

STANLEY

TEE

LLP  
SOLICITORS

6843028

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

Stanley Tee LLP.

DATED 8 May 2009

AGREEMENT

For sale and purchase of  
entire issued share capital

of

DAVID REED HOMES LIMITED

FRIDAY



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DATED 8 May 2009

**AGREEMENT**

For sale and purchase of  
entire issued share capital

of

**DAVID REED HOMES LIMITED**

**Stanley Tee LLP  
High Street  
Bishops Stortford  
Hertfordshire  
CM23 2LU**

**Ref: DJC**

**W:\APPLICS\DPS\CommercialFiles\CM\21\142921\116.DOC**

THIS AGREEMENT is made on

8<sup>th</sup>

May

2009

**BETWEEN:**

- (1) The several persons whose names and addresses are set out in column 1 of Schedule 1 ('the Vendors')
- (2) DAVID REED HOMES (HOLDINGS) LIMITED (registration number 6843028) whose registered office is at 6 High Street, Bishop's Stortford, Hertfordshire, CM23 2LU ('the Purchaser')

**RECITALS**

- (1) David Reed Homes Limited is a company registered in England and Wales under number 01265665 ('the Company') and has an authorised share capital of £50,000 divided into 500,000 ordinary shares of £0.10 each, of which 93,750 ordinary shares of £0.10 each are in issue and are credited as fully paid.
- (2) The Vendors are together the beneficial owners of the whole of the issued and allotted share capital in the Company and each of the Vendors is the sole beneficial owner and registered holder of the number of the Sale Shares set out in column 2 of Schedule 1 opposite his name.
- (3) The Vendors have agreed to sell, and the Purchaser has agreed to buy, all the issued shares in the Company on the following terms.

**1 Interpretation**

- 1.1 In this agreement (including the Recitals and the Schedules), unless the context otherwise requires, the following words and expressions shall have the following meanings:

**'the Company'**

David Reed Homes Limited (Company registration number 01265665)

**'Completion'**

the completion of the sale and purchase of the Sale Shares under this agreement

<b>'the Consideration Shares'</b>	2,500 ordinary shares of £1.00 each in the capital of the Purchaser
<b>'the Last Accounts Date'</b>	30 April 2008
<b>'the Sale Shares'</b>	all of the ordinary shares of £0.10 each in the capital of the Company allotted and in issue at the date of this agreement
<b>'the Solicitors'</b>	Stanley Tee LLP of High Street, Bishop's Stortford, Hertfordshire, CM23 2LU (ref DJC)
<b>'the Warranties'</b>	the warranties and undertakings given by the Vendors referred to in clause 5

1.2 In this agreement (including the Recitals and the Schedules), unless the context otherwise requires:

1.2.1 all references to any statutory provision or enactment shall include references to any amendment, modification or re-enactment of that provision or enactment (whether before or after the date of this agreement), to any previous enactment which has been replaced or amended and to any regulation or order made under that provision or enactment;

1.2.2 references to documents 'in the agreed form' are to documents in terms agreed between the parties to this agreement and signed (for the purpose of identification only) by the Vendors and the Purchaser prior to the signature of this agreement;

1.2.3 references to the Recitals, clauses and the Schedules are respectively to the Recitals to, clauses of and the Schedules to, this agreement.

## **2 Sale and purchase**

2.1 Each of the Vendors, with full title guarantee, shall sell with effect from Completion the number of the Sale Shares set out opposite his or her name in column 2 of

Schedule 1, and the Purchaser shall purchase with effect from Completion all of the Sale Shares with all rights attached or accruing to them, and free from all claims, charges, liens, incumbrances, options, rights of pre-emption or equities whatsoever.

2.2 The Purchaser shall not be obliged to complete the purchase of any of the Sale Shares unless the purchase of all the Sale Shares is completed simultaneously in accordance with this agreement.

2.3 The Purchaser shall purchase the Sale Shares together with all rights that attach (or may in the future attach) to them including, in particular, the right to receive all dividends and distributions declared, made or paid on or after the date of this agreement.

### **3 Consideration**

3.1 The consideration price for the Sale Shares shall be £3,100,000 which shall be satisfied:

3.1.1 as to £2,686,666.66 by payment in cash which shall be paid to the Vendors in the sums set out in column 3 of Schedule 1; and

3.1.2 as to £413,333.34 by the allotment and issue of the Consideration Shares to the Vendors in accordance with column 4 of Schedule 1

### **4 Completion**

4.1 Completion shall take place immediately following the making of this agreement at the offices of the Solicitors.

4.2 At Completion, the Vendors shall deliver (where appropriate as agent for the Company) to the Purchaser:

4.2.1 transfers in respect of the Sale Shares, duly executed by the registered holders in favour of the Purchaser or as it may direct;

- 4.2.2 certificates for the Sale Shares and any other documents which may be required to give good title to the Sale Shares, and to enable the Purchaser to procure registration of the same in its name or as it may direct;
  - 4.2.3 the resignation of Jennifer Ann Reed as a director and secretary of the Company executed as a deed in the agreed form;
  - 4.2.4 confirmation by each of the Vendors (executed as a deed in the agreed form) that the Vendors have no claims against the Company;
  - 4.2.5 the Company's certificate of incorporation, certificate of incorporation on change of name (if applicable), common seal, statutory registers, minute books, share certificate books and all other books (all duly written up to date);
  - 4.2.6 any power of attorney under which any document required to be delivered under this clause 4.2 has been executed;
  - 4.2.7 certified copies of board resolutions of the Company in the agreed form;
  - 4.2.8 Signed Companies House forms notifying the appointment of the Purchasers nominees as directors and company secretary of the Company
- 4.3 Provided that the Vendors comply with all their obligations under clause 4.2, the Purchaser shall at Completion pay to the Vendors the cash consideration detailed in clause 3.1.1 to the Vendors in accordance with Schedule 1 and, allot and issue to the Vendors the Consideration Shares in the numbers set out in column 4 of Schedule 1 credited as fully paid, and deliver share certificates to the Solicitors in respect of them.
- 4.4 If for any reason the provisions of clause 4.2 are not fully complied with, the Purchaser shall be entitled (in addition and without prejudice to any other right or remedy available to it) to elect:
- 4.4.1 to fix a new date for Completion; or

4.4.2 to proceed to Completion so far as practicable, the Vendors then being obliged to use their best endeavours to perform or procure the performance of any of the outstanding provisions of clause 4.2.

4.5 The Solicitors are authorised to take delivery of any items under this agreement on behalf of party, and their receipt shall be a good discharge for those items to the party making delivery.

## **5 Warranties and indemnities**

5.1 Each of the Vendors warrants, represents and undertakes to the Purchaser that the statements in Schedule 2 are, and will at Completion be, true and correct in all respects and not misleading;

5.2 The Vendors will indemnify the Purchaser in respect of:

5.2.1 any breach of any of the Warranties; and

5.2.2 any loss, liability, claim or expense incurred by the Purchaser by reason (whether direct or indirect) of any of the Warranties being untrue, incorrect or misleading.

## **6 Waivers**

6.1 Each of the Vendors hereby irrevocably waives all and any rights of pre-emption to which he may be entitled (whether under the Articles of Association of the Company or otherwise) in respect of the transfer of the Sale Shares contemplated by this agreement.

6.2 The Purchaser may at its absolute discretion in whole or in part release, compound or compromise, or grant time or indulgence to any party for, any liability under this agreement without affecting its rights against that or any other party under the same or any other liability.

**7 Vendors' liability**

- 7.1 Each of the Vendors shall be jointly and severally liable in the event of any breach of any obligation or liability under this agreement (including, but not limited to, any breach of the Warranties).

**8 General provisions**

- 8.1 Completion shall not in any way prejudice or affect the operation of any provision of this agreement which contemplates or is capable of post-Completion operation, and all such provisions shall continue in full force and effect notwithstanding Completion.
- 8.2 The parties agree that the Company shall bear the costs of and incidental to the negotiation, making and fulfilment of this agreement and the transactions contemplated under it and the Purchaser shall procure payment of the Company following completion.
- 8.3 This agreement is personal to the Vendors and the Purchaser and neither part may assign in whole or in part the benefit of this agreement.
- 8.4 No party shall divulge to any third party (other than its professional advisers) any information regarding the terms of this agreement, or any matters contemplated by this transaction, or make any announcement relating to it, save that the Purchaser shall be entitled to notify the change of control to its customers, suppliers and agents of the Company.
- 8.5 Any notices must be in writing, and may be given to any party at its registered office, or to such other address as may have been notified to the other parties, and will be effectively served:
- 8.5.1 on the day of receipt, where any hand-delivered letter or any facsimile message is received on a business day before or during normal working hours;



- 8.5.2 on the following business day, where any hand-delivered letter or facsimile message is received either on a business day after normal working hours or on any other day; or
- 8.5.3 on the second business day following the day of posting from within the United Kingdom of any letter sent by post office inland first class mail postage prepaid.

This contract has been entered into on the date stated at the beginning of it.

**SCHEDULE 1**

<b>Shareholder</b>	<b>Number of Sale Shares</b>	<b>Cash consideration</b>	<b>Consideration Shares</b>
David Thomas Reed 25 Woodlands Road, Great Shelford, Cambridge, CB2 5LW	68,750	£2,273,333.33	0
Sarah Bryant, Rosa House, The Hectare, Great Shelford, Cambridgeshire CB2 5JS	12,500	£413,333.33	0
Claire Amanda Rust, 101 North End, Meldreth, Royston, Herts, SG8 6NX	12,500	£ 0	2,500

## **SCHEDULE 2**

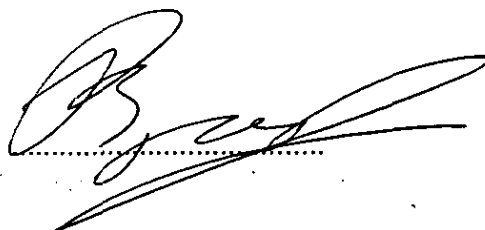
### **Warranties**

1. The contents of clauses Recitals (2) and (3) above are, and will at Completion be, true and correct in all respects.
2. The Company is not, and will not at Completion be, under any commitment to allot or issue any share or loan capital to any person, and no person has the right (whether exercisable now or in the future and whether contingent or not) to call for the issue of any share or loan capital of the Company.
3. The Vendors are together the sole beneficial owners of all the Sale Shares and will at Completion have the right and power to sell and transfer (or procure the transfer of) all the Sale Shares to the Purchaser in accordance with the provisions of this agreement.
4. None of the Vendors (nor any person connected with any of them within the meaning of Section 839 of the Income and Corporation Taxes Act 1988) is indebted to the Company, nor is the Company indebted to any such person, and there is no circumstance under which any such indebtedness could arise.

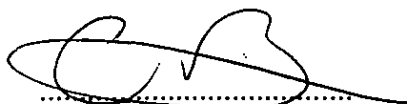
Signed by the DAVID THOMAS REED

A handwritten signature in cursive script, appearing to read 'D Reed', enclosed within a horizontal oval shape.

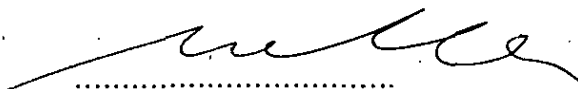
Signed by the SARAH BRYANT

A handwritten signature in cursive script, appearing to read 'S Bryant', with a long horizontal flourish extending to the right.

Signed by the CLAIRE AMANDA  
RUST

A handwritten signature in cursive script, appearing to read 'C A Rust', with a large loop at the beginning.

Signed by DAVID REED HOMES  
(HOLDINGS) LIMITED

A handwritten signature in cursive script, appearing to read 'D Reed Homes', with a long horizontal flourish extending to the right.

Director

A handwritten signature in cursive script, appearing to read 'D Reed Homes', with a large loop at the beginning.

Director



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