company any finder's fee, brokerage or other commission in connection with the sale and purchase of the Shares.

5 Accounts

- 5.1 The Accounts have been prepared in accordance with the Accounts Standards and give a true and fair view in accordance with the Accounts Standards of the state of affairs of the Company at the Accounts Date and of the profits and losses for the period concerned.
- 5.2 The Accounts make provisions which are in accordance with the Accounts Standards for or, in the case of actual liabilities, disclose or take into account in accordance with the Accounts Standards as at the Accounts Date:
- (a) all assets;
 - (b) all liabilities whether actual, contingent or disputed;
 - (c) all capital commitments whether actual or contingent; and
 - (d) all bad and doubtful debts.

- 5.3 The work-in-progress was treated in the Accounts in accordance with SSAP 9. The policy of valuing work-in-progress and the basis of depreciation and amortisation used in the Accounts is the same as was used in the balance sheets of the Company for the three previous consecutive accounting reference periods ending on the Accounts Date and the rate of depreciation of tangible fixed assets used in the Accounts by the Company for the three consecutive accounting periods ending on the Accounts Date is in accordance with SSAP 12 or FRS 15.
- 5.4 The combined profits (or losses) of the Company for the three consecutive periods ending on the Accounts Date as shown by the Accounts and by the accounts of the Company covering previous periods which have been delivered to the Purchaser, and the trend of profits (or losses) shown in all such accounts, has not (except as disclosed in such accounts) resulted from inconsistencies in accounting practices or the inclusion of exceptional or extraordinary items of income or expenditure (as those terms are defined in FRS 3) or from other such items which are not the results of continuing operations (as defined in FRS 3).
- 5.5 No debtor of the Company has exercised or, so far as the Vendors are aware, has threatened to exercise any set-off (or other right of retention) or counter-claim.
- 5.6 The profits (or losses) shown in the Accounts have not to a material extent been affected (except as disclosed therein) by any extraordinary or exceptional event or circumstance or by any other factor rendering such profits unusually high or low.
- 5.7 The Management Accounts have been prepared on a basis consistent with the Accounts and disclose with reasonable accuracy the state of affairs of the Company and its results for the period from the Accounts Date to 28 February 2007.

6 Trading since the Accounts Date

6.1 Since the Accounts Date:

- (a) no members' resolution of the Company of any kind has been passed other than resolutions relating to business at annual general meetings which was not special business;
- (b) the Company has not carried on its business otherwise than in the ordinary course as regards the nature of the same and in a prudent manner and so as to maintain it as a going concern;
- (c) the Company has not acquired or disposed of or agreed to acquire or dispose of any business or any asset (other than in the ordinary course of business) or assumed or acquired any material liability (including any contingent liability) except at a value and on terms determined on an arm's length basis;
- (d) the Company has paid its creditors and collected from its debtors in accordance with its normal practice;
- (e) the Company's business and turnover (excluding seasonal variations) have not deteriorated or been adversely affected to a material extent by any act or omission of the Company or by the loss of any important employee or client or by any

abnormal factor and the Vendors are not aware of any facts or circumstances likely to give rise to any such loss or factor having or likely to have such effect;

- (f) no dividend or other distribution has been declared, made or paid to the members of the Company except as provided for in the Accounts or stated in the Disclosure Letter and all dividends or distributions declared, made or paid by the Company have been made, paid or declared in accordance with its Articles of Association and the provisions of any applicable legislation;
- (g) no change has been made in the emoluments or other terms of employment of any of the Company's employees who are in receipt of remuneration in excess of £25,000 per annum or of any of the Directors and the Company has not paid any bonus or special remuneration to any such employee or any Director;
- (h) no liability or contingent liability for Taxation has arisen otherwise than as a result of trading activities in the ordinary course of business;
- (i) all amounts received by the Company have been paid into the relevant bank account and appear in the appropriate books of account;
- (j) the Company has not repaid any loan, loan capital or other debenture by reason of its default;
- (k) no debtor has been released by the Company for less than the book value of any debt and no debt owing to the Company has been deferred, subordinated or written off or has proved to be irrecoverable to any extent; and
- (l) no material commission has been paid and no material discount has been allowed by the Company at a rate or otherwise on terms different from those upon which commissions and discounts were paid or allowed for in the accounting period ended on the Accounts Date.

7 Assets, Stock and Insurance

7.1 Ownership of Assets

All the Company's assets and all debts due to it which are included in the Accounts or have otherwise been represented as being at the Accounts Date its property or due to it or used or held for the purposes of its business were at the Accounts Date its absolute property and (except for those subsequently disposed of or realised in the ordinary course of the business carried on by it) all such assets and debts and all assets and debts which have subsequently been acquired or arisen are now its absolute property and in its possession and control and none is the subject of any encumbrance (excepting only liens arising in the normal course of trading) or the subject of any leasing, hire, hire-purchase, retention of title, conditional sale or credit sale agreement.

7.2 Maintenance Contracts

Maintenance contracts are in full force and effect in respect of all assets which the Company is obliged to maintain or repair under any leasing or similar agreement and in respect of all assets which it is necessary to have maintained by outside or specialist contractors.

7.3 Defective Services

So far as the Vendors are aware (but without having made any specific enquiry), the Company has not supplied any services which were, are or will become defective or which do not comply in any material respect with any express or implied warranties or representations made by any person or with all applicable regulations, standards and requirements and the Company does not give and has not given express warranties, representations, guarantees or indemnities as to the fitness for purpose, quality or otherwise of any of its products or services.

7.4 Retention of Title

Save in the ordinary course of business, the Company has not acquired or agreed to acquire any asset on terms that title to such asset does not pass to the Company until full payment is made.

7.5 Encumbrances over Assets

There is no and has been no exercise or purported exercise of, or any claim for, any charge, lien, encumbrance or equity over any of the fixed assets of the Company which is still outstanding.

7.6 Debtors and Creditors

The levels of trade debtors and trade creditors are not materially different from those which the Company normally has at this stage of its trading year.

7.7 Insurance

Particulars of all insurances carried by the Company are contained in the Disclosure Documents and in respect of all such insurances:

- (a) all premiums have been duly paid to date;
- (b) all the policies are in full force and effect and are not voidable on account of any act, omission or non-disclosure on the part of the insured party;
- (c) so far as the Vendors are aware there are no circumstances which would or might give rise to any claim and no insurance claim is outstanding; and
- (d) all policies are held in the name of the Company.

8 Taxation and Tax Returns

Taxation Provisions

- 8.1 Provision or reserve has been made in the Accounts for all Taxation liable to be assessed on the Company or for which it is or may become accountable in respect of the period ended on the Accounts Date in accordance with the Accounting Standards and the Accounts make provision for deferred Taxation and show the full potential liability of the Company for deferred Taxation in accordance with the Accounting Standards.

Payment of Taxation and tax returns

- 8.2 The Company has duly and punctually paid all Taxation for which it was due to be paid to the appropriate Taxing Authority before the date hereof and the Company is not and has not

been since incorporation liable to any penalty, interest, supplement, fine, default surcharge or other similar payment in connection with any Taxation in a material amount.

- 8.3 The Company has within the required period duly and properly made, given or delivered all information, returns, notices, accounts and computations which were required by law to have been made for the purposes of Taxation and all such information, returns, notices, accounts and computations supplied to any Taxing Authority for any purpose are, so far as the Vendors are aware, full, true and accurate and have been made on a consistent basis.
- 8.4 There are attached to the Disclosure Letter copies of the corporation tax computations and assessments of the Company for the last six accounting periods.
- 8.5 There is no dispute with any Taxing Authority and the Company has not been the subject of any non-routine review or investigation by any Taxing Authority and, so far as the Vendors are aware, there is no fact or circumstance which might give rise to any such dispute non-routine review or investigation.
- 8.6 So far as the Vendors are aware, the Company has sufficient records and information to enable it to determine its liability to Taxation and any other Taxation consequences of a disposal of any of its assets, including without limitation, the amount of any chargeable gain, allowable loss or balancing charge.
- 8.7 The Company has complied in all material respects with all reporting requirements, and proper records have been maintained, relating to all payments and benefits made or provided, or treated as made or provided, to its directors, employees or officers or former directors, employees or officers.
- 8.8 The Company has complied in all material respects with all its obligations relating to national insurance contributions, both primary and secondary and has duly and punctually accounted for and/or paid to the relevant Taxing Authority all amounts of national insurance contributions which it was required by law to have so accounted for and/or paid.
- 8.9 There is no dispute or question with any Taxing Authority regarding the pay practices of the Company and/or its obligations relating to national insurance contributions and the "pay as you earn" system, and there is no fact or circumstance which might give rise to any such dispute or question.
- 8.10 No options have been granted or have been agreed to be granted to any director, employee, former director or former employee on the exercise of which the Company could be required or otherwise be liable to account for Taxation under the "pay as you earn" system, and to the extent that such options have been granted or agreed to be granted:
- (a) arrangements have either been made to secure that the relevant director, employee, former director or former employee will make good the due amount to the employer within the requisite time period; or
 - (b) an agreement or joint election has been made between the Company and the relevant director, employee, former director or former employee allowing the employer's national insurance contributions to be recovered from, or the liability transferred to, the director, employee, former director or former employee
- and full details of such arrangements, agreements or elections are set out in the Disclosure Letter.

- 8.11 The Company does not provide and has not provided emoluments to any of its directors, employees or officers in a form which is or could be treated as a "readily convertible asset" as defined in Section 702 of ITEPA.
- 8.12 The Company is not liable to pay corporation tax in quarterly instalments.
- 8.13 No dispensation or other special arrangement relating to Taxation (being an arrangement which is not based on a strict and detailed application of the relevant legislation or on generally published statements of practice or generally published extra statutory concessions) has been granted to the Company by any Taxing Authority or has been made between the Company and any Taxing Authority.

Tax clearances

- 8.14 All clearances and consents that could or should have been applied for by or in respect of the Company from any Taxing Authority (but excluding such clearances and consents sought by the Vendors in connection with the sale of the Shares) have been obtained and were obtained after full and accurate disclosure of all material facts and considerations and have been disclosed to the Purchaser in the Disclosure Letter and no such clearance or consent is liable to be withdrawn, nullified or rendered void.

Payments under Deduction of Taxation

- 8.15 The Company has deducted or withheld all Taxation required or entitled to be deducted or withheld from any payments made by the Company and the Company has duly and punctually complied with any obligation to account for any such Taxation deducted or withheld to the appropriate Taxing Authority; and all accrued bonus payments are deductible for tax purposes in the year accrued.
- 8.16 Any liability of the Company (actual or contingent) to gross up any payment which it is or may become required to make, as well as copies of all notifications from the Inland Revenue that any payment may be made gross or at a reduced rate of withholding which otherwise should have been made subject to deduction of an amount in respect of Taxation, are set out in the Disclosure Letter.

Shares and Financing

- 8.17 All interest payments which the Company is under an obligation to make are deductible and have not been and will not be treated as a distribution.
- 8.18 The Company has not at any time:
- (a) repaid, purchased or redeemed or agreed to repay, purchase or redeem any share capital or securities;
 - (b) issued or agreed or resolved to issue shares or securities otherwise than for new consideration; or
 - (c) capitalised or agreed to capitalise any profits or reserves into shares or securities and has not passed or agreed to pass any resolution to do so.
- 8.19 The Company has not issued nor is it the legal or beneficial owner of:
- (a) any shares to which Sections 249 to 251 (inclusive) ICTA could apply;
 - (b) any securities (as defined in Section 254(1) ICTA) in relation to which payments might fall within Section 209(2)(d), (d)(a) and/or (e) ICTA;

- (c) any relevant discounted securities within the meaning of paragraph 3 of Schedule 13 to the Finance Act 1996; or
- (d) any debt which is not a normal commercial loan for the purposes of Section 117(1) TCGA or Schedule 18 ICTA.

8.20 The Company has not been concerned or agreed to be concerned in any transaction involving an exempt distribution within Sections 213 to 218 (inclusive) ICTA.

8.21 The Company is and has been taxed on an authorised accruals basis of accounting in relation to all loan relationships which are creditor relationships as defined in Section 103 of the Finance Act 1996 and in relation thereto:

- (a) the accruals on which the Company is taxable are computed only by reference to interest;
- (b) if any such debt were to be repaid at its face value, the Company would not suffer any charge to Taxation in excess of Taxation on interest accrued; and
- (c) there is no connection between the Company and the debtor as mentioned in Section 87 of the Finance Act 1996;

and there is no reason to believe that this will not continue to be the case in respect of accounting periods commencing on or after 1 October 2002. With effect for accounting periods beginning on or after 1 January 2005 for "authorised accruals basis of accounting" read "amortised cost basis of accounting".

8.22 The Company obtains and has obtained tax relief on an authorised accruals basis of accounting in relation to all loan relationships which are debtor relationships as mentioned in Section 103 of the Finance Act 1996 and in relation to each such relationship:

- (a) the deduction given in computing the taxable profits of the Company in consequence of that relationship is not less than the interest and/or discount accruing for the period concerned; and
- (b) the Company would suffer no adverse Taxation consequences were such debts to be repaid at face value except that the tax deduction for interest accrued would cease,

and there is no reason to believe that this will not continue to be the case in respect of accounting periods commencing on or after 1 October 2002. With effect for accounting periods beginning on or after 1 January 2005 for "authorised accruals basis of accounting" read "amortised cost basis of accounting".

8.23 The Company has not been, and will not prior to Completion be, released from any loan relationship or other debt in whole or in part in circumstances that give rise or could give rise to a liability to Taxation.

8.24 The Company has not been a party to a transaction to which the provisions of Sections 116(10) and 135 of TCGA applied or could apply.

8.25 The Company is not and never has been a party to any interest rate contract or option, or currency contract or option which is or may become a qualifying contract as described in Chapter II of Part IV of the Finance Act 1994.

Residence etc

- 8.26 The Company:
- (a) is and always has been resident in the United Kingdom, and is not and never has been resident for any purpose in any other country;
 - (b) has no permanent establishment (as defined in any relevant double taxation convention), branch or agency or place of business outside the United Kingdom; and
 - (c) is not within the charge to Taxation of any nation, country, state or other political division outside the United Kingdom.
- 8.27 The Company is not and has no interest directly or indirectly in a controlled foreign company within Sections 747 to 756 (inclusive) of ICTA.
- 8.28 The Company is not and has no material interest in an offshore fund within the meaning of Sections 757 to 764 (inclusive) of ICTA.

Deductions

- 8.29 Save as disclosed in the corporation tax computations, no single amount in excess of £1,000 of a revenue nature which has been paid or is payable by the Company or which it is under an obligation entered into before Completion to pay is, so far as the Vendors are aware, wholly or partly disallowable as a deduction, charge on income or otherwise in computing the liability of the Company to Taxation.
- 8.30 The Company has not made or agreed to make any payment to or provided or agreed to provide any benefit to any director, employee, former director or former employee which is not allowable as a deduction in computing the Company's liability to Taxation on profits.

Losses

- 8.31 The Company is not liable to have withdrawn any form of Relief and the Vendors and the Company are not aware of any circumstance such that the Company may be liable to such withdrawal.
- 8.32 There has been no change in the ownership of the Company nor any major change in the nature or conduct of any trade or business carried on by the Company nor has any other event or series of events occurred before Completion (including a significant increase in the amount of the Company's capital) which might cause the disallowance of the carry forward or back of losses or expenses of management or excess charges or the disallowance of the carry forward or back, set-off or surrender of advance corporation tax under the provisions of Section 768 or 768A of ICTA (change in ownership of company: disallowance of relief for trading losses), Section 768B of ICTA (change in ownership of investment company: deduction generally) or Sections 245 to 245B (inclusive) of ICTA (ACT set off), or which might cause the restriction of the set-off of unrelieved surplus ACT pursuant to regulations 16, 17 or 18 of the Corporation Tax (Treatment of Unrelieved Surplus Advance Corporation Tax) Regulations 1999, or which might cause a trade to be disregarded by virtue of paragraph 8 of Schedule 7A to TCGA.

Capital Allowances

- 8.33 All capital expenditure incurred or to be incurred by the Company prior to the date hereof has qualified and continues to qualify for capital allowances and full disclosure of all allowances made to the Company has been made to the Purchaser.
- 8.34 The book value of each of the assets of the Company (other than plant or machinery) in or adopted for the purposes of the Accounts (and taken individually) does not exceed the written down value of such asset for the purposes of CAA.
- 8.35 The aggregate book value of each relevant category of plant or machinery of the Company in respect of which an entitlement to capital allowances has arisen under Part 2 of CAA does not exceed the value of the relevant pool of qualifying expenditure under the terms of that Act as at the Accounts Date.
- 8.36 Since the Accounts Date, the Company has not done or agreed to do any act as a result of which there may be made a balancing charge under Section 55(3) of CAA or any disposal value may be brought into account under Section 61 or Section 197 of CAA.
- 8.37 There are no elections made by the Company under Section 198 of CAA.
- 8.38 The Company is not a party to any leasing transaction where the rental payments are concentrated at the beginning or the end of the lease or to which the provisions of Schedule 12 to the Finance Act 1997 may otherwise apply.
- 8.39 The Company has received no grants, subsidies or other contributions in respect of assets in respect of which it has claimed or may claim capital allowances.
- 8.40 No capital expenditure incurred or to be incurred by the Company will be deemed by Section 5 of CAA to be incurred on a date other than that upon which the obligation to pay the expenditure becomes unconditional.
- 8.41 The Company has not incurred or agreed to incur any expenditure to which Chapter 11 of Part 2 of CAA (overseas leasing) applies or could apply.
- 8.42 No act or event has occurred which has given rise or may give rise to a balancing charge under Section 55(3) of CAA.
- 8.43 No allowances have been received by the Company in respect of a building or structure which is no longer in use as an industrial building.
- 8.44 The Company has not been a party to any transaction which might lead to a restriction of balancing allowances on sale of industrial buildings or structures under Section 325 of CAA.
- 8.45 There is no R&D tax relief (as set out in paragraph 1 of Schedule 20 to the Finance Act 2000) claimed by the Company.

Allowable Cost of Assets for Chargeable Gains

- 8.46 The expenditure allowable as a deduction for the purposes of the computation of any chargeable gain attributable to any asset of the Company for the purposes of the Taxation on chargeable gains is not less than the value of that asset as shown in the Accounts.
- 8.47 No claims under Sections 152 – 158 (inclusive) or 175 of TCGA (as extended by Section 179B of TCGA) have been made or are proposed to be made which in any way affect any of the assets of the Company.

- 8.48 No loss which might accrue on the disposal by the Company of any share in or security of any company is liable to be reduced by virtue of any depreciatory transaction or deemed depreciatory transaction within Sections 176 and 177 of TCGA.
- 8.49 The Company has no assets in respect of which there may be substituted for any purpose of Taxation a different consideration for the actual consideration given or received by it and does not own and has not agreed to acquire or dispose of any asset the consideration for the acquisition of which was or will be in excess of its market value or determined otherwise than on an arm's length basis.
- 8.50 The Company is not entitled to any allowable loss to which the provisions of Section 18(3) of TCGA will apply.
- 8.51 No chargeable gain will accrue to the Company on the disposal of any debt owed by the Company for proceeds equal to the value of the debt as shown in the Accounts.
- 8.52 The Company is not and never has been the settlor, trustee or beneficiary of or otherwise interested in, any trust or settlement or foreign equivalent.
- 8.53 The Company has not been involved in any transaction where a claim has or could have been made under Sections 140A and 140C of TCGA.
- 8.54 The Company has not subscribed any shares in respect of which investment relief (as defined in paragraph 1 of Schedule 15 to the Finance Act 2000) has been claimed or is proposed to be claimed.
- 8.55 The Company has never been a qualifying company as defined in paragraph 19(2) of Schedule 7AC to TCGA.
- 8.56 The Company does not hold any shares or interest in shares (as defined in paragraph 29 of Schedule 7AC to TCGA) or assets related to shares (as defined in paragraph 30 of Schedule 7AC to TCGA) in other companies.
- 8.57 There are no circumstances currently in existence whereby if the Company disposed of any shares or interest in shares (as defined in paragraph 29 of Schedule 7AC to TCGA) or assets related to shares (as defined in paragraph 30 of Schedule 7AC to TCGA) in other companies held by the Company, the gain or any part of it would represent untaxed profits within the meaning of paragraph 5 of Schedule 7AC to TCGA.

Unremittable Profits

- 8.58 The Company has no income or chargeable gains on which Taxation has been deferred because the income or gains in question cannot be remitted to the United Kingdom.

Groups and Consortia

- 8.59 The Company is not, nor has it been in respect of any accounting period (since incorporation), a member of a group of companies as defined in Section 170 of TCGA or a member of a group of companies as defined in Section 413 of ICTA or a company within the provisions of Section 240 of ICTA.

Recovery of Tax from the Company

- 8.60 There is no liability to Taxation for which the Company is or may be liable to be assessed or asked to account or have collected from it where such Taxation is primarily chargeable against some other person or where such Taxation is the joint or joint and several liability of

the Company and some other person or where the Taxation in question relates to any income, profits or gains earned, accrued or received by any other person.

- 8.61 The Company has and will have no liability to indemnify any person in respect of Taxation whether statutory or otherwise.

Close Company

- 8.62 The Company is a close company but is not and has never been a close investment holding company.
- 8.63 The Company has made no loan, advance, release or given consideration or effected a transaction falling within Sections 418 to 422 (inclusive) of ICTA.

VAT

- 8.64 The Company is registered for the purposes of VATA and has not been and, so far as the Vendors are aware, will not be denied credit for any input tax (as defined in Section 24 of VATA) incurred prior to Completion.
- 8.65 The Company has not at any time been treated as a member or a representative member of a group of companies for the purposes of VAT and no application has at any time been made for it to be so treated.
- 8.66 The Company has complied in all material respects with all statutory provisions, regulations and notices relating to VAT and has duly and punctually accounted for and/or paid to the Commissioners of Customs and Excise all amounts of VAT which it ought to have so accounted for and/or paid.
- 8.67 The Company has not within the last six years been required by the Commissioners of Customs and Excise to give security or been in default in respect of any period for the purposes of Section 59 or 59A of VATA.
- 8.68 Full details of any special or non-statutory arrangements in relation to VAT or any special method of accounting (including, without limitation, partial exemption) in relation to VAT agreed by the Company with the Commissioners of Customs and Excise are set out in the Disclosure Letter.
- 8.69 There are no capital items owned by the Company which are subject to Part XV of the Value Added Tax Regulations 1995.
- 8.70 The Company does not own any land or buildings (including any interest in or right over any land or buildings) in respect of which it or a relevant associate (as defined in paragraph 3 of Schedule 10 to VATA) of it or any landlord of it has made an election to waive exemption pursuant to paragraphs 2 and 3 of Schedule 10 to VATA, and the Property does not constitute a new building or civil engineering work within the meaning of Note 4 to Group 1 of Schedule 9 to VATA.
- 8.71 So far as the Vendors are aware, the Company has not made any supplies to which paragraphs 2(3AA) and 3A of Schedule 10 to VATA (disapplication of election to waive exemption) may apply.

Stamp Duty and Stamp Duty Reserve Tax

- 8.72 No liability under Section 111 or Section 113 of, and Schedules 34 and 35 to, the Finance Act 2002 has arisen nor will arise before or on Completion.

- 8.73 No claims for relief under Section 76 of FA 1986, Section 42 of FA 1930 or Section 151 of FA 1995 have been made since 17 April 2002 or are proposed to be made by the Company.
- 8.74 No contract or agreement for the sale of an estate or interest in land in the United Kingdom has been entered into or will be entered into prior to Completion to which the provisions of Section 115(2) of the Finance Act 2002 apply or could apply in the event that no document of transfer is executed pursuant to such contract within three months of Completion or no agreement reached with the Inland Revenue under Section 115(2)(b) of the Finance Act 2002; and the Disclosure Letter contains details of any agreement between the Company and the Inland Revenue under Section 115(2)(b) of the Finance Act 2002.
- 8.75 The Company is not entitled to any interest or estate in land pursuant to any contract in respect of which no conveyance or transfer has been executed and duly stamped.
- 8.76 All documents to which the Company is a party and which form part of the Company's title to any asset owned or possessed by it or which the Company may need to enforce or produce in evidence in the courts of the United Kingdom have been duly stamped and (where appropriate) adjudicated.
- 8.77 The Company has no liability, and will not incur any liability prior to Completion, to pay any stamp duty reserve tax.

Inheritance Tax

- 8.78 Any certificates of discharge from inheritance tax have been obtained by the Company after full disclosure.
- 8.79 The Company has made no transfers of value within Section 94 or Section 99 of IHTA.
- 8.80 There are no circumstances whereby any power of sale, mortgage or charge under Section 212 of IHTA could be exercised in relation to any shares in, securities of, or assets of, the Company.
- 8.81 None of the assets owned by or the shares in, the Company is or is liable to be made the subject of an Inland Revenue charge under Section 237 of IHTA.

Anti-Avoidance

- 8.82 No transaction has been entered into or event occurred in consequence whereof the Company could be liable to Taxation or increased Taxation or to denial or reduction of a Relief pursuant to Sections 34 to 37 (inclusive) or 703 to 787 (inclusive) of ICTA.
- 8.83 The Company has not entered into, allowed, permitted, consented to or been a party to any transaction within Section 765 of ICTA without the prior written consent of the Treasury where necessary or Section 765A of ICTA without reporting the transaction to the Inland Revenue within six months.
- 8.84 The Company has not received any foreign loan interest or any dividends paid by an overseas company on which double Taxation relief could be restricted under Sections 797, 798 or 804 of ICTA.
- 8.85 The Company has not effected a scheme or made or been a party to arrangements whereby the value of an asset has been affected in such a way that Sections 29 to 34 of TCGA applied or could be applied on the disposal of the asset in question.

Miscellaneous

- 8.86 The Disclosure Letter contains full details of any reorganisation, reconstruction or amalgamation involving the Company, within Sections 126 to 140 (inclusive) of TCGA and Section 343 of ICTA.
- 8.87 The Company does not and never has carried on business in partnership, or under any joint venture agreement or arrangement and is not and never has been any person's agent or representative for Taxation purposes.

Taxation outside the United Kingdom

- 8.88 Paragraphs 8.1 to 8.87 of this Schedule 3 shall apply *mutatis mutandis* in relation to Taxation outside the United Kingdom and accordingly any reference in those paragraphs to any form of Taxation or Relief or any statutory provision relating to Taxation in the United Kingdom shall be deemed to include a reference to the equivalent or substantially equivalent form of Taxation or Relief or statutory provision relating to Taxation in any other relevant taxing jurisdiction.

9 Employees and Agents

9.1 Details of the Employees

The Employees are all the employees of the Company as at Completion and the names, current salaries and other remuneration and emoluments, details of all material benefits, date of birth, the date of commencement of the respective periods deemed to be their period of continuous employment with the Company and job descriptions of the Employees and all material terms relating to their employment are as set out in the Disclosure Documents.

9.2 Incentive Schemes

There are no employee share schemes, employee share option schemes, profit related pay schemes or other employee benefit schemes of any kind of the Company now in force or capable of being in force.

9.3 Commitments

- 9.3.1 So far as the Vendor is aware, no assurances or undertakings (whether legally binding or not) have been given to any of the Employees as to the continuance or introduction or increase or improvement of any retirement, death, sickness or disability scheme or any benefit or any discretionary arrangements relating to their employment with the Company.
- 9.3.2 So far as the Vendor is aware, there is no outstanding commitment (whether legally binding or not) to increase the remuneration or change the terms and conditions of any Employee.

9.4 Notice Periods

All contracts of service or consultancy or for services with directors or employees or consultants or independent contractors providing the services of individual personnel of the Company can be terminated by three months' notice or less without giving rise to any claim for damages or compensation (other than a statutory redundancy payment or statutory compensation for unfair dismissal, if applicable).

9.5 Liabilities and Payments

Except where any provision or allowance is made in the Accounts:

- (a) no liability (actual or contingent) has been incurred in the 12 months prior to Completion by the Company for breach of any contract of service or consultancy, for redundancy payments (including protective awards), for compensation for wrongful dismissal or unfair dismissal or loss of office or for failure to comply with any order for the reinstatement or re-engagement of any officer or employee; and
- (b) so far as the Vendor is aware, no payment has been made or promised by the Company in connection with the termination, suspension or variation of any contract of service or consultancy or for services of any present or former officer or employee and no bonus or special remuneration has been paid or agreed to be paid to any such officer or employee.

9.6 Compliance

No claim has been made and so far as the Vendors are aware there are no circumstances under which it is likely that a claim will be made against the Company in relation to all applicants for employment, each of the Employees and its former employees as a result of the Company not having complied in all material respects with all material obligations imposed on it by all contracts, statutes, orders, regulations, collective agreements, awards and codes of conduct and practice relevant to conditions of service and to the relations between it and the Employees and former employees and the Company has in all material respects maintained adequate and suitable records regarding the service of the Employees and former employees.

9.7 Recognition and Disputes

The Company has not entered into any recognition agreement with any trade union nor, so far as the Vendor is aware, has it done any act which could be construed as an act of recognition and the Company does not have a collective bargaining agreement with any trade union and is not involved in and has not been involved in the last three years in any industrial or trade dispute and, so far as the Vendor is aware, there are no present circumstances which are likely to give rise to any industrial or trade dispute or any dispute or negotiation regarding a claim of material importance with any trade union or association of trade unions or organisation or body of employees.

9.8 Redundancies

In the 12 months prior to Completion, the Company has not given or failed to give notice of any redundancies to the Secretary of State for Employment or started consultations with any trade union or unions under the provisions of Part 2 of the Trade Union and Labour Relations (Consolidations) Act 1992 and the Company has not failed to comply with any such obligations under Part 2.

9.9 Change of Control

There is no term of employment for any Employee which provides that a change of control of the Company shall entitle the Employee to treat the change of control as amounting to a breach of the contract or entitling him to any payment or benefit whatsoever or entitling him to treat himself as redundant or otherwise dismissed or released from any obligation.

9.10 Redundancy payments

The Company has no obligation to make any payment in respect of redundancy in excess of the statutory redundancy payment and the Company has not operated any discretionary practice of making any such excess payments.

9.11 Employment Litigation

No claim in relation to the Employees or person previously employed in the Company has been made or threatened within the last 12 months against the Company.

9.12 Notice of Termination

Within the last six months, no Employee has given, or has been given notice of termination of his employment or has indicated an intention to terminate his employment.

9.13 Records

The Company has maintained adequate records regarding the employment of each of its employees (including, without limitation, details of terms of employment, payment of statutory sick pay and statutory maternity pay, income tax and social security contributions, disciplinary and health and safety matters, adequate records for the purposes of the Working Time Regulations 1998) and termination of employment.

9.14 Leave entitlement

No Employee has any entitlement in respect of annual leave, sick absence, maternity leave, parental leave, adoption leave and paternity leave in excess of statutory provisions.

9.15 Performance payments

There is no arrangement in operation (including, but not limited to, on a customary or discretionary basis) by the Company under which any Employee or other person providing services to the Company is entitled to remuneration of any sort (including, without limitation, bonus, commission or profit sharing) by reference to the turnover, profits or performance of the whole or any part of the Company.

9.16 Sickness

Each Warrantor for himself only warrants that so far as he is aware he does not suffer from any mental or physical illness, incapacity or condition which would affect his ability to perform the role to which he is appointed or affect the Purchaser's ability to take out keyman insurance on him, and none of the Warrantors has been absent through illness lasting in aggregate more than two weeks in the 24 months immediately prior to Completion.

10 Pensions

There is not in operation as at the date of this Agreement, and no proposal has been announced to enter into or establish, any agreement, arrangement, custom or practice for the payment by the Company of, or payment by the Company of a contribution towards, a pension, allowance, lump sum or other similar benefit on retirement, death, termination of employment (whether voluntary or not) or during periods of sickness or disablement (whether during service or after retirement) for the benefit of any Employee or his dependants, and the Company has duly complied with all applicable legal and administrative requirements relating to stakeholder pension schemes (as defined in Section 1(1) of the Welfare Reform and Pensions Act 1999) and has disclosed all material details of the stakeholder pension schemes designated by the Company in relation to its Employees.

11 Litigation

- 11.1 The Company is not and, so far as the Vendors are aware, no person for whose acts and defaults it may be vicariously liable is at present engaged whether as claimant, defendant or otherwise in any legal action, proceeding or arbitration which is either in progress, or is so far as the Vendors are aware, threatened or is pending (other than as claimant in the collection of debts arising in the ordinary course of the business carried on by it none of which exceeds £1,000 and which do not exceed £5,000 in aggregate) or is being prosecuted for any criminal offence and no written notice of any claim in damages or for an injunction has been received by the Company and no governmental or official investigation or inquiry concerning the Company is in progress or pending.
- 11.2 There are no circumstances so far as the Vendors are aware, likely to lead to any such claim or legal action, proceeding or arbitration, prosecution, investigation or enquiry.
- 11.3 No distress, execution or other process has been levied in respect of the Company nor so far as the Vendors are aware, is there any judgement or court order outstanding against the Company.
- 11.4 So far as the Vendors are aware, no act, transaction or omission has occurred as a result of which the Company is or may be held liable to refund in whole or in part any investment grant (or other grant or loan received from any governmental department or agency or any local or other authority by virtue of any statute).

12 Capital Commitments, Unusual Contracts, Guarantees Etc.

12.1 Capital Commitments

The Company has no capital commitments which individually exceed £2,500 or in aggregate exceed £25,000.

12.2 Contracts

The Company is not, and within the past three years has not been, a party to any contract, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:

- (a) was entered into otherwise than on terms determined on an arms' length basis; or
- (b) is of an unusual or abnormal nature having regard to the usual practice of the Company prior to the date hereof; or
- (c) is outside the ordinary course of business; or
- (d) is of a long term nature (that is a contract which is not terminable by the Company by three months' notice or less without payment of compensation or damages); or
- (e) requires the Company to supply goods or services at prices significantly below those ruling at the date hereof or to supply goods or services at fixed prices where such supply or delivery is liable to take place more than three months from order or to pay for goods or services at prices significantly above those ruling at the date hereof); or
- (f) is dependent on the guarantee or security of any person; or

- (g) is, so far as the Vendors are aware, likely to result in a loss to the Company upon completion of performance or fulfilment of the Company's obligations thereunder; or
- (h) relates to the supply of goods and/or services by or to the Company (whether or not legally enforceable) under or in relation to which retrospective or future discounts, price reductions or other incentives have been or are proposed to be given by or to the Company or by or to any other person.

12.3 Powers of Attorney and Agents

The Company has not delegated any powers under a power of attorney which remains in effect and has not appointed any agent under an authority which has not been revoked (other than any ostensible or implied authorities to directors or employees and consultants to enter into routine contracts in the normal course of their duties).

12.4 Default

The Company has not, by reason of its default, become bound, and no person has become entitled (or with the giving of notice and/or the issue of a certificate will become entitled) to require it to repay prior to its stipulated due date any loan capital or other debenture, redeemable preference share capital or borrowed money and no notice has been received since the Accounts Date of such liability having arisen for any other reason.

12.5 Guarantees and Indemnities

The Company has not entered into and is not bound by any guarantee or indemnity under which any liability or contingent liability is outstanding.

12.6 Leasehold Property

The Company has not at any time acquired, assigned or otherwise disposed of any leasehold property in such a way that it retains any residual liability.

12.7 Joint Ventures

The Company is not and has never been party to any joint venture, consortium, partnership or profit sharing arrangement or agreement.

13 Borrowings and Lendings

- 13.1 Full details of all bank accounts maintained by the Company and the limits on the Company's bank overdraft facilities are accurately set out in the Disclosure Documents and the total amount borrowed by the Company from its bankers does not exceed its overdraft facilities.
- 13.2 The total amount borrowed by the Company does not exceed any limitation on its borrowing powers contained in its Articles of Association, or in any debenture or other deed or document binding on it.
- 13.3 With the exception of its overdraft facility at The Royal Bank of Scotland PLC, the Company does not have outstanding any debt or other finance facility, nor has agreed to create or issue, any loan capital, nor has it factored any of its debts, or engaged in financing of a type which would not require to be shown or reflected in the Accounts, or borrowed any money which it has not repaid, except for borrowings not exceeding the amounts shown in the Accounts.

- 13.4 Other than in the ordinary course of business, the Company has not lent any money which has not been repaid, and does not own the benefit of any debts (whether or not due for payment), other than debts which have arisen in the ordinary course of business and the Company has not made any loan or quasi-loan contrary to any legislation.

13.5 Continuation of Facilities

In relation to all debentures, acceptance credits, overdrafts, loans or other financial facilities outstanding or available to the Company or any of them (referred to in this Warranty as "Facilities"):

- (a) there are included in the Disclosure Documents full and complete copies of all documents relating to the Facilities;
- (b) the Company is not in contravention of, or non-compliance with, any provision of any document relating to any of the Facilities;
- (c) no steps for the early repayment of any indebtedness have been taken or threatened in writing;
- (d) so far as the Vendors are aware no circumstances exist or have arisen as a result of which the continuation of any of the Facilities is likely to cease or be prejudiced, or which are likely to give rise to any alteration in the terms and conditions of any of the Facilities;
- (e) none of the Facilities is dependent on the guarantee or indemnity of, or any security provided by, any party other than the Company;
- (f) none of the Facilities may according to its terms be terminated or mature prior to their stated maturity as a result of the acquisition of the Shares (or any of the Shares) by the Purchaser; and
- (g) the Facilities are adequate to allow the Company to continue trading after Completion on the same basis as prior to Completion.

14 The Property

- 14.1 The Property comprises all the land and premises that the Company owns, leases, occupies or otherwise uses or in which the Company has any estate, interest or liability (including, but not limited to, any interest in the nature of an option, pre-emption or licence agreement).
- 14.2 The Company does not use or occupy any property in connection with the Business other than the Property.
- 14.3 Any Fire Certificate necessary for the Property has been obtained and complied with in all respects.
- 14.4 No notice, action, or proceedings affecting the Property has been served or commenced and there are no disputes concerning the Property with any person and there are no circumstances now existing known to the Vendors which are likely to result in any such notice, action or proceedings being served or commenced or any such dispute arising.
- 14.5 There is no actual or contingent liability on the part of the Company arising directly or indirectly out of any lease, agreement for lease, conveyance or licence or other deed,

including without prejudice to the foregoing generality any actual or contingent liabilities arising directly or indirectly out of:-

- (a) any estate or interest in land previously held by the Company as an original lessee or underlessee; or
- (b) any covenant made by the Company in favour of any lessee or any guarantee given by the Company in relation to a lease or underlease.

15 Environmental

- 15.1 As far as the Company is aware, the Company complies with and has complied with all Environmental Law save to an extent which would not have a material adverse effect on the business or assets of the Company.
- 15.2 As far as the Company is aware, the Company does not require any Environmental Consents for the Company's activities carried out from the Property.
- 15.3 The Company has not received any notice of any breach or alleged breach of any Environmental Law.
- 15.4 The Company has received no notice or other indication of any actual, pending or threatened claim, complaint, assessment or litigation against it with respect to the Company or the business of the Company with respect to any alleged non-compliance with Environmental Laws.
- 15.5 The Company has no environmental audit reports, assessments, studies or tests, insurance appraisals, Environmental Consents, applications for Environmental Consents, health and safety reports and associated documentation and correspondence relating to the assets of the Company.

16 Insolvency

- 16.1 No administrator, administrative receiver, receiver (including Law of Property Act receiver), manager of assets, liquidator (including provisional liquidator) or any other similar officer has ever been appointed in respect of the whole or any part of the assets or undertaking of the Company and no order has been made, petition presented or resolution passed for the purpose of the making of any order in relation to administration, administrative receivership, receivership, liquidation, management of assets or any other similar situation of the Company.
- 16.2 The Company is neither insolvent nor unable to pay its debts as they fall due (as such expression is defined in either sub-section (1)(a) to (d) (inclusive) or sub-section (2) of Section 123 of the Insolvency Act 1986).
- 16.3 No voluntary arrangement (as referred to in the Insolvency Act 1986) or scheme of arrangement as regards its creditors has been proposed by the Directors or is in operation in relation to the Company.
- 16.4 So far as the Directors are aware, the Company has not entered into any transaction nor been given a preference to which Sections 238, 239 or 423 of the Insolvency Act 1986 apply or which may otherwise be liable to be set aside or avoided for any reason.

17 Intellectual Property and Related Warranties

17.1 Ownership

17.1.1 The Company is either:

- (a) the legal and beneficial owner of the Business IP; or
- (b) in relation to the Licensed IP, a lawful licensee.

17.1.2 So far as the Vendors are aware, all Business IP owned by the Company is valid, unencumbered, enforceable and subsisting and so far as the Vendors are aware nothing has been done or omitted to be done which may cause any of it to cease to be so.

17.1.3 Material details of all:

- (a) trade marks, service marks, domain names and material business or trading names, whether registered or unregistered, used by the Company;
- (b) all registrations and applications for registration of any Intellectual Property owned by the Company or proceeding in the name of the Company;
- (c) unregistered Business IP which is material to the Business;
- (d) Licensed IP; and
- (e) Software in which, or in relation to which, the Company holds, owns or otherwise uses any Intellectual Property;

are contained in the Disclosure Documents.

17.2 Maintenance

17.2.1 All renewal and extension fees in respect of any registered Business IP have been duly paid in any jurisdiction in which they are registered.

17.2.2 All documents and materials material to the right, title and interest of the Company to the material Business IP, including without limitation any licenses of the Licensed IP form part of the records or materials in the possession or ownership of the Company.

17.3 Dealings and Adequacy of Rights

17.3.1 None of the Business IP (with the exception of the Licensed IP) is subject to any charge or licence fee other than as set out in the Company Licences and Third Party Licences.

17.3.2 The Company has not:

- (a) authorised or otherwise expressly or impliedly permitted any use whatsoever of Business IP owned by the Company; or
 - (b) granted to any third party any right or interest in respect of such Business IP;
- other than under a Third Party Licence.

17.3.3 All Company Licences and Third Party Licences are in writing and are enforceable, valid and subsisting.

17.3.4 A list of all Third Party Licences and Company Licences and complete copies of all such Third Party Licences and Company Licences (including any amendments and variations to those agreements) are contained in the Disclosure Documents.

17.3.5 So far as the Sellers are aware (but without having made any specific enquiry) all Business IP, including without limitation all Licensed IP, will be available for use by the Company on substantially identical terms and conditions immediately following Completion, without further action or payment by the Purchaser.

17.3.6 So far as the Vendors are aware, the Business IP comprises all the Intellectual Property reasonably necessary to carry on the business as conducted by the Company as at the date of this agreement.

17.4 *Infringements*

17.4.1 So far as the Vendors are aware, no activities, documents, materials (whether in tangible or intangible form), Software, web sites, products, services or processes of the Company infringe or have infringed, any Intellectual Property of a third party or involve or have involved the unlicensed use of a third party's protectable confidential information or give or have given rise to liability to pay compensation other than compensation specifically disclosed in one of the Company Licences or in the Disclosure Letter.

17.4.2 So far as the Vendors are aware, no third party has made or is making any unauthorised use of, or has infringed or is infringing, any Business IP or Commercial Information and no third party or competent authority has made any claim, challenge or opposition to or against the Company in relation to the Business IP or Commercial Information.

17.4.3 So far as the Sellers are aware (but without having made any specific enquiry) no third party has registered or applied to register in any country any Intellectual Property or Commercial Information made, or claimed to be owned, by the Company.

17.4.4 No Company Licence or Third Party Licence, or other agreement in relation to the Business IP, has been the subject of any material breach by the Company and the Company has not formally waived any material breach of any other party, and no notice or knowledge of breach of or termination of any Third Party Licences has been received by the Company.

17.4.5 The Company is not subject to any order or injunction or other restrictive measure or undertaking imposed by any court or other body of competent jurisdiction in relation to the Business IP (including, without limitation, any prohibition or restriction on use).

17.5 *Commercial Information*

17.5.1 All Commercial Information has at all times been kept confidential by the Company and the Company has not disclosed (except in the ordinary course of business and, in the case of a material disclosure, subject to a binding confidentiality obligation) any of its Commercial Information other than to their employees and professional advisers.

17.5.2 The Company operates and complies with adequate procedures to maintain the confidentiality of its Commercial Information.

17.5.3 So far as the Vendor is aware, the Company is entitled to use all Commercial Information in its possession and there are no restrictions on the use of that Commercial Information.

17.6 *Claims*

17.6.1 No claims, disputes or proceedings in respect of Business IP have been settled by the Company in the two years immediately preceding Completion, except those details of which are set out in the Disclosure Letter.

17.6.2 So far as the Vendors are aware, there are and have been no claims, formal disputes or proceedings which have a material adverse effect on:

- (a) the Business IP owned by the Company;
- (b) the Company's use of the Licensed IP; or
- (c) the right of the Company (and any licensee of the Company) to use anywhere in the world any of the Business IP;

except those details of which are set out in the Disclosure Letter.

17.6.3 No party (whether an individual, partnership, or company) retained, commissioned, employed or otherwise engaged by the Company from time to time and who, in the course of such engagement created, discovered or developed work in which Intellectual Property subsists has made any claim to the Company relating to:

- (a) any right, title or interest in such Intellectual Property; or
- (b) any compensation or remuneration in relation to such Intellectual Property whether under section 40 of the Patents Act 1977 or equivalent legislation in the world or otherwise;

in the two years immediately preceding Completion, except those details of which are set out in the Disclosure Letter.

17.7 Data Protection

In respect of any Personal Data processed by the Company, the Company:

- (a) has made all necessary registrations and notifications of its particulars in accordance with the Data Protection Legislation;
- (b) all details supplied in relation to each such application for registration or notification are accurate and complete;
- (c) complies and will continue to comply with the Data Protection Legislation (including but not limited to the Data Protection Principles);
- (d) no notice of any kind has been served on the Company under any provision under any part of the Data Protection Legislation or any analogous legislation in any part of the world.

17.8 The Internet

17.8.1 So far as the Warrantors are aware, no domain names have been registered by any third party which would infringe any trade marks or service marks of the Company.

17.8.2 So far as the Warrantors are aware the contents of any Company Web Site and any transactions conducted over the internet complies with all laws and regulations and codes of practice in any applicable jurisdiction.

18 Competition, Anti-Trust And Cartels

The Company has so far as the Warrantors are aware not done anything which, and is not a member or party to any agreement or arrangement which, contravenes or requires registration or notification under any of the provisions of the Fair Trading Act 1973, the Restrictive Trade Practices Acts, the Resale Prices Act 1976, the Treaty of Rome, the

Competition Act 1980 or the Competition Act 1998 or any other anti-trust, anti-monopoly or anti-cartel legislation or regulation in any country of the world in which or with which it does business.

SCHEDULE 5

Limitations on Liability under the Warranties

- 1 Notwithstanding the provisions of Clause 5, the Warrantors shall not be liable in respect of a breach of the Warranties if and to the extent that the loss occasioned thereby has been recovered under the Tax Deed.
- 2 The Warrantors shall not be liable for any claim under the Warranties and any such claim shall be wholly barred and unenforceable:
 - (a) to the extent the facts or circumstances are disclosed in the Disclosure Letter or stated to be exceptions under the terms of this Agreement or are otherwise known to the Purchaser at the date hereof;
 - (b) to the extent that the subject of the claim is specifically provided for or reserved in the Accounts; or
 - (c) to the extent that the claim arises or is increased:
 - (i) wholly or partly from an act or omission of or occurring (before Completion) at the written request or direction of or with the prior consent of the Purchaser or (after Completion and other than in the ordinary course of business) the Company or any of its directors, other officers, employees or agents;
 - (ii) wholly or partly from an act or omission compelled by law;
 - (iii) as a result of any increase in rates of Taxation since the date of this Agreement; or
 - (iv) wholly or partly as a result of the passing or coming into force of or any change in or enactment, or change in interpretation of any law, regulation, directive, requirement or any generally published practice of any government, government department or agency or regulatory body (including but not limited to extra-statutory concessions of a Taxing Authority) after the date of this Agreement whether or not having retrospective effect; or
 - (v) any change after Completion in any accounting policies or practices of the Purchaser otherwise than as required in order to comply with the law or United Kingdom generally accepted accounting principles and practices including SSAP and FRSSE;
 - (vi) the winding up of the Company after Completion or the cessation or disposal of any trade or business of the Company after Completion; or
 - (vii) any reorganisation of the Purchaser after Completion or change after Completion in the ownership of the Purchaser (save with the prior approval of any Vendor);
 - (viii) to the extent that the matter the subject of the claim has been or is made good or is otherwise compensated for without cost to the Purchaser; or

- (xv) the claim is based on liability which is contingent only, unless and until such contingent liability becomes an actual liability;
 - (d) to the extent that the loss giving rise to the claim is recovered under any policy of insurance of the Company or would have been so recovered but for any change in the terms of insurance since Completion; and
 - (e) to the extent that the matter giving rise to such claim is remediable and within the period of 30 days following the Purchaser becoming aware of such matter the Purchaser shall have given written notice thereof to the Vendors and such matter shall have been remedied to the reasonable satisfaction of the Purchaser within the period of 30 days following the date of service of such notice.
- 3 No proceedings shall be commenced in respect of any claim for breach of the Warranties or the Tax Deed and any such claim shall be wholly barred and unenforceable unless:
 - (a) written notice giving reasonable details of a claim:
 - (i) shall, in the case of any claim other than a claim relating to Taxation, have been delivered to the Warrantors by the Purchaser not later than 30 months after the date on which Completion takes place; and
 - (ii) insofar as such breach relates to Taxation, shall have been delivered to the Warrantors by the Purchaser not later than the seventh anniversary of the date on which Completion takes place;
 - (b) the proceedings in respect of the claim shall have been properly issued and validly served on the Warrantors within the period of six months from the date on which notice of the claim is first given to the Warrantors or such extended period as the parties may agree in writing;
 - (c) the liability of the Warrantors in respect of that claim exceeds £500; and
 - (d) the amount of the claim when aggregated with all other claims (not being a claim for which liability is excluded under paragraph 3(c)) exceeds £5,000 in which event the whole of such claims (and not merely the excess) may be claimed under legal proceedings.
- 4 The maximum amount of any liability of the Warrantors under the Warranties and the Tax Deed shall not exceed the Consideration save that the aggregate liability of an individual Warrantor under any claim under the Warranties and the Tax Deed shall not exceed that Warrantor's Relevant Percentage.
- 5 If the Purchaser becomes aware of any claim or any matter which may involve any of the Warrantors in liability pursuant to the terms of this Agreement (in this Schedule, "a Claim"), the Purchaser will procure that:
 - (a) immediate notice thereof is given to the Warrantors;
 - (b) reasonable particulars, or such particulars as are known to the Purchaser (including an estimate of the amount claimed) at the time of the Purchaser becoming so aware that a claim is likely to be made, are given in writing to the Warrantors promptly upon the Purchaser becoming so aware; and
 - (c) all reasonable steps or actions are taken as are necessary in order to mitigate any claim under the Warranties.

- 6 In the case of a Claim resulting from a claim made or which may be made by a third party against the Purchaser which may result in a claim, (in this Schedule a "Third Party Claim"), the Warrantors shall within 21 days of having received notice thereof pursuant to paragraph 5 inform the Purchaser in writing whether or not the Warrantors desire to conduct the defence of such Third Party Claim.
- 7 If the Warrantors do not give notice in accordance with paragraph 6, the Warrantors shall be deemed to have given notice in accordance with that paragraph that they do not wish to conduct the defence of such Third Party Claim.
- 8 If the Warrantors have given notice that the Warrantors desire to conduct the defence of a Third Party Claim then:
- (a) the Purchaser and the Company shall, subject as provided in paragraph 10, take such lawful action as the Warrantors may reasonably request to avoid, dispute, resist, appeal, compromise or defend the Third Party Claim subject only to the relevant company being specifically indemnified and secured to their satisfaction against any costs, loss or expense which they or any of them may thereby incur (including any additional taxation);
 - (b) the Warrantors shall from time to time and forthwith upon the request of the Purchaser keep the Purchaser fully informed of their conduct of and any negotiations relating to the defence of such Third Party Claim; and
 - (c) the Purchaser shall provide the Warrantors reasonable access to its personnel and property and provide all such information to the Warrantors as they may reasonably request in connection therewith.
- 9 If the Warrantors have informed the Purchaser that the Warrantors do not wish to defend any Third Party Claim (or is deemed to have so informed the Purchaser), the Purchaser or the Company may take such action as the Purchaser or the relevant company sees fit with regard thereto provided that, nothing in this paragraph shall or shall be deemed to relieve the Purchaser of any common law or other duty to mitigate any loss or damage incurred by it.
- 10 Neither the Purchaser nor the Company shall be under any obligation to take any action which the Warrantors may request in their conduct of any defence of a Third Party Claim in accordance with paragraph 8(a) if, in the Purchaser's opinion acting reasonably, such action would materially prejudice the business interests or reputation of the business of the Purchaser or its subsidiaries, including the Company.
- 11 Where the Purchaser or the Company is entitled to recover from some other person any sum in respect of any matter giving rise to a Claim then subject only to the relevant company being specifically indemnified and secured to their satisfaction against any costs, loss or expense which they or any of them thereby incur (including any additional taxation) the Purchaser or the Company (as the case may be) shall procure that reasonable steps are taken to enforce such recovery and if any sum is so recovered then there shall be set off against the amount of the claim by the Purchaser against the Warrantors or if such claim has already been paid, then repaid to the Warrantors an amount equal to the amount so recovered.

ATTESTATIONS

EXECUTED and UNCONDITIONALLY DELIVERED as)
a DEED by the said ROBERT WILLIAM HUTHWAITE in)
the presence of:



Secretary

Bristol.

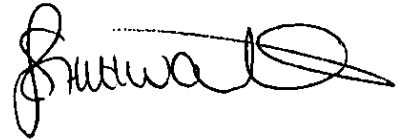


EXECUTED and UNCONDITIONALLY DELIVERED as)
a DEED by the said SARAH JANE HUTHWAITE in the)
presence of:



Secretary

Bristol.

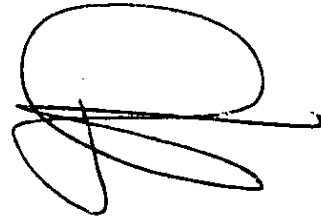


EXECUTED and UNCONDITIONALLY DELIVERED as)
a DEED by the said MARTIN NICHOLAS WRIGHT in)
in the presence of:



Secretary

Bristol.



EXECUTED and UNCONDITIONALLY DELIVERED)
as a DEED by COLLIERS CRE PLC acting by:)

.....
Director

.....
Director/Secretary

