

DATED 27 May 2008

ANDREW LOUIS HOLDINGS LIMITED in
liquidation (1)

And

JONATHAN BOOTH of PARKIN S.
BOOTH & CO (2)

And

ANDREW LOUIS INVESTMENTS LIMITED
&
ANDREW LOUIS TRADING LIMITED (3)

Demerger Agreement under s110
Insolvency Act 1986
Re; Andrew Louis Holdings Limited

Examined as an original and certified
as a true copy thereof this 12 day
of June 2008

JST Lawyers

JST Lawyers

JST Lawyers
Colonial Chambers
Temple Street
Liverpool
L2 5RH

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Ref: HES/AND0225/0004

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THIS AGREEMENT is made the 27 day of May 2008

BETWEEN:

- (1) **ANDREW LOUIS HOLDINGS LIMITED** (Company No 03883437) in liquidation, whose registered office is at Muskens Building, 1 Stanley Street, Liverpool, Merseyside L1 6AA ("the Old Company")
- (2) **JONATHAN BOOTH** of Parkin S Booth & Co, 44 Old Hall Street, Liverpool, L3 9EB, its liquidator ("the Liquidator") and
- (3) **ANDREW LOUIS INVESTMENTS LIMITED** (Company No 06596662) whose registered office is at Muskens Building, 1 Stanley Street, Liverpool, L1 6AA ("ALIL") and **ANDREW LOUIS TRADING LIMITED** (Company No 06598324) whose registered office is at Muskens Building, 1 Stanley Street, Liverpool, L1 6AA ("ALTL") (collectively the "New Companies")

RECITALS

- (A) By a special resolution of the Old Company passed as a written resolution on 27 May 2008, it was resolved that:
 - (a) the Old Company should be wound up voluntarily
 - (b) the Liquidator should be appointed liquidator for the purposes of that winding up; and
 - (c) the Liquidator should be authorised on behalf of the Old Company, in accordance with the Insolvency Act 1986 Section 110, to enter into, and carry out, an agreement in the terms of this agreement ("the Agreement"), a draft of which was circulated attached to the written resolution passed as before.
- (B) The New Companies have been incorporated under the Companies Act 2006 and have the following share capital:-
 - (a) **ALIL:** £1,000 divided into 1,000 ordinary shares of £1 each, of which two ordinary shares of £1 each have been issued and are fully paid up, and
 - (b) **ALTL:** £1,000 divided into 1,000 ordinary shares of £1 each, of which two ordinary shares of £1 each have been issued and are fully paid up.
- (C) The purposes for which the New Companies were incorporated are to acquire between them the entirety of the undertaking of the Old Company as follows:-

- (i) **ALIL:** the entirety of the issued share capital of Andrew Louis Properties Limited a company incorporated in England and Wales with company number 02711410 ("ALPL") and a wholly owned subsidiary of the Old Company, and
- (ii) **ALTL:** the entirety of the issued share capital of Andrew Louis Estate Agents Limited (company no 03883376) and Andrew Louis Chartered Surveyors Limited (company no 05373790) and 98% of the issued share capital of Andrew Louis Property Management Limited (company no 03883406) (collectively the "Trading Companies") all of which are incorporated in England and Wales and are subsidiaries of the Old Company

and, for this purpose, to execute and carry out this Agreement.

IT IS AGREED as follows

1. SALE AND PURCHASE OF UNDERTAKING

The Old Company shall sell, and the New Companies shall purchase, all the undertaking and assets of the Old Company comprising the entirety of the issued share capital of ALPL and the Trading Companies, the details of which are set out in Schedule 1 to this Agreement ("the Shares").

2. TRANSFER OF THE SHARES

The Stock Transfer Forms and all other actions, deeds and documents for the transfer of the Shares to the New Companies in the amounts and as per the details stipulated in Schedule 1 shall be prepared and completed

- 2.1 at the New Companies' own expense; and
- 2.2 (subject to Clause 8) at such time as the directors of the New Companies shall jointly determine.

3. TITLE TO THE SHARES

The New Companies shall accept without investigation whatever title to the Shares that the Old Company possesses, and the Liquidator shall not be required to enter into any covenant (other than a covenant that he has not incumbered the Shares in any way whatsoever).

4. ISSUE OF SHARES IN THE NEW COMPANIES

The New Companies shall, as soon as convenient, issue to the Liquidator (or as he shall direct) the consideration shares in the New Companies referred to in clause 7, those shares being of the nominal value of £1 each and credited for all purposes as being fully paid up.

5. DEBTS OWED TO OLD COMPANY

5.1 1 ALIL shall be entitled to:-

- (a) all debts and sums of money now due and owing (or in future to become due and owing) to the Old Company in connection with ALPL (whether under any existing contract with the Liquidator or the Old Company, or otherwise); and
- (b) all sums of money recovered (or to be recovered) as damages in any action now pending brought by the Old Company, in respect of infringement of any patent rights, breach of contract, or any other matter or purpose connected with ALPL

5.1 2 The Old Company shall, at the cost of ALIL, prosecute and carry on, or abandon, or compromise, all or any other actions which are mentioned in Clause 5 1 1, and do all such acts, matters and things as ALIL shall reasonably require, with reference to

- (a) the above actions; and
 - (b) the carrying out of any existing contract between the Old Company (or the Liquidator) and any other person (or persons),
- including using its best endeavours to secure the novation of that contract and for getting in and recovering any outstanding debts.

5.2.1 ALTL shall be entitled to -

- (a) all debts and sums of money now due and owing (or in future to become due and owing) to the Old Company in connection with the Trading Companies (whether under any existing contract with the Liquidator or the Old Company, or otherwise); and
- (b) all sums of money recovered (or to be recovered) as damages in any action now pending brought by the Old Company, in respect of infringement of any patent rights, breach of contract, or any other matter or purpose connected with the Trading Companies.

5.2.2 The Old Company shall, at the cost of ALTL, prosecute and carry on, or abandon, or compromise, all or any other actions which are mentioned in

Clause 5.2.1, and do all such acts, matters and things as ALTL shall reasonably require, with reference to:

- (a) the above actions, and
 - (b) the carrying out of any existing contract between the Old Company (or the Liquidator) and any other person (or persons),
- including using its best endeavours to secure the novation of that contract and for getting in and recovering any outstanding debts.

6 DEBTS AND LIABILITIES OF THE OLD COMPANY

The New Companies shall

- 6.1 pay and discharge all debts and liabilities of the Liquidator and of the Old Company (including the costs and expenses of, and incidental to, winding up the Old Company); and
 - 6.2 indemnify the Liquidator and the Old Company against the above costs and expenses and any other actions, claims and demands relating to,
 - 6.2.1 any debts, cost or liabilities incurred; or
 - 6.2.2 acts, matters or things due, made, done or omitted (or to become due or to be made, done or omitted)
- by the Liquidator (or the Old Company) in relation to the Shares, whether in carrying on the business, or under the provisions of this Agreement, or otherwise.

7 DISTRIBUTION OF SHARES IN THE NEW COMPANIES

- 7.1 The Liquidator shall distribute among all the members of the Old Company who do not dissent from the special resolutions recited above, fully paid up shares in the New Companies (to be issued as stated in Clause 4) for every fully paid £1 00 ordinary share in the Old Company as set out in Schedule 2
- 7.2 The New Companies shall not be:
 - 7.2.1 bound to see to the proper application and distribution of these fully paid up shares; nor
 - 7.2.2 answerable for any mis-application or non-application of them.

8 DISSENTING MEMBERS

- 8.1 The New Companies shall pay to the Liquidator any sums as may be necessary to:

- 8.1 1 purchase the interest held in the Old Company by members of the Old Company who dissent from the special resolutions recited above ('the Dissenting Members'), and
- 8.1 2 cover all costs and expenses incurred by the Liquidator (or the Old Company) in dealing with that dissent.
- 8.2 The Old Company shall not be bound to convey or deliver over to the New Companies any of the Shares until the sums referred to in Clause 8 1 have been paid or secured to the Liquidator.

9 RESCISSION OF AGREEMENT

If the Dissenting Members shall hold more than 25% shares in the Old Company, the New Companies may, within two weeks from the date of this Agreement, rescind this Agreement by notice in writing addressed to the Liquidator and left at the registered office of the Old Company.

10 APPORTIONMENT OF PURCHASE PRICE

The consideration shall be apportioned as follows:-

- 10.1 ALPL - £147
- 10.2 Andrew Louis Estate Agents Limited - £1
- 10.3 Andrew Louis Chartered Surveyors Limited - £1
- 10.4 Andrew Louis Property Management Limited - £147

11 FILING OF AGREEMENT ETC WITH REGISTRAR OF COMPANIES

The New Companies shall cause this Agreement (and any agreements constituting the titles of the respective allottees to the shares mentioned in Clause 7) to be filed with the Registrar of Companies in accordance with the Companies Act 1985 Section 88 as amended by Companies Act 2006.

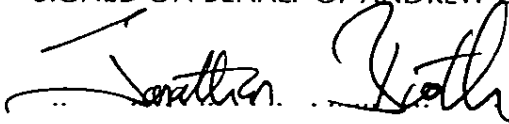
SCHEDULE 1**Shares**

<u>Company</u>	<u>Number of Shares</u>	<u>Class of Share</u>
Andrew Louis Properties Limited	100	Ordinary Shares of £1 each
Andrew Louis Estate Agents Limited	1	Ordinary Share of £1
Andrew Louis Chartered Surveyors Limited	1	Ordinary Share of £1
Andrew Louis Property Management Limited	98	Ordinary Shares of £1 each


SCHEDULE 2

New Company	Subsidiary	New Company Consideration Shares
ALIL	Andrew Louis Properties Limited	One Ordinary Shares of £1
ALIL	Andrew Louis Estate Agents Limited	One Ordinary Shares of £1
ALTL	Andrew Louis Chartered Surveyors Limited	One Ordinary Shares of £1
ALTL	Andrew Louis Property Management Limited	One Ordinary Shares of £1


SIGNED ON BEHALF OF ANDREW LOUIS HOLDINGS LIMITED

 .. DATE: 27.5.08 ..

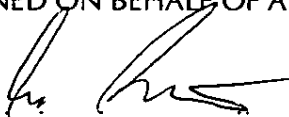
SIGNED JONATHAN BOOTH OF PARKIN S BOOTH & CO

 .. DATE: 27.5.08 ..

SIGNED ON BEHALF OF ANDREW LOUIS INVESTMENTS LIMITED

 .. DATE 27/05/08 ..

SIGNED ON BEHALF OF ANDREW LOUIS TRADING LIMITED

 .. DATE 27/05/08 ..