

3211974

DATED 7th June

2007

ERIC KALMAN

SUSAN KALMAN

and

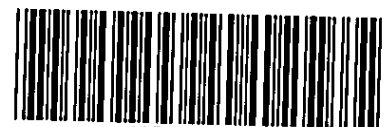
SOUTH HALLAM ESTATES LIMITED

TRANSFER OF BUSINESS AGREEMENT



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THU FRIDAY



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A TRUE COPY OF THE ORIGINAL

13-06-07

THE WILKES PARTNERSHIP
41 CHURCH STREET BIRMINGHAM B3 2RT

TRANSFER OF BUSINESS AGREEMENT

Made on the 2nd day of June 2007

BETWEEN:

- 1 **ERIC KALMAN and SUSAN KALMAN** of 107 Whirlowdale Road, Sheffield, S7 2NF ("the Sellers"), and
- 2 **SOUTH HALLAM ESTATES LIMITED** a company registered in England under number 03211974, whose registered office is at 107 Whirlowdale Road, Sheffield, S7 2NF ("the Buyer")

1 Definitions and interpretation

1 1 In this Agreement including the Schedules

- 1 1 1 The following words and expressions shall have the following meanings unless they are inconsistent with the context

Actual Completion Date The day upon which the transfers from the Sellers to the Buyer which this Agreement provides for are actually completed,

Book Debts The right to receive the beneficial interest in all money paid after the Actual Completion Date by customers or clients of the Sellers in respect of bills issued by the Sellers prior to the Actual Completion Date,

Business The profession, trade or business of finding sites, obtaining planning permission for such sites, assisting with the sale of such sites and related matters carried on by the Sellers,

Closing Accounts the final accounts of the Business to be prepared as at the Transfer Date,

Closing Account Balances the sums of money shown in the Closing Accounts as being owned by each of the Sellers by way of capital and current accounts,

Consideration Shares 98 ordinary shares of £1 00 each to be credited as fully paid up and allotted to the Sellers in consideration for the sale of the Business,

Employees	all the employees of the Business as at the Actual Completion Date,
Goodwill	the goodwill of the Business (which for the avoidance of doubt is agreed to include the right to use the Name and the right to take over the benefit of any Outstanding Agreement),
Issued Shares	such of the Shares as have already been issued as fully paid and are held and beneficially owned as shown in the First Schedule,
Know-how	all information (including that comprised in or derived from data disks, tapes, source codes, flow-charts, manuals and instructions) relating to the Business and the services provided by it,
Liabilities	all debts of the Business owing by the Sellers at the Actual Completion Date and all other liabilities of the Business subsisting at that date excluding any amounts owed to Natwest in respect of the Kaltrust business bank account,
Name	Mr and Mrs E Kalman trading as Kaltrust,
Net Assets Value	such sum as represents the excess of the value of the assets of the Business over the amount of the Liabilities as recorded in the books of account of the Sellers as at the Actual Completion Date,
Outstanding Agreements	agreements entered into prior to the Actual Completion Date by or on behalf of the Sellers in connection with the Business (whether with customers or clients for the supply of goods or services to them by the Business or with suppliers for the purchase of goods by or the provision of services to the Business) which remain wholly or partly to be performed,
Plant	the plant and other tangible assets listed in the Third Schedule,
Residuary Assets	the benefit of any such contracts and engagements of the Sellers in relation to the Business (subject to the burden thereof) and all other assets and rights of whatever nature as are not otherwise provided for in this Agreement,
Relevant Proportions	the proportions which the Closing Account

Balances of each of the Sellers bear to each other as at the Transfer Date,

Shares the authorised share capital of the Buyer consisting of £100 00, divided into 100 ordinary *(or as the case may be)* shares of £1 00 each,

Stock the stock in trade of the Business,

Transfer Date 7 June 2007,

VAT Value Added Tax,

Work in Progress the work in progress of the Business at the Actual Completion Date and the right to render bills for such work and to receive the beneficial interest in all money collected as a consequence thereof,

- 1 2 reference to any profits or losses includes a reference to profits and losses of a capital nature,
- 1 3 reference to any statute or statutory provision includes a reference to that statute or provision as from time to time amended, extended, re-enacted or consolidated and to all statutory instruments or orders made under it,
- 1 4 words denoting the singular number only include the plural and vice versa,
- 1 5 words denoting any gender include all genders and words denoting persons include firms and corporations and vice versa,
- 1 6 any covenant or stipulation entered into by more than one person shall be deemed to be entered into by them jointly and severally,
- 1 7 unless the context otherwise requires reference to any clause, paragraph or schedule is to a clause, paragraph or schedule (as the case may be) of or to this Agreement, and
- 1 8 the headings in this document are inserted for convenience only and shall not affect the construction or interpretation of this Agreement

2 **Recitals**

- 2 1 The Sellers have for some time past carried on the Business in partnership under the Name.
- 2 2 The Sellers are the only shareholders in the Buyer and are the holders of the Issued Shares

- 2 3 The Sellers have agreed to transfer the Business to the Buyer as a going concern with effect from the Transfer Date

3 **Sale and purchase**

- 3 1 The Sellers agree to transfer the Business to the Buyer with full title guarantee upon the Transfer Date and the Buyer agrees then to accept a transfer of the Business as a going concern comprising the following assets used in the conduct of the Business

3 1.1 the Goodwill,

3 1.2 the Plant and Machinery,

3 1.3 the Stock and Work in Progress,

3 1.4 the Book Debts,

3 1.5 the Residuary Assets,

3 1.6 Any other assets (excluding the Kaltrust business bank account held at Natwest) utilised in the conduct of the business

- 3 2 The price payable for the transfer of the Business as above shall be the Net Assets Value

4 **Title**

The Buyer accepts such title as the Sellers have to the various assets to be transferred to it and shall not be entitled to make any requisitions or objections in relation to the same

5 **Liabilities and outstanding agreements**

- 5 1 The Buyer agrees to take the transfer of the Business subject to the Liabilities and to pay, satisfy and discharge all of the same and shall indemnify the Sellers against all proceedings, costs, claims and expenses in respect of the Liabilities.

- 5 2 The Sellers shall at completion assign to the Buyer and the Buyer shall accept an assignment of the Outstanding Agreements, provided that if any of them cannot effectively be assigned except with the consent of (or by an agreement of novation with) the third party concerned, then

5 2.1 the Sellers and the Buyer shall each use all reasonable endeavours to procure that each such Outstanding Agreement is novated or assigned at the expense of the Buyer, and

5 2.2 unless and until such Outstanding Agreement is so novated or assigned.

- (a) the Buyer shall (for its own benefit and upon such terms as shall so far as possible give to the Buyer the benefit of any such agreement as if the same had been assigned to the Buyer) perform as the sub-contractor of the Sellers the obligations of the Sellers contained in that agreement and shall indemnify the Sellers in respect of any claims made against the Sellers as a result of any failure by the Buyer in the performance of such agreement, and
- (b) the Sellers shall hold any benefit received under any such agreement upon trust for the Buyer absolutely

6 Consideration

6 1 The consideration for the sale of the Business shall be

6 1 1 the assumption by the Buyer of the Liabilities and the obligations of the Sellers under any Outstanding Agreements (in so far as the latter are not comprised within the Liabilities), and

6 1 2 the Net Assets Value

6 2 Such part of the said consideration as represents the Net Assets Value shall be satisfied by the allotment to the Sellers of the Consideration Shares in the Relevant Proportions

7 Completion

7 1 The sale of the Business shall be completed on the Transfer Date when the Sellers shall execute and provide all such deeds and do all things as may be necessary effectively to vest the Business and all items referred to in clause 3 in the Buyer

7 2 In the event that following completion the Sellers shall receive any money in respect of the Book Debts or the Work In Progress they shall forthwith upon receipt pay the same to the Buyer

8 VAT

8 1 The parties intend that Section 49(1) of the Value Added Tax Act 1994 and Article 5(2B) of the Value Added Tax (Special Provisions) Order 1995 will apply to the transfer of the Businesses and to that intent the parties agree to use all reasonable endeavours to secure that the transfer of assets under this Agreement is treated as neither a supply of goods nor a supply of services pursuant to the provisions of Article 5

8 2 The Buyer warrants that

8 2 1 it is registered as a taxable person for VAT purposes or will be so registered prior to the Actual Completion Date, and

8 2 2 it will immediately after the transfer of the assets of the Business use those assets in the same kind of business as they were used in prior to the transfer

8 3 In the event of HM Revenue and Customs refusing to accept that the transfer of the Business is a transfer of a going concern, the Buyer shall pay to the Sellers VAT on the assets transferred as assessed by HM Revenue and Customs and the Sellers shall provide the Buyer with a VAT invoice to support a claim by the Buyer for a recovery of the VAT paid

9 **Outstanding obligations**

All obligations which remain to be performed after the Actual Completion Date shall continue in full force and effect notwithstanding completion and shall not merge

10 **Rights of other parties**

For the avoidance of doubt nothing in this Agreement shall confer or purport to confer upon any person, firm, limited liability partnership or limited company which is not a party to this Agreement any benefit or right to enforce any term of this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999

11 **Costs**

The costs of the Sellers and of the Buyer of and incidental to this Agreement and all transfers contemplated by it and the formation and registration of the Buyer shall be borne by the Buyer

12 **Filing**

The Buyer shall within one month of the date of allotment of the Consideration Shares file with the Registrar of Companies this Agreement duly stamped and Companies Form 88(2)

13 **Announcements**

No announcement of any kind shall be made in respect of the subject matter of this agreement except as specifically agreed between the Sellers and the Buyer

14 **Entire agreement**

14 1 This agreement, the documents in the Agreed Terms and all agreements entered, or to be entered into, pursuant to the terms of this agreement or entered into between the Sellers and the Buyer in writing and expressly referring to this agreement

14 1 1 together constitute the entire agreement and understanding between the parties with respect to the subject matter of this agreement, and

14 1 2 (in relation to such subject matter) supersede all prior discussions, understandings and agreements between the parties and their agents (or any

of them) and all prior representations and expressions of opinion by any party (or its agent) to any other party (or its agent)

- 14.2 Each of the parties acknowledges that it is not relying on any statements, warranties or representations given or made by any of them in relation to the subject matter hereof, save those expressly set out in this agreement and other documents referred to above and that it shall have no rights or remedies with respect to such subject matter otherwise than under this agreement (and the documents executed at the same time as it or referred to in it) save to the extent that they arise out of the fraud or fraudulent misrepresentation of any party

15 Variations

No variation of this agreement shall be effective unless it is in writing, and signed by or on behalf of each party to this agreement

16 Invalidity

If any term or provision in this agreement shall in whole or in part be held to any extent to be illegal or unenforceable under any enactment or rule of law, that term or provision or part shall to that extent be deemed not to form part of this agreement and the enforceability of the remainder of this agreement shall not be affected

17 Waiver

Any release, waiver or compromise or any other arrangement of any kind by any party shall not affect the rights and remedies of the party concerned as regards any other party or its rights and remedies against the party in whose favour the release, waiver, compromise or other arrangement is granted or made, except (in any event) to the extent of the express terms of the release, waiver, compromise or other arrangement, and no such release, waiver, compromise or other arrangement shall have effect unless granted or made in writing nor will it be a deemed waiver of any subsequent breach

18. Further assurance

The Sellers shall (at the Buyer's cost) do such acts and execute such documents as the Buyer may at any time reasonably require for the purpose of assuring to the Buyer the full benefit of this document

19 Counterparts

This document may be executed in any number of counterparts and by the parties on separate counterparts, each of which, when so executed and delivered, shall be an original, but all the counterparts shall together be deemed to constitute one and the same document

20 **Proper law**

The construction, validity and performance of this agreement shall be governed by the laws of England and Wales

21 **Severance**

If at any time any provision of this agreement is or becomes invalid or illegal in any respect, such provision shall be deemed to be severed from this agreement but the validity, legality and enforceability of the remaining provisions of this agreement shall not be affected or impaired thereby

22. **Successors**

This agreement shall be binding upon and enure for the benefit of each party's successors and personal representatives

This agreement has been executed as a deed and delivered on the date stated at the beginning of this agreement

FIRST SCHEDULE
Issued Shares

Shareholder's name	No of £1.00 ordinary issued shares held
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ERIC KALMAN 1

SUSAN KALMAN 1

SECOND SCHEDULE

Plant and other assets

(insert list in sufficient detail to enable assets to be identified)
(signatures of (or on behalf of) the parties)

TBA

Signed as a deed
by **ERIC KALMAN**
in the presence of

Witness name

Witness address

Witness Occupation

x Eric Kalman. v

E. Kalman

D. Paul Martland

DANIEL PAUL MARTLAND

115 EDMUND STREET

BIRMINGHAM

B3 1HS

ACCOUNTANT

Signed as a deed
by **SUSAN KALMAN**
in the presence of

Witness name

Witness address

Witness Occupation

S. Kalman.

x Sue Kalman v

S. Kalman

D. Paul Martland

115 EDMUND STREET

BIRMINGHAM

B3 1HS

ACCOUNTANT

Executed as a deed
for and on behalf of
SOUTH HALLAM ESTATES LIMITED
Director
Director/Secretary

E. Kalman
x Eric Kalman v

S. Kalman
x Sue Kalman v