



THE COMPANIES ACT 1985 AND 1989
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
DIRECT TRADE (YORKSHIRE) LIMITED
(Company No: 3497488)
("the Company")

We, being all the members of the Company who at the date of this Resolution are entitled to attend and vote at general meetings of the Company, hereby UNANIMOUSLY RESOLVE that the following resolution be passed as a Written Resolution having effect as a special resolution of the Company in accordance with Section 381A Companies Act 1985 and agree that the said Resolution shall for all purposes be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held

- 1 That the contract to be entered between the Company and Michael Bowley for the purchase of 50 (fifty) ordinary shares of £1 in the capital of the Company, the terms of which are set out in the draft agreement attached hereto and initialled by the chairman of the Company for identification purposes ("the Contract"), be approved and the Company be authorised to enter into the Contract

Dated this 16th day of October 2007

STEPHEN PAUL GREEN

Note Michael Bowley not entitled to vote on the terms of this resolution pursuant to Schedule 15A paragraph 5(2) of the Act



- (1) MICHAEL BOWLEY
- (2) DIRECT TRADE (YORKSHIRE)
LIMITED

AGREEMENT

For the acquisition of part of the issued share
capital of Direct Trade (Yorkshire) Limited

**ATTEYS COMMERCIAL
RICHMONDS HOUSE
WHITE ROSE WAY
DONCASTER
DN4 5JH**

Ref: PC195

THIS AGREEMENT is made on

the day of

2007

BETWEEN

- (1) **MICHAEL BOWLEY** of Torre Nova, Station Road, Barnby Dun, Doncaster, DN9 1LB ("the Vendor"),
- (2) **DIRECT TRADE (YORKSHIRE) LIMITED** (Registered Number 3497488) the registered office of which is at Unit 5a Lake Enterprise Park, Sandall Stones Road, Kirk Sandall, Doncaster, DN3 1QR ("the Company")

WHEREAS:

- 1 The Company is a private company limited by shares incorporated in England
- 2 The authorised share capital of the Company at the date of this agreement is £1000 divided into 1000 ordinary shares of £1 each of which 100 have been issued and are fully paid
- 3 The Vendor wishes to sell and the Company wishes to purchase the shares held by the Vendor in the capital of the Company on the terms and conditions set out in this agreement
- 4 By a written resolution dated the day of 2007 the terms of this agreement were approved pursuant to the provisions of Section 164(2) of the Companies Act
- 5 All shareholders in the Company have consented to waive their right under section 164(6) of the Companies Act 1985 to have a copy of this agreement displayed at the registered office of the Company for a period of not less than fifteen days ending on the date on which the written resolution referred to in recital 4 above was passed
- 6 The payment to be made by the Company pursuant to this agreement will be made out of distributable profits of the Company

IT IS AGREED as follows

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this agreement, the following words and expressions have the following meanings, unless they are inconsistent with the context
"Business" means the business of the manufacture and sale of UPVC window and conservatory products carried on by the Company from time to time,
"Completion" means the completion of the sale and purchase of the Sale Shares in accordance with clause 4,

"Confidential Information" means all information not publicly known, which is used in or otherwise relates to the Company's business, customers, or financial or other affairs, including information relating to

- (a) trade secrets, know-how, ideas, computer systems and computer software,
- (b) future projects, business development or planning, commercial relationships and negotiations, and
- (c) the marketing of goods or services including customer names and lists, sales targets and statistics,

"Consideration" means the total amount payable by the Company to the Vendor for the Sale Shares as referred to in clause 3,

"Encumbrance" means any mortgage, charge, pledge, lien, hypothecation or other security interest of any kind, and any right of set-off, assignment, trust, flawed asset or other agreement or arrangement whatsoever for the purpose of providing security or having a similar effect to the provision of security,

"Insider" means the Vendor or any person who is or was at the relevant time connected with him,

"Insider Balances" means any loan balances owing by the Vendor to the Company, as at Completion,

"in the agreed form" means in the form of a draft agreed between the parties prior to the date of this Agreement and initialled by or on behalf of them for the purposes of identification,

"Restricted business" means any business which competes directly or indirectly with the Business,

"Sale Shares" means the 50 Ordinary Shares of £1 each in the capital of Company registered in the name of the Vendor,

- 1 2 Unless the context otherwise requires words importing the singular only shall include the plural and vice versa
- 1 3 References to the Vendor and the Company shall include their respective permitted assigns
- 1 4 Words importing the masculine shall also include the feminine and words importing natural persons shall also include corporations, firms, partnerships, associations and organisations
- 1 5 References to clauses are references to clauses of this Agreement Any headings or sub-headings are inserted for convenience only and shall not affect the construction of this Agreement

2. SALE AND PURCHASE

The Vendor shall sell to the Company with full title guarantee and the Company will buy all of the Sale Shares free from all Encumbrances or other third party rights or claims and with the benefit of all rights attaching to them, including all rights to dividends and other distributions declared, made or agreed to be made (including any bonus, rights or capitalisation issues) after the date of this Agreement

3. CONSIDERATION FOR SALE SHARES

The consideration for the sale and purchase of the Sale Shares shall be the sum of £770,000 which shall be paid on the date of this Agreement

4. COMPLETION

4 1 Completion of the sale and purchase of the Sale Shares shall take place immediately following the signing and exchange of this Agreement

4 2 On Completion the Vendor shall deliver or cause to be delivered to the Company.

4 2 1 the relative share certificate(s) in respect of the Sale Shares (or in the case of any lost certificate an indemnity satisfactory to the Company in relation to it) together with a duly executed Stock Transfer Form in respect thereof,

4 2 2 the written resignation of the Vendor in the agreed form as a director of the Company with immediate effect, and

4 2 3 all credit cards, keys and other property of the Company which are in his possession or under his control

4 3 The Vendor shall insofar as he is able procure the passing of resolutions of the directors of the Company to accept the resignation of the Vendor as a director of the Company

4 4 Against full compliance by the Vendor with all of his obligations set out in clauses 4 2 to 4 3 (inclusive) the Company shall pay the Consideration set out in clause 3

4 5 The Vendor acknowledges that, immediately following completion of the matters referred to in clauses 4 2 to 4 4 (inclusive) until such time as the transfers of the Sale Shares have been registered in the Register of Members of the Company he will hold the Sale Shares registered in his name on trust for and as nominee for the Company or its nominees and undertakes to hold all dividends and distributions and exercise all voting rights available in respect of those Sale Shares in accordance with the directions of the Company or its nominees and if the Vendor is in breach of the undertakings contained in this clause he irrevocably authorises the Company to appoint some person

or persons to execute all instruments or proxies (including consents to short notice) or other documents which the Company or its nominees may reasonably require and which may be necessary to enable the Company or its nominees to attend and vote at general meetings of the Company in respect of those Sale Shares and to do any thing or things necessary to give effect to the rights contained in this clause

5. WARRANTIES

5.1 The Vendor warrants to the Company that.-

5 1 1 the Vendor is the registered holder and the absolute beneficial and legal owner of all of the Sale Shares

5.1 2 there is no Encumbrance over or affecting the Sale Shares,

5 1 3 there is no agreement or commitment to give, enter into or create any Encumbrance over or affecting the Sale Shares,

5 1 4 there are no outstanding notices or orders affecting the Sale Shares,

5 1 5 the Vendor has not done and will not do anything to nullify or prejudice any tax clearance obtained or to be obtained in connection with this transaction,

5 1 6 the Sale Shares are fully paid up,

5 1 7 the Vendor has full power to enter into and perform this Agreement and this Agreement constitutes obligations binding on the Vendor in accordance with its terms,

5 1 8 there is not outstanding, there has not at any time during the period of one year ending on the date of this Agreement been outstanding any contract to which the Company is or was a party and in which any Insider is or was interested in any way whatsoever (excluding any contract of employment between the Company and the Vendor),

5 1 9 no Insider has any outstanding claim against the Company and there are no circumstances which might give rise to any claim,

5 1 10 no Insider has any interest, direct or indirect, in any trade or business which completes or is likely to compete with the Company's business,

5 1 11 the past and present activities of the Company (including the processes, methods, goods and services used or dealt in by it and the products or services manufactured or supplied by it do not use or infringe, have not used or infringed any intellectual property rights of the Vendor and will not result in any claim by the Vendor in relation thereto,

5 1 12 the Vendor has no reason to believe that, following Completion there will be any substantial change in the basis or terms on which any person is prepared to

do business with the Company, or that any substantial supplier of the Company (providing 5 per cent or more of the Company supplies in any accounting year) will cease or substantially reduce its business with the Company;

5 1 13 the Vendor has not committed the Company to any expenditure or obligation outside the normal course of its business or which is not fully and fairly recorded in the books and records of the Company,

and notwithstanding Completion, the foregoing warranties shall continue in full force and effect without limit in point of time

5 2 Each warranty is to be construed independently and is not limited or restricted by any other warranty or any other term of this Agreement

6. NON-COMPETITION COVENANTS

6 1 The Vendor undertakes to the Company in any capacity whatsoever, directly or indirectly and whether on his own behalf or on behalf of any company or person (unless the prior written consent of the Company has been obtained) that

6 1 1 for a period of 3 years immediately following Completion, he will not be engaged, concerned, connected with or interested in (except as the owner for investment of securities in a company dealt in on a recognised stock exchange and which confer not more than 1 per cent of the votes which could be cast at a general meeting), any Restricted Business in the United Kingdom,

6 1 2 for a period of 3 years immediately following Completion, he will not negotiate with, solicit business from or endeavour to entice away from the Company the business of any person, firm, company or organisation who or which within the period of 2 years prior to Completion was a customer or client of or supplier to the Company,

6 1 3 for a period of 3 years immediately following Completion, he will not interfere or seek to interfere with the continuance of supplies to the Company from any supplier who is or which within the period of 2 years prior to Completion was supplying goods and/or services to the Company if such interference causes or would cause that supplier to cease supplying or reduce its supply of those goods and/or services,

6 1 4 for a period of 3 years immediately following Completion, he will not interfere with, solicit or endeavour to entice away from the Company any person who was, at Completion, any employee of the Company,

- 6 1 5 for a period of 3 years immediately following Completion, he will not be engaged, concerned or interested in any business which has at any time during the period of 2 years prior to Completion supplied any goods and/or services to or is a member of customer of the Company if such engagement, concern or interest causes or would be likely to cause the supplier to cease or reduce its supplies to the Company or (as the case may be) the client or customer to cease or reduce its orders or contracts with the Company,
- 6 1 6 without prejudice to any rights relating to passing off or trade or service mark infringement (or similar rights in any territory), for a period of 3 years immediately following Completion he will not use in connection with any business which is competitive with the business of the Company any name (in whatever form) which includes the name of the Company or any trading style or get up which is confusingly similar to that used by the Company as at Completion,
- 6 1 7 he will not cause or permit any Insider to do any of the things specified above
- 6 2 Except so far as required by law or any governmental or regulatory organisation and in those circumstances only after prior consultation with the Company, the Vendor undertakes with the Company that he will not at any time after Completion
- 6 2 1 disclose any Confidential Information to any person except to those authorised by the Company to know,
- 6 2 2 use any Confidential Information for his own purposes or for any purposes other than those of the Company, or
- 6 2 3 cause or knowingly permit any unauthorised disclosure of any Confidential Information
- 6 3 Each of the undertakings set out in clause 6 1 and 6 2 is separate and severable and enforceable accordingly, and if any one or more of such undertakings or part of an undertaking is held to be against the public interest or unlawful or in any way an unreasonable restraint of trade, the remaining undertakings or remaining part of the undertakings will continue in full force and effect and will bind the Vendor
- 6 4 Whilst the undertakings set out in clause 6 1 and 6 2 are considered by the parties to be reasonable in all the circumstances, if one or more is held invalid as an unreasonable restraint of trade or for any other reason but would have been held valid if part of the wording had been deleted or amended, the period reduced or the range of activities or area dealt with reduced in scope, the undertakings shall apply with such modifications as may be necessary to make them valid

- 6 5 The consideration for the undertakings set out in clause 6 1 and 6 2 is included in the Cash Consideration

7. ACKNOWLEDGEMENT

The Vendor acknowledges that he accepts the payment of the Consideration in full satisfaction of all rights he has against the Company in respect of the Sale Shares

8. ANNOUNCEMENTS AND CONFIDENTIALITY

- 8 1 No announcement or circular concerning the transactions contemplated by this Agreement or any matter ancillary to it and no disclosure of the terms of this Agreement will be made by any party except with the prior written approval of the others
- 8 2 This clause does not apply to any announcement, circular or disclosure required by law or any governmental or regulatory organisation, provided, if practicable, that the party required to make it has first consulted and taken into account the reasonable requirements of the other party
- 8 3 The Vendor undertakes to the Company that he will not at any time hereafter use or divulge or communicate to any person other than to officers or employees of the Company whose province it is to know the same or on the instructions of the directors any confidential information concerning the business, accounts, finance, contractual arrangements or intellectual property (whether owned or licenced by the Company) or other dealings, transactions, affairs or property of the Company which may come to his knowledge and he shall use all reasonable endeavours to prevent the publication or disclosure of any confidential information concerning such matters and so that these obligations shall continue to apply without limit in point of time but shall cease to apply to information which shall come into the public domain other than by breach of this clause or which for any other reason shall cease to be confidential

9. COSTS

Except where expressly stated otherwise, each party to this Agreement will bear such party's own costs and expenses relating to the negotiation, preparation and implementation of this Agreement

10. NOTICES

- 10 1 Any notice or other communication given in connection with this Agreement will be in writing and will be delivered personally or sent by pre-paid first class post to the recipient's address set out in this Agreement or to any other address which the

recipient has notified in writing to the sender received not less than 7 Business Days before the notice was despatched

10 2 A notice or other communication is deemed given

10 2 1 if delivered personally, upon delivery at the address provided for in this clause, or

10 2 2 if sent by pre-paid first class post, on the second Business Day after posting it, provided that, if it is delivered personally on a day which is not a Business Day or after 4 00 p m on a Business Day, it will instead be deemed to have been given or made on the next Business Day

11. ASSIGNMENT

This Agreement will be binding on and enure for the benefit of the personal representatives of each of the parties and references to the parties will be construed accordingly

12. GENERAL

12 1 Unless otherwise provided, any outstanding obligation contained in this Agreement will remain in force notwithstanding Completion

12 2 Each party will do, or procure the doing of all acts and things and execute, or procure the execution of, all documents as any other party reasonably considers necessary to give full effect to the terms of this Agreement

12 3 Failure or delay by any party in exercising any right or remedy under this Agreement will not in any circumstances operate as a waiver of it, nor will any single or partial exercise of any right or remedy in any circumstances preclude any other or further exercise of it or the exercise of any other right or remedy

12 4 Any waiver of any breach of, or any default under, any of the terms of this Agreement will not be deemed a waiver of any subsequent breach or default and will in no way affect the other terms of this Agreement

12 5 The rights and remedies expressly provided for by this Agreement will not exclude any rights or remedies provided by law

12 6 The parties to this Agreement do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it, except in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999

12 7 No variation of this Agreement will be valid unless it is in writing and signed by or on behalf of each party to this Agreement

12 8 This Agreement (together with all agreements and documents executed contemporaneously or in connection with it or referred to in it and referred to as being in the agreed form constitutes the entire and only agreement between the parties in relation to its subject matter and replaces and extinguishes all prior agreements, undertakings, arrangements, understandings or statements of any nature made by the parties or any of them whether oral or written with respect to such subject matter

13. GOVERNING LAW AND JURISDICTION

13 1 This Agreement will be governed by and construed in accordance with English law

13 2 The courts of England will have non exclusive jurisdiction to settle any dispute which arises out of or in connection with this Agreement and the parties agree to submit to that jurisdiction.

IN WITNESS of which this agreement has been duly executed and unconditionally delivered on the date first above written

EXECUTED AS A DEED by the above named

MICHAEL BOWLEY in the presence of

Witness

Name: ANDREW NICKLIN

Address RICHMOND HOUSE, WHITE ROSE WAY, DONCASTER

Occupation TRAINEE SOLICITOR

EXECUTED AS A DEED by the above named

DIRECT TRADE

(YORKSHIRE) LTD by the

signatures of

Director

Director/Secretary