

DATE 1 November 2004

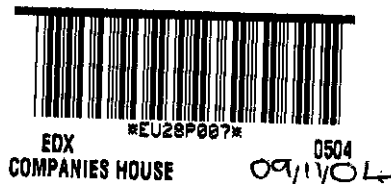
PEGASUS MANAGEMENT HOLDINGS SCA

INHEALTH GROUP LIMITED

46201180

**ASSET SALE AGREEMENT**

for the sale and purchase of part of the business  
of Pegasus Management Holdings SCA



Macfarlanes  
10 Norwich Street  
London EC4A 1BD

## ASSET SALE AGREEMENT

DATE

1 November

2004

### PARTIES

- 1 **PEGASUS MANAGEMENT HOLDINGS SCA**, a company incorporated and existing under the laws of Luxembourg, registered with the Luxembourg Trade and Company Register under number B.64001 having its registered office at 7 Parc d'Activité Syrdall, L-5365 Munsbach, Luxembourg ("the Vendor").
- 2 **INHEALTH GROUP LIMITED** (Company No. 4620480) whose registered office is at Beechwood Hall, Kingsmead Road, High Wycombe, Buckinghamshire HP11 1JL ("the Purchaser")

### RECITALS

- A The Vendor carries on the Business.
- B The Vendor has agreed to sell and the Purchaser has agreed to purchase the Assets, assume the Liabilities and acquire the Business as a going concern on the terms of this Agreement.

### AGREEMENT

#### 1 Definitions and interpretation

- 1.1 The Recitals and the Schedule form part of this Agreement and have the same force and effect as if set out in the body of this Agreement. Any reference to this Agreement includes the Recitals and the Schedule.
- 1.2 In this Agreement, the following words and expressions have the following meanings:-

**the Agreed Form:** the form agreed between and signed by or on behalf of the Vendor and the Purchaser;

**the Assets:** the property and assets agreed to be sold and purchased under this Agreement;

**the Business:** the business of the provision of head office management services including but not limited to strategic management, financial, legal and information technology support to the operating businesses and subsidiaries of the Vendor as carried on by the Vendor at the Effective Time;

**Completion:** completion of the sale and purchase of the Business and the Assets in accordance with this Agreement;

**the Consideration:** the total purchase price (exclusive of value added tax) for the **Assets** assets determined in accordance with Clause 4;



**the Consideration Shares:** 999 ordinary shares of £1 each in the capital of the Purchaser to be issued credited as fully paid at an aggregate premium of £117,940;

**the Contracts:** the Hire Purchase Contracts, the Licences and the Supplier Contracts;

**the Debts:** the amount of all book and other debts (if any) owing to the Vendor in connection with the Business (and whether or not due and payable) by third parties at the Effective Time together with the amount of all prepayments made by the Vendor in connection with the Business before the Effective Time;

**DIL:** Diagnostic & Imaging Limited (Company No. 5190234);

**the Divisional Asset Sale Agreement:** the agreement dated on or about the date of this Agreement between the Vendor and DIL pursuant to which DIL acquired from the Vendor the business of the Vendor of the provision of divisional management services to the diagnostic healthcare services division, including facilities, staff and equipment in the UK, the Republic of Ireland and Europe;

**the Effective Time:** 00:01 on the date of this Agreement;

**the Employees:** Philip Whitecross, Sarah Bricknell, Alan Gibson and any other people employed in the Business at the Effective Time;

**the Goodwill:** the goodwill of the Business;

**the Hire Purchase Contracts:** a finance lease relating to equipment located at the business of Quantum Imaging Limited carried on at 22 Upper Wimpole Street, London and any other, hire purchase, credit sale, leasing and other such agreements to which the Vendor is a party in connection with the Business at the Effective Time;

**Intellectual Property:** patents, petty patents, utility models, registered designs, design right, copyright, database right, trade marks, service marks, trade or business names, domain names, get-up or trade dress, inventions or secret processes, know-how and all rights or forms of protection of a similar nature or effect subsisting anywhere in the world including applications for any such right;

**the IP Rights:** the rights in Intellectual Property used in connection with the Business at the Effective Time;

**the Liabilities:** the amounts owing by the Vendor in connection with the Business and/or the Assets (and whether or not due and payable) to third parties at the Effective Time;

**the Licences:** all licences (including software licences) owned or used by the Vendor in connection with the Business at the Effective Time;

**the Moveable Plant and Equipment:** all the loose plant, machinery, office equipment (including (without limitation) all computer hardware, software and networks), motor vehicles, furnishings, general equipment and other articles at the

Property, owned by the Vendor and used in connection with the Business at the Effective Time;

**the Parties:** the parties to this Agreement;

**the Property:** the land and buildings occupied by the Vendor at Beechwood Hall, Kingsmead Road, High Wycombe, Buckinghamshire HP11 1JL;

**the Records:** all books and records owned by the Vendor and which relate to the Business save for the Vendor's statutory books;

**the Stock:** the stock of consumable stores of the Business owned by the Vendor as at the Effective Time;

**the Supplier Contracts:** contracts entered into before the Effective Time by or on behalf the Vendor (or assigned or novated to the Vendor before the Effective Time) with suppliers for the supply to the Vendor of goods or services required for the Business and remaining unperformed (in whole or in part) at the Effective Time;

**the Third Party Rights:** (to the extent to which the Vendor is legally entitled to assign them) all the Vendor's rights against third parties (including (without limitation) rights under or in respect of warranties, representations, guarantees and indemnities and the benefit of any insurance or insurance claim attributable to any event occurring before the Effective Time which relates to the Assets or to the liabilities assumed by the Purchaser under this Agreement) in respect of the Business or any of the Assets;

**the Transfer:** the transfer of the Property in the Agreed Form marked "B"; and

**the Vendor's Accountants:** Ernst & Young LLP.

1.3 In this Agreement (unless the context requires otherwise):-

1.3.1 any reference to a Recital, Clause or Schedule is to a Recital, Clause or Schedule (as the case may be) of or to this Agreement; and

1.3.2 any reference to indemnifying any person against any circumstances includes indemnifying and keeping him harmless from all actions, claims, demands and proceedings from time to time made against that person and all losses, damages, payments, awards, costs or expenses made or incurred by that person as a consequence of, or which would not have arisen but for, that circumstance.

## 2 **Sale and purchase**

2.1 Subject to Clause 2.2 below, the Vendor shall sell with full title guarantee free from all liens, charges, encumbrances and any other rights of third parties and the Purchaser shall purchase as a going concern, with effect from the Effective Time, the Business and the Assets comprising:-

2.1.1 the benefit (subject to the burden) of the Contracts;

2.1.2 the Debts;

- 2.1.3 the Goodwill;
- 2.1.4 the IP Rights;
- 2.1.5 the Moveable Plant and Equipment;
- 2.1.6 the Property;
- 2.1.7 the Records;
- 2.1.8 the Stock;
- 2.1.9 the Third Party Rights; and
- 2.1.10 all other property and assets (wherever situated) owned by the Vendor and exclusively used in connection with the Business at the Effective Time but excluding cash.
- 2.1.11 For the avoidance of doubt, the Assets shall exclude any property and assets (wherever situated) owned by the Vendor and transferred to DIL pursuant to the terms of the Divisional Asset Sale Agreement.
- 2.2 At the Effective Time the Vendor will wholly discontinue carrying on the Business and the Purchaser shall thereafter be entitled to carry on and continue the same and to hold itself as doing so in succession to the Vendor.

### **3 Liabilities**

- 3.1 The Purchaser shall, with effect from the Effective Time, assume responsibility for the due and punctual payment, satisfaction and discharge of the Vendor's obligations under or in respect of:-
  - 3.1.1 the Contracts;
  - 3.1.2 the Liabilities; and
  - 3.1.3 all other liabilities, obligations and provisions of whatever nature of the Vendor in connection with the Business and/or the Assets.
- 3.2 The Purchaser shall indemnify and keep indemnified the Vendor against all liabilities of the Vendor relating to the liabilities or obligations of the Vendor which are to be assumed by the Purchaser under the provisions of this Clause 3.

### **4 Consideration**

- 4.1 The consideration for the sale of the Business and the Assets shall be:-
  - 4.1.1 the assumption by the Purchaser of the obligations and liabilities of the Vendor referred to in Clause 3; and

4.1.2 £118,939, being an amount equal to the aggregate market value (at the Effective Time) of the Assets less an amount equal to the aggregate market value (at the Effective Time) of the obligations and liabilities being assumed by the Purchaser under this Agreement.

4.2 The Consideration will be satisfied by the issue by the Purchaser of the Consideration Shares to the Vendor.

4.3 The Consideration shall be apportioned between the other Assets in such manner as shall in good faith be agreed between the Vendor and the Purchaser.

## **5 Completion**

5.1 Completion shall take place at 10 Norwich Street, London EC4A 1BD on the date of this Agreement when:-

5.1.1 the Vendor shall deliver to the Purchaser, or procure delivery to the Purchaser of:

5.1.1.1 all and any documents and other items necessary to enable the Purchaser to acquire the beneficial interest and beneficial title in the Business and the Assets;

5.1.1.2 the Transfer duly executed by the Vendor; and

5.1.2 subject to compliance by the Vendor with Clause 5.1.1, the Purchaser shall allot and issue the Consideration Shares to the Vendor and shall deliver to the Vendor a duly executed share certificate in respect of the Consideration Shares.

5.2 Risk in all items comprised in the Assets shall pass to the Purchaser at Completion.

## **6 Warranties**

6.1 The Vendor warrants to the Purchaser that:-

6.1.1 the Assets are legally and beneficially owned by the Vendor;

6.1.2 the Assets (where capable of possession) are in its possession and under its control, save where they are in the possession and under the control of the Purchaser;

6.1.3 the Assets are not subject to any lien, charge, encumbrance or other right of a third party except for any rights arising under:-

6.1.3.1 arrangements entered into between the Vendor and The Governor and Company of the Bank of Scotland; or

6.1.3.2 any Hire Purchase Contract.

6.2 The warranties in this Agreement shall not in any respect be extinguished or affected by Completion.

## 7 **Contracts**

7.1 Subject to Clause 7.2, this Agreement constitutes an assignment by the Vendor to the Purchaser, at and with effect from the Effective Time, of the benefit of each of the Contracts.

7.2 If the benefit of any of the Contracts cannot be assigned to the Purchaser except by an agreement of novation with, or consent to the assignment from, one or more third parties:-

7.2.1 this Agreement does not constitute an assignment or attempted assignment of the Contract in question;

7.2.2 subject to Clause 7.2.3, unless and until the Contract is novated or assigned at and with effect from the Effective Time:-

7.2.2.1 the Vendor will hold the benefit of the Contract on trust for the Purchaser and (so far as it lawfully may) at its own cost give all reasonable assistance to the Purchaser to enable the Purchaser to enjoy the benefits of the Contract and to enforce its rights under it; and

7.2.2.2 the Purchaser will perform the Contract in accordance with its terms and conditions as sub-contractor of the Vendor;

7.2.3 if it is unlawful for Vendor to hold the benefit of the Contract on trust for the Purchaser and/or for the Purchaser to perform the Contract as sub-contractor to the Vendor:-

7.2.3.1 this Agreement does not constitute a declaration of trust over the Contract and/or (as the case may be) the appointment or attempted appointment of a sub-contractor under the Contract; and

7.2.3.2 the Vendor and the Purchaser shall each (at the cost and expense of the Purchaser) use all reasonable endeavours to do or procure to be done all such further acts and things and execute or procure the execution of all such other documents as may be necessary in order (as nearly as may be possible) to put the Vendor and the Purchaser in the position in which they would have been had the benefit and burden of the Contract passed to the Purchaser at and with effect from the Effective Time as contemplated by Clause 7.1.

## 8 **Debts**

Unless and until the Debts are or any of them is assigned by the Vendor to the Purchaser, the Vendor will collect and get in as agent for the Purchaser the Debts owed to it and will promptly account to the Purchaser for all payments received in respect of such Debts.

**Employees**

- 9.1 The Vendor and the Purchaser agree that, by virtue of the Transfer of Undertakings (Protection of Employment) Regulations 1981 ("the Employment Regulations"), the Employees' contracts of employment (save to the extent that they relate to old age, invalidity and survivors benefits under any occupational pension scheme) shall have effect after the Effective Time as if originally made between the Purchaser and the Employees or, in the case of a collective agreement in respect of the Employees, between the Purchaser and the relevant trades union (as the case may be). Save to the extent it (or an equivalent notice) has not already been sent, as soon as possible after Completion, the Vendor and the Purchaser shall jointly issue the Employees with a notice in the Agreed Form marked "A".
- 9.2 The Vendor shall perform and discharge for its own account all its obligations towards the Employees for the period up to and including the Effective Time (including, without limitation, paying all their remuneration and other costs (including accrued holiday pay), paying any amounts agreed or determined to be paid to any Employee whether in contract or in tort or by way of remedy for unfair dismissal, redundancy, sex or race discrimination or other breach of statute in respect of his employment before the Effective Time, and shall indemnify the Purchaser against all liabilities arising from the Vendor's performance and discharge of those obligations.
- 9.3 The Purchaser shall with effect from the Effective Time assume responsibility as the employer of the Employees and shall indemnify the Vendor against all liabilities arising from the Purchaser's failure to perform and discharge the obligations arising from its assumption of that responsibility.
- 9.4 Nothing in this Clause 9 shall have the effect of imposing on the Vendor any liability to the Purchaser in respect of any claim by an Employee in respect of the termination of his employment by the Purchaser on or after Completion unless the Vendor has been in breach of any duty or obligation owed to or in relation to that Employee.
- 9.5 The Vendor shall use its reasonable endeavours to procure that the Purchaser is given the benefit of the Vendor's employment liability insurance policy in relation to the Employees in respect of the period of employment up to the Effective Time.

**Value Added Tax**

- 10.1 The Vendor has applied for and obtained a VAT group registration which includes the Vendor and the Purchaser and accordingly no VAT should arise on the sale of the Business and Assets under this Agreement.
- 10.2 If VAT should be held to be chargeable on the sale under this Agreement or on any part of the sale, the Purchaser agrees that it will, in addition to the Consideration, pay the amount of any such VAT.

**Period after Completion**

- 11.1 The Parties shall, and shall use their respective best endeavours to procure that any necessary third party shall, carry out, execute and perform all such further acts,



deeds, documents and things, including obtaining any third party agreement or consent required under Clause 7 above, as either of them may reasonably require by notice in writing to give effect to the terms of this Agreement .

- 11.2 On receiving, on or after Completion, any notices, correspondence, information, orders or enquiries relating to the Business or any money or other items belonging to the Purchaser and relating to the Business, the Vendor will immediately pass them to the Purchaser and title in them shall vest in the Purchaser.
- 11.3 The Vendor will take all reasonable steps to ensure that the Purchaser obtains the full benefit and enjoyment of the Goodwill.

## 12 **Announcements**

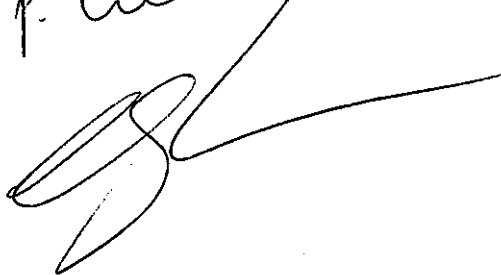
- 12.1 Subject to the provisions of Clause 12.2, neither the Purchaser nor the Vendor shall issue any press release or any other public document or make any statement or disclosure to any person (including any document, statement or disclosure published, issued or made to any supplier to or customer of the Business) in each case relating to this Agreement or the matters contained in it, without obtaining the prior written approval of the other Party to its contents and the manner and extent of its presentation and publication or disclosure (such approval not to be unreasonably withheld or delayed or made subject to unreasonable conditions).
- 12.2 The provisions of Clause 12.1 do not apply to:-
  - 12.2.1 any announcement relating to or connected with or arising out of this Agreement required to be made by either Party:-
    - 12.2.1.1 by any court or governmental or administrative authority competent to require the same; or
    - 12.2.1.2 by any applicable law or regulation; or
  - 12.2.2 any document, statement or disclosure published, issued or made by the Purchaser after Completion to any supplier or customer of the Business.

## 13 **General**


- 13.1 No term of this Agreement shall be enforceable by any person who is not a party to it, except that a person who is the permitted assignee of the rights of a Party is deemed to be a party to this Agreement and the rights of such assignee shall, subject to and upon any assignment permitted by this Agreement, be regulated by the terms of this Agreement.
- 13.2 This Agreement shall be governed by and construed in accordance with the laws of England.


**Signed** on the date set out at the head of this Agreement.

SIGNED by PEGASUS  
MANAGEMENT HOLDINGS SCA  
duly represented by Philip Whitworth  
and Alan Gibson pursuant to a proxy given  
on 28 October 2004

P. Whitworth  


SIGNED by Philip Whitworth  
for and on behalf of INHEALTH  
GROUP LIMITED in the presence  
of:-

P. Whitworth  


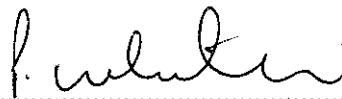
  
Michael Berneer  
10 Norwich Street  
EC4A 1BD

DATE 1 November 2004

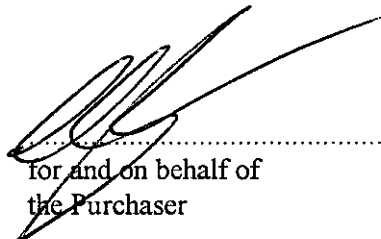
PEGASUS MANAGEMENT HOLDINGS SCA  
INHEALTH GROUP LIMITED

AGREED FORM "A"

Notice to Employees



by the Vendor duly represented  
by Philip Whitacron  
pursuant to a proxy  
given on 28 October 2004



for and on behalf of  
the Purchaser

## AGREED FORM NOTICE TO EMPLOYEES

From: [Vendor]  
and  
[Purchaser]

[Date]

Dear [Name]

### Your employment with [Vendor]

[As you know, in order to [rationalise its business and the structure of the InHealth Group] [Vendor] ("the Vendor") has been considering transferring the [business] ("the Business"). We are now writing to inform you that [Purchaser] ("the Purchaser") has entered into an agreement to buy the Business and the sale and purchase of the Business [was completed [today]][on [date].]

The Vendor and the Purchaser have been advised that the sale of the Business to the Purchaser amounts to the transfer of part of the business of the Vendor as a going concern. Consequently, the contracts of employment of all employees of the Vendor working in the Business have been automatically transferred to the Purchaser under the Transfer of Undertakings (Protection of Employment) Regulations 1981 (the "Regulations"). Accordingly, your contract of employment with the Vendor [will be] transferred to the Purchaser with effect from completion of the sale and purchase of the Business.

Apart from the change in your employer and except as set out in this letter, your terms and conditions of employment will be not be affected by the sale and purchase of the Business. All your existing statutory employment rights are protected under the Regulations. In particular, your period of continuous employment by the Purchaser will be deemed to have commenced on the date on which your employment by the Vendor began.

[Furthermore, the Purchaser has confirmed that it does not currently envisage taking any measures in relation to any transferring employees (for example, changes to terms and conditions of employment or redundancies) following Completion – *[where relevant]*

[You will not be able to remain a member of the Vendor's Pension Scheme [indefinitely] following Completion. [However, the Vendor and the Purchaser have agreed certain interim pension arrangements in relation to your pension rights.] We will be writing to you shortly concerning [these arrangements and] your options in relation to your rights under the Vendor's Pension Scheme *[where relevant]*

If you have any questions, please address these to [Name].

Please acknowledge receipt of this letter and confirm your acceptance of the above by signing and returning the enclosed copy of this letter to [Name] by [date]. You should retain the original copy of this letter for your own records.

Yours sincerely

.....  
For and on behalf of  
[Vendor]

.....  
For and on behalf of  
[Purchaser]

I acknowledge receipt of the original letter of which this is a copy and confirm that I agree to the transfer of my contract of employment from the Vendor to the Purchaser.

Signed:.....

Date:.....

DATE 1 November 2004

PEGASUS MANAGEMENT HOLDINGS SCA

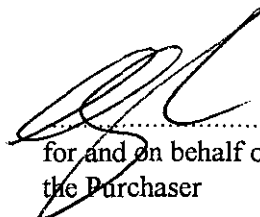
INHEALTH GROUP LIMITED

AGREED FORM "B"

Property Transfer



by the Vendor duly represented  
by Philip Whitecross  
pursuant to a proxy  
given on 28 October 2004



for and on behalf of  
the Purchaser

**DATE**

**2004**

**PEGASUS MANAGEMENT HOLDINGS SCA**

**INHEALTH GROUP LIMITED**

**TRANSFER**

**of freehold land being  
Beechwood Hall Kingsmead Road  
High Wycombe HP11 1JL**

**Macfarlanes  
10 Norwich Street  
London EC4A 1BD**

**Transfer of whole  
of registered title(s)**

**Land Registry**

**TR1**

**1. Stamp Duty**

- ☐ It is certified that this instrument falls within category ☐ in the Schedule to the Stamp Duty (Exempt Instruments) Regulations 1987
- ☐ It is certified that the transaction effected does not form part of a larger transaction or of a series of transactions in respect of which the amount or value or the aggregate amount or value of the consideration exceeds the sum of £
- ☐ It is certified that this is an instrument on which stamp duty is not chargeable by virtue of the provisions of section 92 of the Finance Act 2001

**2. Title Number(s) of the Property**  
BM14836

**3. Property**  
Beechwood Hall Kingsmead Road High Wycombe HP11 1JL

**4. Date**

**5. Transferor**

PEGASUS MANAGEMENT HOLDINGS SCA,( incorporated in Luxembourg with No. B64001 having its registered office at 7 Parc d'Activité Syrdall, L-5365, Munsbach, Luxembourg)

**6. Transferee for entry on the register**

INHEALTH GROUP LIMITED  
(Company Registration Number 4620480)

**7. Transferee's intended address(es) for service (including postcode) for entry on the register**  
Beechwood Hall Kingsmead Road High Wycombe Buckinghamshire HP11 1JL

**8. The Transferor transfers the Property to the Transferee**



**9. Consideration**

☒

The Transferor has received from the Transferee for the Property the sum of six million, eight hundred and one thousand, three hundred and forty pounds only (£6,801,340)

☐☐

The transfer is not for money or anything which has a monetary value

**10. The Transferor transfers with**

☒

full title guarantee

☐

limited title guarantee

**11. Declaration of trust**

☐

The Transferees are to hold the Property on trust for themselves as joint tenants

☐

The Transferees are to hold the Property on trust for themselves as tenants in common in equal shares

☐

The Transferees are to hold the Property

**12. Additional provisions**

**Interpretation**

- 12.1 References to a Clause or Schedule are references respectively to a clause of or the schedule to this Transfer.

**Incumbrances and indemnity covenants**

- 12.2.1 The Property is transferred subject to and where appropriate with the benefit of the matters contained or referred to in the documents listed in the Schedule to the extent that they relate to the Property or any part of it.

- 12.2.2 With the object of giving the Transferor a complete indemnity but not for any other purpose, the Transferee covenants with the Transferor that from the date of this deed of transfer the Transferee will, to the extent that they relate to the Property or any part of it, at all times observe and perform the covenants and conditions contained or referred to in the property and charges registers of the title referred to above (save for the entries numbered 1 and 2 in the charges register), and in the documents specified in the Schedule and will indemnify the Transferor against all actions, proceedings, losses, damages, costs, claims and expenses sustained due to any breach of those covenants and conditions.

**Assignments**

- 12.2.3 For the consideration aforesaid, the Transferor assigns to the Transferee the benefit of and right to enforce:-

- 12.3.1 any guarantee, covenant or other right relating to the Property including all buildings and structures erected thereon;

- 12.3.2 any other matter not capable of passing pursuant to Section 62 of the Law of Property Act 1925.

**SCHEDULE**

Date	Document	Parties
9 May 2003	Lease	Inhealth Group SA (1) Stroud & Company (Europe) Limited (2)

13. Execution

SIGNED as a Deed by )  
an attorney for and )  
on behalf of PEGASUS MANAGEMENT )  
HOLDINGS SCA, incorporated in )  
Luxembourg )


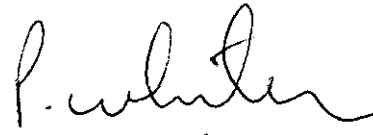
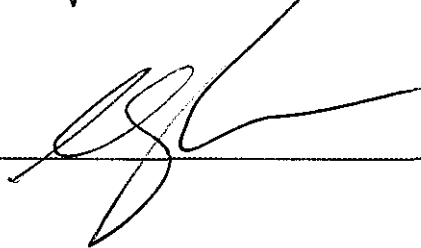
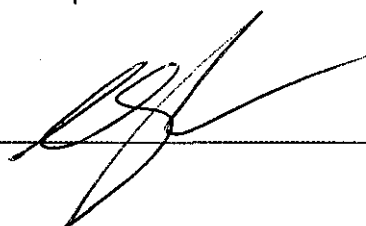
Witness Signature:

Name:

Address:

Occupation:

SIGNED as a Deed by )  
INHEALTH GROUP LIMITED )  
acting by:- )

Director  
Director/Secretary