

6602154

We hereby certify this to be a true
& complete copy of the original
~~Hacking Ashton LLP~~
HACKING ASHTON LLP SOLICITORS
NEWCASTLE, STAFFS 21/8/08

DATED 4th July 2008

(1) TRULY MADLY BABY LIMITED
(IN ADMINISTRATION)

- and -

(2) MARTIN WILLIAMSON

- and -

(3) KEELEX 327 LIMITED

AGREEMENT
relating to

the sale of the business and assets
of Truly Madly Baby Limited (in
Administration)

hacking ashton
SOLICITORS



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SATURDAY



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COMPANIES HOUSE

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THIS AGREEMENT is made on

4th July

2008

BETWEEN

- 1 **TRULY MADLY BABY LIMITED** (in Administration) (company number 04141966) whose registered office is at Lok'N'Store House, Etheridge Avenue, Brinklow, Milton Keynes, MK10 OBD ("**Company**")
- 2 **MARTIN WILLIAMSON** of DSI Services, 29 King Street, Newcastle under Lyme, Staffordshire ST5 1ER ("**Administrator**")
- 3 **KEELEX 327 LIMITED** (company number 6602154) whose registered office is at 28 Dam Street, Lichfield, Staffordshire, WS13 6AA ("**Purchaser**")

BACKGROUND

- A The Administrator was appointed administrator of the Company on 18 June 2008 by the directors of the Company pursuant to paragraph 22 of Schedule B1 to the Insolvency Act 1986
- B. The Company has agreed to sell and the Purchaser has agreed to purchase certain assets of the Company on the terms and conditions set out in this agreement

AGREEMENT:

1. DEFINITIONS AND INTERPRETATIONS

- 1.1 In this agreement, unless the context otherwise requires, the following words and expressions have the following meanings

"Administrator's Solicitors" means Hacking Ashton LLP of Berkley Court, Borough Road, Newcastle under Lyne ST5 1TT,

"Bank" means National Westminster Bank Plc,

"Books and Records" means the buying, production, promotional, sales and other commercial information used in the Business in relation to the Transferred Assets including the VAT Records but excluding the

books of account and statutory records of the Company, security documents executed by the Company, documents relating to the appointment of the Administrator and all records created for or in the course of the insolvency of the Company either by the Administrator his partners or staff or by any other person including the officers or employees of the Company at their instance,

"Business" means the Company's business of baby product supplies as carried on online and from the Premises,

"Business Day" means a day other than a Saturday, Sunday or a bank or public holiday on which banks are open for business in England,

"Claim" means any action, proceeding, claim or demand of any kind (actual or contingent) which may be brought or made against any of the Company and/or the Administrator,

"Completion" means the performance of all obligations of the parties to this agreement set out in clause 5,

"Completion Date" means 5 00 p m on 1 July 2008,

"Consideration" means the total purchase price payable for the Transferred Assets as specified in clause 3;

"Contracts" means contracts entered into prior to the Completion Date by or on behalf of the Company or the Administrator with customers of the Business for the sale of goods or provision of services by the Company which remain (in whole or in part) to be performed by the Company on the Completion Date,

"Customer List" means the names and addresses of the Company's customers in the possession of the Administrator;

"Debts" means all book and other debts or sums owing to the Company and/or the Administrator (and whether or not yet due and

payable) prior to the Completion Date including any interest payable on those debts and sums and the benefit of all securities, guarantees, indemnities, rights of set-off and counterclaims relating to those debts and sums,

"Domain Names" means trulymadlybaby co uk , trulymadlybaby com, trulymadlytoddler com, trulymadlytoddler co uk, trulymadlytoddler net and trulymadlybaby net

"Employees" means the persons employed by the Company in the Business immediately prior to the Completion Date within the meaning of the Transfer of Undertakings (Protection of Employment) Regulations 2006,

"Equipment" means the equipment and other chattels owned by the Company and used in connection with the Business at the Completion Date located at the Premises (but excluding any landlord's fixtures and fittings),

"Goodwill" means the Telephone Number the Customer List and the goodwill of the Company in connection with the Business together with the right (insofar as the Company has the right to grant the same) for the Purchaser to represent itself as carrying on the Business in succession to the Company,

"Leased Equipment" means any chattels, equipment and any other items whatsoever used by the Company in the Business which it has possession of as bailee or subject to hire purchase, conditional or credit sale, rental, finance or other lease, licence or any other agreement or similar arrangement,

"Loss" means any loss, damage, award, cost, charge, penalty or expense which any of the Company and/or the Administrator have incurred or sustained or may, directly or indirectly, incur or sustain,

"Name" means Truly Madly Baby,

"Premises" means the property or properties occupied by the Company as described in schedule 1,

"Purchaser's Solicitors" means Keelys, 28 Dam Street, Lichfield, WS13 6AA,

"Returns" means all and any goods supplied by the Company or the Administrator on behalf of the Company prior to the Completion Date but returned by the customer at any time whether prior to or after the Completion Date,

"ROT Claim" means a retention of title claim,

"ROT Stock" all items (if any) in the possession of the Company on the Completion Date which have been supplied to the Company pursuant to contracts which have effectively or purportedly reserved title in those items to the supplier as at that date;

"Stock" means the stock in trade (other than any items of stock which have been invoiced but not delivered to customers and the ROT Stock) used by the Company in connection with the Business and situated at the Premises on the Completion Date,

"Telephone Number" means the telephone number of the business at the Premises

"Transferred Assets" means the assets referred to in clause 2 1,

"VAT" means Value Added Tax,

"VAT Records" means the records relating to VAT referred to in section 49(1) of the Value Added Tax Act 1994 and which the Company is required by law to pass to the Purchaser

1 2 In this agreement

- 1 2 1 words in the singular include the plural and vice versa and words in one gender include any other gender,
- 1.2 2 any reference to "persons" or "parties" includes natural persons, firms, partnerships and corporations ,companies, corporations, bodies corporate, associations, organisations, governments, states, foundations and trusts (in each case whether or not having separate legal personality),
- 1 2 3 any reference to a statute, statutory provision or sub-ordinate legislation includes such legislation as amended and in force from time to time and any legislation which modifies, consolidates (with or without modification), re-enacts or supersedes it,
- 1.2 4 references to clauses and schedules are to clauses and schedules of this agreement and references to sub-clauses and paragraphs are references to sub-clauses and paragraphs of the clause or schedule in which they appear,
- 1 2 5 the table of contents and headings are for convenience only and shall not affect the interpretation of this agreement,
- 1 2 6 obligations undertaken by a party which comprise more than one person shall be deemed to be made by them jointly and severally,
- 1 2 7 any phrase introduced by the terms "including", "include", "in particular" or any other similar expression shall be construed as illustrative and shall not limit the sense of the words preceding these terms,
- 1 2 8 the Interpretation Act 1978 shall apply to this agreement as it does to an Act of Parliament,

1 2 9 except as expressly set out in this agreement, any lists contained in any schedule or annexure are for guidance only and are not exhaustive or complete lists of the items in question and shall not constitute any warranty in respect of the Company's ownership of the listed items or otherwise, and

1 2 10 a reference to the Administrator shall be construed as being to the Administrator and any other person who is appointed as an administrator in substitution for any administrator or as an additional administrator in conjunction with the Administrator

2. SALE OF BUSINESS AND ASSETS

2 1 The Company at the direction of the Administrator shall sell and the Purchaser shall buy with effect from the Completion Date such right, title and interest as the Company then has in the following assets

2 1 1 the Equipment,

2 1 2 the Goodwill,

2 1 3 the Stock,

2 1 4 the Domain Names,

to the intent that the Purchaser shall from the Completion Date carry on the Business as a going concern

2 2 There shall be excluded from the sale effected by this agreement

2 2 1 all cash in hand or at any bank or other financial institution and all cheques, bills or other negotiable instruments;

2 2 2 the Debts and any other indebtedness whether actual or contingent, due or to become due to the Company in connection with the Business,

2 2 3 the Leased Equipment,

2 2 4 the ROT Stock,

2 2 5 the benefit of any actual or potential claim (including any claim under any policies of assurance, insurance, indemnity and trade credit insurance or against any Employee or former employee) of the Company or the Administrator,

2 2 6 the benefit of any claim made or to be made by the Company or the Administrator for repayment of any tax or tax allowance,

2 2 7 the benefit of any claim made or to be made by the Company or the Administrator for grants from any government, local or public authority,

2 2 8 any shares or investments in or any other securities owned by the Company ,

2 2 9 any freehold or leasehold properties owned, used or occupied by the Company and any landlords' fixtures and fittings therein,

2 2 10 the rights of the Company in relation to any pension, trust or fund established by it or affecting the Employees or any former employees,

2 2 11 any other asset or right not included in clause 2 1

3. CONSIDERATION

3 1 The Consideration shall be £30,000 00

3 2 The Consideration shall be payable by the Purchaser on execution of this agreement and shall include, in addition to the sum set out in clause 3.1, all sums payable by virtue of any other obligation imposed on the Purchaser by this agreement to the extent that such sums are ascertainable on or before the date due for payment

3 3 The Consideration shall be drawn on the client account of the Purchaser's Solicitors and paid by way of telegraphic transfer to the

client account of the Administrator's Solicitors at National Westminster Bank plc, High Street, Newcastle under Lyme Staffordshire Sort Code 54-10-27 Account Number 71534164 Account Name Hacking Ashton LLP Client Account

4. VAT

4 1 All amounts expressed in this agreement as being payable by the Purchaser and any other forms of consideration expressed in this agreement as being provided by the Purchaser are expressed to be exclusive of any VAT which may be chargeable thereon.

4 2 In this clause

"Customs" means HM Revenue & Customs or such authority as may succeed it in its functions relating to VAT;

"TOGC" means the transfer of a business or part of a business as a going concern for the purposes of section 49 of the VAT Act and article 5 of the Value Added Tax (Special Provisions) Order 1995; and

"VAT Act" means the Value Added Tax Act 1994

4 3 The consideration for all supplies for VAT purposes made or deemed to be made under or in connection with this agreement shall be deemed to be exclusive of VAT. The party receiving the supply in question shall pay to the party making that supply (in addition to the consideration) all VAT for which the party making the supply is required to account to Customs in relation to that supply. All VAT payable under this agreement shall be paid at the same time as the payment (or provision of consideration) to which the VAT relates

4.4 The parties believe that the sale of the Transferred Assets will be treated by Customs as a TOGC and they shall use their reasonable endeavours to procure that such sale is so treated. This obligation shall not require the Company to make any appeal against any determination of Customs that the sale does not amount to a TOGC

4.5 The Company confirms to the Purchaser that it is registered for VAT purposes under the VAT Act,

4.6 The Purchaser warrants to the Company that

4.6.1 it shall become duly registered for VAT purposes as soon as reasonably practicable following the Completion Date provide the Administrator's Solicitors with evidence of such registration,

4.6.2 it intends to continue the business of the Company at or in relation to the Transferred Assets as a going concern, and

4.6.3 it is not buying the Transferred Assets as a nominee of any other person

and acknowledges that, if it is in breach of any such warranties, VAT may be payable in relation to the Consideration

4.7 The Company (acting by the Administrator) shall be entitled to request Customs to direct pursuant to section 49(1)(b) of the VAT Act that all VAT records relating to the Transferred Assets in respect of periods prior to actual completion and which are required to be preserved for any period after actual completion under the VAT Act shall be preserved by the Company. If Customs refuse such request, then the Company shall provide such records to the Purchaser in accordance with the provisions of section 49(1)(b) of the VAT Act.

4.8 The party retaining the VAT records referred to in clause 4.7 above shall procure that the same shall be preserved for such periods as may be required by law and during such periods shall permit the other party or its agents at all reasonable times and subject to reasonable written notice to inspect and take copies of such records at the cost of the party requesting such inspection and/or copies

4.9 If it is determined that the sale of the Transferred Assets under this agreement does not constitute a TOGC, then the VAT chargeable by the Company to the Purchaser shall be paid within two clear working

days of demand by the Company and any VAT records provided by the Company to the Purchaser shall be returned to the Company. The Purchaser shall indemnify the Company and the Administrator against any penalty and interest charges incurred by the Company to Customs in relation to such VAT.

5. COMPLETION

Completion shall take place on the Completion Date at the offices of the Administrator's Solicitors or at such other place as the Administrator may direct when

5.1 the Company shall make available to the Purchaser at the Premises those Transferred Assets title to which is capable of transfer by delivery and the Company shall give the Purchaser access to the Premises for up to 3 working days following the Completion Date to collect the Assets capable of transfer by delivery ,

5.2 the Company shall deliver either a hard drive containing the Books and Records, Customer List, list and details of consultants containing all information approved by the Purchaser prior to Completion ("**Electronic Materials**") or send the Electronic Materials by electronic transfer to an e-mail account specified by the Purchaser, and

5.3 the Purchaser shall pay the Consideration in accordance with clause 3

6. FURTHER ASSURANCE

Subject to the terms of this agreement, the Company agrees that it will after and notwithstanding Completion (at the Purchaser's expense and for such time as the Administrator remains in office) execute and deliver any other documents as may reasonably be required from time to time by the Purchaser to vest in the Purchaser the Transferred Assets in accordance with the terms of this agreement. The terms of all such documents shall be subject to the prior approval of the Administrator's Solicitors.

7. THE CONTRACTS

- 7 1 The Purchaser shall take over, adopt and accept responsibility for (whether by assignment, novation or otherwise) the completion of the Contracts and the Purchaser shall indemnify and keep the Company and the Administrator and each of them fully indemnified against any Claim or Loss in respect thereof
- 7 2 Insofar as any of the Contracts cannot effectively be assigned to the Purchaser without the consent of a third party or except by an agreement of novation
- 7 2 1 the Company, the Administrator and the Purchaser shall (at the Purchaser's expense) co-operate (so far as is reasonable and practicable) to procure that such consent is obtained and the Purchaser shall enter into such form of novation as the Company shall require,
- 7 2 2 unless and until such consent is obtained or any such Contract is novated, the Purchaser shall, for its own benefit and to the extent that such Contract permits, perform on behalf of the Company or the Administrator (as the case may be) (but at the Purchaser's expense) all the obligations of the Company and the Administrator thereunder and shall indemnify and keep the Company and the Administrator and each of them fully indemnified against any Claim or Loss arising as a result of any act, neglect, default or omission on the part of the Purchaser to perform or comply with any such obligation of the Company or the Administrator
- 7 3 Any failure to assign or to novate any Contract shall not entitle the Purchaser to claim compensation or damages or a reduction in or repayment of the Consideration paid or payable or entitle the Purchaser to rescind this agreement all rights to which are hereby expressly waived and released by the Purchaser

7.4 The Purchaser hereby undertakes at its own expense if requested so to do by the Administrator

7.4.1 to complete in a proper and workmanlike manner and meet all liabilities in connection with the Contracts (unless excluded from the sale) and to indemnify and keep the Company and the Administrator and each of them fully indemnified against any Claim or Loss arising in respect thereof, and

7.4.2 to honour all warranty and product liability and like agreements for acts or omissions prior to the Completion Date if necessary or desirable to enable the Administrator to collect the Debts;

7.4.3 to deal with the Returns in accordance with the rights of any customer of the Business and to use its best endeavours to assist the Company and the Administrator in determining the validity of any customer's right to make Returns provided that the Company and the Administrator reserve the right

7.4.3.1 to deal with all or any of the Returns in their sole discretion, and

7.4.3.2 to require the Purchaser to use its best endeavours to assist the Company and the Administrator in selling or otherwise disposing of all or any of the Returns

7.5 The Purchaser hereby accepts the risk that some or all of the Contracts may already have been breached or terminated and the other contracting party may refuse to continue with the performance of its contractual obligations on the same terms or at all or may refuse to continue such performance unless the Purchaser is willing to remedy such breach and further that such other contracting party may exercise or purport to exercise rights of set-off or counterclaims against the Purchaser.

8. THE LEASED EQUIPMENT

- 8 1 Unless agreed otherwise prior to the Completion Date, the Company shall leave the Leased Equipment upon the Premises at the Completion Date. The Purchaser acknowledges that it has no title to nor right of possession or use of any such items.
- 8 2 The Company shall not object to nor hinder any arrangements which the Purchaser may wish to make with the owners of the Leased Equipment nor will it make any claim in relation to it and shall (at the Purchaser's expense) give such assistance to the Purchaser as it may reasonably require to enable the Purchaser to acquire title to or otherwise continue to use the Leased Equipment or any part of it including (at the Purchaser's expense) executing all documents needed to enable the Purchaser so to acquire title or continue use provided always that if the owner of any part of the Leased Equipment refuses to sell or otherwise make available any part of the Leased Equipment to the Purchaser then the Purchaser shall forthwith deliver up such item for collection and removal by the owner.
- 8 3 The Purchaser shall indemnify and keep the Company and the Administrator and each of them fully indemnified from and against all hire, rental or other charges payable and any Claim or Loss arising in relation to any item of Leased Equipment of which the Purchaser has possession.

9. ROT STOCK

- 9 1 Unless agreed otherwise prior to the Completion Date the Company shall leave the ROT Stock upon the Premises at the Completion Date.
- 9 2 The Purchaser acknowledges that it has no title to nor right of possession or use of any of the ROT Stock and undertakes not to hold itself out as the owner of such stock nor to sell, offer for sale, assign, charge, pledge, create or permit the creation of any encumbrance on

or otherwise deal with such stock other than to deliver it to the Company or as the Administrator may direct on demand

- 9 3 Insofar as reasonably practical the Purchaser shall, at its own expense, separate and clearly identify the ROT Stock from the Stock immediately following the Completion Date
- 9 4 The Purchaser shall notify the Administrator in writing as soon as practicable if it receives notification from any creditor of the Company that it has a ROT Claim following which notice the relevant stock shall be treated as ROT Stock and the Purchaser shall not without the prior written consent of the Administrator admit liability or take any other action whatsoever in relation to such claim
- 9 5 The Purchaser shall indemnify and keep the Company and the Administrator fully indemnified from and against any Claim or Loss which may arise as a result of the Purchaser's possession or use of any of the ROT Stock

10. EMPLOYEES

- 10.1 Neither the Company nor the Administrator shall have any liability to the Purchaser in respect of any claims, liabilities or obligations to which the Purchaser may become subject in respect of any of the Employees whether arising under the Transfer of Undertakings (Protection of Employment) Regulations 2006 or otherwise
- 10 2 The Purchaser shall indemnify and keep the Company and the Administrator and each of them fully indemnified against any Claim or Loss arising in respect of the Employees whether relating to the period before or after the Completion Date

11. THE DEBTS

- 11 1 If the Purchaser shall receive any payment in respect of any of the Debts or any other sum due to the Company or the Administrator it shall promptly notify the Administrator and such money shall be paid

promptly to the Company or as the Administrator may direct and until such money is so paid it shall be kept separate from the Purchaser's own money and held in trust for the Company or as the Administrator may direct

11 2 Where any debtor owes money to both the Company or the Administrator and the Purchaser it shall be assumed in the absence of evidence to the contrary that any money received by the Purchaser from such a debtor is paid first in respect of the Debts or any other sum due to the Company or the Administrator and the Purchaser shall account to the Company or as the Administrator may direct accordingly

11 3 The Company shall be at liberty to collect all or any of the Debts in such manner as it sees fit

11 4 The Purchaser shall not without the prior written consent of the Administrator issue any credit note or otherwise purport to act on behalf of the Company in relation to any of the Debts

12. NAME AND TELEPHONE NUMBER

12 1 The Purchaser acknowledges that the Administrator has no power or authority to require the Company's members to change the Company's name but subject thereto the Administrator will raise no objection to the Purchaser using the Name in relation to its business as from the Completion Date or to the Purchaser changing its corporate name to a name including the Name provided that

12 1 1 any such use shall be at the risk of and the sole responsibility of the Purchaser, and

12 1 2 nothing in this agreement shall preclude the Company from using its existing corporate name in relation to its business and/or its assets and/or their realisation and/or for the purposes of its insolvency or require it to change its existing corporate name

- 12.2 The Company and the Administrator shall not object to the use by the Purchaser of the Telephone Number provided that any such use shall be at the sole risk cost and responsibility of the Purchaser

13. APPORTIONMENTS AND OUTGOINGS

- 13.1 All expenses and outgoings paid or payable by the Company or the Administrator relating to the Business and the Transferred Assets (save in relation to the Employees) and which are referable to a period partly before and partly after the Completion Date shall be apportioned as at the Completion Date and shall be agreed between the parties not more than 10 Business Days after the Completion Date. Failing such agreement the apportionment shall be ascertained and certified by an independent firm of chartered accountants appointed by the Administrator (who shall act as experts and not arbitrators and whose decision shall be binding on the parties). The Purchaser shall pay the net amount so agreed or certified to be payable to the Company in respect of such apportionments not more than five Business Days after agreement or certification.
- 13.2 If the Company or the Administrator have ordered prior to the Completion Date any goods or services relating to the Business or the Transferred Assets for the benefit of the Company or the Purchaser on terms either of personal liability or of payment as an expense of the Administration and those goods or services have not been delivered or performed prior to the Completion Date then the Purchaser shall pay for those goods or services. Payment shall be made within five Business Days of the date of delivery of any invoice to the Purchaser or the date on which payment is due to the supplier, if sooner. The Purchaser shall indemnify and keep the Company and the Administrator and each of them fully indemnified against any Claim or Loss arising as a result of its failure to comply with the terms of this clause 13.2

13.3 The Company shall continue to be responsible for (but, unless specifically provided for in this agreement, the Company shall have no obligation under this agreement to discharge) all debts payable by and claims and liabilities (including contingent claims and liabilities) outstanding against it or any of its assets as at the Completion Date.

14. RISK

14.1 Such right, title and interest as the Company may have in the Transferred Assets shall pass to the Purchaser on payment in full of the Consideration pursuant to clause 3

14.2 Risk in the Transferred Assets shall pass to the Purchaser on execution of this agreement and the Purchaser shall effect its own insurances in respect thereof

15. BOOKS AND RECORDS

15.1 The Purchaser will take physical possession of the Books and Records (insofar as they are available) on the Completion Date and shall keep them in a good and safe condition and deliver them up to the Company or the Administrator on demand. The books, documents, files and records of the Administrator shall not be available to the Purchaser for inspection or otherwise

15.2 The Purchaser shall for a period of not less than six years from the Completion Date preserve the VAT Records and upon reasonable notice during normal business hours make them available to the Administrator or their agents or any person appointed to act in relation to the Administration of the Company

16 ACCESS TO PREMISES

16.1 Notwithstanding and without prejudice to the fact that the Premises are excluded from the sale hereby agreed, to the extent (if at all and without any consent being given or implied by or on behalf of the

Company or the Administrator) that the Purchaser gains access to or occupies the Premises:

16 1 1 For a period of 30 Business Days after the Completion Date the Purchaser shall give both the Company and the Administrator (and their respective employees and agents) reasonable access to the Premises and staff of the Purchaser to enable the Company and the Administrator to deal with matters arising in connection with the Administration of the Company

16 1 2 If appropriate the Purchaser shall for the period of 30 Business Days following the Completion Date make available without charge for the use of the Administrator reasonable office, telephone and secretarial facilities at the Premises during normal business hours to enable the Administrator to deal with the matters referred to in clause 16 1 1 and for storage purposes.

16 2 The Purchaser hereby undertakes to indemnify and keep the Company and the Administrator and each of them fully indemnified against any Claim or Loss arising out of or in connection with the removal of the Transferred Assets from the Premises by the Purchaser or on its behalf

17. EXCLUSION OF WARRANTIES

17 1 All representations (whether made innocently, negligently or otherwise but not fraudulently), warranties, conditions and stipulations, express or implied, statutory, customary or otherwise in respect of the Business and/or the Transferred Assets or any of the rights, title and interests transferred or agreed to be transferred pursuant to this agreement are expressly excluded (including without limitation, warranties and conditions as to title, quiet possession, quality, fitness for purpose and description)

17 2 Unless otherwise required by law (and then only to that extent) the Company and the Administrator and each of them shall not be liable for any loss or damage of any kind whatever, consequential or otherwise arising out of or due to or caused by any defect or deficiencies in any of the Transferred Assets

17 3 The Purchaser agrees that the terms and conditions of this agreement and the exclusions and limitations contained in it are fair and reasonable having regard to the following

17 3 1 that this is a sale by an insolvent company in circumstances where it is usual that no representations and warranties can be given by or on behalf of the Company or the Administrator,

17 3 2 that the Purchaser has relied solely upon the Purchaser's own opinion and/or professional advice concerning the Business and/or the Transferred Assets, their quality, state, condition, description, fitness and/or suitability for any purpose, the possibility that some or all of them may have defects not apparent on inspection and examination and the use it intends or proposes to put them to,

17 3 3 that the Purchaser has agreed to purchase the Transferred Assets "as seen" in their present state and condition for a consideration which takes into account the risk to the Purchaser represented by the parties' belief that the said exclusions and limitations are or would be recognised by the courts, and

17 3 4 that the Purchaser its servants, employees, agents, representatives and advisers have been given every opportunity it or they may wish to have to examine and inspect all or any of the Transferred Assets and all relevant documents relating to them and to obtain information from the Company and/or the Administrator relating to the Business and the Transferred Assets.

17.4 The Purchaser acknowledges that

17.4.1 neither the Company nor the Administrator shall incur any liability to it by reason of any fault or defect in all or any of the Transferred Assets or any breach of the obligations of the Company arising under the Sale of Goods Act 1979 or under the Health and Safety at Work Act 1974,

17.4.2 neither the Company nor the Administrator shall be required to put the Equipment into a safe condition. The Purchaser hereby undertakes that it will ensure that each of the Equipment is in a safe condition before putting (or allowing it to be put) to any use after the Completion Date,

17.4.3 whenever and wherever in this agreement it has agreed to indemnify any person it shall also indemnify any firm, partner, employee, agent, adviser or representative of such person to the same extent and in the same regard

17.4.4 for the avoidance of doubt, the statutory charge in paragraph 99 of Schedule B1 to the Insolvency Act 1986 shall not apply to any breach by the Company of any of its obligations under this agreement

17.5 The Purchaser covenants with and undertakes to the Company and the Administrator and each of them that it will not hold itself out as the owner of any of the Leased Equipment or any of the Transferred Assets once it has been notified that the Company did not have title to the same nor will it sell offer for sale, assign or create or permit the creation of any form of encumbrance over such assets but it will deliver such assets to the Administrator or as the Administrator shall direct forthwith upon demand and pending such delivery it will at its own expense maintain such assets in safe custody and in as good repair and condition as they were in when they first came into the possession of the Purchaser. The Purchaser shall indemnify and keep the Company and the Administrator and each of them fully indemnified

against any Claim or Loss arising as a result of its failure to comply with the terms of this clause 17 5

17 6 The Purchaser acknowledges that in respect of any Transferred Assets not situated at the Premises on the Completion Date there may be a risk of a third party claiming a lien over such Transferred Assets and that such risk is entirely the risk of the Purchaser

17 7 The Purchaser acknowledges for the avoidance of doubt that if the Company does not have title or unencumbered title to any or all of the Transferred Assets or if the Purchaser cannot exercise any right conferred or purported to be conferred on it by this agreement this shall not be a ground or grounds for rescinding, avoiding or varying any or all of the provisions of this agreement and shall not give rise to any claim to compensation or damages or a reduction in or repayment of the Consideration paid or payable

18. EXCLUSION OF ADMINISTRATOR'S LIABILITY

The Administrator has entered into and signed this agreement as agent for or on behalf of the Company and neither he his firm, partners, employees, advisers, representatives or agents shall incur any personal liability whatever in respect of any of the obligations undertaken by the Company or in respect of any failure on the part of the Company to observe, perform or comply with any such obligations or under or in relation to any associated arrangements or negotiations or under any document or assurance made pursuant to this agreement The Administrator is party to this agreement in their personal capacities only for the purpose of receiving the benefit of the exclusions, limitations, undertakings, covenants and indemnities in their favour contained in this agreement

19. INTEREST

In the event of any default by the Purchaser in paying any sums due under this agreement to the Company or the Administrator (whether payable by agreement or by an order of a court or otherwise) the Purchaser shall pay

interest on such sum at the rate of 5% above the base rate from time to time of the Bank from the date when payment was due until all such monies have been paid in full together with all interest thereon. Such interest shall accrue from day to day and shall be compounded on a monthly basis.

20. DATA PROTECTION

- 20 1 The Purchaser warrants and represents that it will comply with all relevant provisions of the Data Protection Act 1998 in its processing and use of any personal data transferred to it or of which it obtains possession pursuant to this agreement including contacting all persons listed on the Customer List to advise of the change of ownership of the Customer List and allowing such persons the opportunity to object to their personal data being held or used by the Purchaser
- 20 2 The Purchaser shall indemnify and keep indemnified the Company and the Administrator and each of them against any Claim or Loss arising from or in relation to the transfer of the Customer List to the Purchaser or a failure by the Purchaser to comply with the terms of clause 20 1

21. SET-OFF AND PREPAYMENTS

- 21 1 The Purchaser shall not be entitled to set off any claims it might have against the Company or the Administrators or exercise any liens whatever against any monies or negotiable instruments payable to the Company or the Administrators whether pursuant to the provisions of this agreement or otherwise but such monies or negotiable instruments shall be paid in full upon the same being due whether in accordance with the provisions of this agreement or otherwise
- 21 2 If the Company and/or the Administrator have received on or prior to the Completion Date any deposit or payment in advance in respect of any Contract or otherwise neither the Company nor the Administrator shall be under any obligation to account to the Purchaser for the same

22. NOTICES

22 1 Any notice to be given under this agreement shall be in writing signed by or on behalf of the party giving it and shall be given if left at or sent by prepaid first class post, prepaid recorded delivery, facsimile or other means of telecommunication in permanent written form to the address of the party receiving such notice as set out at the head of this agreement or as notified in writing between the parties for the purposes of this clause

22 2 Any such notice shall be deemed to have been given to and received by the addressee

22 2 1 at the time of delivery if delivered personally,

22 2 2 two Business Days after posting in the case of any address in the United Kingdom and six Business Days after posting for any other address,

22 2 3 two hours after transmission if served by facsimile or other means of telecommunication in permanent written form on a Business Day prior to 3 00pm or in any other case at 9 00am on the Business Day after the date of despatch

22 3 Any such notice will be effective as regards the Purchaser if given to the Purchaser or to any solicitor acting for the Purchaser or to any person acting for the Purchaser whether at Completion or otherwise.

22 4 Any such notice will only be effective as regards the Company or the Administrator if given to the Administrator.

22 5 In proving the giving of a notice it shall be sufficient to prove that the notice was properly addressed and posted, or that the envelope containing the notice was properly addressed and posted or that the applicable means of telecommunication was addressed and despatched and despatch of the transmission was confirmed and/or acknowledged as the case may be

22.6 Communications by email or any other electronic means not specifically provided for in this agreement shall not be valid for the purposes of this agreement and notwithstanding the provisions of section 7 of the Electronic Communications Act 2000 no party shall be obliged to treat such notices as authentic or effective or take any action in relation thereto

23. ANNOUNCEMENTS AND CONFIDENTIALITY

Unless otherwise required by law, current insolvency practice or the rules of any recognised investment exchange, the parties shall keep this agreement confidential and no statement or announcement of any nature relating to the terms, conditions and subject matter of this agreement shall be made to the public, the press or otherwise unless in a form previously agreed between the parties save that the Administrator shall be at liberty to disclose the terms of this agreement to any liquidator and to show appropriate figures in their administration records, accounts and returns

24. GENERAL

24.1 The Purchaser shall deliver forthwith to the Administrator all correspondence received at the Premises which is addressed to the Company or the Administrator.

24.2 The provisions of this agreement insofar as they have not been performed at or are capable of taking effect after the Completion Date shall remain in full force and effect notwithstanding Completion and shall not merge on Completion

24.3 The Purchaser shall pay any stamp duty or stamp duty land tax payable in respect of this agreement or any other document entered into or executed in connection with or pursuant to this agreement.

24.4 No single or partial exercise or failure or delay in exercising, on the part of the Company or the Administrator, any right, power or remedy under this agreement or the granting of time by the Company or the Administrators shall prejudice, affect or restrict the rights, powers and

remedies of those parties under this agreement, nor shall any waiver by the Company or the Administrator of any breach of this agreement operate as a waiver of or in relation to any subsequent or any continuing breach of this agreement

- 24 5 This agreement supersedes and extinguishes any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature whatsoever, whether or not in writing between the parties in relation to the matters dealt with in this agreement and represents the entire understanding between the parties in relation to them
- 24 6 This agreement shall not be capable of assignment either in whole or in part by the Purchaser and shall be binding upon and enure for the benefit of each party's personal representatives and successors in title
- 24 7 Except as provided in clause 18, a person who is not party to this agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act
- 24 8 Any date or period mentioned in any clause of this agreement may be extended by mutual agreement between the Administrator and the Purchasers but as regards any date or period (whether or not extended as aforesaid) time shall be of the essence in this agreement.
- 24 9 No variation of this agreement shall be effective unless it is in writing, refers specifically to this agreement and signed by or on behalf of each of the parties to this agreement
- 24 10 This agreement may be executed in any number of counterparts, each of which should be considered as an original, with the same effect as if the parties or their representatives signed the same instrument

24 11 This agreement shall be governed by and construed in accordance with English law and each party agrees to submit to the exclusive jurisdiction of the English courts

24 12 If at any time any provision of this agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby

24 13 Save as expressly provided elsewhere in this agreement, each party to this agreement shall pay its own costs, charges and expenses in relation to the negotiation, preparation, execution and implementation of this agreement

24 14 Any certificate or determination by the Company or the Administrator of a rate or an amount due or payable under this agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates

IN WITNESS of which the parties or their duly authorised representatives have executed this agreement

SCHEDULE

The Premises

All those premises used by the Company in the property known as Lok'N'Store House, Etheridge Avenue, Brinklow, Milton Keynes, MK10 OBD comprising a self-access storage facility

IN WITNESS of which the parties have executed this document as follows:

SIGNED on behalf of the Company by the)
Administrator as its agent without personal)
liability in the presence of)



Witness.
(Signature)

P. Brown

Name.
(in bold)

Peter Brown

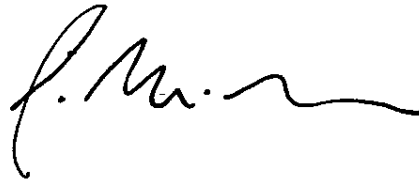
Address

6 BIRCHM WALK, COTTEN, NEWCASTLE STAFFS
ST6 4LG

Occupation

ACCOUNTANT

SIGNED by the Administrator in the)
presence of)



Witness
(Signature)

P. Brown

Name.
(in bold)

Peter Brown

Address

6 BIRCHM WALK, COTTEN, NEWCASTLE STAFFS
ST6 4LG

Occupation

ACCOUNTANT

SIGNED by **KATIE RACHEL**)
ELIZABETH KITSON on behalf of the)
Purchaser in the presence of

Witness
(Signature)

Name
(in bold)

Address

Occupation