

3576132

SALE AND PURCHASE AGREEMENT

THIS AGREEMENT is made the 31 day of March 2006

Vendor:	Laing Investments Limited (registered in England with number 780225) whose registered office is at Allington House, 150 Victoria Street, London, SW1E 5LB
Purchaser:	Equion Limited (registered in England with number 3576132) whose registered office is at Allington House, 150 Victoria Street, London, SW1E 5LB
Company:	Octagon Healthcare Group Limited (registered in England with number 4826487) whose registered office is at Norfolk & Norwich University Hospital, Colney Lane, Colney, Norwich NR4 7UZ
Sale Shares:	265,000 ordinary shares of £0.01 each in the capital of Octagon Healthcare Group Limited
Loan Notes:	£6,387,600 of 12 per cent loan notes due 2036 issued by Octagon Healthcare Group Limited

Obligation to sell and purchase:

It is agreed that, subject to the terms and conditions of this Agreement, such terms and conditions which include all the terms and conditions set out in the schedule overleaf, the Vendor shall sell the Sale Shares and Loan Notes to the Purchaser together with all rights attaching to them at the date of this Agreement and the Purchaser shall purchase the Sale Shares and Loan Notes accordingly for the following consideration:

Sale Shares Consideration:	Issue of 439,524 ordinary shares of £1 each in the capital of the Purchaser to the Vendor
Loan Notes Consideration:	An amount of £6,579,350 to be left outstanding to the Vendor on the intra-group loan account

IN WITNESS of which this Agreement has been executed and delivered as a deed the day and year first above written.

Executed as a deed
on behalf of Laing
Investments Limited

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[Signature]
P.G. [Signature]

Director

Director/Secretary

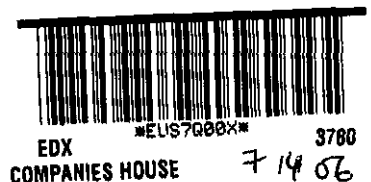
Executed as a deed
on behalf of Equion
Limited

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)
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[Signature]
P.G. [Signature]

Director

Director/Secretary



SCHEDULE
TERMS AND CONDITIONS

1. Implied covenants for title

1.1 The Vendor covenants that:

- 1.1.1 the Sale Shares are fully paid;
- 1.1.2 it is the owner of and has the right to transfer the beneficial title to the Sale Shares and the Loan Notes; and
- 1.1.3 the Sale Shares and the Loan Notes are free from all liens, charges and encumbrances.

1.2 Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 (as amended, extended, consolidated or replaced from time to time) shall not apply to any disposition made under or pursuant to this Agreement.

2. Dividends and distributions

The Purchaser shall be entitled to receive all dividends and distributions (whether of income or capital) declared, paid or made by the Company in respect of the Sale Shares on or after the date of this Agreement.

3. Interest

The Purchaser shall be entitled to receive all interest paid or payable in respect of the Loan Notes on or after the date of this Agreement.

4. Completion

4.1 The sale and purchase of the Sale Shares and the Loan Notes shall be completed on the date of this Agreement ("Completion").

4.2 To the extent that the consideration payable on Completion is to consist of shares in the Purchaser ("Consideration Shares") the Purchaser shall, at Completion:

- 4.2.1 cause a board meeting, or a meeting of a duly authorised committee of the board, of the Purchaser to be held at which such Consideration Shares are issued to the Vendor, credited as fully paid;
- 4.2.2 enter the name of the Vendor into the register of members of the Company as the registered holder of the Consideration Shares;
- 4.2.3 deliver to the Vendor a share certificate in respect of the Consideration Shares, executed by the Purchaser; and
- 4.2.4 deliver to the Vendor such waivers, consents or other documents (including any power of attorney under which any document required to

be delivered under this Schedule has been executed) (if any) as are required to enable the allotment of the Consideration Shares to the Vendor and the registration of the Vendor's title to the Consideration Shares in the register of members of the Purchaser.

- 4.3 To the extent that the consideration payable on Completion is payable in cash, a sum equal to the market value, in aggregate, of the Sale Shares and the Loan Notes shall be paid at Completion to the Vendor as the Vendor directs.
- 4.4 To the extent that the consideration payable on Completion shall be left outstanding as a debt to the Vendor on the intra-group loan account on the standard terms used for lending within the Laing group.
- 4.5 At Completion the Vendor shall be obliged to deliver to the Purchaser (or otherwise make available to the satisfaction of the Purchaser):
- 4.5.1 transfers of the Sale Shares duly executed by the registered holders in favour of the Purchaser or its nominee(s) together with the relevant share certificates in the names of such registered holders;
 - 4.5.2 transfers of the Loan Notes duly executed by the registered holders in favour of the Purchaser or its nominee(s) together with the relevant loan note certificates in the names of such registered holders;
 - 4.5.3 such waivers, consents or other documents (including any power of attorney under which any document required to be delivered under this Schedule has been executed) (if any) as are required to enable the Purchaser to be registered as the holder(s) of the Sale Shares and the Loan Notes and as may be required to give evidence of the title of the Vendor to the Sale Shares and the Loan Notes and its capacity to sell or transfer the Sale Shares and the Loan Notes;
- 4.6 At Completion the Vendor shall cause a board meeting of the Company to be held at which the transfers of the Sale Shares and the Loan Notes will be approved for registration (subject to the Sale Shares being duly stamped, which shall be at the cost of the Purchaser).

5. Effect of Completion

5.1 Notwithstanding Completion:

- 5.1.1 each provision of this Agreement (and any other document referred to in it) not performed at or before Completion but which remains capable of performance; and
- 5.1.2 all covenants and other undertakings contained in or entered into pursuant to this Agreement

will remain in full force and effect and (except as otherwise expressly provided) without limit in time.

- 5.2 The Vendor declares that so long as it shall remain the registered holder of any of the Sale Shares and the Loan Notes after Completion, it will:

- 5.2.1 hold the Sale Shares and all dividends and other distributions in respect of them, and all other rights arising out of or in connection with them, on trust for the Purchaser and its successors in title;
- 5.2.2 hold the Loan Notes and all interest payable in respect of them, and all other rights arising out of or in connection with them, on trust for the Purchaser and its successors in title; and
- 5.2.3 at all times deal with and dispose of the Sale Shares and all such dividends, distributions and rights attaching to them and deal with and dispose of the Loan Notes and all such payments of interest, principal and rights attaching to them, as the Purchaser or any such successor may direct.

6. General

- 6.1 The Vendor shall, from time to time on being required to do so by the Purchaser, promptly and at the cost and expense of the Vendor do or procure the doing of all such acts and/or execute or procure the execution of all such documents in a form satisfactory to the Purchaser as the Purchaser may reasonably consider necessary for giving full effect to this Agreement and securing to the Purchaser the full benefit of the rights, powers and remedies conferred upon the Purchaser in this Agreement.
- 6.2 This Agreement comprises the entire agreement between the parties in relation to the matters referred to herein and supersedes any previous agreement or arrangement between the parties hereto or any of them in relation to the sale of the Sale Shares and the Loan Notes (or any of them) or any interest in the Company and the parties acknowledge that no claim shall arise in respect of any agreement or arrangement so superseded.
- 6.3 Save as otherwise specifically provided herein, any variation of this Agreement shall be binding only if it is recorded in a document signed by or on behalf of all the parties hereto.
- 6.4 Each party to this Agreement shall pay its own costs, charges and expenses incurred in the preparation, completion and implementation of this Agreement and the documents referred to herein.
- 6.5 This Agreement may be executed in any number of documents or counterparts each in the like form, all of which taken together shall constitute one and the same document, and any party may execute this Agreement by signing any one or more of such documents or counterparts.
- 6.6 Nothing in this Agreement is intended to confer on any person any right to enforce any term of this Agreement which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.
- 6.7 This Agreement shall be construed according to and governed by the law of England and each of the parties submits to the exclusive jurisdiction of the English courts.