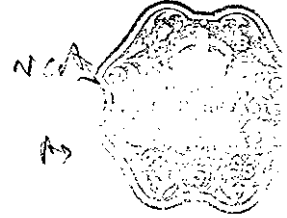


739600.



THIS AGREEMENT is made the first day of APRIL
One thousand nine hundred and ninety six **BETWEEN**

- (1) **THE GREAT UNIVERSAL STORES plc** whose registered office is at Universal House, Devonshire Street, Manchester M60 1XA (hereinafter called "the Transferor") and
- (2) **G.U.S. HOME SHOPPING LIMITED** (No. 739600 - formerly known as G.U.S. Catalogue Order Limited) whose registered office is at Universal House, Devonshire Street, Manchester M60 6EL (hereinafter called "the Transferee")

WHEREAS:

- (A) The Transferor has for some time past been carrying on the business of the ownership management and operation of an agency mail order business under the name and style "Great Universal"
- (B) The Transferee is a wholly owned subsidiary of the Transferor ("subsidiary" having the meaning ascribed to it by section 736 of the Companies Act 1985)
- (C) The Transferor wishes to sell and the Transferee wishes to purchase the goodwill and assets of the said business with a view to maintaining the same as a going concern and carrying on the same in succession to the Transferor upon the terms and subject to the conditions hereinafter appearing

NOW IT IS HEREBY AGREED as follows:-

1. DEFINITIONS

- (A) In this Agreement (which expression shall include the Recitals and Schedules to this Agreement) except so far as the context otherwise requires the following expressions shall have the following meanings:-

"the Assets" means the several assets to be sold by the Transferor to the Transferee hereunder and described in Clause 2 hereof

"the Advance Payments" means all sums received by the Transferor prior to the Transfer Date in connection with the Business but relating or attributable to or paid in respect of any period after the Transfer Date

"the Business" means except as otherwise expressly provided in this Agreement the business referred to in Recital (A) hereof together with all and any other businesses carried on by the Transferor ancillary



or compatible therewith (which expression shall unless the context otherwise requires include references to the rights and assets agreed to be sold hereunder)

- "the Chattels" means any furniture fixtures fittings plant machinery tools equipment motor vehicles chattels and movables owned beneficially by the Transferor on the Transfer Date in connection with the Business excluding the Stock (as hereinafter defined)
- "the Claims" all rights of the Transferor against third parties and all rights of third parties against the Transferor subsisting at the Transfer Date in respect of any property rights or assets relating to the Business
- "the Completion Date" means the date of completion of the sale and purchase of the Assets as provided in Clause 5 hereof and "Completion" shall be construed accordingly
- "the Contracts" means all the current arrangements agreements contracts engagements and rights of the Transferor in connection with the Business entered into prior to the Transfer Date to which the Transferor is party
- "the Debts" means all debts owing on the Transfer Date to the Transferor in connection with the carrying on of the Business (whether or not invoiced and whether or not yet due and payable) but excluding any amounts recoverable by the Transferor in respect of taxation paid or payable by the Transferor in connection with matters or events occurring on or before the Transfer Date
- "H.P. Agreements" means any current hire purchase credit sale leasing and other similar agreements in connection with the Business to which the Transferor is party
- "the Liabilities" means all the debts liabilities or obligations outstanding on or accrued due up to the Transfer Date by the Transferor in connection with the carrying on of the Business or in respect of the properties rights and assets used enjoyed or

exercised in connection therewith prior to the Transfer Date (whether or not invoiced assessed or otherwise claimed and whether or not yet due and payable) including any liabilities in respect of the Advance Payments but excluding all and any taxation relating to the Business (including but not limited to deferred taxation) in respect of all periods prior to the Transfer Date for which the Transferor is liable whether or not liability to pay such taxation has then arisen

"the Licenses" means the licences permits approvals and authorities currently held by the Transferor in connection with the Business

"the Prepayments" means all amounts paid prior to the Transfer Date by the Transferor so far as the same relate to debts liabilities and obligations in connection with the Business in respect of any period after the Transfer Date

"the Stock" means all stock in trade of the Business at the Transfer Date

"the Transfer Date" means the opening of business of the Business on 1 April 1996

(B) References to any statute or statutory provision shall include references to such statute or provision as modified or re-enacted whether prior to or after the date of this Agreement

(C) Clause headings are included in this Agreement for convenience only and shall be ignored for the purposes of construction

2. **ASSETS**

(A) The Transferor shall sell or procure the sale of and the Transferee shall purchase with effect from the Transfer Date the Business as a going concern

(B) Without prejudice to the generality of sub-clause (A) above there shall be included in the sale of the Business the following:-

(i) the Chattels

(ii) the Stock

- (iii) the benefit (subject to the burden) of the Contracts Licences H.P. Agreements and orders relating to the Business so far as the Transferor can assign the same and subject where necessary to the consent of the other parties thereto
- (iv) the goodwill of the Business including the right so far as the Transferor can grant the same to carry on the Business under any of the names currently used by the Transferor and the right to represent itself as carrying on the Business in succession to the Transferor
- (v) all rights to use any intellectual or industrial property rights of which the Transferor is the proprietor or in respect of which (insofar as the Transferor can assign the same and subject where necessary to the consent of the licensors thereof) the Transferor is a licensee
- (vi) the benefit (subject to the burden) of all the Transferor's rights (if any) against third parties subsisting at the Transfer Date so far as the Transferor can assign the same and subject where necessary to the consent of third parties
- (vii) the Debts and all cheques bills notes and securities receivable therefor
- (viii) cash in hand and cash at bank (whether on current or deposit account) relating to the Business including uncleared cheques received at the Transfer Date
- (ix) all lists of suppliers and customers sales and stock records, price lists, catalogues, sales literature and stationery and any similar items relating to the Business
- (x) subject as herein otherwise expressly provided all other assets owned by the Transferor whatsoever and wheresoever in connection with the Business save for (a) any amounts recoverable by the Transferor in respect of taxation paid or payable by the Transferor in connection with matters or events occurring on or before the Transfer Date and (b) the Prepayments

but subject as to all the Assets to such (if any) liens charges encumbrances and licences as affect the same or any part thereof

- (C) The Advance Payments shall belong to the Transferee
- (D) The Transferee shall accept without investigation or requisition such title as the Transferor has to the Assets

- (E) It is hereby expressly declared that the risk in all the Assets shall pass to the Transferee on the Transfer Date
- (F) From and after the Transfer Date all profits and receipts of the Business and all losses and outgoings in respect thereof shall belong to and be paid and discharged by the Transferee

3. INDEMNITY

Subject to any other provision to the contrary herein contained the Transferee hereby indemnifies the Transferor from and against all liabilities of the Transferor arising after the Transfer Date in relation to the Assets together with all costs claims proceedings damages and expenses incurred in connection therewith

4. CONSIDERATION

- (A) As part consideration for the sale hereby agreed to be made the Transferee shall assume and discharge the Liabilities
- (B) The residue of the consideration for the said sale shall be a sum equal to the value of the Assets as at the Transfer Date less an amount equal to the Liabilities For the purpose of this clause (save as otherwise herein expressly provided) the value of each of the Assets shall be taken to the value thereof as at the Transfer Date as shown by the books of account of the Transferor

5. COMPLETION

- (A) Completion shall take place on 1 April 1996 (or at such other time as the Transferor and the Transferee shall agree) and upon Completion:-
 - (i) the Transferor shall deliver or cause to be delivered to the Transferee all those of the Assets which are capable of transfer by delivery whereupon the Transferor's title to the same shall pass to the Transferee by virtue of such delivery
 - (ii) the Transferor shall deliver or cause to be delivered to the Transferee all books of account of the Transferor relating to the Business and all other similar books and as from the Transfer Date the Transferee shall be solely entitled to the custody and use thereof for the purpose of carrying on the Business Provided that the Transferor shall have free access at all times to such of the said books and documents as it may from time to time require
- (B) The Transferor shall hold all monies received by it after the Transfer Date in settlement (in whole or in part) of the Debts on trust for the Transferee and shall promptly following receipt pay such monies to the Transferee

- (C) Upon and after Completion each of the Transferor and the Transferee shall do and execute and/or use its best endeavours to procure to be done and executed by all relevant parties all other acts deeds documents and things as shall be necessary or advisable for effectively vesting the Assets in the Transferee and/or implementing the terms of this Agreement and pending the doing and executing of such acts deeds documents and things the Transferor shall hold the legal estate or title in the Assets in trust for the Transferee
- (D) Forthwith upon determination of the amount of purchase consideration referred to in Clause 4(B) hereof the said consideration shall be satisfied by the issue and allotment of such number of Ordinary Shares of £1 each in the Transferee as equals the number of pounds comprising the said consideration

6. H.P. AGREEMENTS AND CONTRACTS

- (A) With effect from the Transfer Date the Transferee shall be entitled to the benefit of all H.P. Agreements, Contracts, orders and Licences referred to in Clause 2(B)(iii) hereof and the Transferee shall carry out, perform and complete all the obligations and liabilities created by or arising under such H.P. Agreements, Contracts, orders and Licences and shall indemnify the Transferor against any liability thereunder in respect of any matter or thing done or omitted to be done by the Transferee after the Transfer Date
- (B) Unless and until any such H.P. Agreements, Contracts or orders and Licences shall be novated or assigned the Transferor:-
 - (i) shall hold the same in trust for the Transferee absolutely and the Transferee shall (if such sub-contracting is permissible and lawful under the contract), as the Transferor's sub-contractor, perform all the obligations of the Transferor thereunder; and
 - (ii) will (so far as it lawfully may) give all reasonable assistance to the Transferee to enable the Transferee at the Transferee's cost and expense to enforce its rights under such H.P. Agreements, Contracts, orders and Licences

7. CLAIMS

The Transferor shall at the request of the Transferee take such action in respect of all or any of the Claims as the Transferee may reasonably require in connection with the conduct of the relevant Claim or Claims subject to the Transferor being indemnified and secured to its reasonable satisfaction by the Transferee against all losses penalties fines interest costs damages and expenses which may be thereby incurred and in any event the Transferee shall so indemnify the Transferor in respect of all or any of those of the Claims comprising rights of third parties against the Transferor

8. INSURANCES

The Transferee shall as from the Transfer Date be entitled to the benefit of the current insurances of the Assets and the Transferor shall take all such actions as may be necessary to ensure that the interest of the Transferee under such insurances in protected by notice to the insurers or otherwise

9. **COSTS**

The Transferee shall pay all costs incurred in connection with the preparation completion and carrying into effect of this Agreement

10. **GENERAL**

(A) The provisions of this Agreement shall remain in full force and effect notwithstanding Completion

(B) The construction validity and performance of this Agreement shall be governed by the Laws of England to the jurisdiction of whose courts the parties hereto by their execution hereof shall be deemed to have submitted

AS WITNESS the hands of the parties hereto or the hands of their duly authorised representatives the day and year first above written

SIGNED by

for and on behalf of **THE GREAT
UNIVERSAL STORES plc** in the
presence of:-

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R. H. Gough

SIGNED by

for and on behalf of **G.U.S. HOME
SHOPPING LIMITED** in the
presence of:-

DR Myers

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John Ford