

4202581

**THIS AGREEMENT** is made the

9<sup>th</sup>

day of

January

2002

**BETWEEN:-**

- (1) **STEPHEN ROSEN** of 3 Saddlers Close, Hatch End, Middlesex, HA 5 4BA and **PANKAJ PATEL** of 2 Ardross Avenue, Northwood, Middlesex HA6 3DS ('the Vendors')
- (2) **DTE BUSINESS ADVISORY SERVICES LIMITED** ("Advisory Services") whose registered office is at DTE House, Hollins Mount, Bury, Greater Manchester BL9 8AT (registered in England no 04202581) DTE Corporate Recovery and Insolvency Services Limited, Company No: 04200476, WIA (North West) Limited, Company No: 02506635, Downham Train Epstein PLC, Company No: 02677179, DTE Insurance Brokers Limited, Company No: 01284612, Sudden Solutions Limited, Company No: 02410300, DTE Financial Services Limited, Company No: 0196712, ('the Purchaser')
- (3) **KEITH RODNEY TRAIN** of "Ryefield" Bury Road Rochdale Lancashire OL11 4AU **MERVYN JOHN MACDONALD** of "Mushroom House" Market Street Edenfield Bury Lancashire BL10 OJG **JOHN CHARLES TURNER** of "Marianglas" 2 Osborne Close Bury Lancashire BL8 2DD **JOHN MALCOLM TITLEY** of 3 Holmefield Sale Cheshire M33 3AN and **NICHOLAS JAMES FAIL** of 8 Chethams Close Church Road Thornton Cleveleys Lancashire FY5 2WD ('the DTE Shareholders')

**WHEREAS:-**

- (1) The Vendors have carried on an Accountancy Practice in partnership under the name of "Kramers" ('the Business')
- (2) Each of the Companies comprising the Purchaser has an authorised and issued share capital in the amounts set out in Part 1 of the First Schedule
- (3) The Vendors have agreed to transfer the Business to the Purchaser as a going concern with effect from the Transfer Date subject to the terms and conditions of this Agreement.

Confirmed to be a true  
copy of the original  
[Signature]  
26/4/02



**NOW IT IS AGREED** as follows: -

**1 Definitions**

In this Agreement (including the Schedules) except where the context otherwise requires the following words and phrases shall have the meanings set out opposite to them: -

- 1.1 **'the Accounting Date'** means the 31<sup>st</sup> day of March 2000
- 1.2 **'the Accounts'** means the Vendors' accounts for the year ended 31<sup>st</sup> March, 2000
- 1.3 **'Assets'** means the rights and assets of the Business agreed to be sold under this Agreement
- 1.4 **'Business'** has the meaning set out in recital (1) above
- 1.5 **'Completion'** means completion of the sale and purchase of the Business pursuant to clause 10
- 1.6 **'Consideration Shares'** means the number of Ordinary Shares of One Pound (£1.00) each in each company comprising the Purchaser as shall amount to a 21% shareholding in each such Company and that are to be allotted to the Vendors as set out in the Third Schedule credited as fully paid and free from all incumbrances and third party rights
- 1.7 **'Contracts'** means all orders contracts agreements and engagements entered into prior to the Transfer Date by or on behalf of the Vendors in connection with the Business which at the Transfer Date will continue to be performed or remain (in whole or in part) to be completed
- 1.8 **'Creditors'** means the aggregate amount owed by the Vendors in connection with the Business to or in respect of trade creditors as recorded in the books of account of the Business as at the Transfer Date but not to the extent that the Purchaser is to derive any benefit from any such liability and not including liabilities for value added tax or taxation on profits or chargeable gains

- 1.9 **'the DTE Premises'** means the properties occupied by the Purchasers situate at DTE House Hollins Mount Bury Greater Manchester BL9 8AT and 24, Wellington Street (St. John's) Blackburn BB1 8AF
- 1.10 **'the DTE Warranties'** means the warranties and undertakings set out in the Fifth Schedule
- 1.11 **'Employees'** means the persons engaged in the Business at the Transfer Date whose names and details are listed in the Second Schedule
- 1.12 **'Encumbrance'** means and includes any interest or equity of any person (including without prejudice to the generality of the foregoing any right to acquire, option, right of pre-emption or of conversion) mortgage, charge, pledge, lien or other encumbrance or third party right of whatever nature
- 1.13 **'Equipment'** means all the plant machinery tools equipment chattels furniture fixtures and fittings situate at the Property and used in relation to the Business at the Transfer Date as specified in the annexed inventory listed in Schedule Six
- 1.14 **'Excluded Assets'** means the assets listed in clause 4 which are owned by the Vendors but which are excluded from the sale to the Purchaser
- 1.15 **'Goodwill'** means the goodwill of the Vendors in connection with the Business together with the exclusive right for the Purchaser to represent itself as carrying on the Business under the name "Kramers" or any other similar name in succession to the Vendors including the benefit of all pending contracts orders and engagements and the right to all lists of clients and suppliers of the Business
- 1.16 **'the Lease'** means a Lease of the Property in the agreed terms
- 1.17 **'Liabilities'** means all the liabilities of the Business outstanding at the Transfer Date (save for those liabilities which the Purchasers shall have expressly agreed to accept responsibility for or from which the Purchaser shall derive any benefit ) and for the avoidance of doubt shall include in relation to the Business all liabilities of the Vendors in respect of Tax

- 1.18 **'Loan Accounts'** means the loan accounts to be created by Advisory Services in favour of each of the Vendors in accordance with the terms of clause 8 and 10.
- 1.19 **'Minimum Value'** is such sum in relation to the Purchaser which, if a balance sheet were drawn up (under the Historic Cost Convention and in accordance with the requirements of all relevant statutes and generally accepted accounting practices and principles, Statements of Standard Accounting Practice and Financial Reporting Standards) and audited as at the Transfer Date, that balance sheet would show that the equity shareholders funds of the Purchaser were equal to the aggregate of its issued share capital plus the sum of £1.00
- 1.20 **'Net Assets'** means the total assets of all of the companies comprising the Purchaser less the total liabilities of all of the companies comprising the Purchaser
- 1.21 **'Property'** means the freehold property known as Park House 26, North End Road, London NW11 7PT and registered at H.M. Land Registry under Title Number NGL 218899
- 1.22 **'the Purchaser'** means and includes each of the Companies comprising the Purchaser. The obligations of such Companies as the Purchaser hereunder shall be deemed to be joint and several obligations
- 1.23 **'the Purchaser's Accounts'** means the accounts of the DTE Partnership for the year ended 30<sup>th</sup> April 2000 and DTE Financial Services Limited and DTE Insurance Brokers Limited for the year ended 30<sup>th</sup> April, 2000
- 1.24 **'the Purchaser's and the DTE Shareholders Solicitors'** means Messrs. Farleys of 22-27 Richmond Terrace Blackburn Lancashire BB1 7AQ (Ref : IAL/DOW029.11)
- 1.25 **'the Book Debts'** means all book and other debts accrued or accruing due to the Vendors in connection with the Business as at the Transfer Date
- 1.26 **'the Regulations'** means the Transfer of Undertakings (Protection of Employment) Regulations 1981

- 1.27 **'the Shareholders Agreement'** means an agreement in the agreed terms to be entered into between the DTE Shareholders and the Vendors on Completion
- 1.28 **'the Systems'** means any computer systems products or software or any equipment and systems incorporating such computer systems products or software used by the Vendors in relation to the Business
- 1.29 **'Tax'** means any tax duty impost levy or charge in the nature of tax, whether domestic or foreign, and any related fine penalty or interest regardless of whether such tax is directly or primarily chargeable against or attributable to any person firm or company
- 1.30 **'Transfer Date'** means the close of business on the 31<sup>st</sup> day of December 2001
- 1.31 **'the Vendor's Solicitors'** means Black Graf and Co of 14/15 College Crescent, London NW3 5LL (Ref: DA 27667)
- 1.32 **'the Vendors Warranties'** means the warranties and undertakings set out in the Fourth Schedule
- 1.33 **'the Work in Progress'** means the work in progress of the Vendors relating to the Business including all matters which are in the intermediate stages of completion at the Transfer Date
- 1.34 **'in the agreed terms'** means in relation to any document the draft of that document which is either annexed to this Agreement or which has been initialled by the Vendors and the Purchaser by way of identification

## **2 Interpretation**

- 2.1 Reference to any statute or statutory provision includes a reference to:
- 2.1.1 that statute or statutory provision as from time to time amended, extended or re-enacted or consolidated and
- 2.1.2 all statutory instruments or orders made pursuant to it

- 2.2 Words denoting the singular number only shall include the plural and vice versa. Words denoting any gender include all genders and words denoting persons shall include firms and corporations and vice versa
- 2.3 Unless the context otherwise requires reference to any clause sub-clause or schedule is to a clause sub-clause or schedule (as the case may be) of or to this agreement
- 2.4 The headings in this document are inserted for convenience only and shall not affect the construction or interpretation of this agreement

### **3 Sale and purchase of the Business**

- 3.1 The Vendors shall (in exchange for the Consideration Shares) sell with full title guarantee and the Purchaser relying inter alia on the Vendors Warranties shall purchase as a going concern free from all charges liens equities and incumbrances with effect from the Transfer Date the Goodwill for the sum of £315,000.00 (three hundred and fifteen thousand pounds) which shall be apportioned among the companies comprising the Purchaser as follows:-

- 3.1.1 DTE Business Advisory Services Limited – Two hundred and seventy five thousand pounds (£275,000.00)
- 3.1.2 DTE Corporate Recovery and Insolvency Services Limited – Twenty five thousand pounds (£25,000.00)
- 3.1.3 DTE Financial Services Limited – Five thousand pounds (£5,000.00)
- 3.1.4 DTE Insurance Brokers Limited – Five thousand pounds (£5,000.00)
- 3.1.5 WIA (North West) Limited – Twenty six pounds (£26.00)
- 3.1.6 Sudden Solutions Limited – Four thousand seven hundred and eight pounds (£4,708.00)
- 3.1.7 Downham Train Epstein Plc – Two hundred and sixty six pounds (£266.00)

- 3.2 The Vendors shall additionally sell with full title guarantee to Advisory Services (for itself and on behalf of the other Companies comprising the Purchaser) free from all charges liens equities and incumbrances with effect from the Transfer Date:-
- 3.2.1 the Equipment and the Systems for the sum of forty thousand pounds (£40,000.00)
  - 3.2.2 the Work in Progress for the sum of £50,000.00 (fifty thousand pounds)
  - 3.2.3 the benefit (subject to the burden) of the Contracts for the sum of One pound (£1.00)
  - 3.2.4 all lists data and particulars of suppliers and clients, promotional literature and publicity material of the Business and all other documents relating to the Business the Vendors have for the sum of One Pound (£1.00)
  - 3.2.5 all rights and claims of the Vendors against third parties (including without limitation all rights in connection with such third parties' guarantees conditions indemnities warranties and representations) with respect to the Business so far as the Vendors can assign the same other than as comprised in the Excluded Assets for the sum of One Pound (£1.00)
  - 3.2.6 without in any way limiting the generality of the foregoing all other assets and rights of whatever nature employed in the Business at the Transfer Date but excluding the Excluded Assets for the sum of One pound (£1.00)

#### **4 Excluded Assets**

There shall be excluded from the sale and purchase of the Business and retained by the Vendors: -

- 4.1 the Property

- 4.2 any amounts recoverable by the Vendors in respect of Tax paid or payable by the Vendors in connection with matters or events occurring or deemed to occur on or before the Transfer Date
- 4.3 the benefit of any insurance claims and VAT allowances and repayments arising prior to the Transfer Date in relation to the Business
- 4.4 all cash in hand and cash credited to any account with a Bank
- 4.5 the Book Debts

## **5 Title/Risk**

- 5.1 Title to the Assets shall pass to the Purchaser on Completion
- 5.2 The Assets shall be at the risk of the Purchaser from the Transfer Date

## **6 Creditors and Liabilities**

- 6.1 The Vendors agree to remain solely responsible for all the Creditors and Liabilities (save as otherwise expressly provided in this agreement) and undertake to *discharge such Creditors and Liabilities and to indemnify the Purchaser fully at all times from and against any and all claims actions proceedings demands liabilities costs and expenses in connection with any of such Creditors and Liabilities*
- 6.2 Any actions, proceedings, demands, liabilities, costs and expenses arising from or connected with any claims against the Vendors in respect of professional negligence and which relate to any act, omission or default of the Vendors, their employees, agents or sub-contractors notified to the Vendors after the Transfer Date shall be a liability to be borne by the Purchaser, save to the extent that such actions, *proceedings, demands, liabilities, costs and expenses are discharged and paid by*



insurers under any professional indemnity insurance policy effected by the Vendors or the Purchaser

## **7 Apportionments and Pre-payments**

- 7.1 All periodical charges and outgoings of the Business including but not limited to rent rates gas electricity water telephone charges licence fees and royalties and all liabilities in relation to salaries wages accrued holiday pay national insurance pension contributions PAYE remittances and all other payments to or in respect of the Employees shall be apportioned on a time basis so that such part of the relevant charges attributable to the period ended on the Transfer Date shall be borne by the Vendors and such part of the relevant charges attributable to the period commencing on the day following the Transfer Date shall be borne by the Purchaser. All rents licence fees royalties and other similar sums receivable in respect of the Business shall be apportioned between the Vendors and the Purchaser on like terms
- 7.2 Prepayments and payments in advance (including monies on account of costs) made to the Vendors on or before the Transfer Date in respect of services to be provided by the Purchaser after the Transfer Date shall be payable by the Vendors to the Purchaser and prepayments and payments in advance made by the Vendors in respect of goods ordered but not delivered and services contracted for but not rendered to the Vendors in connection with the Business prior to the Transfer Date shall be refundable by the Purchaser to the Vendors
- 7.3 A statement showing the net amount (if any) payable by or to the Vendors under this clause 7 shall be agreed between the Parties within 30 days after the date of Completion and failing such agreement shall be ascertained and certified by an independent firm of Chartered Accountants agreed between the Parties or failing such agreement appointed by the President for the time being of the Institute of

Chartered Accountants in England and Wales. Within 14 days after such agreement or certification the Vendor shall pay to the Purchaser or, as the case may be, the Purchaser shall pay to the Vendor the net amount contained in the apportionment statement so agreed or certified.

## **8 Consideration**

The consideration for the assets referred to in the clause 3.2 above shall be satisfied by Advisory Services by the creation of the Loan Accounts, which shall be credited with the amounts set out opposite the Vendors respective names in the Third Schedule

## **9 VAT**

- 9.1 The parties intend that the Business shall be sold as a going concern and that Section 49 of the Value Added Tax Act 1994 and Article 5 of the Value Added Tax (Special Provisions Order 1995) as amended shall apply to the transfer of the Business. The Parties shall use all reasonable endeavours to secure that the sale of the Business is treated as neither a supply of goods nor a supply of services for the purposes of VAT
- 9.2 On Completion the Vendors shall deliver to the Purchaser all records relating to the Business referred to in Section 49
- 9.3 The Purchaser declares its intention to use the Assets in carrying on the Business and the Parties warrant to each other that (save for DTE Financial Services Limited, DTE Insurance Brokers Limited, WIA (North West) Limited and Downham Train Epstein Plc) they are and will at Completion be duly registered for the purposes of VAT
- 9.4 If VAT should be chargeable on the transfer under this Agreement of the Assets or the Business or any part of the same then the Purchaser shall (subject to the receipt

by the Purchaser of a valid VAT invoice or invoices relating to such Assets) in addition to any amount expressed in the Agreement to be payable by the Purchaser to the Vendors pay the amount of any such VAT and any penalties and interest

## **10 Completion**

10.1 Completion shall take place immediately after execution of this agreement by the Parties at the offices of Farleys Solicitors of 22/27 Richmond Terrace Blackburn Lancashire BB1 7AQ or as the parties may otherwise agree

10.2 On Completion the Purchaser and (as appropriate) the DTE Shareholders shall: -

10.2.1 credit the Loan Accounts with the amounts detailed in the Third Schedule

10.2.2 issue the Consideration Shares to the Vendors together with the requisite *Share Certificates*

10.2.3 procure the waiver of all rights of pre-emption (if any) relating to the issue and allotment to the Vendors of the Consideration Shares

10.2.4 execute the Shareholders Agreement in the agreed terms

10.2.5 procure that such resolutions of the Purchaser and its Board of Directors shall be passed and shall make or do or procure to be made or done such other deeds acts or things as may be necessary or appropriate to implement the terms of this Agreement and Shareholders Agreement

10.2.6 (Subject to having obtained the requisite court order excluding the security of tenure provisions of the Landlord and Tenant Act 1954) execute and deliver to the Vendors a counterpart of the Lease in the agreed terms and if the order has not been obtained by the date of completion the counterpart shall be executed and delivered to the Vendors immediately after the court order has been obtained

10.3 On Completion the Vendors shall: -

- 10.3.1 execute and do all such deeds and things as may be necessary to vest effectively the Business and the Assets in the Purchaser and deliver to the Purchaser all the Assets hereby agreed to be sold which are capable of passing by delivery including without limitation the following:
- 10.3.1.1 all books of account payroll accounts income records stock records computer programs and information relating to the clients and suppliers of the Business
  - 10.3.1.2 all sales publications advertising and promotional material and terms and conditions which relate to the Business
  - 10.3.1.3 all National Insurance and PAYE records relating to all Employees duly completed and up to date
- 10.3.2 (subject to the same requirements as clause 10.2.6) grant the Lease of the Property to Advisory Services
- 10.3.3 execute the Shareholders Agreement in the agreed terms

## **11 Conduct of the Business**

The Purchaser shall take over the Business with effect from the Transfer Date and shall assume responsibility for the management of the Business in all respects

## **12. Work in Progress**

- 12.1 On or before the 30<sup>th</sup> April 2002 the Vendors and the Purchaser (or their representatives) shall jointly value the Work in Progress as at the Transfer Date such value to be 60% of the anticipated billing value of the supply of services to clients (exclusive of VAT) in progress at the Transfer Date
- 12.2 If the Vendors and the Purchaser are unable to agree the sum to be paid for the Work in Progress within one month of the 30<sup>th</sup> day of April, 2002 then the matter or matters in dispute shall forthwith be referred to a single independent

Chartered Accountant to be agreed between them or (in default of agreement within 14 days) to be selected at the instance of either of them by the President for the time being of the Institute of Chartered Accountants and any such independent accountant (whose costs shall be paid as he shall direct) shall act as expert and not as arbitrator in connection with the giving of such decision which shall be final and binding on the Parties

12.3 On Completion the Purchaser shall pay into the Loan Accounts the aggregate sum of (£50,000.00) fifty thousand pounds ('the WIP Deposit') on account of the price to be paid for the Work in Progress agreed or determined in accordance with the provisions of clause 12.2 ('the WIP Price') and such amount may be adjusted as follows:

- 12.3.1 if the WIP Price is equal to or more than the WIP Deposit the amount credited to the Loan Accounts in respect of the Work in Progress will remain unchanged
- 12.3.2 if the amount of the WIP Price is less than the WIP Deposit but falls within a ten percent (10%) differential of the WIP Deposit (i.e. the WIP Price is between (£45,000.00) forty five thousand Pounds and (£50,000.00) fifty thousand Pounds the amount credited to the Loan Accounts in respect of the Work in Progress will remain unchanged
- 12.3.3 if the amount of the WIP Price is less than the WIP Deposit but falls outside a ten percent (10%) differential of the WIP Deposit (i.e. the WIP Price is below (£45,000.00) forty five thousand Pounds the amount credited to the Loan Accounts in respect of the Work in Progress will be reduced by One Pound (£1.00) for each One Pound (£1.00) that the WIP Price is less than (£50,000.00) fifty thousand Pounds

### **13 Contracts**

- 13.1 With effect from the Transfer Date the Purchaser shall assume the obligations of and become entitled to the benefits of the Vendors arising under the Contracts and the Purchaser shall carry out perform and complete all the obligations and liabilities created by or arising under the Contracts and shall indemnify the Vendors and keep them fully indemnified against all liabilities losses actions proceedings costs claims demands and expenses brought or made against or incurred by the Vendors in respect of the non-performance or defective or negligent performance by the Purchaser of the Contracts
- 13.2 The Vendors shall on Completion but with effect from the Transfer Date assign to the order of the Purchaser or procure the assignment to the order of the Purchaser of all the Contracts which are capable of assignment without the consent of other parties
- 13.3 To the extent that any payment is made to the Vendors in respect of the Contracts on or after the Transfer Date the Vendors shall receive the same as trustee and shall account to the Purchaser for the same within 14 days of receipt

### **14 Employees**

- 14.1 The Parties acknowledge and agree that pursuant to the Regulations the contract of employment between the Vendors and each of the Employees will (save in so far as such contract relates to any occupational pension scheme) have effect from the Transfer Date as if originally made between the Purchaser and each such employee
- 14.2 The Vendors shall use reasonable endeavours to retain the services of each of the Employees to the intent that their respective contracts of employment shall be continued until the Transfer Date. The Vendors shall not pending the Transfer Date

dismiss any of the Employees except with the Purchaser's consent which shall not be withheld in the case of serious misconduct

- 14.3 The Vendors shall indemnify the Purchaser against each and every cost claim liability expense or demand which relates to or arises out of any act or omission by the Vendors or any other event or occurrence prior to the Transfer Date and which the Purchaser may incur in relation to any contract of employment or collective agreement concerning the Employees or under statute pursuant to the Regulations
- 14.4 The Purchaser shall indemnify the Vendors against each and every cost claim liability expense or demand arising from any claim or allegation by an Employee that in consequence of the sale of the Business to the Purchaser there has been or will be a substantial change in such Employee's working conditions to his detriment
- 14.5 The Purchaser shall indemnify the Vendor against each and every cost claim liability expense or demand arising from any act or omission of the Purchaser in relation to any employee occurring after the Transfer Date whether for wrongful dismissal, unfair dismissal or otherwise.

## **15 Collection of Book Debts**

- 15.1 The Vendor shall be entitled to collect the Book Debts for its own account but the Vendor undertakes to the Purchaser that it will not issue or threaten to issue any court proceedings against any debtor in relation to any of the Book Debts without giving at least 28 days' prior written notice of its intention to do so to the Purchaser and the Purchaser shall have the right to purchase the Book Debts in question against payment to the Vendor of the full nominal amount thereof and the Vendor shall not issue or threaten to issue any court proceedings until the expiration of the said period of 28 days. In the event that the Vendor does subsequently bring court proceedings it shall do so in a reasonable manner having regard to the legitimate interests of the Purchaser in respect of the Business

15.2 Any sums received by the Purchaser after Completion from any debtor in respect of any of the Book Debts shall belong to the Vendor absolutely and shall be delivered to the Vendor as soon as reasonably practicable and in any event not later than 14 days after such sum has been received by the Purchaser but so that for the avoidance of doubt any money received by the Purchaser from a person who is both a debtor of the Business at the Transfer Date and a debtor in respect of any subsequent transaction shall in the absence of express direction by the debtor be deemed to have been received in respect of the earliest invoice

## **16 Vendors Warranties**

16.1 The Vendors jointly and severally warrant to and with the Purchaser that the Vendors Warranties are at the Transfer Date true and correct in all material respects Provided that the Purchaser shall not be entitled to claim that any fact constitutes a breach of any of the Vendors Warranties if and to the extent that such fact has been fully fairly and clearly disclosed in correspondence passing between the Vendors and the Purchasers and their respective solicitors.

16.2 The Vendors undertake to the Purchaser to indemnify the Purchaser fully at all times from and against all costs claims proceedings demands and expenses which the Purchaser may sustain incur or pay by reason of any breach of any of the Vendors' Warranties

16.3 Where any Vendors' Warranty refers to the knowledge information belief or awareness of the Vendors, the Vendors acknowledge that it has made full enquiry into the subject matter(s) of the Vendors' Warranty

16.4 The remedies of the Purchaser in respect of breach of any of the Vendors' Warranties shall continue to subsist notwithstanding Completion

## **17 DTE Warranties**



- 17.1 The DTE Shareholders acknowledge that the Vendors have agreed to enter into this Agreement and the transactions contemplated in it and the Shareholders Agreement on the basis of the DTE Shareholders giving the DTE Warranties
- 17.2 The DTE Shareholders hereby jointly and severally warrant to the Purchaser that subject only to clause 17.3 each of the DTE Warranties is true and accurate in all material respects.
- 17.3 The DTE Warranties are given subject to the matters fairly and clearly disclosed in correspondence passing between the Vendors and the Purchasers and their respective solicitors.
- 17.4 Subject to clause 17.3 none of the DTE Warranties shall be deemed in any way to be modified, qualified or discharged by reason of any investigation or inquiry made or to be made by or on behalf of the Vendors, and no information relating to the Purchaser of which the Vendors have knowledge (actual or constructive) shall prejudice any claim which the Vendors shall be entitled to bring or shall operate to reduce any amount recoverable by the Vendors pursuant to the DTE Warranties.
- 17.5 subject to clause 17.8 the DTE Shareholders jointly and severally undertake to indemnify the Vendors and to keep the Vendors fully and effectively indemnified on demand against all costs (including reasonable legal costs), expenses and liabilities (together with any value added tax) which the Vendors may reasonably incur, either before or after the commencement of any action, in connection with (i) the settlement of any claim by the Vendors against the DTE Shareholders under the DTE Warranties, (ii) any legal proceedings in which the Vendors claim that there has been a breach of the DTE Warranties and in which judgment is given for the Vendors or (iii) the enforcement of any such settlement or judgment
- 17.6 Each of the DTE Warranties shall be construed separately and none of the DTE Warranties shall limit or govern the extent, application or construction of any other of them

17.7 The DTE Warranties shall continue in full force and effect notwithstanding Completion

17.8 The liability of the DTE Shareholders in connection with this clause 17 shall be limited as follows:

17.8.1 Subject to clause 17.8.2 the DTE Shareholders shall not be liable in respect of any claim under this clause 17 where the amount of such claim does not exceed £500.00

17.8.2 The DTE Shareholders shall not be liable in respect of all and any claims made by the Purchaser under this clause 17 unless and until the aggregate cumulative liability of the DTE Shareholders in respect of all and any such claims exceeds £10,000.00 in which event the DTE Shareholders shall be liable for the entire amount of such liability and not just the excess over £10,000.00

17.9 The DTE Shareholders shall not be liable in respect of any claim under this clause 17 unless it shall have been made:

17.9.1 in the case of the DTE Warranties numbered 1 to 15 (inclusive) in the Fifth Schedule within 2 years of the Transfer Date; and

17.9.2 in the case of the DTE Warranties numbered 16 to 22 (inclusive) in the Fifth Schedule within 7 years of the Transfer Date

17.10 It is agreed between the parties that the DTE Shareholders shall have no liability to the Purchaser or the Vendors under this clause 17 to the extent that any loss occasioned has been recovered pursuant to any claim under clause 18.

## **18 Net Assets**

18.1 The DTE Shareholders jointly and severally warrant to the Vendors that as at the Transfer Date the Net Assets will be not less than the Minimum Value.

18.2 The Vendors entitlement to any remedy for a breach of the warranty given in clause 18.2 shall be subject to the following provisions:

- 18.2.1 The DTE Shareholders shall not be liable in respect of any claim under clause 18.1 where the amount of such claim does not exceed £500.00:
- 18.2.2 The DTE Shareholders shall not be liable in respect of all and any claims made by the Vendors under clause 18.1 unless and until the aggregate cumulative liability of the DTE Shareholders in respect of all and any such claims exceeds £10,000.00 in which event the DTE Shareholders shall be liable for the entire amount of such liability and not just the excess over £10,000.00.
- 18.2.3 The DTE Shareholders shall not be liable in respect of any claim under clause 18.1 unless it shall have been made within 2 years of the *Transfer Date in respect of a none Tax related matter and within 7 years of the Transfer Date in respect of Tax related matters*
- 18.3 Where the Vendors have made a claim or claims against the DTE Shareholders pursuant to clause 18.1 ("Claim") and the Claim is settled or resolved in the Vendors' favour, if the consequence is that the Net Assets of the Purchaser on the Transfer Date were less than the Minimum Value, the DTE Shareholders, shall, upon the deficit being either agreed or determined, direct the auditors of the Purchaser to apportion the liability for the deficit in the accounts of the Purchaser entirely to the DTE Shareholders and to the extent that there are insufficient funds available to meet the deficit pay to the Purchaser the deficit but **PROVIDED THAT** the Purchaser shall in its *accounts treat such payment as part of its trading income in the year of receipt.*
- 18.4 In determining whether the Net Assets are less than the Minimum Value it is agreed that no account shall be taken of any insurance excess or uninsured losses in relation to claims made after the Transfer Date against the

Purchaser for professional negligence or the costs and expenses of dealing with such claims payable by the Purchaser

## **19 Costs**

The Parties shall pay their own costs in connection with the negotiation preparation and implementation of this Agreement or any agreement incidental to or referred to in this agreement

## **20 General**

- 20.1 Completion shall not in any way prejudice or affect the operation of any of the provisions of this Agreement which contemplate or are capable of operation after Completion and accordingly all such provisions shall continue in full force and effect after Completion.
- 20.2 This Agreement and the Schedules to it and the documents referred to in this Agreement as being in the agreed terms shall constitute the entire agreement and understanding between the Parties with respect to all matters which are referred to and shall supersede any previous agreement(s) between the Parties in relation to the matters referred to in this Agreement
- 20.3 If any term or provision in this agreement shall in whole or in part be held to any extent to be illegal or unenforceable under any enactment or rule of law that term or provision or part shall to that extent be deemed not to form part of this agreement and the enforceability of the remainder of this agreement shall not be affected
- 20.4 No variations to this agreement shall be effective unless in writing and signed on behalf of each Party by a director or other authorised person

20.5 This agreement shall be governed by and construed in accordance with the law of England and Wales and the Parties submit to the non-exclusive jurisdiction of the High Court of England and Wales

## **21 Notices**

Any notice required to be given by any Party to any other party shall be in writing and shall be served by sending the same by pre-paid first class post or facsimile transmission or by delivering the same by hand to the registered office for the time being of the relevant Party or Parties and any notice so served shall be deemed to have been served:

- 21.1 if delivered by hand at the time of such delivery
- 21.2 if sent through the post 48 hours after the time of despatch and in proving service it shall be sufficient to prove in the case of a letter that such letter was properly delivered or stamped addressed and placed in the post (as the case may be) and
- 21.3 if sent by facsimile transmission at the time of transmission and in proving service it shall be sufficient to prove that such facsimile was duly despatched to a current telecopy number of the addressee for the said address for service

**IN WITNESS WHEREOF** this Agreement has been duly executed by the parties as a Deed the day and year first before written

## **FIRST SCHEDULE**

### **Part I**

**Authorised and issued share capital in each of the Companies comprising the Purchaser**

<u>Name of Company</u>	<u>Authorised Share Capital</u>	<u>Issued Share Capital</u>
DTE Business Advisory Services Limited	100,000 Ordinary Shares of £1.00 each	10,000 Ordinary Shares of £1.00 each
DTE Corporate Recovery and Insolvency Services Limited	50,000 Ordinary Shares of £1.00 each	10,000 Ordinary Shares of £1.00 each
WIA (North West) Limited	10,000 Ordinary of £1.00 each	100 Ordinary Shares of £1.00 each
Downham Train Epstein Plc	100,000 Ordinary Shares of £1.00 each	1000 Ordinary Shares of £1.00 each
DTE Insurance Brokers Limited	10,000 Ordinary Shares of £1.00 each	1,000 Ordinary Shares of £1.00 each
Sudden Solutions Limited	70,000 Ordinary Shares of £1.00 each	1000 Ordinary Shares of £1.00 each
DTE Financial Services Limited	100,000 Ordinary Shares of £1.00 each	1,000 Ordinary Shares of £1.00 each

**Part II**

**Existing directors and Secretary of each of the Companies comprising the Purchaser**

<u>Name of Company</u>	<u>Directors</u>	<u>Secretary</u>
DTE Business Advisory Services Limited	Keith Rodney Train Mervyn John MacDonald John Charles Turner Nicholas James Fall John Malcolm Titley Anthony John Taylor	Mervyn John MacDonald
DTE Corporate Recovery and Insolvency Services Limited	Keith Rodney Train John Malcolm Titley Andrew Poxon Alan Clifton Paul Reeves	Mervyn John MacDonald
DTE Financial Services Limited	Keith Rodney Train Mervyn John MacDonald John David Davenport	Mervyn John MacDonald

DTE Insurance Brokers Limited	Keith Rodney Train Michael John McNulty	Mervyn John MacDonald
WIA (North West) Limited	Keith Rodney Train Mervyn John MacDonald	Mervyn John MacDonald
Sudden Solutions Limited	Keith Rodney Train Mervyn John MacDonald John Charles Turner	Mervyn John MacDonald
Downham Train Epstein Plc	Keith Rodney Train Mervyn John MacDonald	Mervyn John MacDonald

## **SECOND SCHEDULE**

### **Employees**

Full Name	Address	Date of Birth	Start Date	Code	NI
Brij Taneja	48 Monks Avenue, New Barnet, Herts EN5 1DD				
Miss Oi Ling Li	102 Noel Road, West Acton, London W3 0JS	22 February 1973	3 August 1999		
John Man-Kit Leung	10 Basterfield House, Golden Lane Estate, London EC1Y 0TN	16 October 1974	7 June 2000		
Mrs Sherri-Anne Williamson	106 Prayle Grove, Cricklewood, London NW2 1BE	30 August 1968	1 December 1997		
Mrs Jyoti Patwa	27 Stanway Gardens, Edgware, Middlesex HA8 9LN	20 November 1944	June/July 1989		
Paul Ward	32 Newark Way, Hendon, London NW4 4JL	26 April 1973	4 September 1995		
Ali Naraghi	7 Melior Court, 79 Shepherds Hill, London N6 5RQ	2 February 1963	2 August 1987		
Mrs Shannon LeRoux	67 Sevington Road, Hendon Central, London NW4 3RU	TBA	4 September 2000		
Miss Rasyihah Shamsudin	10 Lampard Grove, Stamford Hill, London N16 6UZ	5 November 1976	13 September 2000		
Shammy Mayer	2A Downhills Way, London N17 6BA	20 July 1960	23 June 2000		
Mrs Tasneem Bharmal	327 Nether Street, Finchley, London N3 1JJ	22 January 1974	7 February 2001		
Dhruv Pandya	21 Parkfield Crescent, North Harrow, Middlesex HA2 6LE	21 December 1976	8 October 2001		

### **THIRD SCHEDULE**

#### **Consideration**

<b><u>Name</u></b>	<b><u>Amount to be Credited to Loan Account with Advisory Services</u></b>
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Stephen Rosen	£54,002.40
---------------	------------

Pankaj Patel	£36,001.60
--------------	------------

#### **Number of Consideration Shares to be issued in each Company comprising the Purchaser**

<b><u>Name of Company</u></b>	<b><u>Stephen Rosen</u></b>	<b><u>Pankaj Patel</u></b>
DTE Business Advisory Services Limited	1,595	1,063
DTE Corporate Recovery and Insolvency Services Limited	1,595	1,063
WIA (North West) Limited	16	10
Downham Train Epstein Plc	160	106
DTE Insurance Brokers Limited	160	106
Sudden Solutions Limited	160	106
DTE Financial Services Limited	160	106

### **FOURTH SCHEDULE**

#### **The Vendor's Warranties**

#### **1 THE ACCOUNTS**

- 1.1 The Accounts present a true and fair view of the state of the affairs of the Business as at the Accounting Date



1.2 The Accounts correctly and fully set out all the assets and liabilities of the Business as at the Accounting Date and make full provision for all liabilities (other than contingent liabilities for which no provision or note would normally be made in accordance with proper accounting practice)

1.3 Since the Accounting Date there has been no material adverse change in the financial position of the Business

## **2 THE ASSETS**

2.1 The Vendors have good and marketable title to all the Assets and the Vendors own absolutely all such Assets free from and not subject to any incumbrance or claim of any kind

2.2 The Assets are all situated at the Property and comprise all of the assets and rights used in the Business at the Transfer Date

## **3 LITIGATION**

3.1 The Vendors are not engaged in connection with the Business whether as defendant or plaintiff in any litigation or arbitration or prosecution or other legal proceedings and to the best of their knowledge and belief there are no facts which are likely to give rise to the same

3.2 No governmental or official investigation or enquiry concerning the Business or the Property is to the Vendors' knowledge in progress or pending and there are no facts or circumstances known to the Vendors which are likely to give rise to any such investigation or enquiry

## **4 EMPLOYEES**

Full and accurate details have been supplied to the Purchaser as to the Employees' ages, length of service, rates of remuneration, bonus and commission, benefits in kind, periods of

notice, pension and other rights under any retirement benefits life assurance or hospital insurance scheme of the Vendors.

## **5 WORK IN PROGRESS**

During the twelve months immediately preceding the Transfer Date no substantial client has ceased or substantially reduced its business with the Vendors and no indication has been received by the Vendors that there will be any such change cessation or reduction

## **6 MATERIAL INFORMATION**

6.1 To the best of the Vendors' knowledge information and belief there is:

6.1.1 no fact or matter material to the value of the Assets or materially affecting the aggregate value of such Assets and

6.1.2 no fact or matter materially affecting the trading of the Business which has not been disclosed to the Purchaser and the disclosure of which might reasonably be expected materially to affect the willingness of the Purchaser to purchase such Assets at the aggregate price or the terms upon which the purchase is made (on the basis that the Purchaser will use such Assets for the purpose of carrying on the Business)

### **FIFTH SCHEDULE**

#### **The DTE Warranties**

## **1. Information**

1.1 All information which has been given by the Purchaser or its professional advisers to the Vendors or their professional advisers in the course of the negotiations leading to this Agreement was when given and is now true and accurate in all material respects.

1.2 The information contained in the Recitals and the First Schedule is true and accurate in all material respects.

1.3 To the best of the DTE Shareholders knowledge information and belief there is:

1.3.1 no fact or matter material to the value of the Purchaser or materially affecting the aggregate value of the Purchaser's Assets and

1.3.2 no fact or matter materially affecting the trading of the Purchaser

which has not been disclosed to the Vendors and the disclosure of which might reasonably be expected materially to affect the willingness of the Vendors to enter into and complete this Agreement or agree to do so on the terms of this Agreement

## **2. Constitution and Share Capital**

2.1 Apart from this Agreement, no Encumbrance (or agreement or commitment to grant or option giving the right to require the grant of any Encumbrance) is outstanding against any of the issued or unissued share or loan capital of the Purchaser.

2.2 The register of members of the Purchaser and the statutory books of the Purchaser have been properly kept and contain an accurate and complete record of the matters with which they should deal

2.3 The Purchaser has at all times carried on its business and affairs in accordance with its memorandum and articles of association.

2.4 The shares referred to in the First Schedule are legally held by DTE Nominees Limited as nominee for the DTE Shareholders (who are the beneficial owners thereof) and are fully paid and together represent the entire issued and allotted share capital of the Purchaser.

2.5 The copy of the Memorandum and Articles of Association of the Purchaser as supplied by the Purchaser's and the DTE Shareholders solicitors to the Vendors' Solicitors is true and complete.

- 2.6 No person has the right (whether exercisable now or in the future and whether contingent or not) to call for the issue or transfer of any share or loan capital of the Purchaser under any option or other agreement or otherwise howsoever.
- 2.7 Due compliance has been made in all material respects with the provisions of the Companies Act 1985 and all other legal requirements in the jurisdiction in which the Purchaser is incorporated, in connection with the formation of the Purchaser, the allotment, issue, purchase and redemption of shares, debentures and other securities in the Purchaser, any amendment to the memorandum or articles of association of the Purchaser and the passing of resolutions and the payment of dividends by the Purchaser.

### **3. Accounts**

- 3.1 The Purchasers' Accounts present a true and fair view of the state of affairs of the Purchaser as at the 30<sup>th</sup> April, 2000
- 3.2 All books of account and other accounting records of the Purchaser have been kept on a consistent basis, are in its possession, made up-to-date and contain the information required by law and generally accepted accounting principles.

### **4. Position since the Purchaser's Accounts date**

Since the 30<sup>th</sup> April, 2000 there has been no material adverse change in the financial position of the Purchaser.

### **5 Trading and Contractual Arrangements**

- 5.1 No power of attorney given by the Purchaser is in force and no person, as agent or otherwise, is entitled or authorised to bind or commit the Purchaser, other than the Purchaser's directors in the ordinary and routine course of business.

- 5.2 The Purchaser has not given any guarantee, indemnity or security for or otherwise agreed to become directly or contingently liable for any obligation of any other person

## **6. Grants**

The Purchaser has not applied for any investment grant or other similar payment and no such grant, subsidy or payment paid or due to be paid to the Purchaser is liable to be refunded or withheld in whole or in part in consequence of any action or omission of the Purchaser.

## **7. Compliance with Laws and Licences**

- 7.1 So far as the DTE Shareholders are aware the Purchaser is not in material default under any laws, regulations, orders or other obligations binding on it.
- 7.2 The Purchaser has obtained, has in all material respects complied with and holds all licences, consents, approvals, permissions, permits and authorities (public and private) necessary or desirable in connection with carrying on business as carried on by the Purchaser and, so far as the DTE Shareholders are aware, there are no facts or circumstances which would be likely to give rise to any of them being suspended, cancelled or revoked or not renewed.

## **8 Litigation**

- 8.1 Neither the Purchaser nor, any of its officers, is being prosecuted for any criminal offence, there are no such prosecutions pending or threatened and, there are no facts or circumstances which may give rise to any such prosecution.
- 8.2 No litigation or arbitration proceedings commenced by or against the Purchaser or which have been threatened to be so commenced have been settled or compromised.

- 8.3 Neither the Purchaser nor any of the DTE Shareholders is subject to any order unsatisfied or judgement given by any court, governmental agency or other regulatory or professional body nor are any of them party to any undertaking or assurance given to any court, governmental agency or other regulatory or professional body which is still in force nor are there any facts or circumstances which may result in the Purchaser or any of the DTE Shareholders becoming subject to any such order or judgement or being required to be a party to any such undertaking or assurance.

## **9 Property**

- 9.1 The Purchaser is not and never has been actually or contingently liable (whether as the original contracting party or otherwise) as vendor, landlord, developer or otherwise in any way whatsoever under any agreement, lease, covenant or other document relating to freehold or leasehold property.
- 9.2 The Purchaser does not own and has not owned any estate or interest in any land or buildings.

## **10. Officers and Employees**

- 10.1 Those persons named as such in Part II of the First Schedule are the only directors of the Purchaser and the secretary of the Purchaser respectively.
- 10.2 No person is a shadow director of the Purchaser.
- 10.3 Other than death in service policies for the DTE Shareholders the Purchaser is not under any legal liability nor does it have any formal or informal arrangements to pay pensions, gratuities, superannuation allowances, death, incapacity, sickness, disability, accident or other like benefits (including the payment of medical expense) for any of its past or present directors or officers or their dependants or any other person.

## **11. Intellectual Property Rights**

- 11.1 The Purchaser does not own any patents trade marks service marks registered designs and analogous rights ("Intellectual Property") nor has it granted nor been granted any licences in respect of any Intellectual Property to or by any person.
- 11.2 So far as the Purchaser is aware they do not infringe any Intellectual Property of any third party nor does it use without licence (express or implied) information confidential to any person nor is it liable to pay any royalty or similar payment in respect of Intellectual Property
- 11.3 The Purchaser does not trade under any name other than its full corporate name and "DTE".

## **12. Subsidiaries**

Save for Downham Rose Nominees Limited and Corporate Strategies Plc the Purchaser has never had any subsidiaries or subsidiary undertakings and has no legal or beneficial interest in the shares of any other Company and has not agreed to acquire or dispose of any such shares, nor has it since its incorporation at any time been a member of any joint venture, consortium, partnership or other unincorporated association.

## **13. Insolvency**

- 13.1 No receiver or administrative receiver has been appointed of the whole or any part of the assets or undertaking of the Purchaser.
- 13.2 No administration order has been made in relation to the Purchaser and no petition for such an order has been presented.
- 13.3 No proposal for a voluntary arrangement between the Purchaser and its creditors (or any class of them) has been made to or is in the contemplation of the Purchaser.

- 13.4 No petition has been presented, no order has been made and no resolution has been passed for the winding-up of the Purchaser.
- 13.5 The Purchaser has not stopped payment to its creditors nor is it insolvent or unable to pay its debts as and when they fall due.
- 13.6 No unsatisfied judgement is outstanding against the Purchaser.

**14. Interests of DTE Shareholders**

**14.1 There are:-**

14.1.1 no loans made by the Purchaser to any of the DTE Shareholders and/or any of the directors of the Purchaser and/or any associate of any of them;

14.1.2 no debts owing to the Purchaser by the DTE Shareholders and/or any of the directors of the Purchaser and/or any associate of any of them; and

14.1.3 no securities for any such loans or debts as aforesaid.

14.2 There are no existing contracts or engagements to which the Purchaser is a party and in which the DTE Shareholders and / or any of the directors of the Purchaser and / or any associate of any of them is interested and the Purchaser does not depend upon or derive any benefit from any assets, facilities or services owned or supplied by the DTE Shareholders or any of their associates.

14.3 The Purchaser and the DTE Shareholders have the requisite power and authority to enter into and perform this Agreement.

14.4 The execution and delivery of and the performance by the Purchaser and the DTE Shareholders of their obligations under this Agreement will not:-

14.4.1 result in a breach of, or constitute a default under, any agreement, instrument or arrangement to which the Purchaser or the DTE Shareholders are a party or by which any of them is bound; or



14.4.2 result in a breach of any order, judgement or decree of any court or governmental agency to which the Purchaser or the DTE Shareholders are a party or by which any of them is bound.

## **15. Effect of Agreement**

Compliance with the terms of this Agreement does not require the consent or agreement of any person who is not a party to this Agreement, and so far as the DTE Shareholders are aware will not cause the Purchaser to lose any interest in or benefit of any asset, right, licence or privilege it presently owns or enjoys, will not relieve any person of any obligation to the Purchaser and will not cause the Purchaser to be in breach of any of its obligations.

## **16. Accounts, Returns and Information**

- 16.1 All returns, computations and payments which should have been made by the Purchaser for any Tax purpose have been made materially within the requisite periods and are so far as the DTE Shareholders are aware in all material respects up-to-date, correct and on a proper basis.
- 16.2 Since 30<sup>th</sup> April, 2000 no further liability or contingent liability for Tax on the Purchaser has arisen or is likely to or will arise otherwise than as a result of transactions (not including distributions) entered into by the Purchaser in the ordinary course of business 30th April, 2000.
- 16.3 The DTE Shareholders are not aware of any circumstance which will or may, whether by lapse of time or the issue of any notice of assessment or otherwise, give rise to any dispute with any relevant taxation authority in relation to the Purchaser's liability or accountability for Tax or any relief, deduction, or allowance afforded or to be afforded to it.

- 16.4 The Purchaser has not since 30<sup>th</sup> April, 2000 incurred nor has it become liable to incur after that date expenditure exceeding £100,000.00 which will not be wholly deductible in computing its taxable profits.

**17. Payments of tax and withholdings**

- 17.1 The Purchaser is not nor will it become liable to pay or make reimbursement or indemnity in respect of any Tax (or amounts corresponding thereto) in consequence of the failure by any person to discharge that Tax within any specified period or otherwise, where such Tax relates to a profit, income or gain, transaction, event, omission or circumstance arising, occurring or deemed to arise or occur (whether wholly or partly) prior to Completion.
- 17.2 The Purchaser has duly deducted and accounted for all amounts which it has been obliged to deduct or withhold in respect of Tax.

**18. Close Company provisions**

- 18.1 The Purchaser is and at all times has been a close company within the meaning of Sections 414 and 415 of ICTA and no loan or advance within Sections 419, 420 or 422 of ICTA has ever been made by the Purchaser.
- 18.2 There is no outstanding Inland Revenue charge (as defined in Section 237 of the Inheritance Taxes Act 1984 ("IHTA")) over any asset of the Purchaser or over any of the shares in the capital of the Purchaser
- 18.3 There are in existence no circumstances by virtue of which any such power as is mentioned in Section 212 IHTA could be exercised in relation to any asset of the Purchaser or to any part of its share capital or by virtue of which any such power could be exercised but for the provisions of Section 204(6) of the IHTA.
- 18.4 The Purchaser has not at any time made a transfer of value which is or may be liable to taxation under the provisions of Section 94 of the IHTA.

**19. General**

- 19.1 The execution or completion of this Agreement will not result in any profit or gain being deemed to accrue to the Purchaser for taxation purposes nor will any sums payable under any obligation incurred by the Purchaser prior to Completion cease to be allowable for taxation purposes.
- 19.2 The Purchaser has not given or been required to give any security for Tax.

**20. Value Added Tax – General**

- 20.1 The Purchaser:-
- 20.1.1 is duly registered and is a taxable person for the purposes of value added tax;
- 20.1.2 has complied in all respects with all statutory requirements, orders, provisions, directions or conditions relating to value added tax;
- 20.1.3 maintains complete, correct and up-to-date records for the purposes of all legislation relating to value added tax and is not subject to any condition imposed by the Commissioners of Customs and Excise under paragraph 6 of Schedule 11 to the Value Added Tax Act 1994 ("VATA");
- 20.1.4 is not in arrears with any payment or returns under legislation relating to value added tax;
- 20.1.5 has not been required by the Commissioners of Customs and Excise to give security under paragraph 4 of Schedule 11 to the VATA.
- 20.2 All supplies of goods and services made by the Purchaser are taxable supplies for the purposes of the VATA and the Purchaser has not been and will not be denied credit for any input tax by reason of the operation of Section 26 of the VATA.

- 20.3 All goods or services supplied to the Purchaser, or goods imported by the Purchaser, in respect of which the Purchaser has claimed credit for input tax under Section 25 of the VATA, are used or to be used wholly for the purposes of the Purchaser business.
- 20.4 The Purchaser is not, and has not agreed to become, an agent, manager or factor for the purposes of Section 47 of the VATA of any person who is not resident in the United Kingdom.
- 20.5 The Purchaser is not and has never been nor agreed to become a member of a VAT group.

## **21. Stamp Duty**

All documents in the possession or under the control of the Purchaser or to the production of which the Purchaser is entitled and which the Purchaser was a party to and which, in the United Kingdom or elsewhere, attract either stamp duty or require to be stamped with a particular stamp denoting that no duty is chargeable or that the document has been produced to the appropriate authority, have been properly and fully stamped; and no such documents which are outside the United Kingdom would attract stamp duty if they were brought into the United Kingdom.

## **22. Anti-avoidance**

- 22.1. The Purchaser has not been and is not now a party to any transaction or arrangement containing steps inserted without any commercial or business purpose or designed partly or wholly to reduce a liability to taxation.
- 22.2. The Purchaser has not carried out nor been engaged in any transaction or arrangement in respect of which there may be substituted for the actual consideration given or received by the Purchaser a different consideration for any Tax purposes.

**SIXTH SCHEDULE**

**Equipment**

(See inventory annexed hereto)

**SIGNED AS A DEED** by the said )  
**STEPHEN ROSEN** in the )  
presence of:- )

*S. Rosen*

WITNESS SIGNATURE: *D. Aaron*

NAME: *D. Aaron*

ADDRESS: *41.5 College Crescent, London, NW3 5L*

OCCUPATION: *Solicitor*

**SIGNED AS A DEED** by the said )  
**PANKAJ PATEL** in the )  
presence of:- )

*Pankaj Patel*

WITNESS SIGNATURE: *D. Aaron*

NAME: *as above*

ADDRESS:

OCCUPATION:

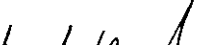

W. M. D. and  
K. D. D.

Jeffrey  
Kauter


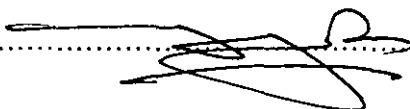
Michael Donald  
Kendrick

Wm. A. Arnold  
Kendall

2/7/54

a)  

**EXECUTED AS A DEED**  
by the said **DTE FINANCIAL**  
**SERVICES LIMITED**  
acting by two directors or a  
director and company secretary

)  
)  
) .....   
)  
) ..... 

**SIGNED AS A DEED** by the said )  
**KEITH RODNEY TRAIN** in )  
the presence of:- )



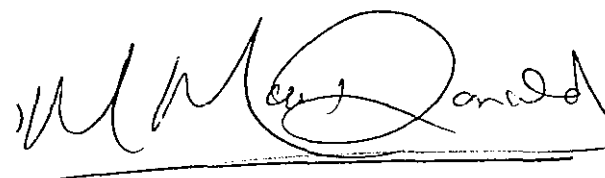
WITNESS SIGNATURE:  .....

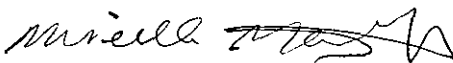
NAME: ABAILEY .....

ADDRESS: 21 RIVERBANK DRIVE, BURN, BL8 1UR .....

OCCUPATION: SECRETARY .....

**SIGNED AS A DEED** by the said )  
**MERVYN JOHN MACDONALD** in )  
the presence of:- )



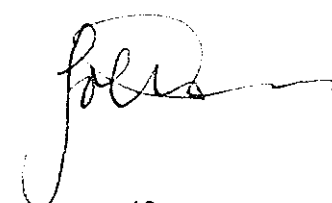
WITNESS SIGNATURE:  .....

NAME: Mireille mawdsley .....

ADDRESS: 24 moorside Road, Tottington, BL8 3HR .....

OCCUPATION: P.A. .....

**SIGNED AS A DEED** by the said )  
**JOHN CHARLES TURNER** in )  
the presence of:- )



WITNESS SIGNATURE: Mireille Mawdsley  
NAME: Mireille Mawdsley  
ADDRESS: 84 Moss Side Road, Tottington, BL8 3AR  
OCCUPATION: P.A.

**SIGNED AS A DEED** by the said )  
**JOHN MALCOLM TITLEY** in )  
the presence of:- )

John Titley

WITNESS SIGNATURE: A Bailey  
NAME: A. BAILEY  
ADDRESS: 21 RIVERBANK DRIVE, BURY, BL8 1UR  
OCCUPATION: SECRETARY

**SIGNED AS A DEED** by the said )  
**NICHOLAS JAMES FAIL** in )  
the presence of:- )

Nicholas James Fail

WITNESS SIGNATURE: A Bailey  
NAME: A. BAILEY  
ADDRESS: 21 RIVERBANK DRIVE, BURY, BL8 1UR  
OCCUPATION: SECRETARY



## **KRAMERS**

### **INVENTORY @ 31 OCTOBER 2001 @ PARK HOUSE, 26 NORTH END ROAD, LONDON NW11 7PT**

Whole building is carpeted or tiled throughout as well as net curtains or blinds throughout plus Fire Extinguishers to all floors.

#### **Ground Floor**

Cloakroom	-	Built in washbasin
	-	Toilet
	-	1 x mirror
	-	1 x hand dryer
	-	1 x boiler
Office 1	-	3 x desks
	-	1 x coffee table
	-	3 x chairs
	-	1 x fan
	-	2 x 2 draw metal filing cabinets
	-	1 x printer
	-	3 x computers
	-	2 x telephones
	-	1 x central telephone equipment
	-	1 x laptop computer
Boardroom	-	1 x boardroom table
	-	6 x chairs
	-	2 x cabinets
	-	1 x telephone
	-	1 x silver coloured vase
	-	1 x ornamental stand
	-	1 x fan
	-	4 x pictures
Office 2	-	3 x desks
	-	2 x printers
	-	3 x chairs
	-	1 x telephone
	-	2 x computers
	-	2 x fans
	-	Store cupboard (full of building maintenance items)
Reception	-	2 x leather chairs
	-	1 x small table
	-	1 x plant
	-	2 x vases
	-	1 x chair
	-	1 x reception desk
	-	1 x fax machine
	-	1 x printer
	-	1 x computer
	-	1 x audio machine
	-	1 x telephone

## 1<sup>st</sup> Floor

Office 1	-	2 x book cases
	-	1 x telephone
Photocopier room	-	1 x telephone
	-	1 x desk
	-	1 x photocopier
	-	1 x water dispenser
	-	1 x computer
	-	1 x printer
	-	1 x upright metal form filing cabinet
Office 2	-	2 x book cases
	-	1 x leather chair
	-	2 x wood/upholstered chairs
	-	1 x desk
	-	1 x sideboard
	-	1 x computer
	-	1 x fan
	-	1 x telephone
	-	3 x pictures
	-	1 x upright lamp
Cloakroom	-	1 x toilet
	-	1 x washbasin
	-	1 x mirror
	-	1 x hand dryer
Office 3	-	1 x desk
	-	1 x storage cabinet
	-	2 x chairs
	-	1 x 4 draw metal filing cabinet
	-	1 x telephone
	-	1 x fan
	-	1 x computer
	-	2 x book cases
Kitchen	-	1 x fridge
	-	1 x microwave
	-	1 x kettle
	-	1 x sink and cupboard unit
	-	1 x double cupboard unit
	-	various cutlery, cups, glasses, plates etc
Storage	-	1 x cupboard – various stationery etc
	-	1 x under stair cupboard – various stationery etc

## 2<sup>nd</sup> Floor

Office 1	-	1 x desk
	-	3 x leather chairs
	-	1 x 4 draw wooden cabinet
	-	2 x book cases
	-	1 x telephone
	-	1 x lamp
	-	3 x 4 draw metal filing cabinets
Cloakroom	-	1 x toilet
	-	1 x washbasin
	-	1 x boiler
	-	1 x mirror
Office 2	-	1 x desk
	-	4 x metal filing units
	-	1 x book case
	-	2 x chairs
	-	1 x picture
	-	1 x wood storage unit
	-	1 x computer
	-	1 x printer
	-	1 x telephone
	-	1 x fan
	-	1 x binding machine
	-	1 x upright lamp
	-	2 x upright metal form cabinets
	-	1 x audio machine
Office 3	-	1 x desk
	-	3 x leather chairs
	-	1 x computer
	-	1 x telephone
	-	1 x mirror
	-	1 x fan
	-	1 x large sideboard
	-	1 x small sideboard
	-	4 x pictures
Office 4	-	1 x desk
	-	1 x chair
	-	1 x telephone

### **3<sup>rd</sup> Floor**

- 7 x desks
- 4 x metal filing units
- 2 x 4 draw metal filing cabinets
- 1 x 2 draw metal filing cabinet
- 3 x telephone
- 2 x fans
- 8 x chairs
- 7 x computers
- 3 x printers
- 1 x metal storage cupboard
- 1 x picture
- 1 x scanner

Space used for storing ladders, wallpaper etc

Various old computers and printers throughout the building