

2798607

DATED 24 January 2001

SHARE SALE AND PURCHASE AGREEMENT
relating to certain shares in the issued share capital of Highfield Holdings Limited

APAX VENTURES IV AND APAX VENTURES IV (1)
INTERNATIONAL PARTNERS L.P.
APAX UK V-A, L.P. AND APAX UK V-B (2)
NHP PLC (3)

CERTIFIED TRUE COPY
Signed: *A. R. V. M.*
Company Secretary/Director
Date: 19/3/01

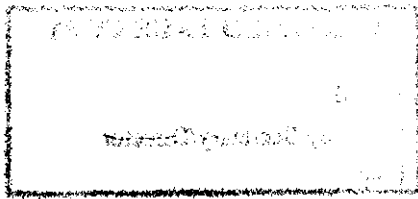
NHP PLC
Reg. No. 02798607

**CERTIFIED A
TRUE
COPY**

SRB

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Reg. No. 02198807
NHP LLC

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The agreed form documents referred to in this Agreement

- 1 The acknowledgements from each of the Vendors and the Companies referred to in clause 4.2(c)
- 2 The powers of attorney referred to in clause 4.2(d)
- 3 The waivers and consents referred to in clause 4.2(e)
- 4 The certified copies of resolutions of the Company referred to in clause 4.2(g)

DATED

24 January 2001



C.A.I.

5

22/2

PARTIES

- (1) APAX VENTURES IV AND APAX VENTURES IV INTERNATIONAL PARTNERS L.P. acting respectively by their manager, Apax Partners & Co. Ventures Ltd, whose registered office is at 15 Portland Place, London, W1N 3AA ("Apax IV");
- (2) APAX UK V-A, L.P. AND APAX UK V-B both acting by their manager, Apax Partners & Co. Ventures Ltd, whose registered office is at 15 Portland Place, London, W1N 3AA ("Apax V");
Apax IV and Apax V together being "the Vendors"; and
- (3) NHP PLC (a company incorporated in England with registered number 02798607) whose registered office is at 6 Broad Street Place, Blomfield Street, London EC2M 7JH ("the Purchaser").

INTRODUCTION

- (A) The Company was incorporated in England and Wales on 13 July 1999 under the Companies Act 1985 and is registered under number 3805939 as a private company limited by shares. It has at the date of this Agreement an authorised share capital of £4,500,227.45 and an issued share capital of £3,500,196 details of which are set out in Part 1 of Schedule 2. The Vendors shall procure the sale and transfer of the Shares with full title guarantee to the Purchaser.
- (B) The business of the Company is that of care home operation and management.
- (C) The Vendors are willing to sell and the Purchaser is willing to purchase the Shares on the terms and subject to the conditions of this Agreement.

OPERATIVE PROVISIONS

1 Interpretation

- 1.1 In this Agreement (including the Introduction and Schedules), except where a different interpretation is necessary in the context, the following expressions shall have the following meanings:

'A' Ordinary Shares	'A' ordinary shares of £0.01 each in the capital of the Company
'A' Preference Shares	cumulative redeemable 'A' preference shares of £1 each in the capital of the Company
'B' Preference Shares	cumulative redeemable 'B' preference shares of £1 each in the capital of the Company
Business Day	any day on which the Stock Exchange is open for business
Board(s)	the board of directors for the time being of the Purchaser and of the Company as specifically referred to
the Company	Highfield Holdings Limited of which short particulars are set out in Part 1 of Schedule 2
the Companies	the Company and the Subsidiaries and each of them

Completion	completion of the acquisition of the Shares in accordance with the terms of clause 4
Consideration	the consideration referred to in clause 3.1
Consideration Shares	4,000,000 ordinary shares of 1p each in the capital of the Purchaser
Ordinary Shares	ordinary shares of £0.01 each in the capital of the Company
Preference Shares	cumulative redeemable preference shares of £1 each in the capital of the Company
the Purchaser's Group	the Purchaser and any holding company of the Purchaser and any of the subsidiaries from time to time of the Purchaser or the Purchaser's holding company
the Purchaser's Solicitors	SJ Berwin & Co of 222 Gray's Inn Road, London WC1X 8XF
the Shares	the 9,600 'A' Ordinary Shares, 1,000,000 Preference Shares, 2,500,000 'A' Preference Shares and 1,000,000 'B' Preference Shares in the capital of the Company held by the Vendors
Stock Exchange	London Stock Exchange plc
Subsidiaries	those companies short particulars of which appear in Part II of Schedule 2, being all the subsidiaries of the Company, and the expression "Subsidiary" shall mean any one of the Subsidiaries
the Vendors' Solicitors	SJ Berwin & Co of 222 Gray's Inn Road, London, WC1X 8XF
the Warranty	the warranty, representation and undertaking given in clause 5
the Warranty Statements	the statements set out in Schedule 3
1.2	All references to statutory provisions or enactments shall include references to any amendment, modification or re-enactment of any such 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 such provision or enactment.
1.3	References to "the Companies Acts" are to the Companies Acts 1985 and 1989.
1.4	The term "holding company" shall have the meaning attributed to it in section 736 and 736A of the Companies Act 1985 (as amended) and a company or other entity shall be a "subsidiary" for the purposes of this Agreement if it falls within any of the meanings attributed to a "subsidiary" in such sections or the meaning attributed to the term "subsidiary undertaking" in section 258 of such Act, and the terms "subsidiaries" and "holding companies" are to be construed accordingly.
1.5	References to those of the parties who are individuals include references to their respective legal personal representative(s).

- 1.6 References to documents "in the agreed form" are to documents in terms agreed between the parties and signed (for the purpose of identification only) by the Vendors' Solicitors and the Purchaser's Solicitors.
- 1.7 References in this Agreement and the Schedules to the parties, the Introduction, Schedules and clauses are references respectively to the parties, the Introduction and Schedules to and clauses of this Agreement.
- 1.8 Save where the context specifically requires otherwise, words importing one gender shall be treated as importing any gender, words importing individuals shall be treated as importing corporations and vice versa, words importing the singular shall be treated as importing the plural and vice versa, and words importing the whole shall be treated as including a reference to any part thereof.
- 1.9 Clause and paragraph headings are inserted for ease of reference only and shall not affect construction.
- 1.10 Section 839 ICTA is to apply to determine whether a person is connected with another for the purposes of this Agreement.

2 Sale and purchase of the Shares

- 2.1 Each of the Vendors shall procure the sale with full title guarantee with effect from Completion of the number of Shares set out opposite its name in column 2 of Schedule 1 and the Purchaser relying on the representations, warranties and undertakings herein contained shall purchase subject to clause 2.2 all of the Shares with any dividends, distributions and rights declared, paid, created or arising therefrom and free from all claims, charges, liens, encumbrances, options, rights of pre-emption or equities.
- 2.2 The Purchaser shall not be obliged to complete the purchase of any of the Shares unless the purchase of all the Shares is completed simultaneously in accordance with this Agreement.

3 Consideration

- 3.1 The consideration for the sale of the Shares in accordance with the terms of this Agreement shall be satisfied by the Purchaser by the payment to the Vendors in the proportions set out in Schedule 1 of an aggregate consideration of £200,000 in cash and the allotment and issue to the Vendors in the proportions set out in Schedule 1 of the Consideration Shares each credited as fully paid.
- 3.2 The Purchaser hereby agrees to issue the Consideration Shares to the Vendors at Completion in accordance with clause 4.3 below.
- 3.3 Each of the Vendors severally undertakes to the Purchaser, in relation to the Consideration Shares issued and allotted to it pursuant to the terms hereof that, in the period of six months following Completion, it shall not, without the written consent of the Purchaser's brokers from time to time, sell or otherwise dispose of or encumber or charge or create any interest or trust or agree to sell or otherwise dispose of or encumber or charge or create any interest or trust, in any of the Consideration Shares. Any such disposal, if consented to as aforesaid, shall only be carried out through, and in accordance with the orderly market requirements of, the Purchaser's brokers from time to time.

4 Completion

- 4.1 Completion shall take place at the offices of the Purchaser's Solicitors (or any other location agreed upon by the Vendors and the Purchaser) immediately following exchange of this Agreement.

- 4.2 At Completion the Vendors shall deliver (where appropriate as agent for the Company or the Subsidiaries) to the Purchaser:
- (a) transfers in respect of the Shares duly executed by the registered holders thereof in favour of the Purchaser or as it may direct;
 - (b) certificates for the Shares and any other documents which may be required to give good title to the Shares and to enable the Purchaser to procure registration of the same in its name or as it may direct;
 - (c) an acknowledgement in the agreed form from each of the Vendors and the Company confirming that at and immediately after Completion nothing is owing between the Company on the one hand and each of the Vendors on the other and to the extent that there is , then this is waived;
 - (d) an irrevocable power of attorney in the agreed form executed by each of the Vendors to enable the Purchaser (during the period prior to the registration of the transfer of the Shares) to exercise all voting and other rights attaching to the Shares;
 - (e) all waivers and consents in the agreed form signed by all members of the Companies to enable the Purchaser or its nominee to be registered as the holder of the Shares and the shares in the Subsidiaries (the Vendors hereby irrevocably waiving all and any rights of pre-emption to which they may be entitled under any articles of association, agreement, law or otherwise in respect of the transfer of the Shares under this Agreement);
 - (f) any power of attorney under which any document required to be delivered under this clause 4.2 has been executed; and
 - (g) certified copies of board resolutions of the Company in the agreed form:
 - (i) approving (subject only to proper stamping) the transfers of the Shares under this Agreement; and
 - (ii) approving the placing on the register of members of the Company of the name of the transferee for registration in accordance with the share transfer form referred to above and authorising the issue of an appropriate share certificate.
- 4.3 When the Vendors have complied with the terms of clause 4.2 the Purchaser shall procure:
- (a) the delivery to the Vendors' Solicitors for the account of the Vendors of a banker's draft or telegraphic transfer in favour of the Vendors' Solicitors for the amount of the cash element of the Consideration and it is hereby acknowledged that the Vendors' Solicitors are authorised by the Vendors to receive payment of the Consideration on the Vendors' behalf and the receipt of the Vendors' Solicitors shall be a sufficient discharge for the Purchaser;
 - (b) within 5 Business Days of Completion, the delivery to the Vendors' Solicitors of certificates for the Consideration Shares and any other documents which may be required to give good title to the Consideration Shares and to enable the Vendors to procure registration of the same in their names or as they direct; and
 - (c) certified copies of board resolutions of the Purchaser in the agreed form:
 - (i) approving the issue and allotment to the Vendors of the Consideration Shares in the proportions set out in column 5 of Schedule 1 (or as the Vendors may direct) and the entry of the Vendors names in the register of members in respect thereof; and

- (ii) approving the sealing and delivery to the Vendors of certificate(s) for the Consideration Shares and any other documents which may be required to give good title to the Consideration Shares and to enable the Vendors to procure registration of the same in their names or as they may direct;

5 Warranty

5.1 The Vendors hereby:

- (a) acknowledge that the Purchaser has been induced to enter into this Agreement and to purchase the Shares on the basis of the Warranty and the agreements in the agreed form; and
- (b) warrant, represent and undertake to the Purchaser that each and every Warranty Statement is true, correct, accurate and not misleading at the date of this Agreement.

5.2 The Warranty is a separate and independent warranty, representation and undertaking in relation to each of the Warranty Statements and no Warranty Statement shall be limited by reference to any other Warranty Statement or by the other terms of this Agreement.

5.3 The rights and remedies of the Purchaser in respect of any breach of the Warranty shall not be affected by Completion, by any investigation made by or on behalf of the Purchaser into the affairs of the Companies, or by any other event or matter whatsoever which otherwise might have affected such rights and remedies except a specific and duly authorised written waiver or release.

5.4 Any information supplied by the Company, its officers or employees to the Vendors, their agents, representatives or advisers in connection with, or to form the basis of, the Warranty or a Warranty Statement or for any other reason, shall be deemed not to include or have included a representation, warranty or guarantee of its accuracy to the Vendors and shall not constitute a defence to the Vendors to any claim made by the Purchaser. The Vendors waive any and all claims against the Companies, their officers or employees in respect of any information so supplied.

5.5 The total amount of the liability of the Vendors for damages for breach of the Warranty shall, except in the case of fraud or wilful non-disclosure, be limited to £1,000,000 (one million pounds) together with the proper and reasonable costs of recovery of any damages for breach of the Warranty incurred by or on behalf of the Purchaser.

6 General Provisions

6.1 Each of the Vendors shall be severally liable in the event of any breach of any of the warranties, representations, indemnities, covenants, agreements and obligations of the Vendors under this Agreement.

6.2 Without prejudice to any right or remedy available to the Purchaser pursuant to clauses 5 or otherwise, the Vendors shall be liable on an indemnity basis for all costs, claims and expenses incurred by the Purchaser in connection with any claim arising out of any warranty, representation, undertaking or indemnity contained in this Agreement (or any breach thereof) or any of the agreements in the agreed form.

6.3 The waiver by the Purchaser of any right or breach, default or omission by another party of any of the terms of this Agreement or any of the agreements in the agreed form shall not take effect unless in writing and shall not constitute a continuing waiver of the right waived or apply to, or operate as a waiver of, any other breach, default or omission and any forbearance in enforcing any right shall not constitute a waiver.

- 6.4 No party shall divulge to any third party (other than their respective professional advisers or insurers) the fact that this Agreement or any of the documents in the agreed form has been entered into or any information regarding its terms or any matters contemplated by this transaction or make any announcement relating to it without the prior agreement (not to be unreasonably withheld or delayed) of the other parties unless such announcement is required by the Inland Revenue and/or a court of competent jurisdiction or by the Stock Exchange in which event the other parties shall be given prior written notice of such intended announcement.
- 6.5 Each party shall pay its own legal, accountancy and other costs, charges and expenses incurred in connection with this Agreement.
- 6.6 This Agreement and the documents referred to in this Agreement constitute the whole agreement between the parties in relation to the subject matter covered. No oral explanation or oral information given by any party shall alter the interpretation of this Agreement. It is agreed that:
- (a) no party has entered into this Agreement in reliance upon any representation, warranty or undertaking which is not set out or referred to in this Agreement;
 - (b) in the absence of fraud, no party will have any remedy in respect of any untrue statement, made to it or its representatives or agents, upon which it or they relied and such party's only remedy will be for breach of contract; and
 - (c) this clause shall not exclude any liability for fraudulent misrepresentation.
- 6.7 The Vendors hereby undertake with the Purchaser at the request of the Purchaser and at the expense of the Vendors to do or procure to be done all such further acts and things and execute or procure to be executed all such further deeds and documents as may be reasonable and necessary to vest in the Purchaser the legal and beneficial ownership of the Shares and pending such vesting, the Vendors shall hold such Shares and benefits in trust for the Purchaser and shall receive all monies in connection therewith as trustee of the Purchaser and shall account to the Purchaser forthwith on receipt.
- 6.8 This Agreement is personal to the parties and shall not be capable of assignment provided that the Purchaser may assign this Agreement to any member of the Purchaser's Group and if such assignee ceases to remain a member of the Purchaser's Group, the Purchaser shall procure that this Agreement is assigned back to a member of the Purchaser's Group prior to such cessation.
- 6.9 Any notice:
- (a) must be in writing and must be given:
 - (i) to a company which is a party at its registered office or to such other address as may have been notified to the other party; and
 - (ii) to any individual who is a party at the address of that individual given at the beginning of this Agreement; and
 - (b) will be effectively served:
 - (i) on the day of receipt where any hand-delivered letter, any facsimile message is received on a Business Day before or during normal working hours; or
 - (ii) on the following Business Day, where any hand-delivered letter or, any facsimile message is received either on a Business Day after normal working hours or on any other day; or
 - (iii) 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.

- 6.10 This Agreement and all documents supplemental thereto are governed by and are to be construed in accordance with English law.
- 6.11 Except as otherwise expressly stated herein, nothing in this Agreement confers any rights on any person (other than the parties hereto) pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 6.12 The parties accept the exclusive jurisdiction of the appropriate court of law in England in relation to all matters, claims and disputes arising out of or in connection with this Agreement, any of the documents in the agreed form or any document supplemental thereto.
- 6.13 Any provisions of this Agreement shall, so far as they are capable of being performed or observed, continue in full force and effect notwithstanding Completion except in respect of those matters already performed.
- 6.14 This Agreement may be executed in several counterparts (whether original or facsimile counterparts) and upon the execution of all such counterparts by one or more parties, each counterpart shall be deemed to be an original hereof.

SCHEDULE 1

The Vendors

Name and Address	Holdings of Shares	Proportion of Consideration	Cash Entitlement	Consideration Shares Entitlement
Apax Ventures IV and	9,600 'A' Ordinary Shares	82.5%	£165,000	3,300,000
Apax Ventures IV International Partners L.P.	1,000,000 Preference Shares			
	2,500,000 'A' Preference Shares			
	825,000 'B' Preference Shares			
Apax UK V-A, L.P. and Apax UK V-B	175,000 'B' Preference Shares	17.5%	£35,000	700,000

SCHEDULE 2

Part I

Particulars of the Company

Number:	3805939												
Status:	Private Limited Company												
Registered Office:	4 Quay Walls, Berwick Upon Tweed, Northumberland TD15 1HD												
Authorised share capital:	£4,500,227.45 divided into: 10,796 Ordinary Shares of £0.01 each 11,949 A Ordinary Shares of £0.01 each 1,000,000 Preference Shares of £1 each 2,500,000 'A' Preference Shares of £1 each 1,000,000 'B' Preference Shares of £1 each												
Issued share capital:	£3,500,196 divided into: 10,000 Ordinary Shares of £0.01 each 9,600 'A' Ordinary Shares of £0.01 each 1,000,000 Preference Shares of £1 each 2,500,000 'A' Preference Shares of £1 each 1,000,000 Preference Shares of £1 each												
Shareholders and shareholdings:	<table><tr><th>Name</th><th>Shares Held</th></tr><tr><td>Martin Joyce</td><td>4,300 Ordinary Shares</td></tr><tr><td>Anthony Joyce</td><td>4,300 Ordinary Shares</td></tr><tr><td>Martin Joyce and Anthony Joyce</td><td>500 Ordinary Shares</td></tr><tr><td>Bank of Scotland Central Nominees Limited</td><td>900 Ordinary Shares</td></tr><tr><td>Apax Funds Nominees Limited ('B' Account)</td><td>9,600 'A' Ordinary Shares</td></tr></table>	Name	Shares Held	Martin Joyce	4,300 Ordinary Shares	Anthony Joyce	4,300 Ordinary Shares	Martin Joyce and Anthony Joyce	500 Ordinary Shares	Bank of Scotland Central Nominees Limited	900 Ordinary Shares	Apax Funds Nominees Limited ('B' Account)	9,600 'A' Ordinary Shares
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Martin Joyce	4,300 Ordinary Shares												
Anthony Joyce	4,300 Ordinary Shares												
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Bank of Scotland Central Nominees Limited	900 Ordinary Shares												
Apax Funds Nominees Limited ('B' Account)	9,600 'A' Ordinary Shares												

1,000,000
Preference
Shares

2,500,000
'A'
Preference
Shares

825,000 'B'
Preference
Shares

Apax Funds Nominees Limited ('D'
Account)

175,000 'B'
Preference
Shares

Directors:

Anthony Joyce
Martin Patrick Joyce
Meriel Lucy Ann Joyce
Alastair Mulloy

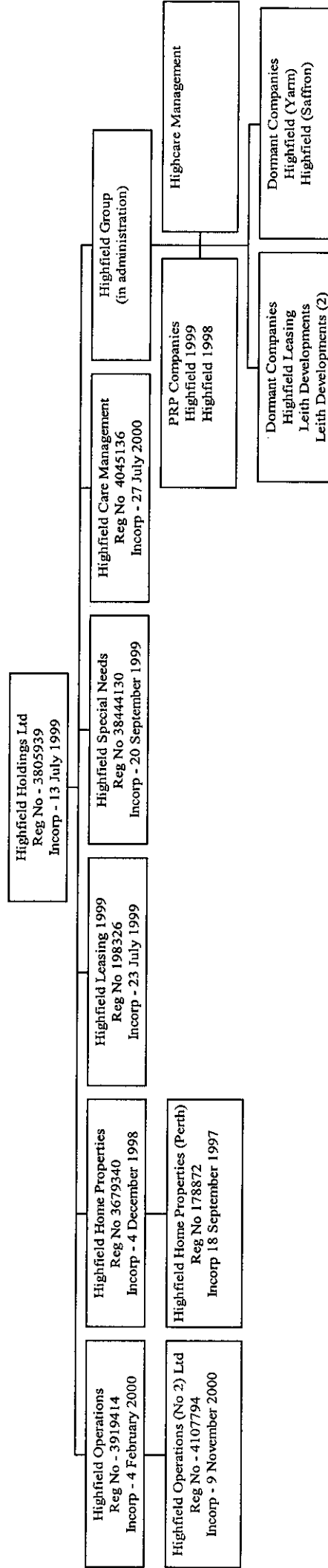
Secretary:

Meriel Lucy Ann Joyce

Part II
Particulars of the Subsidiaries



HIGHFIELD HOLDINGS STRUCTURE



Highfield Holdings Limited

Registered no:	correct
Date of incorp'n	correct
Place of incorp'n	correct
Authorised Share Capital	4,500,227.45 consisting of:
	10,796
	11,949
	1,000,000
	2,500,000
	1,000,000
	1p Ordinary Shares
	1p 'A' Ordinary Shares
	£1 Preference Shares
	£1 'A' Preference Shares
	£1 'B' Preference Shares

SCHEDULE 3

Warranty Statements

1 The Shares

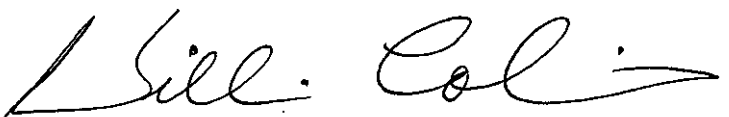

- 1 The information contained or referred to in Schedule 1 is true, complete, accurate and not misleading.
- 2 The Shares constitute the whole of the Vendors' legal or beneficial interest in the share capital of the Company and are fully paid or credited as fully paid and there are no options over or other rights (whether exercisable now or in the future and whether contingent or not) to acquire any interest in the Shares.
- 3 Each of the Vendors shall procure the sale of the Shares set out opposite its name in Schedule 1 with full title guarantee.
- 4 There is no pledge, lien, option, warrant, charge or encumbrance on, over or affecting any of the Shares no agreement to create such pledge, lien, option, warrant, charge or encumbrance has been made and no claim has been made that any person is entitled to any such pledge, lien, charge or encumbrance.
- 5 No consent, approval, authorisation or order of any court or government or local agency or body or any other person is required by any of the Vendors for the execution or implementation of this Agreement and the agreements in the agreed form.

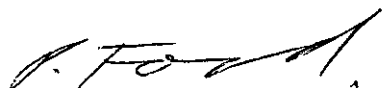
ATTESTATIONS

Signed by)
)
for and on behalf of)
APAX VENTURES IV and)
APAX VENTURES IV)
INTERNATIONAL L.P.)
each acting by their respective)
manager)
APAX VENTURES & CO)
VENTURES LIMITED)
respectively in the presence of:)

Signed by)
for and on behalf of)
APAX UK V-A, L.P. and APAX)
UK V-B)
each acting by their respective)
manager)
APAX VENTURES & CO)
VENTURES LTD)
respectively in the presence of:)

Signed by)
for and on behalf of)
NHP PLC)
in the presence of:)

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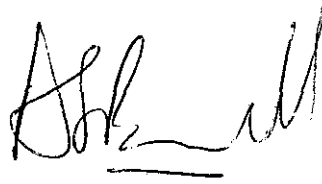




PATRICK FORD
12 CLEVELLEY'S RD
CLAPTON LONDON
E5 9JN.

"ASSISTANT ACCOUNTANT"


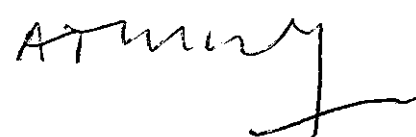
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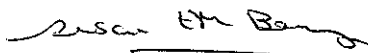
ANDREW BARRETT
Signed by TOBY WYLES)
)
for and on behalf of)
APAX VENTURES IV and)
APAX VENTURES IV)
INTERNATIONAL L.P.)
each acting by their respective)
manager)
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respectively in the presence of:)


SUSAN E.M. BERRY

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SUSAN E.M. BERRY

Signed by)
)
for and on behalf of)
NHP PLC)
in the presence of:)