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On 30 June 2007

Whipp & Bourne Limited
Falcon Works
PO Box 7713
Meadow Lane
Loughborough,
Leicestershire LE11 1ZF
England
(the "Borrower")

and

FKI Helios Limited
Falcon Works
PO Box 7713
Meadow Lane
Loughborough,
Leicestershire LE11 1ZF
(the "Assignor")

Brush Electrical Machines Limited
Falcon Works
PO Box 7713
Meadow Lane
Loughborough,
Leicestershire LE11 1ZF
(the "Assignee")

SATURDAY



RM 20/10/2007 102
COMPANIES HOUSE

(together the "Parties")

have entered into the following

ASSIGNMENT AGREEMENT

regarding all of the Assignor's rights and obligations under

- (a) the Loan Agreement dated 1 March 2005 between the Borrower and the Assignor (the "**WBL Loan Agreement**"), and
- (b) the undocumented inter-company loan agreement between the Borrower and the Assignor (the "**WBL Inter-company Loan**")

(together the "**Facility Agreements**") according to the terms and conditions set out below

1 Assignment

1 1 The Assignor hereby assigns to the Assignee all of its rights and obligations under the Facility Agreements, including its creditor rights in respect of the advance(s) made as of 30 June 2007 in the total amount of

1 1 1 DKK 1,006,902,133 (including interest) under the WBL Loan Agreement, and

1 1 2 GBP 7,410,284 (including interest) under the WBL Inter-company Loan

and the obligation of facilitating further advances to the Borrower in accordance with the terms of the Facility Agreements

2 Consideration

2 1 In consideration of the rights and obligations assigned to it under this Assignment Agreement the Assignee shall allot and issue to the Assignor, credited as fully paid, one B preference share of £1 each in the capital of the Assignee (the "**Consideration Share**")

3 Allotment

3 1 The Consideration Share shall be allotted and issued to the Assignor forthwith following the signing of this Assignment Agreement

4 Representations and warranties

4 1 As at signing of this Assignment Agreement the Assignor and the Borrower represents and warrants to the Assignee

that no objections against the existence of the debts under the Facility Agreements have been made by the Borrower

that the aggregate amount of the outstanding debt under the WBL Loan Agreement is DKK 1,006,902,133 including interest as of 30 June 2007

that the aggregate amount of the outstanding debt under the WBL Inter-company Loan is GBP 7,410,284 including interest as at 30 June 2007

that interest is payable under the WBL Inter-company Loan at a rate equal to 12 months LIBOR (at 1 April) less 0.5%

that no default exists under the Facility Agreements that has not been remedied to the satisfaction of the non-defaulting party

- that the rights assigned are free of any third party rights, including – but not limited to - encumbrances, liens etc
- that this Assignment Agreement (i) has been duly approved and authorised by the relevant decision-making bodies of the Assignor and the Borrower, respectively, (ii) is valid and binding on the Assignor and the Borrower, respectively, and (iii) is enforceable against the Assignor and the Borrower, respectively, in accordance with its terms
- that neither the execution nor the performance of this Assignment Agreement will (i) conflict with or constitute a breach or violation of the articles of association of the Assignor and the Borrower, respectively, and/or applicable law, (ii) conflict with or result in a breach of any agreement concluded by the Assignor and the Borrower, respectively, except for any such agreements whose breach will not adversely affect this Assignment Agreement, (iii) conflict with or constitute a violation of any judgment, decision or order made by any court or administrative body against or binding upon the Assignor and the Borrower, respectively, or (iv) conflict with or constitute a violation of any law or regulation applicable to the Assignor and the Borrower, respectively

4.2 As at signing of this Assignment Agreement the Assignee represents and warrants to the Assignor

- that this Assignment Agreement and the allotment of the Consideration Share (i) have been duly approved and authorised by the relevant decision-making bodies of the Assignee, (ii) are valid and binding on the Assignee, and (iii) are enforceable against the Assignee in accordance with its terms
- that neither the execution nor the performance of this Assignment Agreement and the allotment of the Consideration Share will (i) conflict with or constitute a breach or violation of the articles of association of the Assignee and/or applicable law, (ii) conflict with or result in a breach of any agreement concluded by the Assignee, except for any such agreements whose breach will not adversely affect this Assignment Agreement, (iii) conflict with or constitute a violation of any judgment, decision or order made by any court or administrative body against or binding upon the Assignee, or (iv) conflict with or constitute a violation of any law or regulation applicable to the Assignee

5 Undertakings of the Assignee

- 5.1 The Assignee hereby assumes all obligations under the Facility Agreements, including the obligation of facilitating further advances to the Borrower in accordance with the terms of the Facility Agreements
- 5.2 The Assignor hereby applies for the allotment to it of the Consideration Share

6 Acknowledgement of the Borrower

6.1 The Borrower hereby declares to have been notified of the assignment of all of the Assignor's rights and obligations under the Facility Agreements and to have consented to the said assignment

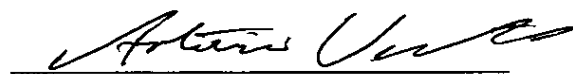
6.2 The Borrower acknowledges that all future payments regarding the Facility Agreements shall be made and can only be made with releasing effect to the Assignee and that as of the same time the Assignor is effectively released and forever discharged from all of the obligations under the Facility Agreements

7 Governing Law and Jurisdiction

7.1 This Assignment Agreement shall be governed by, and construed in accordance with, English Law. The Parties hereby submit to the non-exclusive jurisdiction of the English Courts

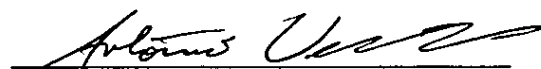
This Assignment Agreement has been executed by the Parties in three original copies as of the day and year stated above

For and on behalf of Whipp & Bourne Limited



Name

For and on behalf of FKI Helios Limited



Name

For and on behalf of Brush Electrical Machines Limited



Name