

4828552.

DATED ✓ May 2004

LODERS GARAGE (DORCHESTER) LIMITED (1)

and

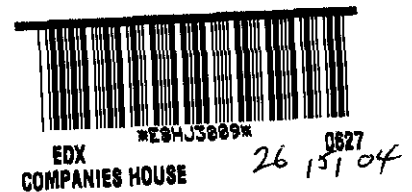
THE SHAREHOLDERS IN LODERS GARAGE (DORCHESTER)
LIMITED (2)

and

LODERS FORECOURT LIMITED (3)

REORGANISATION AGREEMENT

Steele Raymond
Richmond Point
43 Richmond Hill
Bournemouth Dorset
BH2 6LR



THIS AGREEMENT is made the ✓ 14 day of May 2004

B E T W E E N :-

- (1) LODERS GARAGE (DORCHESTER) LIMITED Company Number: 708721 whose registered office is Loders Garage, The Grove, Dorchester, Dorset DT1 1XU (the "Transferor"); and
- (2) THE INDIVIDUALS (being the members of the Transferor) whose names and address are shown in column (1) of Schedule One to this Agreement (the "Individuals"); and
- (3) LODERS FORECOURT LIMITED Company Number: 4828552 whose registered office is at Loders Garage, The Grove, Dorchester, Dorset DT1 1XU (the "Transferee").

W H E R E A S :

- (A) The Transferor wishes to reorganise its business and assets.
- (B) At the date of this Agreement the Individuals hold ordinary shares in the capital of the Transferor in the respective classes and numbers shown opposite their names in column (2) of Schedule One.
- (C) At the date of this Agreement Mr Richard John Loder is the registered holder of the two subscriber shares in the Transferee and is the only member of the Transferee.
- (D) The Individuals have agreed to the transfer by the Transferor to the Transferee of the business, assets and certain of the liabilities of the fuel forecourt filling station carried on by the Transferor upon the terms and subject to the conditions set out in this Agreement.

NOW IT IS AGREED as follows:

1. DEFINITIONS

- 1.1 In this Agreement, unless the context otherwise requires, the following words and expressions have the following meanings:-

"the Assets"	means the assets listed in clause 2, together with all accrued benefits and rights attaching thereto;
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“the Book Debts”	means all book and other debts outstanding in respect of the Forecourt Business as at the Transfer Date;
“the Charges”	means the Esso Charge, the NatWest Charge, the VW Charge and the VW Debenture;
“the Contracts”	means all the contracts, agreements, hire-purchase agreements, licences, retainers, engagements and instructions to which the Transferor is entitled to in connection with the Forecourt Business which are in effect as at the Transfer Date including the Esso Agreement;
“the Creditors”	means the aggregate amount owed by the Transferor in connection with the Forecourt Business to or in respect of trade creditors of the Forecourt Business as at the Transfer Date;
“the Employees”	means the employees of the Transferor listed in Schedule Two and any other employees of the Transferor engaged in the Forecourt Business at the Transfer Date;
“the Equipment Plant and Machinery”	means the equipment, plant, machinery, vehicles, fittings, chattels and other assets of the Transferor employed in the Forecourt Business as at the Transfer Date;
“the Esso Agreement”	means the motor fuels and lubricants supply agreement in place between Esso Petroleum Company Limited and the Transferor at the Transfer Date;
“the Esso Charge”	the legal charge dated 31 August 1999 between the Transferor and Esso Petroleum Company Limited

	more particularly described in Schedule Three Part I;
"the Forecourt Business"	means the business carried on by the Transferor at the Forecourt Property as at the Transfer Date involving the operation of a fuel forecourt filling station and convenience store;
"the Forecourt Property"	means all that freehold property comprised in HM Land Registry Title Number DT272521;
"the Goodwill"	means the goodwill of the Transferor in connection with the Forecourt Business and the right for the Transferee to use the name "Loders" and to represent itself as carrying on the Forecourt Business in succession to the Transferor;
"the Know How"	means all information (if any) (including that comprised in or derived from data, disks, tapes, manuals, source codes, flow-charts and instructions) relating to the Forecourt Business, its methods, provisions, research and development and intellectual property rights;
"the NatWest Borrowings"	means the bank borrowings incurred by the Transferor with National Westminster Bank Plc which are properly attributable to the Forecourt Business and Assets as at the Transfer Date (which are circa. £500,000);
"the NatWest Charge"	means the mortgage debenture dated 16 November 1982 between the Transferor and National Westminster Bank Plc more particularly described in Schedule Three Part II;
"the Regulations"	means the Transfer of Undertakings (Protection of Employment) Regulations 1981 (as amended,

	replaced or modified from time to time);
“the Transfer Date”	means close of business on 30 April 2004;
“VAT”	means Value Added Tax;
“the VW Charge”	means the legal charge dated 22 September 1994 between the Transferor and Volkswagen Financial Services (UK) Limited more particularly described in Schedule Three Part III;
“the VW Debenture”	means the debenture dated 23 March 1994 between the Transferor and Volkswagen Financial Services (UK) Limited more particularly described in Schedule Three Part IV.

- 1.2 The headings in this Agreement are inserted for convenience only and shall not affect the construction of this Agreement.
- 1.3 Except where the context otherwise requires in this Agreement the singular includes the plural and vice versa; any gender includes all genders including the neuter; words denoting persons include bodies corporate and associations and vice versa.

2. TRANSFER OF THE BUSINESS AND ASSETS

Subject to the provisions of this Agreement the Transferor shall transfer to the Transferee the Forecourt Business and the Assets on a going concern basis with effect from the Transfer Date including (without limitation) the following:-

- (a) the Forecourt Property subject to the Charges insofar as they attach to the Assets;
- (b) the Equipment, Plant and Machinery;
- (c) all stocks, materials and supplies used in the Forecourt Business as at the Transfer Date including (without limitation) fuel stocks, lubricant stocks, spare parts, consumable items, stationery, office supplies and sales literature;

- (d) all debts or other sums due or payable to the Transferor on any account in connection with the Forecourt Business;
- (e) the Goodwill;
- (f) all prepayments made by the Transferor in respect of the Forecourt Business;
- (g) the benefit of (subject to the burden of) the Contracts insofar as they can be transferred;
- (h) the benefit of all policies of insurance and claims against third parties relating to the Forecourt Business and the Assets;
- (i) all unpaid credit and debit card items in respect of the sales made by the Forecourt Business;
- (j) all unbilled work in progress of the Forecourt Business as at the Transfer Date;
- (k) all lists of customers, books, files and records relating to the Forecourt Business;
- (l) all cash of the Forecourt Business at bank or at hand; and
- (m) all other assets of whatsoever nature employed in the Forecourt Business at the Transfer Date.

3. CONSIDERATION

The consideration for the transfer by the Transferor to the Transferee of the Forecourt Business and the Assets pursuant to clause 2 shall be as follows:-

- (a) the allotment and issue by the Transferee to the Individuals of ordinary shares in the capital of the Transferee in the respective classes and numbers shown opposite the names of the Individuals in column (3) of Schedule One (the "Consideration Shares");
- (b) the Consideration Shares will be credited as fully paid and will have the respective rights and be subject to the respective restrictions set out in the Articles of Association of the Transferee from time to time in force;
- (c) the payment, satisfaction and discharge by the Transferee of all the debts, liabilities and obligations relating to the Forecourt Business and the Assets and outstanding on or accrued up to and including the Transfer Date including (without limitation):-

- (i) the NatWest Borrowings;
 - (ii) the Creditors;
 - (iii) any liability of the Transferor for corporation tax, VAT and PAYE relating to the Forecourt Business and to any period ending on or before the Transfer Date whether or not liability to pay such taxation had then arisen;
 - (iv) all liabilities to the Employees referred to in clause 9;
 - (v) all liabilities to customers or former customers of the Forecourt Business;
- (d) the Transferee shall at all times keep the Transferor indemnified against such debts, liabilities and obligations referred to in clause 3(c) above and all actions, proceedings, costs, damages, claims and demands in respect thereof.

4. VALUE ADDED TAX

- 4.1 The parties intend that Article 5 of the Value Added Tax (Special Provisions) Order 1995 (the "Order") will apply to the transfer of the Forecourt Business and the Assets and the parties will use all reasonable endeavours to secure that, pursuant to the Order, the transfer of the Forecourt Business and the Assets is treated as neither a supply of goods nor a supply of services for the purposes of VAT.
- 4.2 In the event that VAT is chargeable on the transfer of the whole or any part of the Forecourt Business and the Assets pursuant to this Agreement then subject to the receipt by the Transferee of a valid VAT invoice or invoices relating to such assets the Transferee will pay to the Transferor (in addition to the consideration) an amount equal to the amount of VAT payable in respect of the same together with any penalty or interest incurred for late payment of such tax.

5. CONSENT BY THE INDIVIDUALS

The Individuals consent to the transfer of the Forecourt Business and the Assets upon the terms and subject to the conditions set out in this Agreement.

6. COMPLETION

- 6.1 Completion shall take place at the offices of the Transferor or such other place as the parties may agree immediately following the signing of this Agreement.
- 6.2 At Completion the Transferor shall:-

- (a) procure that a Board Meeting of the Transferor shall be held (if not already held) at which it shall be resolved that the transfer of the Forecourt Business and the Assets upon the terms and subject to the conditions set out in this Agreement be approved;
- (b) the Transferor shall let the Transferee into possession of the Forecourt Business, the Forecourt Property, the Assets, the Goodwill and rights relating thereto hereby agreed to be transferred;
- (c) the Transferor shall from time to time hereafter as and when required by the Transferee execute, sign and do at the expense of the Transferor all such deeds, documents, assurances, acts and things as shall be reasonably required by the Transferee for vesting in it the Forecourt Business and the Assets hereby agreed to be transferred and every part thereof and for giving to the Transferee the full benefit of this Agreement provided that:
 - (i) as from the Transfer Date and until such time as the assets and other property hereby agreed to be transferred shall be finally vested in the Transferee as aforesaid the Transferor shall hold and shall be deemed to have held the same in trust for and for the benefit of the Transferee; and
 - (ii) as reasonably required by the Transferee the Transferor will execute Declarations of Trust in favour of the Transferee or otherwise in respect of any assets or property specified by the Transferee hereby agreed to be transferred in such form as the Transferee may reasonably request.

6.3 The risk in the Forecourt Business and the Assets shall pass to the Transferee on the Transfer Date.

6.4 Upon completion of all matters referred to in sub-clause 6.2 above the Transferee shall procure that:

- (a) the Consideration Shares are duly allotted to the Individuals in the respective classes and numbers shown in column (3) of Schedule One and the names of the Individuals are entered into the Register of Members of the Transferee as the holders of such shares; and
- (b) definitive share certificates for the relevant Consideration Shares are executed by the Transferee and issued to the Individuals.

- 6.5 If for any reason the provisions of sub-clause 6.2 hereof are not fully complied with the Transferee shall be entitled (in addition and without prejudice to all other rights or remedies available to it) to elect to rescind this Agreement or to fix a new date of Completion.

7. NO INVESTIGATION OF TITLE

The Transferee shall accept without investigation, objection or requisition such title as the Transferor has to the assets and other property hereby agreed to be transferred.

8. POST TRANSFER DATE LIABILITIES

The Transferee shall pay, satisfy and discharge all the debts, liabilities and obligations relating to the Forecourt Business and the Assets and arising after the Transfer Date and shall at all times keep the Transferor indemnified against the same and all actions, proceedings, costs, damages, claims and demands in respect thereof.

9. EMPLOYEES

9.1 The parties acknowledge and agree that pursuant to the Regulations the contracts of employment between the Transferor and the Employees will have and be deemed to have had effect after the Transfer Date as if originally made between the Transferee and the Employees.

9.2 The Transferee will continue to employ the Employees and shall discharge and indemnify the Transferor against all liabilities and obligations in relation to the Employees whenever arising and of whatever nature including (without limitation) liabilities and obligations arising from the existing contracts of employment of the Employees and the transfer of employment of such Employees to the Transferee.

10. COLLECTION OF BOOK DEBTS

The Transferor will, if it receives any of the Book Debts, remit the relevant sum within 14 days of receipt to the Transferee.

11. CONTRACTS

11.1 The Transferee will but subject to the provisions of this clause 11 carry out and perform in accordance with their terms the Contracts to the extent that the same have not been performed prior to the Transfer Date.

11.2 If any of the Contracts cannot be properly transferred from the Transferor to the Transferee without the consent of a third party to the

novation and/or assignment of the relevant agreement then the Transferor and the Transferee will co-operate in taking such steps as may be practicable in order to apply for such consent.

11.3 The Transferor will at the request of the Transferee use its reasonable endeavours to obtain, from the other parties to the Contracts, consent to the substitution of the Transferee in the place of the Transferor as a party (whether by assignment novation or otherwise), but in any case where such consent is refused or otherwise not readily obtained and until such consent is obtained:-

- (a) the Transferor will hold the relevant Contract as bare trustee for the Transferee, but the relevant Contract will be performed by the Transferee in the name of the Transferor, provided that the Transferor will hold any money goods or other benefits received by it under such Contract as agent of and trustee for the Transferee and will immediately following receipt of the same, account for and pay or deliver to the Transferee, without any deduction or withholding whatsoever (save as may be required by law or in respect of VAT), all such moneys goods and other benefits and any expenses arising in connection with such Contracts will be paid by the Transferee; and
- (b) except to the extent that the Transferor fails to comply with the provisions of sub-clause 11.3(a) the Transferee undertakes to indemnify and keep indemnified the Transferor from and against any payment required to be made or other liability incurred by or arising against the Transferor in relation to the Contracts in respect of any period after the Transfer Date.

12. THE NATWEST BORROWINGS

The Transferee shall pay, satisfy and discharge the NatWest Borrowings at such time or times and in such manner as shall be agreed with the Transferor or as National Westminster Bank Plc shall request. The Transferor shall not without the prior written consent of the Transferee vary the terms of the NatWest Borrowings.

13. VW CHARGE AND VW DEBENTURE

13.1 As soon as practicable after a written request from the Transferee, the Transferor undertakes to the Transferee to use its best endeavours to procure the discharge and release of the VW Charge and the VW Debenture insofar as these relate to liabilities of the Transferor not assumed by the Transferee under this Agreement.

13.2 The Transferor shall indemnify and keep indemnified the Transferee from and against all actions, proceedings, costs, claims, damages and demands arising in respect of the VW Charge and the VW Debenture relating to liabilities of the Transferor not assumed by the Transferee under this Agreement.

14. STATEMENTS/ANNOUNCEMENTS

The Transferor and Transferee will agree and issue statements in the agreed terms to customers and suppliers of the Forecourt Business informing them of the transfer of the Forecourt Business to the Transferee, and press releases in the agreed terms.

15. INSURANCE

The Transferee shall subject to the consent of the insurance companies concerned and to the completion of the said transfer be entitled to the benefit of the current insurances of the Transferor upon or in connection with the assets and other property hereby agreed to be transferred.

16. SURVIVAL OF PROVISIONS

Insofar as any provision of this Agreement shall not have been performed on the Transfer Date it shall survive and remain in full force and effect notwithstanding the passing of the Transfer Date.

17. ENTIRE AGREEMENT

This Agreement and the documents it refers to set out the entire agreement between the parties in connection with the transfer of the Forecourt Business and the Assets; and any variation will only be effective if it is in writing and signed by or on behalf of the parties to this Agreement.

18. NOTICES AND RECEIPTS

Any notice or other document to be given hereunder may be delivered or sent by first class recorded delivery post or fax to the party to be served at that party's address appearing in this Agreement or such other address as that party shall notify in accordance herewith. Any such notice or document shall be deemed to have been served:

- (i) if delivered, at the time of delivery; or
- (ii) if posted, at the expiration of 48 hours after the envelope containing the same shall have been put into the post; or

- (iii) if sent by fax, at the expiration of 12 hours after the same shall have been despatched

In proving such service it shall be sufficient to prove that delivery was made or that the envelope containing such notice or document was properly addressed and posted as a prepaid first class recorded delivery letter or that the fax was properly addressed and despatched as the case may be.

19. SUCCESSORS

This Agreement shall be binding and shall enure for the benefit of each party's successors and assigns and personal representatives (as the case may be).

20. RELEVANT LAW

This Agreement will be governed by and construed in accordance with English law and the parties submit to the non-exclusive jurisdiction of the Courts of England.

21. RIGHTS OF THIRD PARTIES

No term of this Agreement is intended for the benefit of any third party, and the parties do not intend that any term of this Agreement should be enforceable by a third party, either under the Contract (Rights of Third Parties) Act 1999 or otherwise.

IN WITNESS whereof the parties have executed this Deed as a deed on the date shown on the first page of this document.

EXECUTED AS A DEED by)
LODERS GARAGE (DORCHESTER))
LIMITED acting by:)

Director

Director/Secretary

EXECUTED AS A DEED by)
RICHARD JOHN LODER)
In the presence of:-)

Witness signature

Witness name

Witness address

Witness occupation

CHARTERED ACCOUNTANT

EXECUTED AS A DEED by)
JULIA MARGARET LODER)
In the presence of:-)

Witness signature

Witness name

Witness address

Witness occupation

EXECUTED AS A DEED by)
MAY LODER)
in the presence of:-)

Witness signature


Witness name

Witness address

Witness occupation

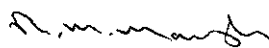
EXECUTED AS A DEED by)
LEE LODER)
in the presence of:-)



Witness signature 
Witness name AS ABOVE
Witness address
Witness occupation

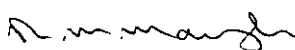
EXECUTED AS A DEED by)
MARK LODER)
in the presence of:-)



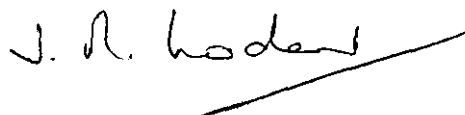
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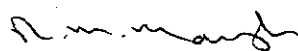
EXECUTED AS A DEED by)
BRIAN STANLEY KEENE)
in the presence of:-)



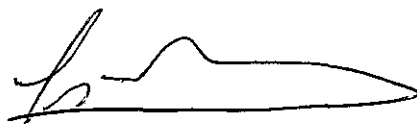
Witness signature 
Witness name AS ABOVE
Witness address
Witness occupation

EXECUTED AS A DEED by)
JULIA MARGARET LODER)
as Trustee of the Richard Loder's)
2003 Settlement in the presence)
of:-)



Witness signature 
Witness name AS ABOVE
Witness address
Witness occupation

EXECUTED AS A DEED by)
LEE MICHAEL LODER)
as Trustee of the Richard Loder's)
2003 Settlement in the presence)
of:-)



Witness signature 

Witness name AS ABOVE

Witness address

Witness occupation

EXECUTED AS A DEED by)
BRIAN GEOFFREY FORD)
as Trustee of the Richard Loder's)
2003 Settlement in the presence)
of:-)



Witness signature 

Witness name AS ABOVE

Witness address

Witness occupation

EXECUTED AS A DEED by)
PAUL RICHARD CAUSTON)
as Trustee of the Richard Loder's)
2003 Settlement in the presence)
of:-)



Witness signature 

Witness name CRAIG VENMORE HARDMAN

Witness address RICHMOND POINT, 43 RICHMOND HILL, BOURNEMOUTH BH2 6LR

Witness occupation SOLICITOR

EXECUTED AS A DEED by)
LODERS FORECOURT LIMITED)
acting by:)

Director

A handwritten signature in black ink, consisting of a stylized 'L' followed by a series of loops and a long horizontal stroke extending to the right.

Director/Secretary

A handwritten signature in black ink, consisting of a stylized 'L' followed by a series of loops and a long horizontal stroke extending to the right.

SCHEDULE ONE

(1)	(2)	(3)
Individuals	Class and number of ordinary shares held in the capital of Loders Garage (Dorchester) Limited	Consideration Shares
Richard John Loder 3 Stanton House 11 Greenhill Weymouth Dorset DT4 7SW	225,880 A Ordinary Shares	225,878 A Ordinary Shares
Julia Margaret Loder 3 Stanton House 11 Greenhill Weymouth Dorset DT4 7SW	30 A Ordinary Shares	30 A Ordinary Shares
May Loder Rivermead Burton Road Dorchester Dorset DT1 1XW	29,430 A Ordinary Shares	29,430 A Ordinary Shares
Lee Michael Loder Rosewood Southoverpastures Frampton Dorchester Dorset DT2 9NQ	35,030 A Ordinary Shares	35,030 A Ordinary Shares
Mark Loder 3 Stanton House 11 Greenhill Weymouth Dorset DT4 7SW	30 A Ordinary Shares	30 A Ordinary Shares

Brian Geoffrey Ford, Julia Margaret Loder, Lee Michael Loder and Paul Richard Causton c/o 9 St Ives Park Ashley Heath Ringwood Hampshire BH24 2JX	65,250 A Ordinary Shares	65,250 A Ordinary Shares
Brian Stanley Keene Bulbarrow House Huntley Down Milborne St Andrew Blandford Forum Dorset DT11 0LN	2,000 B Ordinary Shares	2,000 B Ordinary Shares

SCHEDULE TWO

Lee Loder
Debbie Angel
Leslie Crofts
Dennis Swain
David Crabb
Deanne Studley
Scott Lewis
Bronwyn Stevens
Paul Buckler
Tom Costin
Elaine Cheesman
Valerie Bonar
Lorna Eyres
Theresa Climo
Chris Strong
Chris Robson

SCHEDULE THREE

Part I

Description: LEGAL CHARGE

Person(s) Entitled: ESSO PETROLEUM COMPANY LIMITED

Amount Secured: £750,000 and all other monies due or to become due from Loders Garage (Dorchester) Limited to the Chargee

Created: 31 August 1999

Short Particulars: The freehold property known as Loders Service Station The Grove Dorchester Dorset and the goodwill of the business thereon

Part II

Description: MORTGAGE DEBENTURE

Person(s) Entitled: NATIONAL WESTMINSTER BANK PLC

Amount Secured: All monies due or to become due from Loders Garage (Dorchester) Limited to the Chargee on any account whatsoever

Created: 16 November 1982

Short Particulars: A specific Equitable Charge over Loder Garage (Dorchester) Limited's estate or interest in all freehold and leasehold properties and or the proceeds of sale thereof. Fixed and Floating Charge undertaking and all property and assets present and future including goodwill book debts freehold - Loders Garage The Grove Dorchester. Freehold - Loders Garage Burton Road Dorchester

Part III

Description: LEGAL CHARGE

Person(s) Entitled: VOLKSWAGEN FINANCIAL SERVICES (UK) LIMITED

Amount Secured: All monies due or to become due from Loders Garage (Dorchester) Limited and/or Loders Garage (Yeovil) Limited to the Chargee on any account whatsoever

Created: 22 September 1994

Short Particulars: 1) The triangular piece or parcel of land situate near the north end of The Grove fronting onto Burton Road Dorchester Dorset; 2) The piece or parcel of land also near the north end of The Grove together with the dwellinghouse garage petrol station and premises erected thereon and known collectively with other property as Loders Garage The Grove Dorchester aforesaid

Part IV

Description: DEBENTURE

Person(s) Entitled: VOLKSWAGEN FINANCIAL SERVICES (UK) LIMITED

Amount Secured: All monies due or to become due from Loders Garage (Dorchester) Limited to the Chargee

Created: 23 March 1994

Short Particulars: All those monies which may from time to time be owing to Loders Garage (Dorchester) Limited by V.A.G. (United Kingdom) Limited in respect of refunds of monies paid by or by the direction of Loders Garage (Dorchester) Limited to V.A.G. (United Kingdom) Limited by way of deposit on the acquisition of motor vehicles on a consignment basis