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26 June 2004

HAYS COMMERCIAL SERVICES LIMITED

DX NETWORK SERVICES LIMITED

AGREEMENT

**for the sale and purchase of the business and
assets of the DX division of
Hays Commercial Services Limited and of the
shares of DX Electronic Services Limited**



FRESHFIELDS BRUCKHAUS DERINGER

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THIS AGREEMENT is made on 26 June 2004

BETWEEN

- (1) **HAYS COMMERCIAL SERVICES LIMITED** whose registered office is at Hays House, Millmead, Guildford, Surrey GU2 4HJ (the *Vendor*); and
- (2) **DX NETWORK SERVICES LIMITED** whose registered office is at DX House, Ridgeway, Iver, Buckinghamshire, SL0 9JQ (the *Purchaser*)

WHEREAS the Vendor has agreed to sell the Business (as defined below) to the Purchaser for the consideration and upon the terms set out in this Agreement

IT IS HEREBY AGREED AS FOLLOWS:

1. DEFINITIONS

- 1.1 Words and expressions used in this Agreement shall have the meanings set out in Schedule 1 unless the context requires otherwise.
- 1.2 The headings in this Agreement shall not affect its interpretation.
- 1.3 The Schedules comprise schedules to this Agreement and form part of this Agreement.

2. AGREEMENT TO SELL AND PRICE

2.1 The Vendor shall sell and transfer (or procure the sale and transfer of) the Business and the Purchaser shall purchase and take over the Business, as a going concern with effect from Completion, and which shall include the following Business Assets, on the terms that the same covenants shall be deemed to be given by the Vendor on Completion in relation to the Business Assets as are implied under Part I of the LPMPA where a disposition is expressed to be made with full title guarantee:

- (a) such of the assets as are owned by the Vendor and which are used exclusively or predominantly in the Business (excluding, for the avoidance of doubt, the Cash);
- (b) (subject to the provisions of Schedule 2) the Properties;
- (c) the Leasehold Improvements;
- (d) the Loose Plant and Equipment;
- (e) raw materials, stocks and finished goods of the Business;
- (f) the benefit (subject to the burden) of all Contracts which remain outstanding in whole or in part at the Completion Date;
- (g) the benefit of all Claims subsisting at the Completion Date;

- (h) the Trade Debtors;
- (i) the shares of the Vendor in the Subsidiary (together with all rights attaching to them, including any dividend or other distribution declared or paid on or after the date of this Agreement);
- (j) the Business IPR;
- (k) the Goodwill.

2.2 The Purchaser shall assume and discharge the Assumed Liabilities in accordance with clause 5.1.

2.3 The consideration for the sale and transfer by the Vendor of the Business (excluding the shares in the Subsidiary), shall be:

- (a) the issue to the Vendor of DX Loan Notes with an aggregate principal value of £80,666,000;
- (b) the issue to the Vendor of 100,000,000 shares of 1p each in the capital of the Purchaser credited as fully paid up; and
- (c) the assumption and discharge of the Assumed Liabilities in accordance with clause 5.1.

2.4 The consideration for the sale and transfer by the Vendor of the shares in the Subsidiary shall be £1.

2.5 If required the parties agree that the Assumed Liabilities should be apportioned pro rata between the Business Assets.

2.6 When the Management Accounts have been prepared the amounts shown therein (if any) as the value of each category of Business Assets set out in Schedule 3 (to the extent the value is not detailed in Schedule 3 at the date of this Agreement) shall be the value of each such category of Business Assets for the purposes of this Agreement. If no value is shown in the Management Accounts or in Schedule 3 at the date of this Agreement the value ascribed to such assets for the purposes of Schedule 3 shall be £1. The aggregate nominal value of the securities referred to in clause 2.3 (a) and (b) above, plus the aggregate value of the Assumed Liabilities less the total value of the Business Assets as shown in Schedule 3 shall be the value of the Goodwill. The parties agree that the ascribing of values to the Business Assets in this way is for record keeping purposes only and shall not in any way alter or adjust the consideration payable pursuant to clause 2.3 and clause 2.4.

2.7 The Management Accounts shall be prepared in a manner consistent with that adopted in the preparation of the management accounts of the Business for all monthly periods ended during the six months prior to 26 June 2004.

3. COMPLETION

3.1 The sale and purchase of the Business Assets shall be completed immediately after this Agreement is signed, when the events detailed in the remainder of this clause 3 shall take place.

3.2 On Completion, the Vendor shall cause to be delivered or made available to the Purchaser:

- (a) such documents as the Purchaser may reasonably require to complete the sale and purchase of the Business Assets (including but not limited to its interest in the Properties (subject to the provisions of Schedule 2) and the Subsidiary) together with all deeds and documents of title relating thereto;
- (b) possession of such of the Business Assets as are tangible including:
 - (i) all lists of customers, inventories, books of account and records (whether in computerised or other form) relating to the Business; and
 - (ii) all the designs and drawings, plans, manufacturing data, research and development data, prototypes, research materials, technical and sales publications, advertising material, computer media and other technical and sales matter of the Vendor in relation to the Business, together with any plates, blocks, negatives and other like material relating thereto;
- (c) a share transfer form (together with the relative share certificate) duly executed by the Vendor in favour of the Purchaser in respect of the shares of the Vendor in the Subsidiary; and
- (d) duly executed copies of the Registered IPR Assignment.

3.3 The Purchaser shall cause to be delivered or made available to the Vendor duly executed copies of the Registered IPR Assignment.

3.4 The Purchaser shall issue the Vendor a certificate in respect of the issue of DX Loan Notes in the aggregate principal amount of £80,666,000.

3.5 The Purchaser shall issue a share certificate to the Vendor in respect of the issue, credited as fully paid up, of 100,000,000 shares of 1p each in the capital of the Purchaser.

3.6 If and to the extent that any documents of transfer are not available at Completion, the parties shall arrange for appropriate transfer documents to be prepared and completed as soon as practicable after Completion.

4. TITLE AND SUPPLEMENTARY PROVISIONS

4.1 Beneficial ownership and risk in respect of the Business Assets shall pass to the Purchaser on Completion. Title to all Business Assets which can be transferred by

delivery shall pass on delivery and such delivery shall be deemed to take place at the Properties on Completion.

4.2 The Purchaser shall from the Completion Date duly and properly perform and discharge when due all the obligations and liabilities created by or arising under the Contracts and shall indemnify (on an after tax basis) and hold the Vendor harmless from and against all proceedings, claims, actions, demands, obligations, damages, losses, costs and expenses which the Vendor may suffer or incur as a result of any failure by the Purchaser to carry out, perform and discharge those obligations and liabilities.

4.3 Insofar as the Business Assets comprise the benefit of Claims and the benefit (subject to the burden) of Contracts which cannot effectively be assigned or transferred by the Vendor to the Purchaser except by agreements of novation or without obtaining a consent, an approval, a waiver or the like from a third party (**Consents**), to the extent that such Consent has not been obtained on or before the Completion Date:

- (a) the Vendor shall (upon the request of the Purchaser) take all reasonable steps to procure that such Contracts are novated or assigned or the necessary Consents obtained and the Purchaser shall co-operate with the Vendor for such purpose;
- (b) unless or until each of such Contracts shall have been so novated or assigned or any necessary Consent obtained, the Vendor shall from the Completion Date receive and hold the benefit of the relevant Contract or Claim as trustee on trust for the Purchaser and shall pay to the Purchaser promptly upon receipt any sums received by it under any such Contract or pursuant to any such Claim;
- (c) the Purchaser shall from the Completion Date (at the Purchaser's cost) duly and properly perform and discharge when due all the obligations and liabilities created by or arising under any such Contracts and shall indemnify (on an after tax basis) and hold the Vendor harmless from and against all proceedings, claims, actions, demands, obligations, damages, losses, costs and expenses arising in connection with any such Contracts.

4.4 The Vendor shall with all due diligence execute such other documents and take such other steps as the Purchaser may reasonably require to vest the title to the Business Assets in the Purchaser and to give effect to this Agreement.

5. ASSUMED AND EXCLUDED LIABILITIES

5.1 The Purchaser hereby undertakes to the Vendor that it will duly and properly perform, assume and pay and discharge when due, and shall indemnify (on an after tax basis) and hold the Vendor harmless from and against any Assumed Liabilities and all proceedings, claims, actions, demands, obligations, damages, losses, costs and expenses which the Vendor may suffer or incur in respect of the Assumed Liabilities.

5.2 The Vendor hereby undertakes to the Purchaser that it will duly and properly perform, assume and pay and discharge when due, and shall indemnify (on an after tax basis) and hold the Purchaser harmless from and against any Excluded Liabilities and all proceedings, claims, actions, demands, obligations, damages, losses, costs and expenses which the Purchaser may suffer or incur in respect of the Excluded Liabilities.

6. PROPERTIES

The provisions of Schedule 2 shall apply to the sale of the Feuhold Property and the assignment of the Leasehold Properties. If and to the extent that there is any conflict between the provisions of Schedule 2 and the remainder of this Agreement the provisions of Schedule 2 shall prevail (except where there is a conflict relating to indemnities where the provisions of clause 5 above shall prevail).

7. EMPLOYEES

7.1 The parties acknowledge and agree that the sale of the Business from the Vendor to the Purchaser is a "relevant transfer" within the meaning of TUPE.

7.2 The Purchaser shall indemnify (on an after tax basis) and hold the Vendor harmless from and against any Employment Liabilities and all proceedings, claims, actions, demands, obligations, damages, losses, costs and expenses which the Vendor may suffer or incur in respect of such Employment Liabilities which arise from the employment of the Employees or former employees by the Vendor or the Purchaser whether before, on or after the Completion Date or which are attributable to any breach or default by the Vendor or the Purchaser in relation to any of the Employees.

8. PENSIONS

8.1 The Vendor and the Purchaser undertake to use their reasonable endeavours to procure that:

- (a) the Purchaser is admitted to participate in the Hays Pension Scheme in respect of the Pensionable Employees on and from Completion;
- (b) the Purchaser is substituted as the relevant participating employer of the ICS Pension Schemes on and from Completion; and
- (c) the Purchaser is substituted as sponsoring employer of the Hays Stakeholder Pension Plan in respect of those Employees who participate in the Hays Stakeholder Pension Plan on and from Completion.

9. TAX

9.1 Any sum payable under this Agreement is exclusive of VAT. Any VAT is to be paid by the Vendor or the Purchaser (as the case may be) on receipt of a VAT invoice by the supplier (being the Vendor or the Purchaser as the case may be).

9.2 The parties shall use all reasonable efforts to ensure that the transfer of the Business is treated as a transfer of a business as a going concern for the purposes of section 49 of the Value Added Tax Act 1995 and article 5 of The Value Added Tax (Special Provisions) Order 1995 (*Article 5*), including the making by the Purchaser of any election to waive exemption that may be required for this purpose.

9.3 In relation to the Taxable Properties, the Purchaser hereby notifies the Vendor that paragraph (2B) of Article 5 does not apply to the Purchaser and the Purchaser undertakes to notify the Vendor in writing if paragraph (2B) of Article 5 becomes applicable to the Purchaser at any time up to and including Completion.

9.4 Both parties shall elect, in accordance with the procedure laid down in section 100(1C)(c) of the Taxes Act (as inserted by the Finance Act 1995), that trading stock of the Business shall be valued for tax purposes at the Completion Date in accordance with section 100(1C) of the Taxes Act.

10. WRONG POCKETS

10.1 If it is determined that any asset or shareholding which forms part of the Business (excluding any Cash) has not been transferred to, or has not vested in, the Purchaser and the Purchaser gives the Vendor written notice of the same, provided such written notice is given within three months of the Completion Date the Vendor shall:

- : (a) provide such assistance to the Purchaser as the Purchaser reasonably requires for the purposes of clause 10.1(b) below; and
- (b) transfer, or procure the transfer of, such asset or shareholding, together with any benefit or sum (net of tax and other out of pocket expenses) accruing to the Vendor as a result of holding such asset or shareholding, as soon as practicable, to the Purchaser on terms that no consideration is provided by any person for such transfer.

10.2 If it is determined that any asset or shareholding which does not form part of the Business (including any Cash) has been transferred to, or has vested in, the Purchaser and the Vendor gives the Purchaser written notice of the same, provided such written notice is given within three months of the Completion Date the Purchaser shall:

- (a) provide such assistance to the Vendor as the Vendor reasonably requires for the purposes of clause 10.2(b) below; and
- (b) transfer, or procure the transfer of, such asset or shareholding, together with any benefit or sum (net of tax and other out of pocket expenses) accruing to the Purchaser as a result of holding such asset or shareholding, as soon as practicable, to the Vendor on terms that no consideration is provided by any person for such transfer.

10.3 Clauses 10.1 and 10.2 shall only take effect if Completion takes place in accordance with the terms of this Agreement and shall cease to have effect on the date which is three months after the Completion Date.

11. INTELLECTUAL PROPERTY LICENCE

11.1 The Purchaser grants to the Vendor with effect from Completion a perpetual non-exclusive, non-transferable, royalty-free, worldwide licence to use the Purchaser Licensed IPR in the same or substantially similar manner as it was used by the Vendor (other than in connection with the Business) immediately prior to Completion.

11.2 The Vendor grants to the Purchaser, with effect from Completion a perpetual non-exclusive, non-transferable, royalty-free, worldwide licence to use the Licensed IPR in the same or substantially similar manner as it was used in connection with the Business immediately prior to Completion.

12. ENTIRE AGREEMENT

12.1 This Agreement sets out the entire agreement and understanding between the parties in respect of the sale and purchase of the Business. It is agreed that:

- (a) neither party has entered into this Agreement in reliance upon any representation, warranty or undertaking of any other party which is not expressly set out or referred to in this Agreement;
- (b) all terms and conditions which are implied under the Sale of Goods Act in a contract of sale of goods to which that Act applies are expressly excluded from the sale and purchase under this Agreement, save that this clause shall not exclude any liability under section 12 of the Sale of Goods Act;
- (c) a party may claim in contract for breach of warranty under this Agreement but shall have no claim or remedy under this Agreement in respect of misrepresentation (whether negligent or otherwise, and whether made prior to, and/or in, this Agreement) or untrue statement made by the other party;
- (d) this clause shall not exclude any liability for, or remedy in respect of, fraudulent misrepresentation.

13. COUNTERPARTS

This Agreement may be executed in any number of counterparts and by the parties to it on separate counterparts, each of which is an original but all of which together constitute one and the same instrument.

14. FURTHER ASSURANCE

The Vendor agrees to perform (or procure the performance of) all further acts and things, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required by law or as the Purchaser may reasonably require, whether on or after Completion, to implement and/or give effect to this Agreement

and the transaction contemplated by it and for the purpose of vesting in the Purchaser the full benefit of the assets, rights and benefits to be transferred to the Purchaser under this Agreement.

15. SEVERABILITY

If any provision of this Agreement is held to be invalid or unenforceable, then such provision shall (so far as it is invalid or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the remaining provisions of this Agreement. The parties shall then use all reasonable endeavours to replace the invalid or unenforceable provision by a valid and enforceable substitute provision the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.

16. VARIATION

No variation of this Agreement (or of any of the documents referred to in this Agreement) shall be valid unless it is in writing and signed by or on behalf of each of the parties to it. The expression "variation" shall include any variation, supplement, deletion or replacement however effected.

17. NO RIGHTS UNDER CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

18. GOVERNING LAW

This Agreement and the relationship between the parties shall be governed by, and interpreted in accordance with, English law but in relation to any Property this Agreement shall be governed by the law of and subject to the jurisdiction of the territory in which such Property is located.

19. NON MERGER PROVISION

Notwithstanding completion of the sale and purchase as contemplated by this Agreement, Schedule 2 of this Agreement shall remain in full force and effect so far as anything contained therein remains to be implemented.

AS WITNESS this Agreement has been signed by or on behalf of the parties the day and year first before written.

SCHEDULE 1

DEFINITIONS

Assumed Liabilities means all Liabilities of the Business (including rates and Trade Creditors) to the extent that they relate to the Business and/or the Business Assets (including the Properties) but excluding the Excluded Liabilities and the Employment Liabilities;

Business means the business of the Vendor carried on as at the date of this Agreement and known as DX (including, for the avoidance of doubt, eDX);

Business Assets means all the undertaking and assets of the Vendor relating to the Business (but excluding Cash);

Business IPR means any Intellectual Property Rights that are owned by the Vendor and are used exclusively or predominantly in connection with the Business, including, without limitation, those registered rights set out in the Registered IPR Assignment, any Intellectual Property Rights vesting or vested in the Vendor pursuant to a contract but excluding any Retained IPR;

Cash means the aggregate of the cash held by the Vendor and credited or standing to the account of the Business as at the Completion Date;

Claims means the benefit of all rights and claims of the Vendor arising out of or in connection with the Business other than claims relating to Tax;

Completion means completion of the sale and purchase hereunder in accordance with clause 3;

Completion Date means the close of business on 26 June 2004;

Contracts means all contracts, engagements, licences, guarantees, agreements with consultants and other commitments relating to the Business (including Intellectual Property Licence Agreements and any equipment leases, but excluding the leases pursuant to which the Vendor holds the Leasehold Properties) and any licences or other agreements relating to the use and/or occupation of the DX Sites which have been entered into or undertaken by or on behalf of the Vendor in the course of the Business;

DX Loan Notes means the DX unsecured loan notes 2014 constituted by a loan note instrument dated of even date and to be issued by the Purchaser to the Vendor;

DX Sites means the DX exchanges held by the Vendor brief details of which have been agreed between the parties;

Employees means all the employees of the Vendor engaged exclusively or predominantly in the Business;

Employment Liabilities means costs, claims, charges, liabilities, demands, damages, fines, penalties, compensation awards or expenses arising in connection with all or any of the Employees;

Excluded Liabilities means:

- (a) any Liability (excluding any Employment Liabilities) to the extent that it arises as a result of fines and penalties imposed on the Vendor as a result of a breach by the Vendor of any law or regulation having the force of law, or licence from any relevant regulatory authority (including, without limitation, laws, regulations and licences which relate to environmental or health and safety matters) which are validly imposed by any regulatory authority or judicial body as a result of the activities of the Business before the Completion Date and any civil liability (to such regulatory authority, judicial body or third party) of the Vendor arising from the breach which gave rise to such fines and penalties (including in circumstances where, notwithstanding a breach which could give rise to a fine or penalty, no fine or penalty is imposed); and
- (b) any Liability relating to Tax;

Feuhold Property means that feuhold property known as 1 Rutland Square, Edinburgh Exchange, Edinburgh, Scotland EH1 2HS;

Goodwill means the goodwill of the Vendor in relation to the Business together with the exclusive right for the Purchaser to represent itself as carrying on the Business in succession to the Vendor;

Hays Pension Scheme means the Hays Pension Scheme established by a trust deed dated 6 April 1997 and made between Hays plc and Hays Pension Trustee Limited;

Hays Stakeholder Pension Plan means the Hays Stakeholder Pension Plan, established on 1 July 2001 by Prudential;

Holding company and **subsidiary** shall have the meanings attributed to them in sections 736 and 736A of the Companies Act 1985;

ICS Pension Schemes means each of the ICS (Management Services) Limited Retirement and Death Benefit Scheme administered by Standard Life under policy J30354 and the ICS (Management Services) Limited Group Personal Pension Plan administered by Standard Life under policy H81329;

Intellectual Property Licence Agreements means all existing agreements or arrangements between the Vendor and third parties insofar as they relate to the use of Intellectual Property Rights which have application to the Business;

Intellectual Property Rights means patents, trade marks, service marks, trade names, internet domain names, rights in designs, copyright (including rights in computer software and databases) and rights in databases, rights in know-how and other intellectual property rights, in each case whether registered or unregistered and

including applications for the grant of any such rights and all rights or forms of protection having equivalent or similar effect anywhere in the world;

LPMPA means the Law of Property (Miscellaneous Provisions) Act 1994;

Leasehold Improvements means capital expenditure which is categorised as leasehold property in the Management Accounts;

Leasehold Properties means all the properties held by the Vendor with a leasehold tenure short particulars of which have been agreed between the parties and shall include the Scottish Leasehold Properties;

Liabilities means all liabilities, duties and obligations of every description, whether deriving from contract, common law, statute or otherwise, whether present or future, actual or contingent or ascertained or unascertained and whether owed or incurred severally or jointly or as principal or surety;

Licensed IPR means any Intellectual Property Rights owned by the Vendor that is not Business IPR but is used in connection with the Business, excluding any Retained IPR;

Loose Plant and Equipment means all plant, machinery, motor vehicles, furniture, tools, equipment and capitalised software and consultancy costs owned by the Vendor and used in the Business;

Management Accounts means the management accounts of the Business before accounting for the transfer contemplated by this agreement for the year ended 26 June 2004;

Pensionable Employees means the Employees of the Vendor at Completion who are then active members of the Hays Pension Scheme and who are employed by the Purchaser immediately after Completion (including any members who are entitled to benefits on death in service only);

Properties means the Feuhold Property and the Leasehold Properties;

Purchaser Licensed IPR means such of the Business IPR as is predominantly (but not exclusively) used in connection with the Business;

Registered IPR Assignment means the document evidencing the assignment of such Business IPR as is registered or for which an application for registration has been made, the form of which is set out in Schedule 4;

Retained IPR means all Intellectual Property Rights and goodwill associated with the name "Hays" including, without limitation, any trade marks or domain names containing the name "Hays";

Sale of Goods Act means the Sale of Goods Act 1979 (as amended by the Sale and Supply of Goods Act 1994);

Scottish Leasehold Properties means the properties situate in Scotland which are leased to the Vendor;

Scottish Properties means the Feuhold Property and the Scottish Leasehold Properties;

Subsidiary means DX Electronic Services Limited (company number 04779641);

Tax means corporation tax, advance corporation tax, income tax, national insurance contributions, capital gains tax, inheritance tax, value added tax, capital duty, stamp duty, stamp duty reserve tax, stamp duty land tax, duties of customs and excise, all taxes, duties or charges replaced by or replacing any of them, and all other taxes on gross or net income, profits or gains, distributions, receipts, sales, use, occupation, franchise, value added, and all levies, imposts, duties, charges or withholdings in the nature of taxation, together with all penalties, charges and interest relating to any of the foregoing;

Taxable Properties means all those properties in relation to which the Vendor or a relevant associate (as defined in paragraph 3(7) of Schedule 10 to VATA) of the Vendor has made an election under paragraph 2 of Schedule 10 to the VATA to waive the exemption from VAT;

Taxes Act means the Income and Corporation Taxes Act 1988;

Trade Creditors means amounts owed in connection with the Business by the Vendor at the Completion Date in respect of trade creditors (excluding inter-company indebtedness other than: (i) amounts owed to DX Network Services Ireland Limited; and (ii) that incurred in the course of the Business to other members of the Vendor's Group), customers' prepayments in respect of contracts and trade bills payable;

Trade Debtors means amounts due in connection with the Business to the Vendor at the Completion Date in respect of trade debtors (excluding inter-company indebtedness other than: (i) amounts due from DX Network Services Ireland Limited; and (ii) that incurred in the course of the Business by other members of the Vendor's Group), amounts recoverable on contracts, payments in advance, trade bills receivable, prepayments and accrued income;

TUPE means the Transfer of Undertakings (Protection of Employment) Regulations 1981 as amended;

VATA means the Value Added Tax Act 1994;

Vendor's Group means the Vendor, any holding company of the Vendor and any subsidiary of the Vendor or any such holding company.

SCHEDULE 2

THE PROPERTIES

1. DEFINITIONS

In this Schedule unless the context otherwise requires the following expressions shall have the following meanings:

Accounting Period means in respect of each Leasehold Property, the annual or other relevant period specified in the Lease in respect of that Leasehold Property for the calculation of the service charge payable in respect of that Leasehold Property and in which the Actual Completion Date occurs;

Actual Completion Date means, in respect of each of the Properties, the date upon which completion of the sale and purchase of that Property actually takes place;

Consents means any necessary consent, waiver or deed of variation that is required from a Landlord under a Lease to transfer such Lease to the Purchaser and ***Consent*** shall be construed accordingly;

Court Proceedings means proceedings issued by the Vendor in a court of competent jurisdiction for a declaration (or in Scotland a decree of declarator) that a Consent has been unreasonably withheld or delayed in breach of the terms (expressly or impliedly) of the relevant Lease;

Landlord means in relation to each Leasehold Property the person who is the landlord for the time being under the Lease and includes any person from whom the Landlord derives title;

Lease means in respect of each Leasehold Property, the lease(s) underlease(s) and/or licence(s) under which the Vendor holds such Leasehold Property and other supplemental documents entered into thereto and ***Leases*** shall be construed accordingly;

Standard Conditions means the Standard Conditions of Sale (Third Edition);

the 1995 Act means the Landlord and Tenant (Covenants) Act 1995; and

Underleases means any occupational leases and/or underleases granted and still in force in respect of the Properties and any licences and other supplemental documents entered into thereto and ***Undertenant*** shall be construed accordingly.

2. INTERPRETATION

2.1 In this Schedule unless the context otherwise requires:

- (a) the *headings* are inserted for convenience only and shall not affect the interpretation of this Schedule;
- (b) any reference to an *enactment* or *statutory provision* is a reference to it as from time to time amended consolidated or re-enacted (with or without modification) and includes all instruments or orders made under such enactment;
- (c) *Purchaser* includes his executors and administrators;
- (d) *working day* means a day (other than a Saturday) on which clearing banks in the City of London are actually open for banking business during banking hours;
- (e) unless the context otherwise requires references to *transfer* shall be construed so as to include assign or assignment, and, in relation to the Scottish Properties, so as to include convey/dispone/assign or conveyance/disposition/assignation.

2.2 The Standard Conditions (as varied by paragraph 15 of this Schedule) are incorporated herein insofar as they are applicable to a sale by private treaty but, in relation to the Feuhold Property and the Scottish Leasehold Properties, subject to and in so far as not inconsistent with the provisions of Clause 15.2. Where this Agreement conflicts with the Standard Conditions the provisions of this Agreement shall prevail.

3. SALE AGREEMENT

3.1 The Vendor shall sell and the Purchaser shall purchase: (i) the Feuhold Property for an amount of £500,000; and (ii) each of the Leasehold Properties for an amount of £1 each.

3.2 Completion of the transfer of legal title to each Leasehold Property is conditional upon the Vendor obtaining the Consents required in respect of such Leasehold Property (the *Condition*).

3.3 If, in relation to any Leasehold Property:

- (a) the Vendor and the Purchaser agree in writing (making express reference to this paragraph) that a Landlord has unreasonably withheld and/or delayed any Consent; or
- (b) a declaration in the Vendor's favour (or in Scotland a decree of declarator) is obtained from the relevant court pursuant to Court Proceedings and the period of three months has passed since the perfection of the order for such declaration without any appeal against such declaration having been lodged by the Landlord or in Scotland the period of 14 days has passed since the interlocutor granting such decree without any appeal against such interlocutor having been lodged by the Landlord (the *Relevant Date*); or

(c) a notice is properly served pursuant to clause 8.6 of this Schedule,

then for the purposes of this Schedule, the Consent shall be deemed to have been granted on the date any such agreement is reached or on the Relevant Date or on the date of service of such notice (as the case may be) and, with effect from such date, the Condition shall be deemed to be satisfied and the Vendor's obligations under paragraph 8 shall cease in relation to such Lease.

4. COMPLETION

The sale and purchase of the Feuhold Property shall be completed on the Completion Date and the sale and purchase of each Leasehold Property shall be completed on the date which is five working days after the date on which the Condition is satisfied for such Leasehold Property or is deemed to have been pursuant to paragraph 3.3.

5. TITLE GUARANTEE

5.1 The Vendor sells the Properties (other than the Scottish Properties in relation to which Clause 5.2 below and Clause 13 shall apply) with full title guarantee but modifying the covenant by the Vendor under Section 4(i)(b) of the LPMPA so that the Vendor is not liable for any breach of a condition or tenant's obligation relating to the physical state of any of the Leasehold Properties.

5.2 Insofar as the term "full title guarantee" is not statutorily defined in Scotland the Vendor shall, subject to the terms of this Agreement convey/dispose its whole title and interest in the Feuhold Property and assign its whole right title and interest in the Scottish Leasehold Properties.

6. TITLE

6.1 In relation to any Properties held by the Vendor with a registered title such title shall be deduced and shall comprise official copies with title plans of the registers relating to such titles and full copies of field plans and copies of the Lease (where applicable) and of any documents referred to on the register (where applicable) except charges or incumbrances registered or protected on the register.

6.2 Title to the Properties having been deduced to the Purchaser's solicitors (as the Purchaser hereby admits) the Purchaser shall be deemed to have accepted such title and shall not raise any enquiries or requisitions thereon nor make any objections in respect thereof after the date hereof except where the subject matter of the enquiry or requisition is registered at H.M. Land Registry or the Central Land Charges Register after the date hereof.

6.3 The Vendor shall not be obliged to deduce title to any interest in reversion to the Leases and the Purchaser shall not raise any requisitions in respect of the same as to whether the Lease is a headlease or a more remote interest.

6.4 The Purchaser shall not raise any requisition in respect of the fact that:-

- (a) any original Leases and/or other documents are missing and that there is no lease documentation in respect of the Oxford property (details of which have been provided by the Vendor to the Purchaser); and/or
- (b) the tenants are holding over under the expired leases for certain Leasehold Properties (details of which have been provided by the Vendor to the Purchaser).

6.5 The provisions of this clause 6 shall not apply to the Scottish Properties.

7. MATTERS AFFECTING THE PROPERTIES

7.1 The Properties are sold and will be transferred subject to the following matters so far as they relate to the Properties and are still subsisting and capable of taking effect at the Actual Completion Date:

- (a) (where title to the Property is registered) any matters contained or referred to in the Property Register or the Charges Register of the registered title to the relevant Property kept at H. M. Land Registry other than mortgages or charges by way of legal mortgage and, in relation to Scotland, any matters contained or referred to in the Property and Personal Registers or in the Land Register for Scotland in relation to the relevant Scottish Property;
- (b) the conveyances forming part of the title to the Property and other deeds and documents applicable to each Property (if any);
- (c) any matters contained in or referred to in the Leases and any Underleases;
- (d) all rights of way light and air support drainage and other rights easements quasi-easements servitudes liabilities and public or private rights whatsoever and to any liability to repair or contribute to the repair of sewers drains pipes party structures and other like matters;
- (e) all overriding interests as set out in Schedule 1 or Schedule 3 (as appropriate) and sections 11(4) and 90 of the Land Registration Act 2002 (as amended by Schedule 12 of the Land Registration Act (Transitional Provisions)(No. 2) Order 2003 and in respect of the Scottish Properties all interests as set out in section 28(1) of the Land Registration (Scotland) Act 1979;
- (f) (other than in relation to the Scottish Properties) all Local Land Charges (whether or not registered before the date of this Agreement) and all matters capable of registration as Local Land Charges (whether or not actually registered);
- (g) all notices served and orders demands proposals or requirements made by any local or other public or competent authority;
- (h) all actual or proposed orders directions plans notices instruments charges restrictions conditions agreements or other matters arising under any statute relating to town and country planning and any laws and regulations intended

to control or regulate the construction demolition alteration or change of use of land or buildings or to preserve or protect the environment; and

- (i) all notices served and all other steps taken in connection with the review of rent reserved by the Leases whether or not such review has been completed at the date hereof or is still in course of negotiation or determination.

7.2 The Purchaser shall be deemed to purchase or accept a transfer with full knowledge and notice of the matters aforesaid and shall not raise any objection or requisition whatsoever in respect of the same.

8. OBTAINING THE CONSENTS

8.1 The Vendor shall as soon as possible and not later than ten working days after the date of this Agreement apply to the Landlords for the Consents.

8.2 The Vendor shall use its reasonable endeavours (including, without limitation, taking Court Proceedings at the request of the Purchaser except where the transfer is absolutely prohibited by the Lease or either the Vendor or the Purchaser is able to provide the opinion of a leading counsel specialising in landlord and tenant law that such Court Proceedings would be, on balance, unsuccessful) and the Purchaser will use its reasonable endeavours to assist the Vendor to obtain the Consents.

8.3 The Purchaser shall use its reasonable endeavours to satisfy the written requirements of the Landlord and shall take all reasonable steps to assist the Vendor in obtaining the Consents (including, without limitation, assistance in connection with any Court Proceedings or appeal in respect of them) and without prejudice to the generality of the foregoing shall:

- (a) provide to the Vendor all information, references and documents as shall be reasonably and properly requested by any Landlord to support any application for a Consent made by the Vendor in accordance with this Schedule or which may otherwise be agreed by the parties;
- (b) in any licence to assign, enter into direct covenants with the relevant Landlord to observe and perform the tenant's covenants and obligations contained in the Lease throughout the residue of the term of the Lease or, in the case of a new lease under the Landlord and Tenant (Covenants) Act 1995, until released; and
- (c) if lawfully and reasonably required, provide such guarantee, surety or other security for the obligations of the Purchaser (as tenant) under the Lease as is reasonably acceptable to the relevant Landlord,

to the intent that the Purchaser will take all reasonable steps and do all acts and make all payments which it is reasonably and properly necessary to be done to meet the lawful and reasonable requirements of the Landlord as aforesaid so as to ensure that the Consents are obtained.

8.4 The costs to the extent that they are reasonable and proper incurred by or awarded against the Vendor in obtaining the Consents and in pursuing Court

Proceedings and any appeal in respect of them (whether by the Vendor or the Landlord) shall be borne by the Purchaser.

8.5 If, in relation to any Leasehold Property, the Condition has not been satisfied or deemed satisfied by the date twelve (12) months after the date of this Agreement, or earlier if Consent is refused, the Vendor or the Purchaser may by written notice served on the other elect that the Vendor grants and the Purchaser accepts and that the Vendor grants an underlease of the whole of the premises demised by the Lease for the residue of the term granted by the Lease (less three days) and on the same terms (including without limitation the level of rent then reserved by the Lease) subject to any reasonable and proper amendments required by the Landlord as a condition of granting Consent or reasonably required by the Vendor (a *Sublease*). If a notice is served under this paragraph 8.5 then the provisions of this Schedule relating to the transfer of the relevant Leasehold Property to the Purchaser shall apply to the grant of a Sublease to the Purchaser *mutatis mutandis*.

8.6 If the Consent has not been obtained in respect of any Leasehold Property within thirty (30) months of the date of this Agreement and a sub-lease has not been granted pursuant to sub-clause 8.5 above, then either the Vendor or (provided that it has complied with its obligations contained in this Agreement so far as they relate to the Lease) the Purchaser shall be entitled by giving written notice to the other at any time thereafter require the Vendor to transfer and the Purchaser to take an assignment of the relevant Leasehold Property notwithstanding that Consent has not been obtained and the Purchaser shall in addition to any indemnity contained in the form of transfer indemnify the Vendor in relation to any breach of covenant by the Vendor under the relevant Lease occasioned by such transfer.

8.7 Upon service of notice pursuant to paragraph 8.6:

- (a) the Vendor and the Purchaser shall use their reasonable endeavours to procure the transfer of the relevant Leasehold Property as soon as reasonably practicable; and
- (b) the Vendor and the Purchaser shall each bear their own costs for procuring the assignment.

9. OCCUPATION BY PURCHASER

9.1 If, in relation to any Leasehold Property, the Condition has not been satisfied or deemed satisfied in accordance with paragraph 3.3 by Completion, the Purchaser shall, with effect from Completion, be entitled to receive the income from the relevant Leasehold Property and to occupy the relevant Leasehold Property (save to the extent that the same is subject to any Underlease) as licensee upon the terms and conditions contained in the Lease. Such licence shall be revocable by the Vendor if forfeiture (or in Scotland irritancy or intimation in writing by the Landlord threatening irritancy) on account of the Purchaser's occupation itself constituting a breach of covenant or condition in the Lease or the breach of an order of the Court cannot be avoided other than by requiring the Purchaser to vacate the relevant Leasehold Property.

9.2 Whether or not the Purchaser shall take occupation of any Leasehold Property as licensee pursuant to paragraph 9.1, the Purchaser shall, with effect from Completion, reimburse the Vendor all rents, service charges, insurance premiums and other sums payable by the tenant under the Lease (and the Vendor shall credit Purchaser for all income due from the relevant Leasehold Property) and shall observe the tenant's covenants and conditions contained therein and the covenants, conditions and obligations binding the Vendor contained in the Underleases and (if registered) the registers of the relevant titles in each case from Completion and shall keep the Vendor indemnified from and against all losses liabilities damages settlements reasonable and proper costs fees and expenses arising on account of any breach non-observance or non-performance thereof whether before, on or after the date hereof.

9.3 The Vendor shall promptly supply to the Purchaser copies of all invoices, demands, notices, accounts and other communications received by the Vendor or its agents in connection with any of the matters for which the Purchaser may be liable to make any payment or perform any obligation pursuant to paragraph 9.2, and shall at the Purchaser's cost take any steps and/or pass on any representations which the Purchaser may reasonably require to be made in connection with any such matters.

9.4 The Vendor shall not do or omit to do anything which would put either the Vendor or the Purchaser in breach of any of the tenant's covenants under the Leases and the Landlord's covenants under any Underleases and shall pay all rents, service charges, insurance premiums and other sums due to the Landlord under each Lease and shall keep the Purchaser indemnified from and against all losses liabilities damages settlements reasonable and proper costs fees and expenses arising on account of any non-payment thereof (except so far as such breach is occasioned by a breach of the provisions of this Schedule by the Purchaser).

9.5 In paragraphs 9.6 and 9.7, *Leases* means the Leases and the Underleases

9.6 The Vendor will not:

- (a) effect or accept any variation or surrender or other termination of any of the Leases; nor
- (b) serve any notices upon the Landlord or tenant thereunder; nor
- (c) in respect of any Lease where the rent is now or prior to assignment becomes subject to review, agree or take any steps in relation to any review of the rent

without the prior written consent of the Purchaser (such consent not to be unreasonably withheld or delayed) and the Vendor shall forthwith send a copy to the Purchaser of any notice or other communication received in connection with any of the Leases and agrees to keep the Purchaser fully informed in this regard. The Vendor shall, with all due expedition, take such action as the Purchaser may reasonably require in connection with any such rent review.

9.7 The proper costs and expenses incurred by the Vendor and the Purchaser in connection with any such review of rent shall be shared between the Vendor and the Purchaser according to the relationship between the length of the part of the relevant

rent review period falling before Completion and the length of the part falling after Completion (the former being borne by the Vendor and the latter being borne by the Purchaser), and the Purchaser and the Vendor shall indemnify each other accordingly.

9.8 The Vendor and the Purchaser will use their reasonable endeavours and will act in good faith in order to provide for the Purchaser the benefits of the Leases with effect from Completion, including (without limitation):

- (a) enforcement (at the cost and for the account of the Purchaser) of all rights of the Vendor against any other party thereto; and
- (b) taking or, as the case may be, joining in such action as the Purchaser may reasonably request (in either case at the expense of the Purchaser) to avoid, dispute, resist, appeal, compromise or defend any claim for forfeiture and/or for damages and/or the exercise or purported exercise of any rights or remedies resulting or arising from the occupation of the Purchaser prior to receipt or deemed receipt of the Consents.

10. TRANSFER/ASSIGNMENT

10.1 The transfer to the Purchaser of the Feuhold Property shall be in the form attached at Appendix A and in respect of each of the Leasehold Properties other than the Scottish Leasehold Properties shall be in the form of the deed of assignment attached at Appendix B and for the Scottish Leasehold Properties shall be in the form of the deed of assignation attached at Appendix C.

10.2 The Purchaser shall prepare and execute the transfer of each of the Properties in duplicate.

11. EXCLUSION OF TENANT'S FIXTURES AND FITTINGS

In relation to those Properties which are subject to Underleases any tenant's fixture or fitting is excluded from the sale.

12. INSURANCE

As between the Purchaser and the Vendor the Properties shall be at the risk of the Purchaser from Completion.

13. SCOTTISH PROPERTIES

13.1 In relation to the Feuhold Property the Vendor shall:

- (a) deliver to the Purchaser a Disposition of the Feuhold Property together with the Vendor's title to the Feuhold Property and the Purchaser shall be bound to accept any exclusion of indemnity by the Keeper of the Registers of Scotland.

13.2 In relation to each of the Scottish Leasehold Properties the Vendor shall:-

- (a) after receipt of the consent or the relevant order from a court, deliver to the Purchaser a validly executed assignation in respect of the relevant Scottish Leasehold Property;
- (b) deliver the Vendor's title to the tenant's interest in the Property; and
- (c) in the event that the Assignation in favour of the Purchaser invokes a first registration in the Land Register the Purchaser shall be bound to accept any exclusion of indemnity by the keeper of the Registers of Scotland.

13.3 In relation to all the Scottish Properties:-

- (a) the title will be taken as it stands and the Purchaser will be taken bound to have satisfied itself as to the extent and nature of the Scottish Properties and as to the validity, marketability, terms, conditions and extent of the title and of the Vendor's right to the Scottish Properties. Without prejudice to the foregoing the Purchaser will be bound to accept the title subject to such reservations, conditions, burdens, rights of pre-emption and restrictions on use as are contained in the title and will be bound to comply therewith. No Searches or Land Registration Form Reports will be exhibited or delivered other than those currently included in the deeds and documents comprising the Vendor's title to the Scottish Properties;
- (b) the Purchaser will accept that the Feuhold Property will be sold and the tenant's interest in the Scottish Leasehold Properties will be assigned under burden of any servitudes and rights of wayleave for laying and maintaining sewers, drains, pipes, cables, telegraph and telephone poles, wires and stays and others that may be laid in, through, under or across such property;
- (c) the Purchaser shall not raise any requisition in respect of the fact that any original leases or other documents are missing.

13.4 In relation to the Property (details of which have been provided by the Vendor to the Purchaser) under a Lease dated 16 January 2001 and 7 February 2001 and registered in the Books of Council and Session on 8 March 2001, the Vendor shall assign to the Purchaser all collateral warranties in its favour so far as it can competently do so.

14. RENT AUTHORITY LETTERS.

The Vendor shall on the Actual Completion Date hand to the Purchaser a separate letter addressed to each of the Undertenants or other occupiers of the Properties under the Underleases informing the Undertenant or occupier (as the case may be) of the sale of the relevant Property to the Purchaser and directing the party in whom the Underleases are vested to pay all sums becoming due under the Underleases after the Actual Completion Date to the Purchaser.

15. STANDARD CONDITIONS AND VARIATIONS THEREOF

15.1 The Standard Conditions are amended as follows:

- (a) Conditions 1.4, 2.2.1, 2.2.2, 2.2.3, 3.1.3, 3.4.3, 5.2.2 (b), 5.2.2 (e), 5.2.3, 6.1.1, 6.1.3, 6.7 (a), 7.1.3(a) and 8.3 shall be deleted.
- (b) Condition 1.3.1: add the words "and signed by (or some person duly authorised by) the person giving it and in the case of service on the relevant party's solicitors quoting the reference set out in this agreement" to the end of the Condition.
- (c) Condition 1.3.6 (c) shall be deleted and replaced with the words:

"(c) by fax: if sent before 4.00 pm on a working day, the day of despatch, but otherwise on the first working day after despatch".
- (d) Condition 3.1.2 (c): delete the words "and could not".
- (e) Condition 3.1.2 (d): delete the word "except" and replace it with the word "including".
- (f) Condition 3.3.2(b): add the words "otherwise than by effluxion of time" after the words "if the lease ends".
- (g) Condition 3.3.2 (c): after the words "the consent of the Purchaser" add the words (such consent not to be unreasonably withheld or delayed)".
- (h) Condition 4.3.2: delete the words "pay for" and substitute the words "at the Purchaser's expense" and after the words "condition 4.3.1" insert the words "but only insofar as the Vendor has immediate relevant knowledge (or after reasonable enquiry has such knowledge) enabling such a declaration to be conveniently made".
- (i) Conditions 5.1.1 and 5.1.2 shall be deleted and replaced by the words "The property is at the risk of the Purchaser from the date of this agreement".
- (j) Condition 5.2.2 (f): delete the words "(except for fair wear and tear)" and add the words "and is to comply with all statutory obligations relating to the property and other covenants and conditions affecting the property or the use thereof" at the end of that Condition.
- (k) Condition 6.3.2: delete and replace with "all apportionments are to be made with effect from Completion".
- (l) Condition 6.8.2 (b): add the words "or if reasonable evidence is produced that the property would be released from all such mortgages".
- (m) Condition 7.1.1: after the words "leading to it" insert the words "(made or confirmed in writing by the Vendor's solicitors)".
- (n) Condition 7.3.2: delete the words "or (where the Purchaser is the paying party) the purchase price less any deposit paid, for the period by which the paying party's default exceeds that of the receiving party, or, if shorter" and insert the words "for" before the words "the period".

- (o) Condition 7.3.4: delete the words "the Purchaser holds the property as tenant of the Vendor and" and delete the word "cannot" and insert the words "can in addition".

15.2 The following amendments to the Standard Conditions shall apply to the Scottish Properties only:

- (a) Condition 1.1.1 (m): add at the end "and/or where appropriate to Scotland a disposition and/or assignation";
- (b) Condition 1.1.1 (n) insert "New Years Day" between "Christmas Day" and "Good Friday";
- (c) Condition 1.1.2 shall be disapplied;
- (d) Condition 3.1.2 (d): add at the end "or in Scotland by the Keeper of the Registers of Scotland and/or pursuant to the Land Registration (Scotland) Act 1979";
- (e) Condition 4.2 shall be disapplied;
- (f) Condition 4.5.4: delete "covenant" and substitute "obligation";
- (g) Condition 4.5.4 (a): delete "covenant" and substitute "undertaking"; and
- (h) Condition 8.1: insert "extracts" between "with" and "copies".

APPENDIX A

FORM OF TRANSFER OF FEUHOLD PROPERTY

WE, HAYS COMMERCIAL SERVICES LIMITED, incorporated under the Companies Acts (Company Number 726089) and having our Registered Office at Hays House, Millmead, Guildford, Surrey in part implement of a Sale Agreement between us and DX NETWORK SERVICES LIMITED, incorporated under the Companies Acts (Company Number 5026914), having their Registered Office at DX House, Ridgeway, Ivor, Buckinghamshire Do Hereby DISPONE to and in favour of the said DX Network Services Limited and to their successors and assignees whomsoever heritably and irredeemably ALL and WHOLE those office premises and pertinents being the street flat and sunk flat numbers One and One A respectively Rutland Square, Edinburgh (formerly number One Rutland Square, Edinburgh) in the County of Midlothian together with the front sunk area towards Rutland square as enclosed for the same and the five cellars under the street pavement of Rutland Square entering from the said sunk area and being the subjects described in and disposed by the Disposition by the British Transport Commission in favour of Arthur Edward Pearce dated Twenty seventh September and recorded in the Division of the General Register of Sasines applicable to the County of Midlothian on the Fourth day of October, both months in the year Nineteen hundred and fifty one; Together also with (One) the whole rights common, mutual and exclusive rights of access and others effeiring to the subjects hereby disposed including without prejudice to the foregoing generality those specified and contained in the said Disposition by The British Transport Commission in favour of Arthur Edward Pearce dated and recorded as aforesaid (Two) the fittings and fixtures therein and thereon and (Three) our whole right, title and interest present and future in and to the said subjects; BUT ALWAYS WITH AND UNDER in so far as valid, subsisting and applicable the whole burdens, conditions, reservations and others specified and contained in (First) the Contract of Feu between John Learmonth and James Paterson dated and registered in the Books of Council and Session on First November, Eighteen hundred and thirty six and (Second) the said Disposition by The British Transport Commission in favour of Arthur Edward Pearce dated and recorded as aforesaid; WITH ENTRY as at [] Two Thousand and Four notwithstanding the date hereof; And we grant warrandice: And in granting these presents in return for the consideration foresaid we hereby confirm and declare that in as much as we remain infeft or otherwise have right to the subjects and others hereby disposed we hold the same as Trustee under an irrevocable and binding trust for our said disponees or their foresaids and subject to their directions until this Disposition shall have been registered in the Land Register of Scotland or recorded in the Register of Sasines; And we have herewith delivered these presents inclusive of this Declaration of Trust to our said disponees: IN WITNESS WHEREOF

APPENDIX B

FORM OF DEED OF ASSIGNMENT FOR LEASEHOLD PROPERTIES (BUT NOT SCOTTISH LEASEHOLD PROPERTIES)

THIS ASSIGNMENT is made on _____ 2004

BETWEEN

HAYS COMMERCIAL SERVICES LIMITED (registered number 0726089)
whose registered office is at Hays House Millmead Guildford Surrey GU2 4HJ (the
Assignor)

DX NETWORK SERVICES LIMITED (registered number 05026914) whose
registered office is at DX House Ridgeway Iver Buckinghamshire SL0 9JQ (the
Assignee)

WHEREAS

(A) By a Lease dated _____ made between _____ (1) and
_____ (2) (*the Lease*) ALL THOSE premises being _____
_____ (*the Property*) were demised to the Assignor for a term of _____ years from
_____ subject to the performance and observance of the covenants on the part
of the tenant and the conditions therein contained.

(B) The Lease is now vested in the Assignor.

(C) The Assignor has agreed with the Assignee to assign the Property to the
Assignee for all the unexpired residue of the term granted by the Lease.

NOW THIS DEED WITNESSES as follows:

ASSIGNMENT

1. In consideration of £1 payable by the Assignee to the Assignor and the
covenants by the Assignee contained in **clause 4** the Assignor with full title guarantee
(subject as provided in **clause 2**) hereby assigns the Property to the Assignee for all
the residue now unexpired of the term created by the Lease subject to the payment of
the rents reserved and the performance and observance of the covenants on the part of
the tenant and conditions contained in the Lease.

DECLARATIONS

2. It is hereby declared that:

(i) notwithstanding the covenants implied by section 3(1) of the Law of Property
(Miscellaneous Provisions) Act 1994 (*the 1994 Act*) the Property is assigned subject
to all matters to which it is expressed to be subject in the Agreement dated the _____
day of _____ 2004 made between _____ (1) and _____ (2) [*and* _____
_____ (3)];

(ii) the covenant by the Assignor under section 4(1)(b) of the 1994 Act is modified so that the Assignor is not liable for any breach of a condition or tenant's obligation relating to the physical state or condition of the Property.

MATTERS AFFECTING THE PROPERTY

3. The Property is assigned subject to and (insofar as the Assignor can assign the same) with the benefit of the matters contained or referred to in the documents summarised in Part I of the Schedule (*the Documents*).

ASSIGNEE'S INDEMNITY COVENANT

[*Note: For use where the Lease is not a new Lease under the Landlord and Tenant (Covenants) Act 1995.*]

4. The Assignee hereby covenants with the Assignor with the object and intention of affording the Assignor a full and sufficient indemnity but not further or otherwise that the Assignee will from the date hereof during the continuance of the term created by the Lease pay the rents reserved and perform and observe the covenants and the conditions binding on the Assignor contained in the Lease and the Documents and will also at all times hereafter keep the Assignor indemnified from and against all actions proceedings costs claims demands and liabilities whatsoever arising by reason of any breach non-observance or non-performance of any of those covenants and conditions.

[*Note: For use where the Lease is a new Lease under the 1995 Act*]

4. The Assignee hereby covenants with the Assignor with the object and intention of affording the Assignor a full and sufficient indemnity but not further or otherwise that the Assignee will from the date hereof during the continuance of the term created by the Lease until the Assignor is released pursuant to the Landlord and Tenant (Covenants) Act 1995 from [(a)] the tenant covenants of the Lease (including any period of statutory continuation of the tenancy created by the Lease [and (b) the *Authorised Guarantee Agreement* dated the ____ day of ____ 19__] and made between ____ (1) and ____ (2) (the *Authorised Guarantee Agreement*)] pay the rents thereby reserved and perform and observe the covenants and the conditions binding on the Assignor contained in the Lease and the Documents and will also at all times hereafter keep the Assignor indemnified from and against all actions proceedings costs claims demands and liabilities whatsoever arising by reason of any breach non-observance or non-performance of any of those covenants and conditions [and any liability arising under the *Authorised Guarantee Agreement*.]

CERTIFICATE

5. It is hereby certified that the transaction hereby effected does not form part of a larger transaction or a series of transactions in respect of which the amount or value or aggregate amount or value of the consideration exceeds [£60,000] [£250,000] [£500,000]

THIRD PARTY RIGHTS

7. A person who is not a party to this Assignment shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

DULY DELIVERED AS A DEED on the date inserted on page 1

THE SCHEDULE

Part I

(Details of the Documents)

Date	Document	Parties
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EXECUTED as a **DEED** by)
HAYS COMMERCIAL SERVICES)
LIMITED acting by two directors/)
a director and the secretary)

Director

Secretary

EXECUTED as a **DEED** by)
DX NETWORK SERVICES LIMITED)
acting by two directors/)
a director and the secretary)

Director

Secretary

APPENDIX C

FORM OF DEED OF ASSIGNATION OF SCOTTISH LEASEHOLD PROPERTIES

MINUTE OF AGREEMENT AND ASSIGNATION

among

(ONE) HAYS COMMERCIAL SERVICES LIMITED incorporated under the Companies Acts (Registered Number 726089) whose Registered Office is at Hays House, Millmead, Guildford, Surrey, GU2 5HZ (hereinafter called "the Assignor")

and

(TWO) DX NETWORK SERVICES LIMITED, incorporated under the Companies Acts (Registered Number 5026914) whose registered Office is at DX House, Ridgeway, Ivor, Buckinghamshire, SL0 9JQ (hereinafter called "the Assignee")

and

(THREE) [], (Registered Number [] whose Registered Office is at [] (hereinafter called "the Landlord")

WHEREAS

- (One) The tenant's interest in the lease of the property described in Part 1 of the Schedule hereto ("the Property") is vested in the Assignor for all the unexpired residue of the term granted by the lease described in Part 2 of the Schedule hereto ("the Lease") subject to all documents supplementary or collateral thereto ("the documents") so far as the same are still subsisting and capable of taking effect and relate to the Property.
- (Two) The tenant in terms of the Lease is described *per incuriam* as Hays Commercial Services Limited, trading as Hays DX, incorporated under the Companies Acts (Company Number 726089) and having its Registered Office at Hays House, Millmead, Guildford, Surrey, GU2 5HJ and the correct description of the tenant in terms of the Lease is Hays Commercial Services Limited, incorporated under the Companies Acts (Company Number 726089) and having its Registered Office at Hays House, Millmead, Guildford, Surrey, GU2 5HJ.

(Three) In the Lease, the term "Premises" is *per incuriam* not defined, and the parties hereto agree [] on the plan annexed and executed as relative to the lease between [] dated [] and registered in the Books of Council and Session on [].

(Four) The Landlord's interest in the Lease of the Property is vested in the Landlord.

(Five) In partial implement of a Sale Agreement between the Assignor and the Assignee dated the Assignor has agreed to transfer the tenant's interest in the Lease to the Assignee.

(Six) The Landlord has agreed to consent to the Assignment.

THEREFORE the parties HAVE AGREED and DO HEREBY AGREE as follows:-

One The Assignor hereby assigns to the Assignee and to its successors and assignees whomsoever the tenant's interest in the Lease. WITH ENTRY as at Two thousand and four notwithstanding the date or dates hereof (the "Date of Entry")

Two The Assignee undertakes to the Landlord and its successors in right of the landlord's interest under the Lease by its execution hereof to pay the rent and fulfil the whole other obligations of the tenant under the Lease and that whether arising before or after the Date of Entry and to indemnify the Assignor from and against all obligations of the tenant under the Lease arising from or relating to any period after the Date of Entry.

Three The Landlord consents to the foregoing Assignment.

Four The Assignor binds itself to indemnify the Assignee from and against all pecuniary and other obligations of the tenant under the Lease referable to the period prior to the Date of Entry.

Five The Assignor grants warrandice to the Assignee.

Six Except as herein expressly altered or varied the whole provisions of the Lease shall remain in full force and effect and the Landlord and the Assignee hereby confirm the Lease and its whole clauses and contents.

Lastly

The parties hereto consent to the registration hereof for preservation and execution: IN WITNESS WHEREOF

This is the Schedule referred to in the foregoing Assignment by Hays Commercial Services Limited in favour of DX Network Services Limited.

SCHEDULE

PART 1

ALL and WHOLE the subjects known as [] being the property more particularly described in and shown delineated and coloured red and marked [] on the plan annexed and executed as relative to the Lease between [] dated [] and registered in the Books of Council and Session on [].

PART 2

Sub Lease between [] dated [] and registered in the Books of Council and Session on [].

SCHEDULE 3
APPORTIONMENT

Asset	Purchase Price
Freehold Property	£500,000
Leasehold Properties	£1 for each of the Leasehold Properties (totalling £_____)
Leasehold Improvements	
Loose Plant and Equipment	
Raw materials, stocks and finished goods	
Benefit of the Contracts	
Claims	
Trade Debtors	
Shares in the Subsidiary	
Business IPR	

Liabilities	Amount
Value of Assumed Liabilities	

SCHEDULE 4

REGISTERED IPR ASSIGNMENT

ASSIGNMENT made on _____ 2004

BETWEEN

- (1) **HAYS COMMERCIAL SERVICES LIMITED**, a company incorporated under the laws of England and Wales (company no. 00726089) whose registered office is at Hays House, Millmead, Guildford, Surrey GU2 4HJ (**HCSL**); and
- (2) **DX NETWORK SERVICES LIMITED**, a company incorporated under the laws of England and Wales (company no. 05026914), whose registered office is at DX House, Ridgeway, Iver, Buckinghamshire, SL0 9JQ (**DX Network Services Limited**).

WHEREAS

- (A) Pursuant to an assignment agreement between Hays plc, DX Network Services Ireland Limited and HCSL dated [REDACTED], HCSL is the owner of the Mail-Related Rights (as defined below).
- (B) Pursuant to an agreement between the parties dated on or around the date of this agreement, HCSL has agreed to sell its DX mail business to DX Network Services Limited, the assets of which include the Mail-Related Rights.
- (C) HCSL has agreed to assign the Mail-Related Rights to DX Network Services Limited, on the terms and conditions set out in this agreement.

IT IS AGREED as follows:

1. DEFINITIONS

1.1 In this agreement the following expression shall have the following meanings:

Effective Date means the date of this agreement;

French Licence means the trade mark licence executed on 5 March 2004 between Hays plc and the French Licensees pursuant to which the French Licensees have been granted a licence to use the French Licensed Trade Marks in France and Belgium for a period commencing on or around 31 March 2004 and ending 6 months thereafter;

French Licensed Trade Marks means the following registered trade marks and trade mark application:

- Benelux trade mark registration number 537869 for "DX";
- Community trade mark registration number 151928 for "DX";

- French trade mark registration number 93486935 for "DX"; and
- Community trade mark application number 2971356 for the "EDX" logo;

French Licensees means Hays DX France SAS, Hays Information Management N.V. and Hays Support Services SAS; and

Mail-Related Rights means such of the trade mark registrations and applications, and Internet domain names set out in Schedule 1 as are owned by HCSL.

1.2 The Schedule comprises a schedule to this agreement and forms part of this agreement.

2. ASSIGNMENT OF MAIL-RELATED RIGHTS

2.1 In consideration for £1 (receipt of which is hereby acknowledged), HCSL assigns to DX Network Services Limited, subject to the French Licence but otherwise with full title guarantee, all of HCSL's right, title and interest in and to the Mail-Related Rights, together with all goodwill and statutory and common law rights attaching to the Mail-Related Rights worldwide including the right to sue for past, present and future infringements and to retain any damages and seek other remedies as a result of such infringement or misuse of the Mail-Related Rights.

2.2 HCSL acknowledges and agrees that as of the Effective Date:

- (a) all intellectual property and other rights in the Mail-Related Rights are the exclusive property of DX Network Services Limited;
- (b) HCSL shall not acquire, nor claim, any right, title or interest in or to any of the Mail-Related Rights or the goodwill attaching to them by virtue of this agreement or its use of the Mail-Related Rights;
- (c) all goodwill arising from use of the Mail-Related Rights by HCSL before, during or after the Effective Date shall accrue and belong to DX Network Services Limited, and HCSL shall, at DX Network Services Limited's request and cost, promptly execute all documents required by DX Network Services Limited to confirm this; and
- (d) for the purposes of determining ownership of intellectual property and other rights in the Mail-Related Rights, all use of the Mail-Related Rights by HCSL shall be deemed to be use by DX Network Services Limited.

3. WARRANTIES

3.1 HCSL warrants that it has the right to assign the Mail-Related Rights to DX Network Services Limited.

3.2 With the sole exception of the warranty in clause 3.1, nothing in this agreement shall be construed as a warranty or representation by HCSL that any of the Mail-Related Rights is valid or enforceable. Each party acknowledges that in entering

into this agreement, it does not do so on the basis of or rely on any representation, warranty or other provision except as expressly provided in clause 3.1 and accordingly all other conditions, warranties or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

4. FURTHER ASSURANCE

4.1 HCSL shall, at its own cost, promptly provide all assistance reasonably required by DX Network Services Limited from time to time to effect the registration or recordal of the assignment of the Mail-Related Rights in accordance with clause 2.1 above (including, without limitation, executing as soon as reasonably practicable after the Effective Date all documents required to effect the registration or recordal of the assignment of those rights in all applicable jurisdictions) by way of further assurance of the rights assigned under this agreement.

4.2 From the Effective Date, DX Network Services Limited shall be responsible for paying all applicable application, filing, registration, renewal and other fees associated with the Mail-Related Rights as they fall due.

4.3 HCSL shall, at its own cost:

- (a) pending formal registration or recordal of the assignment of the Mail-Related Rights to DX Network Services Limited, ensure that copies of all correspondence which it or its agents receive (including any renewal advice or other notification received from any relevant registry) in relation to the Mail-Related Rights are promptly delivered to DX Network Services Limited, marked for the attention of the Company Secretary or any other person which DX Network Services Limited notifies to HCSL from time to time; and
- (b) deliver to DX Network Services Limited (or its nominated representative) as soon as reasonably practicable after the Effective Date any relevant deeds, documents of title, certificates and other files and records (including those of its agents) relating to the registration of the Mail-Related Rights.

5. COUNTERPARTS

This agreement may be entered into in any number of counterparts and by the parties to it on separate counterparts, each of which is an original but all of which together constitute one and the same instrument.

6. NO RIGHTS UNDER CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

7. GOVERNING LAW AND JURISDICTION

7.1 This agreement and the relationship between the parties shall be governed by, and interpreted in accordance with, English law.

7.2 Each of the parties agrees that the courts of England are to have exclusive jurisdiction to settle any disputes (including claims for set-off and counterclaims) which may arise in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by, this agreement or otherwise arising in connection with this agreement, and for such purposes irrevocably submits to the jurisdiction of the English courts.

IN WITNESS WHEREOF this agreement has been signed by the authorised representatives of the parties on the day and year first written above.

SIGNED by)
)
on behalf of)
HAYS COMMERCIAL)
SERVICES LIMITED)

SIGNED by)
)
on behalf of)
DX NETWORK)
SERVICES LIMITED)

MAIL-RELATED RIGHTS

1. Registered Trade Marks

Trade Mark	Regn No.	Application Date	Regn Date	Class	Country	Renewal Date
AD-DOC	1282178	1-Oct-1986	1-Oct-1986	38	United Kingdom	1-Oct-2007
AD-DOC	1282179	1-Oct-1986	1-Oct-1986	39	United Kingdom	1-Oct-2007
BDE and device	1282611	1-Oct-1986	1-Oct-1986	38	United Kingdom	1-Oct-2007
BDE and device	1282612	1-Oct-1986	1-Oct-1986	39	United Kingdom	1-Oct-2007
BELGIAN DOCUMENT EXCHANGE - BELDOC	499297	4-Sep-1991	4-Sep-1991	38	Benelux	4-Sep-2011
BRITDOC	1282607	1-Oct-1986	1-Oct-1986	38	United Kingdom	1-Oct-2007
BRITDOC	1282608	1-Oct-1986	1-Oct-1986	39	United Kingdom	1-Oct-2007
BX	93/486934	5-Oct-1993	5-Oct-1993	38, 39	France	4-Oct-2013
CHECKPOINT	2061009	14-Mar-1996	14-Mar-1996	39	United Kingdom	14-Mar-2006
DELTA EXPRESS	658678	28-Jun-1999	28-Jun-1999	35, 38, 39	Benelux	28-Jun-2009
DOCUMENT INTERLINK	1526645	11-Feb-1993	11-Feb-1993	39	United Kingdom	11-Feb-2010

Trade Mark	Regn No.	Application Date	Regn Date	Class	Country	Renewal Date
DX	537869	4-Oct-1993	4-Oct-1993	38, 39	Benelux	4-Oct-2013
DX	151928	1-Apr-1996	1-Apr-1996	38, 39	CTM	1-Apr-2006
DX	93/486935	5-Oct-1993	5-Oct-1993	38, 39	France	4-Oct-2013
DX	2911993	6-Oct-1993	21-Sept-1995	39	Germany	30-Oct-2013
DX	662432	15-Oct-1993	6-Oct-1993	38, 39	Italy	Oct-2013 ¹
DX	1493039	2-Mar-1992	2-Mar-1992	38	United Kingdom	2-Mar-2009
DX	1493040	2-Mar-1992	2-Mar-1992	39	United Kingdom	2-Mar-2009
DX ADDRESS PLUS	2135709	12-Jun-1997	12-Jun-1997	9, 39	United Kingdom	12-Jun-2007
DX and device	2045666	21-Nov-1995	21-Nov-1995	38, 39	United Kingdom	21-Nov-2005
DX EXCHANGE	2048579	14-Dec-1995	14-Dec-1995	16	United Kingdom	14-Dec-2005
DX METRO	2296525	27-Mar-2002	27-Mar-2002	38, 39	United Kingdom	27-Mar-2012
EDX	2165247	29-Apr-1998	29-Apr-1998	38, 39	United Kingdom	29-Apr-2008

¹ Rouse & Co have confirmed this registration has been renewed and is active, and confirmatory renewal certificate awaited.

Trade Mark	Regn No.	Application Date	Regn Date	Class	Country	Renewal Date
ICS (stylised)	1428373		8-Jun-1990	39	United Kingdom	8-Jun-2007
ICS INSURANCE COURIER SERVICES and device (Series of 3)	1428369		8-Jun-1990	39	United Kingdom	8-Jun-2007
INTELLIBOX	2317178	29-Nov-2002	29-Nov-2002	38, 39	United Kingdom	29-Nov-2012
INTELLIBOX	225641	2-Dec-2002	2-Dec-2002	38, 39	Ireland	1-Dec-2012
OCS	1457983	12-Mar-1991	12-Mar-1991	39	United Kingdom	12-Mar-2008
OPTICAL COURIER SERVICES and device (Series of 2)	1428370	8-Jun-1990	8-Jun-1990	39	United Kingdom	8-Jun-2007
PARTSPEED and device	2010951		13-Feb-1995	39	United Kingdom	13-Feb-2005

2. Trade Mark Applications

Mark	Application No.	Application Date	Class	Country	Status
EDX Logo	2971356	11-Dec-2002	9, 38, 39	CTM	Pending
SIGNEDX	2334214B	6-June-2003	38, 39	United Kingdom	Pending
SignedX	2334214A	6-Jun-2003	38, 39	United Kingdom	Pending
ASSUREDx	2334215B	6-Jun-2003	38, 39	United Kingdom	Pending
AssuredX	2334215A	6-Jun-2003	38, 39	United Kingdom	Pending
DX box logo (series of 2)	2354411	27-Jan-2004	38,39	United Kingdom	Pending

3. Internet Domain Names

Domain Name
edxme.biz
edxme.co.uk
edxme.com
edxme.net
edxme.org
sendedx.biz
sendedx.co.uk
sendedx.com
sendedx.net
sendedx.org
thedx.co.uk
thedx.net
thedx.org

_____ 2004

HAYS COMMERCIAL SERVICES LIMITED

DX NETWORK SERVICES LIMITED

REGISTERED IPR ASSIGNMENT

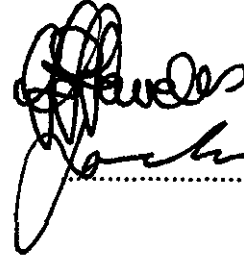
SIGNED by _____
for and on behalf of **HAYS COMMERCIAL**
SERVICES LIMITED in the presence of:

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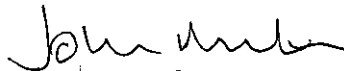
.....

SIGNED by M-ISAUNDERS
for and on behalf of **DX NETWORK**
SERVICES LIMITED in the presence of:

)
)
)


.....

SIGNED by JOHN MARTIN
for and on behalf of **HAYS COMMERCIAL**
SERVICES LIMITED in the presence of:
STEFAN BORT

) 
) JM
)

SIGNED by _____
for and on behalf of **DX NETWORK**
SERVICES LIMITED in the presence of:

)
)
)