

Form 603Corporations Act 2001
Section 671B**Notice of initial substantial holder**To Company Name/Scheme **Jayex Healthcare Limited (JHL)**ACN/ARSN **119 122 477****1. Details of substantial holder (1)**Name **Agam Jain and Jayex Group Limited**ACN/ARSN (if applicable) **-**The holder became a substantial holder on **16 December 2015****2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary Fully Paid Shares (FPOs)	19,003,378	19,003,378	12.59%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Jayex Group Limited	Registered Holder. Holder acquired the shares pursuant to a Share Purchase Agreement with JHL dated 22 September 2015, as amended by a Variation to the Share Purchase Agreement dated 2 November 2015 copies, of which are attached as Annexure A.	19,003,378 FPOs
Agam Jain	Relevant interest in securities arises in accordance with section 608(3) (b) of the Corporations Act 2001(Cth) as Agam Jain controls Jayex Group Limited.	19,003,378 FPOs

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of Securities	Person entitled to be registered as holder (8)	Class and number of securities
Jayex Group Limited, Agam Jain	Jayex Group Limited	Jayex Group Limited	19,003,378 FPOs

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Jayex Group Limited	15 December 2015	-	\$6,081,081	19,003,378 FPOs

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Jayex Group Limited	13 Sovereign Park, Coronation Road, LONDON NW10 7QP, UK
Agam Jain	C/- 13 Sovereign Park, Coronation Road, LONDON NW10 7QP, UK

Signature

print name **Agam Jain**

capacity

Individual; Director of Jayex Group Limited

sign here



date

17 December 2015

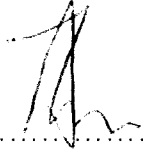
DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A – Share Purchase Agreement and Variation to Share Purchase Agreement

This is Annexure A of 67 pages referred to in the Form 603 (Notice of initial substantial holder) signed by me and dated 17 December 2015.


.....

Agam Jain

For personal use only

SHARE PURCHASE AGREEMENT

between

JAYEX HEALTHCARE LIMITED

and

JAYEX GROUP LIMITED

and

AGAM JAIN

OTB EVELING

Senate Court,
Southernhay Gardens,
Exeter
EX1 1NT

Tel: 01392 823811

Fax: 01392 823812

DX: 122695 Exeter

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This Agreement is made the 22ND day of SEPTEMBER 2015

Parties

- (1) **JAYEX GROUP LIMITED** incorporated and registered in England and Wales with company number 01375226 whose registered office is at 13 Sovereign Park, Coronation Road, London, NW10 7QP;
- (2) **AGAM JAIN** of 45 Sudbury Court Drive, Harrow, HA1 3SZ;
(together the Sellers).
- (3) **JAYEX HEALTHCARE LIMITED** ACN 119 122 477 whose registered office is at Level 1, 529 Burwood Road, Hawthorn East, Victoria, Australia, 3123 **(Buyer).**

Background

The Sellers have agreed to sell, and the Buyer has agreed to buy, the Sale Shares subject to the terms and conditions of this Agreement.

Operative Provisions

1 Interpretation

- 1.1 The definitions and rules of interpretation in this clause apply in this Agreement.

\$ means Australian Dollars.

Accounts means the financial statements of the Company as at and to 31 December 2014 including the balance sheet, profit and loss account (together with the notes on them) and the directors' report.

Adjustment Date means the fifth Business Day following the date on which the Completion Accounts are agreed or determined in accordance with Schedule 7.

Agreement means this Agreement, including the Schedules hereto, and as the same may be amended in accordance with clause 21.1.

AJ means Agam Jain, being one of the parties to this Agreement.

Appointuit means Appointuit Pty Ltd (ACN 153 559 016) of 47 Tuckett Street, Kenmore Hills, Queensland, Australia, 4069.

ASX means the Australian Stock Exchange.

ASX Listing Rules the listing rules of the ASX from time to time.

Business means the business carried on by the Company, namely the development and provision of a software platform and associated hardware known as 'Enlighten', which facilitates patient self-service on and off premise, including, but not limited to, web applications and touch interface devices providing self-checking, way finding, calling, clinical assessment questionnaires, record viewing and appointment booking, and the provision of advanced visual information systems providing educational information with localised messaging and queue management or any part of it.

Business Day means a day other than a Saturday, Sunday or public holiday when banks in Melbourne, Australia and London, United Kingdom are open for business.

Business Intellectual Property Rights means the rights details of which are set out in Part 1 and Part 2 of Schedule 8.

Business Name means 'Jayex' and 'Jayex Technology'.

Buyer Claim means a claim by the Buyer for breach of any of the Seller Warranties.

Buyer Disclosure Letter means the Prospectus.

Buyer's Solicitors means OTB Eveling LLP, Senate Court, Southernhay Gardens, Exeter, EX1 1NT.

Buyer Warranty the warranty given by the Buyer to the Sellers pursuant to clause 11.

Buyer Warranty Limit means the sum of £2,812,500 (two million eight hundred and twelve thousand five hundred pounds sterling).

Call Option Agreement means the agreement between Michael Denis Boyd and JGL in the agreed form.

Company or **JUK** means Jayex Technology Limited, a company incorporated and registered in England and Wales with company number 5569302 whose registered office is at 13 Sovereign Park, Coronation Road London NW10 7QP, further details of which are set out in Schedule 2.

Completion means completion of the sale and purchase of the Sale Shares in accordance with this Agreement.

Completion Date has the meaning as set out in clause 8.2.

Completion Accounts has the meaning set out in paragraph 1.1 of Schedule 7.

Completion Net Assets has the meaning set out in paragraph 1.1 of Schedule 7.

Conditions means the conditions to Completion, being the matters set out in Schedule 3.

Consideration Shares means the number of JHL Shares specified in clause 5.

CTA 2009 means the Corporation Tax Act 2009.

CTA 2010 means the Corporation Tax Act 2010.

Director means each person who is a director of the Company, as set out in Schedule 2 and includes any person who is a shadow director of the Company.

Disclosed means fully and fairly disclosed (with sufficient details to identify the nature and scope of the matter disclosed) in or under the Buyer Disclosure Letter or Seller Disclosure Letter, as the case may be.

Employee has the meaning set out in paragraph 15.1 of Part 1 of Schedule 5.

Encumbrance means any interest or equity of any person (including any right to acquire, option or right of pre-emption or any other third party right) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement.

Exchange Rate means the AUD/GBP exchange rate of 0.4625 published by the Reserve Bank of Australia (RBA) on 18 September 2015 on the Exchange Rate page of the RBA website rba.gov.au.

First Net Asset Payment means the sum of £337,500.00 (three hundred and thirty seven thousand five hundred pounds sterling).

First Payment the sum of £937,500 (nine hundred and thirty seven thousand five hundred pounds sterling).

Group means in relation to a company, that company, any subsidiary or any holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company. Each company in a Group is a **member of the Group**.

Indemnity Claim means a claim in respect to an indemnified matter under clause 14.

Intellectual Property Rights means patents, rights to inventions, copyright and related rights, moral rights, trade-marks and service marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

JGL or Jayex Group Limited means the company incorporated in England and Wales with company number 1375226 whose registered office is at 13 Sovereign Park, Coronation Road, London, NW10 7QP.

JHL Shares means fully paid ordinary shares in the capital of the Buyer.

Listing means the admission of the JHL Shares to quotation on the Official List of the ASX on the Listing Date.

Listing Date means the date on which all the issued JHLShares are admitted to quotation on the Official List of the ASX.

Longstop Date means 31 October 2015.

Management Accounts Date means 30 June 2015.

Management Accounts means the audited balance sheet as at 30 June 2015 and the audited profit and loss account of the Company for the period of 6 months ended 30 June 2015, a copy of which is attached to the Seller Disclosure Letter.

Management System means the Company's NetSuite integrated business management and accounting software and associated Google Drive secure permission-based electronic document storage system.

Net Assets Shortfall means the amount by which (if any) Completion Net Assets are less than the First Net Asset Payment.

Net Assets Statement has the meaning set out in paragraph 1.1 of Schedule 7.

New Lease means a lease of Units 12/13 Sovereign Park, Coronation Road, London in the agreed form.

Material Contract means any agreement, arrangement, understanding or commitment that the Company is a party to, or bound by, and which is of material importance to the business, profits or assets of the Company.

Minimum Subscription means a minimum total subscription of \$10,000,000 (ten million Australian Dollars) for JHL Shares under the Prospectus.

Properties means the land and buildings, short particulars of which are set out in Schedule 9 (or any parts or parts of them).

Purchase Price means the purchase price for the Sale Shares as set out in clause 4.

Prospectus means a draft prospectus prepared by the Buyer by which the Buyer seeks to raise a minimum of \$10,000,000.00 (ten million Australian dollars) at the Prospectus Price per JHL Share, and pursuant to which the Buyer will, subject to the approval of the ASX, have the JHL Shares admitted to quotation on the Official List of the ASX.

Prospectus Price means \$0.50 per JHL Share.

RTGS means Real Time Gross Settlement.

Sale Shares means the 150,000 ordinary A shares of £1.00 each and 50,000 ordinary B shares of £1.00 each in the capital of the Company, all of which have been issued, duly recorded in the register of members of the Company and are fully paid.

Seller Disclosure Letter means the letter from the Sellers to the Buyer, in agreed form, with the same date as this Agreement and described as the Seller Disclosure Letter, including the bundle of documents, in agreed form, annexed thereto.

Seller Claim means a claim by the Sellers for breach of the Buyer Warranty.

Sellers' Solicitors means Truelegal Limited, 76 Fore Street, Topsham, Exeter, Devon, EX3 0HQ.

Seller Warranties means the warranties given pursuant to clause 9 and set out in Schedule 5.

Standstill Period: the period from (and including) the date of this Agreement up to (and including) Completion or, if earlier, the termination or rescission of this Agreement in accordance with its terms.

Tax or Taxation has the meaning given in paragraph 1.1 of Schedule 6.

Tax Covenant means the tax covenant set out in Schedule 6.

Taxation Authority has the meaning given in paragraph 1.1 of Schedule 6.

Working Capital Requirement means the sum of £1,000,000.00 (one million pounds sterling) and as further particularised in clause 17.3 and Schedule 10.

- 1.2 References to clauses and Schedules are to the clauses of, and Schedules to, this Agreement and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.3 The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement.
- 1.4 A reference to a **party** shall include that party's personal representatives, successors and permitted assigns.
- 1.5 A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.6 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Companies Act 2006 and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
- 1.6.1 another person (or its nominee), by way of security or in connection with the taking of security; or
- 1.6.2 its nominee.
- 1.7 A reference to **writing** or **written** includes fax but not e-mail (unless otherwise expressly provided in this Agreement).
- 1.8 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms. Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 References to a document in **agreed form** is to that document in the form agreed by the parties and initialled by them or on their behalf for identification.
- 1.10 A reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force as at the date of this Agreement. A reference to a statute or statutory provision shall include all subordinate legislation made as at the date of this Agreement under that statute or statutory provision.
- 1.11 Unless expressly provided otherwise in this Agreement, the Sellers shall be jointly and severally liable for their obligations, undertakings and liabilities arising under this Agreement.

2 Conditions

2.1 Completion of this Agreement is subject to and conditional upon the Conditions being satisfied on or before the Longstop Date.

2.2 If any of the Conditions are not satisfied in accordance with clause 2.1, then this Agreement shall terminate and cease to have effect on the Longstop Date except for:

2.2.1 the provisions referred to in clause 2.3; and

2.2.2 any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination.

2.3 On termination of this Agreement in accordance with clause 2.2 or the rescission of this Agreement pursuant to clause 8.8.3 or clause 9.5.1, the following clauses shall continue in force:

2.3.1 Clause 1;

2.3.2 Clause 2.2;

2.3.3 Clause 2.3;

2.3.4 Clause 16;

2.3.5 Clause 20;

2.3.6 Clause 21;

2.3.7 Clause 22;

2.3.8 Clause 24; and

2.3.9 Clause 25.

2.4 The Sellers and the Buyer shall use their best endeavours to procure (so far as it lies within their respective powers so to do) that the Conditions are satisfied as soon as practicable and no later than the Longstop Date.

2.5 The Buyer and the Sellers shall co-operate fully in all actions necessary to procure the satisfaction of the Conditions including (but not limited to) the provision by the parties of all information reasonably necessary to make any notification or filing required by any relevant authority, keeping the other party informed of the progress of any notification or filing and providing such other assistance as may reasonably be required.

3 Sale and Purchase

The Sellers shall sell and the Buyer shall buy, with effect on Completion, the Sale Shares with full title guarantee, free from all Encumbrances and together with all rights attached or accruing to them.

4 **Purchase Price**

4.1 The Purchase Price is the aggregate of:

4.1.1 the First Payment;

4.1.2 the Consideration Shares; and

4.1.3 the Net Asset Payment (calculated in accordance with clause 6 and Schedule 7).

4.2 The Buyer shall pay the First Payment and the First Net Asset Payment to the Sellers in cash on Completion on account of the Purchase Price.

4.3 The Purchase Price shall be deemed to be reduced by the amount of any payment made to the Buyer in respect of any Buyer Claim or claim under the Tax Covenant.

4.4 All cash payments to be made to the Sellers under this Agreement shall be made in pounds sterling by electronic transfer of immediately available funds to the Sellers' Solicitors (who are irrevocably authorised by the Sellers to receive the same). Payment to the Sellers' Solicitors in accordance with this clause shall be a good and valid discharge of the obligations of the Buyer to pay the sum in question to the Sellers, and the Buyer shall not be concerned to see the application of the monies so paid.

4.5 The Purchase Price, all other payments made and the Consideration Shares allotted and issued by the Buyer in respect of the Purchase Price, shall be apportioned between the Sellers as set out opposite their respective names in Schedule 1.

5 **Consideration Shares**

5.1 The Buyer shall, within 5 Business Days of the Completion Date, or such other date as agreed in writing between the parties, allot and issue the Consideration Shares to the Sellers.

5.2 The number of Consideration Shares to be allotted and issued to the Sellers is 12,162,162 (twelve million one hundred sixty two thousand one hundred sixty two) JHL Shares.

5.3 The Sellers hereby agree that they shall enter into such restriction agreements (in respect of the trading of the Consideration Shares) with the Buyer as the Buyer may reasonably require, including to ensure compliance with the ASX Listing Rules.

6 **Net Assets Payment**

6.1 Following Completion, the parties shall procure that the Completion Accounts and the Net Assets Statement are prepared and agreed or determined (as the case may be) in accordance with Schedule 7.

6.2 On the Adjustment Date, the amount in pounds sterling equal to the Completion Net Assets less the First Net Asset Payment shall be paid to the Sellers in the proportions set out in Schedule 1. In the event that the Completion Net Assets are less than the First Net Asset Payment, the Sellers shall be obliged to pay to the Buyer the Net Asset Shortfall on the Adjustment Date by RTGS.

7 Set off

- 7.1 If on the Adjustment Date an amount is due for payment by the Sellers to the Buyer in respect of a Buyer Claim, or pursuant to the Tax Covenant where the liability is admitted by the Sellers, or which has been adjudicated on by a court of competent jurisdiction and no right of appeal lies in respect of such adjudication or the parties are prevented by passage of time or otherwise from making an appeal, the Buyer shall be entitled (at its sole discretion) to satisfy all (to the extent possible) or part of the Sellers' outstanding payment obligation by way of set-off against any amount that is payable by the Buyer in cash or to be satisfied by the issue and allotment of Consideration Shares (as the case may be) pursuant to clause 5 or clause 6, and to treat its obligation to pay that sum or issue those Consideration Shares as being reduced pro tanto by the amount so set off.

8 Completion

- 8.1 Completion shall take place on the Completion Date at the offices of the Buyer's Solicitors (or at any other place as may be agreed in writing by the parties).
- 8.2 In this Agreement, **Completion Date** means:
- 8.2.1 the fifth Business Day after all the Conditions have been satisfied (or where relevant waived);
 - 8.2.2 any other date agreed in writing by the Sellers and the Buyer; or
 - 8.2.3 if Completion is deferred in accordance with clause 8.8, the date to which Completion is so deferred.
- 8.3 The Sellers shall, at all times during the Standstill Period, carry on the Business in the normal course and shall seek the written approval of the Buyer before entering into any material contracts or other arrangements which would have a material financial or operational impact on the Business or the Company. Further, the Sellers shall at all times during the Standstill Period use its or their reasonable endeavours to maintain the trade and connections of the Company and give to the Buyer, as soon as reasonably practicable, full details of any material change in the Business, financial position or assets of the Company.
- 8.4 The Buyer shall, at all times during the Standstill Period, carry on its business in the normal course and shall seek the written approval of the Seller before entering into any material contracts or other arrangements which would have a material financial or operational impact on the Buyer's business or the Buyer, save in relation to Listing, the post-Listing implementation of the Buyer's business plan and the merger, and implementation of the merger, with Appointuit.. Further, the Buyer shall at all times during the Standstill Period use its reasonable endeavours to maintain its trade and connections and give to the Seller, as soon as reasonably practicable, full details of any material change in its Business, financial position or assets.
- 8.5 At Completion, the Sellers shall comply with their obligations in Schedule 4.
- 8.6 At Completion, the Buyer shall execute a copy of the restriction agreement in relation to the Consideration Shares referred to in Schedule 4 and shall procure the execution of the Call Option Agreement.

- 8.7 Subject to the Sellers complying with clause 8.5, the Buyer shall:
- 8.7.1 at Completion pay by RTGS or other means into the client account of the Sellers' Solicitors in immediately available funds the First Payment and the First Net Asset Payment, and provide the Sellers' solicitor by email with written confirmation of payment of those funds in the form of a pdf of the Buyer's bank payment confirmation; and
 - 8.7.2 deliver to the Sellers a signed acknowledgement of the Seller Disclosure Letter.
- 8.8 If the Sellers do not comply with their obligations in clause 8.5 in any material respect, the Buyer may (without prejudice to any other rights or remedies it has):
- 8.8.1 proceed to Completion; or
 - 8.8.2 defer Completion to a date no more than 28 days after the date on which Completion would otherwise have taken place; or
 - 8.8.3 rescind this Agreement by notice in writing to the Sellers.
- 8.9 This Agreement (other than obligations that have already been fully performed) remains in full force after Completion.
- 9 Seller Warranties**
- 9.1 The Sellers severally warrant that, except as Disclosed, each Seller Warranty is true, accurate and not misleading on the date of this Agreement .
- 9.2 Seller Warranties qualified by the expression **so far as the Sellers are aware** (or any similar expression) are deemed to be given to the best of the knowledge, information and belief of the Sellers after they have made due and careful enquiries.
- 9.3 Each of the Seller Warranties is separate and, unless otherwise specifically provided, is not limited by reference to any other Seller Warranty or any other provision in this Agreement.
- 9.4 The Seller Warranties are deemed to be repeated on each day of the Standstill Period, up to and including the Completion Date, by reference to the facts then existing. Any reference made to the date of this Agreement (whether express or implied) in relation to any Seller Warranty shall be construed, in connection with the repetition of the Seller Warranties, as a reference to the date of such repetition.
- 9.5 If at any time during the Standstill Period it becomes apparent that a Seller Warranty has been breached, is untrue or misleading, or that the Sellers have breached the Sellers' obligations and undertakings in clause 8.3 of this Agreement, the Buyer may (without prejudice to any other rights or remedies it has):
- 9.5.1 rescind this Agreement by notice in writing to the Seller; or
 - 9.5.2 proceed to Completion.

- 9.6 Except for the matters Disclosed, no information of which the Buyer, its agents or advisers has actual knowledge shall prejudice or prevent any Buyer Claim, or reduce the amount recoverable under any Buyer Claim.

10 Limitations on Claims against the Sellers

- 10.1 The aggregate liability of the Sellers for all Buyer Claims shall not exceed the Purchase Price actually received by the Sellers under the terms of this Agreement, and each Seller shall only be liable to a maximum of that proportion of the Purchase Price actually received by him or it. For the purpose of this clause 10.1, the value of the Consideration Shares shall be the Prospectus Price per JHL Share.

- 10.2 The Sellers shall not be liable for a Buyer Claim or a claim under the Tax Covenant unless:

- 10.2.1 notice in writing of the Buyer Claim or the claim under the Tax Covenant, summarising the nature of the Buyer Claim or the claim under the Tax Covenant (in so far as it is known to the Buyer) and, as far as is reasonably practicable, the amount claimed, has been given by or on behalf of the Buyer to the Sellers:

- 10.2.1.1 in the case of a claim made under the Warranties in Part 2 of Schedule 5, on or before the seventh anniversary of Completion;

- 10.2.1.2 in the case of a claim under the Tax Covenant within the period specified in paragraph 5 of Schedule 6; or

- 10.2.1.3 in any other case, on or before the expiry of fifteen months from the Completion Date.

- 10.2.2 the amount of the Buyer Claim when aggregated with all other Buyer Claims or claims under the Tax Covenant made on the same occasion or previously, is equal to or exceeds £100,000.00 (in which case the Sellers shall be liable for the whole amount and not simply the excess).

- 10.3 The liability of the Sellers under the Seller Warranties shall be reduced if and to the extent that the loss shall have been recovered under the Tax Covenant (and vice versa).

- 10.4 The Sellers shall not be liable for any Buyer Claim if, and to the extent that:

- 10.4.1 the fact, matter, circumstance or event giving rise to such Buyer Claim has been Disclosed in respect of the Seller Warranties given at the date of this Agreement; or

- 10.4.2 a liability arises or is increased as a result of any voluntary act or deliberate omission of the Buyer (or any persons deriving title from it) or the Company after Completion done or suffered outside the ordinary course of business and other than:

- 10.4.2.1 pursuant to a legally binding obligation entered into by the Company before Completion; or

- 10.4.2.2 in order to comply with any law; or

10.4.2.3 the loss in respect of which the relevant Buyer Claim is made is recovered under an insurance policy of the Company in force on the date of such loss, save to the extent that such recovery results in an increase in insurance premiums.

10.5 If the Sellers make any payment to the Buyer or the Company in relation to any Buyer Claim and the Buyer or the Company subsequently receives from a third party any sum referable to, or any benefit which would not have been received but for the circumstances giving rise to the subject matter of that relevant Buyer Claim, the Buyer shall, once it or the Company has received such sum or benefit, immediately repay or procure the repayment to the Sellers of either:

10.5.1 the amount of such receipt (after deducting an amount equal to the costs of the Buyer or the Company incurred in recovering such receipt and any Taxation payable on it); or

10.5.2 if lesser, the amount paid by the Sellers.

10.6 The Buyer shall (and shall procure that the Company shall) take all reasonable steps to avoid or mitigate any loss or liability which may give rise to a Buyer Claim.

10.7 The provisions of clause 10.8 shall apply in the event that any claim is made or threatened by any third party against the Buyer or the Company, which may reasonably be considered likely to give rise to a Claim or an Indemnity Claim (a **Third Party Claim**).

10.8 The Buyer:

10.8.1 shall take such action as the Sellers may reasonably request in writing to avoid, dispute, resist, mitigate, compromise or defend any Third Party Claim and to appeal against any judgment given in respect of it; and

10.8.2 shall not agree any compromise or settlement, or make any admission of liability or payment in relation to a Third Party Claim without the prior written consent of the Sellers (such consent not to be unreasonably withheld or delayed); and

10.8.3 shall, if required by the Sellers in writing, delegate the conduct of any legal proceedings in respect of the Third Party Claim to the Sellers (**Proceedings**). For this purpose, the Buyer shall retain such firm of solicitors as is selected by the Sellers to act on behalf of the Buyer or the Company in relation to the Proceedings in accordance with the Seller's instructions, and it shall provide such information and assistance as the Sellers or the appointed solicitors may reasonably require in connection with the conduct of the Proceedings.

10.9 Nothing in this clause 10 applies to exclude or limit the liability of the Sellers to the extent that a Buyer Claim or a claim under the Tax Covenant arises or is delayed as a result of dishonesty, fraud, wilful misconduct or wilful concealment by the Sellers, their agents or advisers.

11 **Buyer Warranty**

11.1 The Buyer warrants that the content of the Prospectus is accurate in all material respects and not materially misleading.

- For personal use only
- 11.2 The Buyer Warranty is deemed to be repeated on each day of the Standstill Period, up to and including the Completion Date, by reference to the facts then existing. Any reference made to the date of the Prospectus or this Agreement (whether express or implied), as the case may be, in relation to the Buyer Warranty shall be construed, in connection with the repetition of the Buyer Warranty, as a reference to the date of such repetition.
- 11.3 Except for the matters Disclosed, no information of which the Sellers, their agents or advisers has actual knowledge shall prejudice or prevent any Seller Claim, or reduce the amount recoverable under any Seller Claim.
- 11.4 For the purposes of this clause 11(including clause 11.3):
- 11.4.1 the contents of the Prospectus, and the Buyer's Prospectus dropbox to which the Sellers and the Seller's solicitor have access, are deemed to have been Disclosed to the Sellers and the Seller's solicitor, and the Sellers are deemed to have actual knowledge of all the matters respectively contained therein; and
- 11.4.2 the Sellers acknowledge that the Prospectus is not yet final and has not been formally approved by the board of directors of JHL. Accordingly, amendments made to the Prospectus from the date of this Agreement until the Prospectus is so approved, and any supplementary prospectus which may be required to be prepared, filed and lodged by JHL in compliance with the Listing Rules and the *Corporations Act 2001* (Cth), are not, and shall not be regarded for the purposes of this Agreement, as a breach of the Buyer Warranty, save that any such amendments or supplements represent a material change to the business structure, strategic or cash flow projection plans of the Buyer.
- 12 **Limitations on Claims against the Buyer**
- 12.1 The aggregate liability of the Buyer for all Seller Claims shall not exceed the Buyer Warranty Limit.
- 12.2 The Buyer shall not be liable for a Seller Claim unless the amount of the Seller Claim when aggregated with all other Seller Claims made on the same occasion or previously, is equal to or exceeds £100,000 (in which case the Buyer shall be liable for the whole amount and not simply the excess).
- 12.3 The Buyer shall not be liable for a Seller Claim unless notice in writing of the Seller Claim, summarising the nature of the Seller Claim (in so far as it is known to the Sellers) and, as far as is reasonably practicable, the amount claimed, has been given by or on behalf of the Sellers to the Buyer in any other case, on or before the expiry of fifteen months from the Completion Date.
- 12.4 The Sellers shall take all reasonable steps to avoid or mitigate any loss or liability which may give rise to a Seller Claim.
- 12.5 Nothing in this clause 12 applies to exclude or limit the liability of the Buyer to the extent that a Seller Claim arises or is delayed as a result of dishonesty, fraud, wilful misconduct or wilful concealment by the Buyer, their agents or advisers.

13 **Tax Covenant**

The provisions of Schedule 6 apply in this Agreement in respect of Taxation.

14 **Indemnities**

14.1 The Sellers shall indemnify the Buyer and the Company against, and shall pay to the Buyer a sum equal to, all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered or incurred by the Buyer or the Company arising out of or in connection with any of the following matters:

14.1.1 the registered intellectual property itemised in Part 1, Schedule 8 not being accurate, complete or, where applicable, otherwise not validly registered in the name of the Company;

14.1.2 the unregistered intellectual property referred to in Part 2, Schedule 8 not being owned by the Company free of any Encumbrances; or

14.1.3 the Sale Shares not being:

14.1.3.1 the only shares of the Company issued; or

14.1.3.2 validly issued, allotted and duly registered in the register of members of the Company; or

14.1.3.3 registered in the name of and owned by the Sellers in the proportions, the numbers and the class of ordinary shares specified in Schedule 1; or

14.1.3.4 transferable, and actually being so transferred, by the Sellers to the Buyer free of any Encumbrances.

14.2 Any payment made by the Sellers in respect of an Indemnity Claim shall include:

14.2.1 an amount in respect of all costs and expenses incurred by the Buyer or the Company in bringing the relevant Indemnity Claim (including a reasonable amount in respect of management time); and

14.2.2 any amount necessary to ensure that, after any Taxation of the payment, the Buyer or the Company (as the case may be) is left with the same amount it would have had if the payment was not subject to Taxation.

15 **Restrictions on the Sellers**

15.1 The Sellers undertake to the Buyer that they shall not do any of the following in any capacity, whether on their own behalf, or on behalf of, or jointly with, any other person:

15.1.1 at any time during the period of three years from Completion, in any geographic area in which the Business is carried on at Completion, carry on, be concerned or assist in any way, a business which is or would be in competition with any part of the Business as it was carried on at the Completion Date and in particular shall not:

- 15.1.1.1 create, develop, market, licence or assign any software which would compete with the Business Intellectual Property Rights or the Business as the Business was carried on at Completion; or
- 15.1.1.2 subject to clause 15.5, use the Business Name or any part thereof, in any business or manner which would be in competition with or cause confusion with the Business as the Business was carried on at Completion;
- 15.1.2 at any time during the period of three years from Completion, carry on, be concerned or assist in any way, a business which is or would be in competition with any part of the Business as it was carried on at the Completion Date;
- 15.1.3 at any time during the period of three years from Completion, in competition with the Business, canvass, solicit or otherwise seek or accept the custom of any person who has been a client or customer of the Company at any time during the period of 12 months prior to Completion; or
- 15.1.4 at any time during the period of three years from Completion employ or engage, or offer to employ or engage, or solicit or otherwise entice or attempt to entice away from the Company, any person who is or was employed or engaged by the Company or a contractor to the Company in order to enable such contractor to provide services to the Company at any time during the period of 12 months prior to Completion.
- 15.2 Each undertaking in clause 15.1 is a separate undertaking of the Sellers and shall be enforceable separately and independently by the Buyer. Each such undertaking is considered fair and reasonable by the parties in order to assure the Buyer the full benefit of the Business and goodwill of the Company.
- 15.3 Nothing in this clause shall prevent the Sellers from holding for investment purposes only:
- 15.3.1 any units of any authorised unit trust; or
- 15.3.2 not more than 3% of any class of shares or securities of any company traded on any securities exchange, save for any JHL Shares, including the Consideration Shares, they may hold at any time or from time to time.
- 15.4 For the avoidance of doubt, neither of the Sellers shall be in breach of clause 15.1.1.2 by virtue of their involvement in carrying on the business of secured and unsecured property-backed lending or similar activities, or in respect of consultancy services provided to the Buyer at the Buyer's request.
- 15.5 Without limiting the foregoing, Jayex Group Limited may continue to use the name 'Jayex' in its registered name, provided that, AJ shall procure that Jayex Group Limited changes its name to a name not including the word 'Jayex' (or any similar name likely to be seen as associated with 'Jayex') no later than 12 months following the Completion Date.
- 16 Confidentiality and Announcements**
- 16.1 Except to the extent required by law or any legal or regulatory authority of competent jurisdiction:

- 16.1.1 the Sellers shall not at any time disclose to any person (other than their professional advisers) the terms of this Agreement or any trade secret or other confidential information relating to the Company or the Buyer, or make any use of such information other than to the extent necessary for the purpose of exercising or performing its rights and obligations under this Agreement; and
- 16.1.2 subject to clauses 16.2 and 16.3, neither party shall make, or permit any person to make, any public announcement, communication or circular concerning this Agreement without the prior written consent of the other party.
- 16.2 The Buyer may, at any time after Completion, announce its acquisition of the Sale Shares to any employees, clients, customers or suppliers of the Company or any other member of the Buyer's Group.
- 16.3 Nothing in clause 16.1 shall prevent any party from making any announcement required by law, including by the Buyer in, or in respect to, the Prospectus or in respect to the Listing or the acquisition of Appointuit, or by any governmental or regulatory authority (including, any relevant securities exchange), or by any court or other authority of competent jurisdiction provided that, to the extent lawful and expedient, the party required to make the announcement consults with the other parties and takes into account the reasonable requests of the other parties in relation to the content of such announcement before it is made.
- 17 Buyer's Undertakings**
- 17.1 On the Completion Date the Buyer shall procure that AJ is appointed as a director of the Buyer.
- 17.2 As soon as reasonably practicable following Completion, the Buyer and AJ shall in good faith discuss and agree the senior and strategic role to be performed by AJ in the Group, and within the Business, including his participation in the Strategic Management Committee of the Buyer in addition to his role as a director of the Buyer.
- 17.3 On the Completion Date, the Buyer shall ensure that the Working Capital Requirement is transferred to the Company to support its immediate and ongoing working capital requirements as agreed between the Buyer and the Sellers, and more particularly specified in Schedule 10.
- 17.4 The Buyer undertakes that, following Completion and subject to the board of the Company determining otherwise, the Company will continue to operate in the ordinary course of business and that the Buyer will not require the payment by the Company of any special dividend, or management fees or other charges or enter into transactions other than at arm's length with other members of the Buyer's group, which are likely to have a material adverse impact on the level of normal working capital required for the operation of the Business and in a similar manner to which the Business has been carried on in the 12 months prior to the Completion Date.
- 18 Further Assurance**
- 18.1 The Sellers shall (at their own expense) promptly execute and deliver such documents, perform such acts and do such things as the Buyer may reasonably require from time to time for the purpose of giving full effect to this Agreement.

18.2 Each of the Sellers hereby declares that for so long as he or it remains the registered holder of any of the Sale Shares after Completion he or it will:-

18.2.1 hold such Sale Shares and the dividends and other distributions of profits or surplus or other assets declared, paid or made in respect of them after Completion and all rights arising out of or in connection with them in trust for the Buyer and its permitted assignees; and

18.2.2 deal with and dispose of such Sale Shares and all such dividends, distributions and rights as are described in clause 18.2.1 as the Buyer or any permitted assignee directs.

18.3 Each of the Sellers hereby irrevocably appoints the Buyer as their lawful attorney for the purpose of doing any act or thing which the Sellers could, as members of the Company, do (including receiving notices of and attending and voting at all meetings of the members of the Company) from Completion to the day on which the Buyer (or its nominee or successor) is entered in the register of members of the Company as the holder of the Sale Shares. For such purposes each of the Sellers hereby authorises:-

18.3.1 the Company to send any notices in respect of the Sale Shares to the Buyer; and

18.3.2 the Buyer to complete in such manner as it thinks fit proxy cards, consents to short notice and any other document which may be signed by the Buyer in its capacity as a member.

18.4 JGL agrees to replace defective roof panels on the property leased to the Company at Sovereign Park, Coronation Road, London NW10 7QP as soon as reasonably practicable following Completion.

19 **Assignment**

19.1 Subject to the further provisions of this clause 19, no party shall assign, transfer, mortgage, charge, declare a trust of, or deal in any other manner with any or all of its rights and obligations under this Agreement (or any other document referred to in it).

19.2 The Buyer may assign or transfer its rights (but not its obligations) under this Agreement (or any document referred to in this Agreement) to another member of its Group for so long as that company remains a member of the Buyer's Group. The Buyer shall procure that such assignee assigns any rights assigned to it in accordance with this clause 19 back to the Buyer or another member of the Buyer's Group immediately before it ceases to be a member of the Buyer's Group.

20 **Entire Agreement**

This Agreement (together with the documents referred to in it) constitutes the entire agreement between the parties and supersedes and extinguishes all previous discussions, correspondence, negotiations, drafts, agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

21 **Variation and Waiver**

21.1 No variation of this Agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

21.2 No failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy. A waiver of any right or remedy under this Agreement or by law is only effective if it is in writing.

21.3 Except as expressly provided in this Agreement, the rights and remedies provided under this Agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

22 Notices

22.1 A notice given to a party under or in connection with this Agreement shall be in writing and shall be delivered by hand or sent by pre-paid first-class post, recorded delivery or special delivery in each case to that party's registered office, or sent by fax to that party's main fax number (or to such other address or fax number as that party may notify to the other party in accordance with this Agreement).

22.2 Delivery of a notice is deemed to have taken place (provided that all other requirements in this clause 22 have been satisfied) if delivered by hand, at the time the notice is left at the address, or if sent by fax, at the time of transmission, or if sent by post on the second Business Day after posting, unless such deemed receipt would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), in which case deemed receipt will occur when business next starts in the place of receipt (and all references to time are to local time in the place of receipt).

22.3 This clause 22 does not apply to the service of any proceedings or other documents in any legal action.

23 Severance

If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

24 Counterparts

24.1 This Agreement may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

24.2 This Agreement shall not take effect until each party has executed at least one counterpart.

25 Governing Law and Jurisdiction

25.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.

- 25.2 Each party irrevocably agrees that the English courts shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

Schedule 1 The Sellers

Seller's name and address	Number and class of Sale Shares	Proportion of Purchase Price
Agam Jain 45 Sudbury Court Drive Harrow HA1 3SZ	50,000 ordinary B shares of £1 each	100% First Payment 25% Net Asset Payment
Jayex Group Limited 13 Sovereign Park Coronation Road London NW10 7QP	150,000 ordinary A shares of £1 each	100% Consideration Shares 75% Net Asset Payment

Schedule 2 Particulars of the Company

Name:	Jayex Technology Limited
Registration number:	5569302
Registered office:	13 Sovereign Park, Coronation Road, London NW10 7QP
Issued share capital:	<p>Amount: £200,000.00</p> <p>Divided into: 150,000 ordinary A shares of £1.00 each and 50,000 ordinary B shares of £1.00 each</p>
Directors:	<p>Neil Dhanani</p> <p>Agam Jain</p> <p>Pooja Jain (until Completion)</p> <p>Robert Michael Thomas Marsh</p>
Secretary:	Neil Dhanani
Registered charges:	Fixed and Floating Charge in favour of National Westminster Bank plc created on 18 February 2015

Schedule 3 Conditions

- 1.1 ASX granting a waiver of any ASX Listing Rule that may be necessary or desirable in respect to the issue and allotment of the Consideration Shares.
- 1.2 The Buyer complying with the requirements of ASX (to its reasonable satisfaction) in order to receive approval to have all the issued JHL Shares admitted to trading on the Official List of ASX.
- 1.3 The Buyer receiving applications to meet the Minimum Subscription.
- 1.4 The Sellers executing restriction agreements in respect to the Consideration Shares with the Buyer, including as the Buyer may reasonably require to ensure compliance with the ASX Listing Rules.
- 1.5 The Buyer procuring the execution of the Call Option Agreement by the grantor.

Schedule 4 Completion

1. At Completion, the Sellers shall deliver to the Buyer:
 - 1.1 transfers of the Sale Shares, in agreed form, executed by the Sellers in favour of the Buyer;
 - 1.2 the share certificates for the Sale Shares or an indemnity, in agreed form, for any lost certificates;
 - 1.3 the statutory registers (duly written up to the time of Completion) and the certificate of incorporation relating to the Company;
 - 1.4 resignation and waiver of claims letter, in agreed form, to be delivered to the Company by Pooja Jain on Completion;
 - 1.5 waiver of claims letter (relating to employment with JUK), in agreed form, to be delivered to the Company by Agam Jain on Completion;
 - 1.6 completed and signed consent by Nick Fernando, consenting to act as a director of the Company;
 - 1.7 bank statement the Company's bank account, showing the balance at the close of business on the Business Day before Completion;
 - 1.8 evidence in a form satisfactory to the Buyer of the assignment and renewal of the Jayex trademark (2402869) from Jayex Group Limited to the Company executed by Jayex Group Limited;
 - 1.9 any papers or other documents relating to the Company that are in the possession of the Sellers;
 - 1.10 the part of the New Lease executed by Jayex Group Limited;
 - 1.11 the deeds to be Hornchurch Property;
 - 1.12 the restriction agreement in respect to the Consideration Shares; and
 - 1.13 the Call Option Agreement executed by Jayex Group Limited.
2. The Sellers shall cause a board meeting of the Company to be held at Completion at which the matters set out in the agreed form completion board minutes shall take place.

Schedule 5 Seller Warranties

Part 1 General Warranties

1. Power to Sell the Sale Shares

The Sellers have the requisite power and authority to enter into and perform this Agreement and the documents referred to in it (to which the Sellers are a party), and they constitute valid, legal and binding obligations on the Sellers in accordance with their respective terms.

2. Shares in the Company

2.1 The Sale Shares constitute the whole of the allotted and issued share capital of the Company and are fully paid, or credited as fully paid.

2.2 Each of the Sellers is the sole legal and beneficial owner of the Sale Shares listed against his name in Schedule 1 and is entitled to transfer the legal and beneficial title to the Sale Shares to the Buyer free from all Encumbrances, without the consent of any other person.

2.3 No person has any right to require at any time the transfer, creation, issue or allotment of any share, loan capital or other securities of the Company (or any rights or interest in them), and no person has agreed to confer or has claimed any such right.

2.4 No Encumbrance has been granted to any person or otherwise exists affecting the Sale Shares or any unissued shares, debentures or other unissued securities of the Company, and no commitment to create any such Encumbrance has been given, nor has any person claimed any such rights.

2.5 The Company:

2.5.1 does not own, and has not agreed to acquire, any shares, loan capital or any other securities or interest in any company;

2.5.2 has not, at any time, had any subsidiaries or subsidiary undertakings (within the meaning of section 1162 of the Companies Act 2006);

2.5.3 is not, and has not agreed to become, a member of any partnership or other unincorporated association, joint venture or consortium (other than recognised trade associations); and

2.5.4 has no branch or permanent establishment outside England and Wales.

2.6 The Company has not purchased, redeemed, reduced, repaid or forfeited any of its share capital.

3. Constitutional and Corporate Documents

3.1 A copy of the memorandum and articles of association of the Company have been Disclosed, and such copy documents are true, accurate and complete.

3.2 Save as Disclosed, all returns, particulars, resolutions and other documents that the Company is required by law to file with, or deliver to, any authority have been correctly made up and duly filed or delivered.

- 3.3 All deeds and documents belonging to the Company (or to which it is a party) are in the possession of the Company.
- 3.4 All accounting, financial and other records of the Company (including its statutory books and registers):
- 3.4.1 have been properly prepared and maintained;
 - 3.4.2 constitute an accurate record of all matters required by law to appear in them, and comply with any applicable requirements of the Companies Act 2006;
 - 3.4.3 do not contain any material inaccuracies or discrepancies; and
 - 3.4.4 are in the possession of the Company.
4. **Information**
- 4.1 The particulars set out in Schedule 2 are true, accurate and complete.
- 4.2 All information given by or on behalf of the Sellers to the Buyer (or its agents or advisers) in the course of the negotiations leading up to this Agreement, was when given (and where relevant to the date stated), and is now, true, accurate and complete.
- 4.3 All information contained in the Management System is materially true, accurate and complete.
- 4.4 Neither of the Sellers is at the Completion Date, concerned, interested or engaged, directly or indirectly and in whatever capacity, in any other business (wherever carried on) similar to or competitive with all or any part of the Business as it is carried on at the Completion Date
5. **Compliance and Consents**
- 5.1 The Company has at all times conducted its business in accordance with, and has acted in compliance with, all applicable laws and regulations.
- 5.2 The Company holds all licences, consents, permits and authorities necessary to carry on the Business in the places and in the manner in which it is carried on at Completion (**Consents**).
- 5.3 Each of the Consents is valid and subsisting, the Company is not in breach of the terms or conditions of the Consents (or any of them) and there is no reason why any of the Consents may be revoked or suspended (in whole or in part) or may not be renewed on the same terms.
6. **Insurance**
- 6.1 The Company maintains, and has at all material times maintained, insurance cover against all losses, liabilities and risks that are normally insured against by a person carrying on the same type of business as the Business.
- 6.2 The policies of insurance maintained by or on behalf of the Company (**Policies**) are in full force and effect, all premiums due on them have been paid and all other conditions of the Policies have been performed and observed. The Company has not done, or omitted to do, anything that may result in an increase in the premium payable for any of the Policies, or affect the renewal of any of the Policies.

- 6.3 There are no outstanding claims under, or in respect of the validity of, any of the Policies and, so far as the Sellers are aware, there are no circumstances likely to give rise to a claim under any of the Policies.

7. **Disputes and Investigations**

- 7.1 Neither the Company, nor any of its Directors nor any person for whose acts the Company may be vicariously liable, is engaged or involved in any of the following matters (such matters being referred to in this paragraph 7 as **Proceedings**):

7.1.1 any litigation, administrative, arbitration or other proceedings, claims, actions or hearings (except for debt collection in the normal course of business); or

7.1.2 any dispute with or, investigation, inquiry or enforcement proceedings by, any governmental, regulatory or similar body.

- 7.2 No Proceedings have been threatened or are pending by or against the Company, any Director or any person for whose acts the Company may be vicariously liable, and there are no circumstances likely to give rise to any such Proceedings.

- 7.3 The Company is not is affected by any existing or pending judgment, order, decision or ruling of any court, tribunal or governmental, regulatory or similar body, nor has it given any undertaking in connection with any Proceedings.

- 7.4 None of the Sellers has a claim of any nature against the Company.

8. **Contracts and Trading**

- 8.1 The Management System contains full particulars of all subsisting contracts, agreements, arrangements, understandings or commitments to which the Company is a party.

- 8.2 The Company is not a party to any contract, agreement, arrangement, understanding or commitment which is of an unusual or exceptional nature, outside the ordinary course of the Business, or not on arm's-length terms.

- 8.3 No party is in default of any agreement to which the Company is a party, no such default has been threatened, and there are no facts or circumstances likely to give rise to any such default. No notice of termination of any such agreement has been received or served by the Company, and there are no grounds for the termination, rescission, repudiation or a material change in the terms of any such agreement.

- 8.4 Save as set out in the Seller Disclosure Letter in relation to periodic management and establishment charges due to JGL in the ordinary course pro rated to Completion, there is no outstanding indebtedness or other liability (actual or contingent) and no outstanding contract, commitment or arrangement between the Company and either the Sellers or any person connected with any of the Sellers (within the meaning of section 1122 of the CTA 2010).

- 8.5 Save as Disclosed, the Company is not a party to any agreement under which it appoints any third party on a sole or exclusive basis (including, in terms of territory or products) as a reseller, distributor or otherwise

9. **Effect of Sale of the Sale Shares**

9.1 Save as Disclosed, the acquisition of the Sale Shares by the Buyer will not:

- 9.1.1 cause the Company to lose the benefit of any right, asset or privilege it presently enjoys;
- 9.1.2 relieve any person of any obligation to the Company, or enable any person to determine any such obligation, or any right or benefit enjoyed by the Company, or to exercise any other right in respect of the Company;
- 9.1.3 result in any customer, client or supplier reducing its business, or changing the terms on which it deals, with the Company; or
- 9.1.4 result in the loss of, or any default under, any Consent (as defined in paragraph 5.2 of Part 1 of this Schedule 5).

10. **Finance and Guarantees**

10.1 The Company has no borrowings or financial facilities currently outstanding or available to it.

10.2 No Encumbrance over any of the assets of the Company is now enforceable, and there are no circumstances likely to give rise to any such enforcement.

10.3 The Company has not factored or discounted any of its debts, or engaged in financing of a type that would not need to be shown or reflected in the Accounts.

10.4 No Encumbrance, guarantee, indemnity or other similar arrangement has been entered into, given or agreed to be given by the Company:

10.4.1 or any third party, in each case in respect of any indebtedness or other obligations of the Company; or

10.4.2 in respect of any indebtedness or other obligations of any third party.

10.5 The Company has no outstanding loan capital, nor has it lent any money that has not been repaid, and there are no debts owing to the Company other than debts that have arisen in the normal course of the Business.

10.6 The debts owing to the Company as reflected in the Accounts (and all debts subsequently recorded in its books since the Accounts Date) have been realised, or will within three months after Completion realise in cash their full amount, and none of those debts has been outstanding for more than three months.

10.7 No insolvency event has occurred in relation to the Company or the Sellers.

11. **Accounts**

11.1 The Accounts have been prepared in accordance with accounting standards, policies, principles and practices generally accepted in the UK and in accordance with the applicable law and give a true and fair view of the state of affairs of the Company as at the Accounts Date, and of the profit and loss of the Company for the financial year ended on the Accounts Date.

11.2 The Accounts:

- 11.2.1 make proper and adequate provision for all bad and doubtful debts, depreciation on fixed assets and liabilities (including contingent liabilities);
- 11.2.2 do not overstate the value of current or fixed assets;
- 11.2.3 do not understate any liabilities (whether actual or contingent);
- 11.2.4 are not affected by any unusual or non-recurring items or any other factor that would make the financial position and results shown by the Accounts unusual or misleading in any material respect; and
- 11.2.5 have been prepared on a basis consistent with the accounts of the Company for the two prior accounting periods without any change in accounting policies used.
- 11.3 The Management Accounts have been prepared on a basis consistent with that employed in preparing the Accounts, save as restated with the agreement of the Buyer and its advisers, and fairly represent the assets and liabilities and the profits and losses of the Company as at and to the date for which they have been prepared.
12. **Changes Since Management Accounts Date**
- 12.1 Since the Management Accounts Date:
- 12.1.1 the Company has conducted the Business in the normal course and as a going concern;
- 12.1.2 there has been no material adverse change in the turnover, financial position or prospects of the Company;
- 12.1.3 save as Disclosed, no dividend or other distribution of profits or assets has been, or agreed to be declared, made or paid by the Company;
- 12.1.4 save as Disclosed, the Company has not borrowed or raised any money or taken or given any form of financial security, nor has it incurred or committed to any capital expenditure, or acquired or disposed of any individual item, other than in the ordinary course of business; and
- 12.1.5 the Company has paid its creditors within the applicable periods agreed with the relevant creditor and there are no amounts owing by the Company which have been outstanding for more than 60 days.
13. **Assets**
- 13.1 The assets included in the Management Accounts, together with any assets acquired by the Company since the Management Accounts Date (except for those disposed of since the Accounts Date in the normal course of business) and all other assets used by the Company in connection with the Business are:
- 13.1.1 legally and beneficially owned by the Company, free from Encumbrance or any other third party right, and the Company has good and marketable title to such assets; and

- 13.1.2 save in respect of demonstration units and test products, in the possession and control of the Company.
- 13.2 The vehicles, office and other equipment used by the Company in connection with the Business are in good working order, have been regularly and properly maintained and are capable of doing the work for which they were designed.
- 13.3 So far as the Sellers are aware each element of the computer hardware (including network and telecommunications equipment), databases and software (including associated user manuals, object code and source code) created, owned, used, leased or licensed by the Company in relation to the Business (**IT System**):
- 13.3.1 is functioning properly and in accordance with all applicable specifications;
- 13.3.2 is not defective in any material respect and contains no software virus or other malware; and
- 13.3.3 has sufficient capacity, scalability and performance to meet the current and foreseeable requirements of the Business as carried on at Completion.
- 13.4 The Company holds ISO27001 Information Security Management certification.
- 13.5 The Company has obtained all rights from third parties that are necessary to enable it to make and continue to make exclusive and unrestricted use of the IT System for the purposes of the Business.
- 13.6 The assets owned by the Company comprise all the assets necessary for the continuation of the Business as it is carried on at Completion, and such assets are not shared with any other person.
14. **Intellectual Property Rights**
- 14.1 Complete and accurate particulars are set out in Part 1 of Schedule 8 respectively of all registered Intellectual Property Rights (including applications for such rights) owned by the Company.
- 14.2 Part 2 of Schedule 8 lists all material unregistered Intellectual Property Rights owned, used or held for use by the Company.
- 14.3 The Company possesses all material licences, agreements, authorisations and permissions (in whatever form and whether express or implied) under which:
- 14.3.1 the Company uses or exploits Intellectual Property Rights owned by any third party; or
- 14.3.2 the Company has licensed or agreed to license Intellectual Property Rights to, or otherwise permitted the use of any Intellectual Property Rights by, any third party.
- 14.4 The Company is the sole legal and beneficial owner of (or applicant for) the Intellectual Property Rights, free from all Encumbrances.
- 14.5 The Company does not require any Intellectual Property Rights other than the Business Intellectual Property Rights in order to carry on the Business.

- 14.6 The Business Intellectual Property Rights set out in Schedule 8 are valid, subsisting and enforceable and nothing has been done or not been done as a result of which any of them has ceased or might cease to be valid, subsisting or enforceable. In particular:
- 14.6.1 all application and renewal fees and other steps required for the maintenance or protection of such rights have been paid on time or taken;
 - 14.6.2 all confidential information (including know-how and trade secrets) owned or used by the Company has been kept confidential and has not been disclosed to third parties (other than parties who have signed written confidentiality undertakings in respect of such information);
 - 14.6.3 no mark, trade name or domain name identical or similar to any such rights has been registered, or is being used by any person in the same or a similar business to that of the Company, in any country in which the Company has registered or is using that mark, trade name or domain name; and
 - 14.6.4 there are and have been no claims, challenges, disputes or proceedings, pending or threatened, in relation to the ownership, validity or use of such rights.
- 14.7 Nothing is due to be done within 90 days of Completion the omission of which would jeopardise the maintenance or prosecution of any of the Intellectual Property Rights owned or used by the Company which are registered or the subject of an application for registration.
- 14.8 There has been no infringement by any third party of any Intellectual Property Rights owned or used by the Company, nor any third party breach of confidence, passing off or actionable act of unfair competition in relation to the Company's business or assets, and no such infringement, breach of confidence, passing off or actionable act of unfair competition is current or anticipated.
- 14.9 The agreements and licences relating to the Intellectual Property Rights and Business Intellectual Property Rights:
- 14.9.1 are valid and binding;
 - 14.9.2 have not been the subject of any breach or default by any party or of any event which, with the giving of notice or lapse of time, would constitute a default;
 - 14.9.3 are not the subject of any claim, dispute or proceeding, pending or threatened; and
 - 14.9.4 have, where required, been duly recorded or registered.
- 14.10 A change of control of the Company will not result in the termination of or materially affect any of the Intellectual Property Rights set out in Schedule 8.
- 14.11 The activities of the Company and of any licensee of Intellectual Property Rights granted by the Company:
- 14.11.1 have not infringed, do not infringe and are not likely to infringe the Intellectual Property Rights of any third party;
 - 14.11.2 have not constituted, do not constitute and are not likely to constitute any breach of confidence, passing off or actionable act of unfair competition; and

14.11.3 have not given and do not give rise to any obligation to pay any royalty, fee compensation or any other sum whatsoever.

15. **Employment**

15.1 The definitions in this paragraph apply in this Agreement.

Employee means any person employed by the Company under a contract of employment.

Worker means any person who personally performs work for the Company but who is not in business on their own account or in a client/customer relationship.

15.2 The Management System includes particulars of each Employee and Worker, and the principal terms of their respective contracts with the Company.

15.3 The Management System includes details of all persons who are not Workers and who are providing services to the Company under an agreement which is not a contract of employment with the Company (including consultants and secondees), and full particulars of the terms on which such persons provide their services.

15.4 Every Employee or Worker who requires permission to work in the UK has current and appropriate permission to work in the UK.

15.5 The Management System includes details of all Employees and Workers who are on secondment, maternity, paternity, adoption or other leave or absent due to ill-health or for any other reason.

15.6 No Employee is subject to a current disciplinary warning or procedure.

15.7 As far as the Sellers are aware, there is no material outstanding, threatened or potential claim or legal proceeding against the Company by any Employee or any former employee or any Worker or former worker of the Company in relation to his or her employment or engagement.

15.8 No offer of employment or engagement has been made by the Company which is outstanding for acceptance, or which has been accepted but not yet commenced.

15.9 No notice to terminate the contract of employment of any Employee or Worker is pending, outstanding or threatened, and there are no circumstances likely to give rise to such notice.

15.10 Neither the Company nor any other member of the Seller's Group is a party to, bound by or proposing to introduce in respect of any of its current or former directors, Employees or Workers, any redundancy payment scheme (in addition to statutory redundancy pay), or, save as Disclosed, any incentive arrangement or scheme (including, any share option or share award plan, commission, profit sharing or bonus scheme).

15.11 The Company has not incurred any actual or contingent liability in connection with the termination of employment of any Employee, or for failing to comply with any order for the reinstatement or re-engagement of any Employee.

15.12 The Company has not made or provided, or agreed to make or provide, any payment or benefit to any of its present or former directors, Employees or Workers (or their dependants) in

connection with the actual or proposed termination or suspension of employment or variation of an employment contract.

- 15.13 Save as listed in the Management System, there are no sums owing to or from any current or former Employee or Worker other than reimbursement of expenses, wages for the current salary period and holiday pay for the current holiday year and in the two years preceding the date of this Agreement, in respect of each Employee and Worker, all holiday pay for periods of holiday taken under Regulation 13 of the Working Time Regulations 1998 has been calculated and paid on the basis of each Employee's or Worker's normal remuneration (including, where applicable, all and any variable elements of pay).
- 15.14 The Company has not offered, promised or agreed to any future variation in the contract of any Employee or Worker.
- 15.15 The Management System includes copies of all contracts, handbooks, policies and other documents which apply to the Employees and Workers, identifying which applies to which individual.
- 15.16 The Company has not entered into any agreement or arrangement with any trade union, employee representative or body of employees or their representatives (whether binding or not).
- 15.17 The Company has performed all obligations and duties it is required to perform in respect of each Employee and Worker, whether or not legally binding and whether arising under contract, statute, at common law or in equity or under any treaties or laws of the European Union or otherwise.

16. **Retirement Benefits**

- 16.1 The Company does not have (nor may it have) any obligation (whether or not legally binding) to provide or contribute towards pension, lump sum, death, ill-health, disability or accident benefits (**Relevant Benefits**) in respect of its current or former officers or employees (**Pensionable Employees**).
- 16.2 The Company has complied with its automatic enrolment obligations as required by the Pensions Act 2008 and associated legislation. No notices, fines, or other sanctions have been issued by the Pensions Regulator and no instances of non-compliance with the automatic enrolment obligations have been notified to the Pension Regulator in respect of the Company.
- 16.3 Prior to 1 October 2012, the Company facilitated access for its Pensionable Employees to a designated stakeholder scheme as required by Section 3 of the Welfare Reform and Pensions Act 1999.
- 16.4 The Company has not discriminated against any Pensionable Employee on any grounds in providing any Relevant Benefits.
- 16.5 No claims or complaints have been made or are pending or threatened in respect of the provision of (or failure to provide) any Relevant Benefits by the Company in relation to any of the Pensionable Employees and there is no fact or circumstance likely to give rise to such claims or complaints.

17. **Property**

17.1 The definitions in this paragraph apply in this Agreement.

Current Use means the identified use for each Property as set out in Schedule 9.

Hornchurch Property means Part Second Floor, Scottish Mutual House, 27/29 North Street, Hornchurch, Essex, RM11 1RS.

Lease means the lease under which the Hornchurch Property is held and the New Lease.

Previously-owned Land and Buildings means any land and buildings that have, at any time before the date of this Agreement, been owned (under whatever tenure) and/or occupied and/or used by the Company, but which are either no longer owned, occupied or used by the Company, or are owned, occupied or used by one of them but pursuant to a different lease, licence, transfer or conveyance.

Planning Acts means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990 the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004, the Planning Act 2008, and any other legislation from time to time regulating the use or development of land.

Property Statutes means the Public Health Acts, Occupiers Liability Act 1957, Offices, Shops and Railway Premises Act 1963, Health and Safety at Work etc. Act 1974, Control of Pollution Act 1974, Occupiers Liability Act 1984, Environmental Protection Act 1990, Construction (Design and Management) Regulations 1994, Environmental Protection Act 1995, Equality Act 2010, Control of Asbestos Regulations 2012, Construction (Design and Management) Regulations 2007 and all other regulations, rules and delegated legislation under, or relating to, such statutes.

Sovereign Park Property means Units 12 and 13 Sovereign Park, Coronation Road, London, NW10 7QP occupied by the Company.

Statutory Agreement means agreement or undertaking entered into under section 18 of the Public Health Act 1936, section 52 of the Town and Country Planning Act 1971, section 33 of the Local Government (Miscellaneous Provisions) Act 1982, section 106 of the Town and Country Planning Act 1990, section 104 of the Water Industry Act 1991 and any other legislation (later or earlier) similar to these statutes.

17.2 The particulars of the Properties set out in Schedule 9 are true, complete and accurate.

17.3 The Properties are the only land and buildings owned, used or occupied by the Company.

17.4 The Company does not have any right of ownership, right of use, option, right of first refusal or contractual obligation to purchase, or any other legal or equitable right, estate or interest in, or affecting, any land or buildings other than the Properties.

17.5 The Company does not have any actual or contingent liability in respect of Previously-owned Land and Buildings.

- 17.6 The Company has not given any guarantee or indemnity for any liability relating to any of the Properties, any Previously-owned Land and Buildings or any other land or buildings.
- 17.7 The Company is solely legally and beneficially entitled and has a good and marketable title, to each of the Properties.
- 17.8 The Company is in possession and actual occupation of the whole of each of the Properties on an exclusive basis, and no right of occupation or enjoyment has been acquired or is in the course of being acquired by any third party, and the Company has not granted, or agreed to grant, any right of occupation or enjoyment in respect of the Properties to any third party, save for use as the registered office of JGL.
- 17.9 Save as Disclosed in the schedule of condition attached to the Disclosure Letter, the Company has not received any adverse report from any engineer, surveyor or other professional relating to any of the Properties and the Sellers are not aware of any predecessor in title having done so.
- 17.10 JHL as freehold owner of the Sovereign Park Property comprising two separate freehold titles AGL16693 unit 12 and AGL23514 unit 13) has exercised a valid option to tax (within the meaning of Schedule 10 to the Value Added Tax Act 1994) in respect of only one of the two units.

18. **Environment and Health and Safety**

- 18.1 The definitions in this paragraph apply in this Agreement.

Environment means the natural and man-made environment including all or any of the following media: air (including air within buildings and other natural or man-made structures above or below the ground), water, land, and any ecological systems and living organisms (including man) supported by those media.

EHS Laws means all applicable laws, statutes, regulations, subordinate legislation, bye-laws, common law and other national, international, federal, European Union, state and local laws, judgments, decisions and injunctions of any court or tribunal, and legally binding codes of practice and guidance notes to the extent that they relate to or apply to the Environment or to the health and safety of any person.

EHS Matters means all matters relating to:

- (a) pollution or contamination of the Environment;
- (b) the presence, disposal, release, spillage, deposit, escape, discharge, leak, migration or emission of Hazardous Substances or Waste;
- (c) the exposure of any person to Hazardous Substances or Waste;
- (d) the health and safety of any person, including any accidents, injuries, illnesses and diseases;
- (e) the creation or existence of any noise, vibration, odour, radiation, common law or statutory nuisance or other adverse impact on the Environment; or

- (f) the condition, protection, maintenance, remediation, reinstatement, restoration or replacement of the Environment or any part of it.

EHS Permits means any permits, licences, consents, certificates, registrations, notifications or other authorisations required under any EHS Laws for the operation of the Business or in relation to any of the Properties.

Harm means harm to the Environment, and in the case of man, this includes offence caused to any of his senses or harm to his property.

Hazardous Substances means any material, substance or organism which, alone or in combination with others, is capable of causing Harm, including radioactive substances and materials containing asbestos.

Waste means any waste, including any bye-product of an industrial process and anything that is discarded, disposed of, spoiled, abandoned, unwanted or surplus, irrespective of whether it is capable of being recovered or recycled or has any value.

- 18.2 The Company has obtained and complied at all times with all EHS Permits. All EHS Permits are in full force and effect, and there are no facts or circumstances that may lead to the revocation, suspension, variation or non-renewal of, or the inability to transfer, any EHS Permits.
- 18.3 The Company has at all times operated in compliance with all EHS Laws in force from time to time and there are no facts or circumstances that may lead to any breach of or liability under any EHS Laws or any claim or liability in respect of EHS Matters.
- 18.4 There are no Hazardous Substances at, on or under, nor have any Hazardous Substances been emitted, escaped or migrated from, any of the Properties.
- 18.5 There are, and have been, no landfills, underground storage tanks, or uncontained or unlined storage treatment or disposal areas for Hazardous Substances or Waste (whether permitted by EHS Laws or otherwise) present or carried out at, on or under any of the Properties or within 200 metres of any of the Properties, and so far as the Sellers are aware no such operations are proposed.
- 18.6 At no time has the Company either been required to hold, or applied for, a waste disposal licence or waste management licence under any EHS Laws.
- 18.7 There have been no claims, investigations, prosecutions or other proceedings against or threatened against any Seller or the Company or any of their respective directors, officers or employees in respect of Harm arising from the operation of the Business or occupation of any of the Properties or for any breach or alleged breach of any EHS Permits or EHS Laws, and there are no facts or circumstances that may lead to any such claims, investigations, prosecutions or other proceedings. At no time has any of the Sellers or the Company received any notice, communication or information alleging any liability in relation to any EHS Matters or that any remediation works are required.
- 18.8 Neither the Sellers nor the Company has received any enforcement, prohibition, stop, remediation, improvement or any other notice from, or been subject to any civil sanction imposed by, any enforcement authority, including the Environment Agency, Natural Resources Wales, the

Health and Safety Executive or the relevant local authority, with regard to any breach of EHS Laws in respect of the Business, the Company or any of the Properties.

18.9 The Company has adequate employers' liability and public liability insurance cover in respect of the Business and the Properties and no claims have been made or are contemplated under any such insurance.

18.10 Copies of all:

18.10.1 current EHS Permits;

18.10.2 environmental and health and safety policy statements;

18.10.3 reports in respect of environmental and health and safety audits, investigations or other assessments;

18.10.4 records of accidents, illnesses and reportable diseases;

18.10.5 assessments of substances hazardous to health;

18.10.6 correspondence on EHS Matters between the Company and any relevant enforcement authority; and

18.10.7 copies or details of all Waste disposal contracts,

relating to the Business or any of the Properties have been Disclosed and all such statements, reports, records, correspondence and other information are complete and accurate and are not misleading.

18.11 The Company does not have nor is likely to have any actual or potential liability under any EHS Laws by reason of it having owned, occupied or used any Previously-owned Land and Buildings.

18.12 The Company has not given or received any warranties or indemnities or entered into any other agreement in respect of any liabilities, duties or obligations that arise under EHS Laws.

19. **Anti-corruption**

19.1 The definition in this paragraph applies in this Agreement.

Associated Person means in relation to a company, a person (including an employee, agent or subsidiary) who performs or has performed services for or on behalf of that company.

19.2 The Company is not nor has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010.

19.3 No Associated Person of the Company has bribed another person (within the meaning given in section 7(3) of the Bribery Act 2010) intending to obtain or retain business or an advantage in the conduct of business for the Company and the Company has in place adequate procedures designed to prevent their Associated Persons from undertaking any such conduct.

19.4 Neither the Company nor any of its Associated Persons is or has been the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body or any customer regarding any offence or alleged offence under the Bribery Act

2010, and no such investigation, inquiry or proceedings have been threatened or are pending and there are no circumstances likely to give rise to any such investigation, inquiry or proceedings.

- 19.5 The Company is not ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations 2006 (each as amended).

20. **Competition**

- 20.1 The definition in this paragraph applies in this Agreement.

Competition Law means the national and directly effective legislation of any jurisdiction which governs the conduct of companies or individuals in relation to restrictive or other anti-competitive agreements or practices (including, cartels, pricing, resale pricing, market sharing, bid rigging, terms of trading, purchase or supply and joint ventures), dominant or monopoly market positions (whether held individually or collectively) and the control of acquisitions or mergers.

- 20.2 The Company is not engaged in any agreement, arrangement, practice or conduct which amounts to an infringement of the Competition Law of any jurisdiction in which the Company conducts business and none of its directors, officers or employees is or has been engaged in any activity which would be an offence or infringement under any such Competition Law.

- 20.3 Neither the Company nor any of its directors, officers or employees, is the subject of any investigation, inquiry or proceedings by any relevant government body, agency, authority or court in connection with any actual or alleged infringement of the Competition Law of any jurisdiction in which the Company conducts business.

- 20.4 No such investigation, inquiry or proceedings as referred to in paragraph 20.3 of Part 1 of this Schedule 5 have been threatened or are pending and there are no circumstances likely to give rise to any such investigation, inquiry or proceedings.

- 20.5 The Company is not affected by any existing or pending decisions, judgments, orders or rulings of any relevant government body, agency, authority or court responsible for enforcing the Competition Law of any jurisdiction, nor have they given any undertakings or commitments to such bodies which affect the conduct of the Business.

Part 2 Tax Warranties

1 **General**

- 1.1 All notices, returns (including any land transaction returns), reports, accounts, computations, statements, assessments, claims, disclaimers, elections and registrations and any other necessary information which have, or should have, been submitted by the Company to any Taxation Authority for the purposes of Taxation have been made on a proper basis, were submitted within applicable time limits and were accurate and complete in all material respects. None of the above is, or is likely to be, the subject of any material dispute with any Taxation Authority.

- 1.2 All Taxation (whether of the UK or elsewhere), for which the Company has been liable or is liable to account, has been duly paid (insofar as such Taxation ought to have been paid) by the due dates and no penalties, fines, surcharges or interest have been incurred.
- 1.3 The Company maintains complete and accurate records, invoices and other information in relation to Taxation, that meet all legal requirements and enable the tax liabilities of the Company to be calculated accurately in all material respects.
- 1.4 The Company is not a **large company** within the meaning of regulation 3 of the Corporation Tax (Instalment Payment) Regulations 1998 and, if applicable, the Management System gives details of instalments of corporation tax paid in respect of any current or preceding accounting periods.
- 1.5 All Taxation (including where applicable national insurance contributions) deductible under the PAYE system, the Construction Industry Scheme and/or any other Taxation Statute has, so far as is required to be deducted, been deducted from all payments made (or treated as made) by the Company. All amounts due to be paid to the relevant Taxation Authority on or before the date of this Agreement have been so paid.
- 1.6 The Management System contains details of any payments or loans made to, any assets made available or transferred to, or any assets earmarked, however informally, for the benefit of, any employee or former employee (or any associate of such employee or former employee) of the Company by an employee benefit trust or another third party, falling within the provisions of Part 7A to ITEPA 2003 (introduced by Finance Act 2011 with effect from 6 April 2011) and details of any trust or arrangement capable of conferring such a benefit.
- 1.7 The Company has not entered into any concessions, agreements and arrangements with a Taxation Authority.
- 1.8 The Company is not nor will become, liable to make to any person (including any Taxation Authority) any payment in respect of any liability to Taxation which is primarily or directly chargeable against, or attributable to, any other person (other than the Company).
- 1.9 The Accounts and the Management Accounts make full provision or reserve within generally accepted accounting principles for all Taxation for which the Company is accountable at that date. Proper provision has been made and shown in the Accounts and the Management Accounts for deferred taxation in accordance with generally accepted accounting principles.

2 **Chargeable Gains**

The gross book value shown in, or adopted for the purposes of, the Accounts and the Management Accounts as the value of each of the assets of the Company, on the disposal of which a chargeable gain or allowable loss could arise, does not exceed the amount which on a disposal of such asset at the date of this Agreement would be deductible, in each case, disregarding any statutory right to claim any allowance or relief other than amounts deductible under section 38 of TCGA 1992.

3 **Capital Losses**

There are no capital losses available for carry-forward by the Company.

4 **Capital Allowances**

The Company has not claimed first-year tax credits within the meaning of Schedule A1 of CAA 2001, business renovation allowances under Part 3A of CAA 2001, flat conversion allowances under Part 4A of CAA 2001 or owned at the Accounts Date any asset which, if disposed of at the date of this Agreement for consideration equal to its net book value as included in the Accounts, would give rise to a balancing charge or clawback of allowances.

5 **Distributions and Other Payments**

5.1 No distribution or deemed distribution, within the meaning of section 1000 or sections 1022-1027 of CTA 2010, has been made (or will be deemed to have been made) by the Company, except dividends shown in their statutory accounts and the Company is not bound to make any such distribution.

5.2 The Company has not, within the period of seven years preceding Completion, been engaged in, nor been a party to, any of the transactions set out in Chapter 5 of Part 23 of CTA 2010 (demergers).

6 **Loan Relationships**

All financing costs, including interest, discounts and premiums payable by the Company in respect of its loan relationships within the meaning of Chapter 8 of Part 5 of CTA 2009 are eligible to be brought into account by the Company as a debit for the purposes of Part 5 of CTA 2009 at the time, and to the extent that such debits are recognised in the statutory accounts of the Company.

7 **Close Companies**

Any loans or advances made, or agreed to be made, by the Company within sections 455, 459 and 460 of CTA 2010 are set out in the Accounts and Management Accounts. The Company has not released or written off, or agreed to release or write off, the whole or any part of any such loans or advances.

8 **Groups of Companies**

8.1 Save as Disclosed in the Disclosure Letter for the two consecutive periods ending 31 December 2012, the Company has not in the last seven years entered into or been party to any written agreement relating to the claim or surrender of group relief within section 99 of CTA 2010 (section 402 of ICTA 1988).

8.2 The Company is not, nor will be, obliged to make or be entitled to receive any payment for group relief as defined in section 183 of CTA 2010 in respect of any period ending on or before the Accounts Date.

8.3 The Company has not been party to a surrender of a tax refund under section 963 of CTA 2010.

8.4 The Company has not entered into, or agreed to enter into, an election pursuant to section 171A of TCGA 1992 or pursuant to paragraph 16 of Schedule 26 to the Finance Act 2008.

8.5 Neither the execution nor completion of this Agreement, nor any other event since the Management Accounts Date, will result in any chargeable asset being deemed to have been disposed of and re-acquired by the Company for Taxation purposes under:

8.5.1 section 179 of TCGA 1992;

8.5.2 sections 345 and 346 of CTA 2009;

8.5.3 sections 630-632 of CTA 2009;

8.5.4 section 780 or 785 of CTA 2009 (or under paragraph 58 or 60 of Schedule 29 to the Finance Act 2002); or

8.5.5 as a result of any other Event (as defined in the Tax Covenant) since the Accounts Date.

8.6 The Company has not made any election under section 179A of TCGA 1992 or section 792 of CTA 2009 (or under paragraph 66 of Schedule 29 to the Finance Act 2002).

8.7 The Company does not have any unrelieved surplus advance corporation tax eligible for carrying forward or has, in the seven years ending at Completion, set surplus advance corporation tax against corporation tax which could be displaced so as to give rise to a liability of the Company to make a payment of, or in respect of, corporation tax.

8.8 No change of ownership of the Company has taken place in circumstances such that Part 14 of CTA 2010 or Regulation 13(6) of the Corporation Tax (Treatment of Unrelieved Surplus Advance Corporation Tax) Regulations 1999 have, or may be, applied to deny relief for a loss or losses incurred by the Company. Within the period of three years ending with the date of this Agreement, there has been no cessation of, or major change in the nature or conduct of, any trade or business (as defined for these purposes in section 673 of CTA 2010) carried on by the Company.

8.9 The Company has never been party to any arrangements pursuant to section 59F-G of TMA 1970 (group payment arrangements).

9 Intangible Assets

9.1 The Company declared no intangible assets in the Accounts. The Management Accounts have been restated to include intangible assets at the request of the Buyer and its advisers

9.2 The Company does not hold and has not held any right to which Part 8A of CTA 2010 applies or an exclusive licence in respect of such right within section 357BA of CTA 2010.

10 Company Residence and Overseas Interests

10.1 The Company has, throughout the past seven years, been resident in the UK for corporation tax purposes and has not, at any time in the past seven years, been treated as resident in any other jurisdiction for the purposes of any double taxation arrangements or for any other tax purposes.

10.2 The Company does not hold and has not within the last seven years held, shares in a company which is not resident in the UK, a material interest in an offshore fund, or a permanent establishment outside the UK.

11 **Anti-avoidance**

The Company has not been involved in any transaction or series of transactions the main purpose, or one of the main purposes, of which was the avoidance of tax or any transaction that produced a tax loss with no corresponding commercial loss.

12 **Inheritance Tax**

No asset owned by the Company, nor the Sale Shares, is subject to any Inland Revenue charge as mentioned in sections 237 and 238 of IHTA 1984 or is liable to be subject to any sale, mortgage or charge by virtue of section 212(1) of IHTA 1984.

13 **Value Added Tax**

13.1 The Company is a taxable person and is registered for the purposes of VAT with quarterly prescribed accounting periods.

13.2 The Company is not, nor has been in the period of six years ending with the date of Completion, a member of a group of companies for the purposes of section 43 VATA 1994.

13.3 All supplies made by the Company are taxable supplies. The Company has not been and will not be, denied full credit for all input tax paid or suffered by it.

13.4 The Company does not own any assets which are capital items subject to the capital goods scheme under Part XV of the VAT Regulations 1995, nor has exercised any option to tax under Part 1 of Schedule 10 to the VATA 1994.

14 **Stamp Duty, Stamp Duty Land Tax and Stamp Duty Reserve Tax**

14.1 Any document that may be necessary or desirable in proving the title of the Company to any asset which is owned by the Company at Completion, is duly stamped for stamp duty purposes. No such documents which are outside the UK would attract stamp duty if they were brought into the UK.

14.2 Neither entering into this Agreement nor Completion will result in the withdrawal of any stamp duty or stamp duty land tax relief granted on or before Completion which will affect the Company.

14.3 The Company holds no chargeable interest (as defined under section 48 of the Finance Act 2003) acquired or held by the Company before Completion in respect of which the Sellers are aware, or ought reasonably to be aware, that an additional land transaction return will be required to be filed with a Taxation Authority and/or a payment of stamp duty land tax made on or after Completion.

Schedule 6 Tax Covenant

1. INTERPRETATION

The following definitions and rules of interpretation apply in this Tax Covenant.

1.1 Definitions:

Buyer's Tax Group: the Buyer and any other company or companies that are from time to time treated as members of the same Group as, or otherwise connected or associated in any way with, the Buyer for any Tax purpose.

Event: includes (without limitation), the earning, receipt or accrual for any Tax purpose of any income, profit or gains, the incurring of any loss or expenditure, and any transaction (including the execution and completion of this Agreement), event, act or omission whatsoever, and any reference to an Event occurring on or before a particular date shall include Events that, for Tax purposes, are deemed to have, or are treated or regarded as having, occurred on or before that date.

Liability for Tax:

- (a) any liability of the Company to make an actual payment of, or in respect of, or on account of, Tax whether or not the same is primarily payable by the Company and whether or not the Company has, or may have, any right of reimbursement against any other person, in which case, the amount of the Liability for Tax will be the amount of the actual payment;
- (b) the loss of or failure to obtain, for any reason, any right to a repayment of tax that has been taken into account in the Completion Accounts, in which case, the amount of the Liability for Tax will be the amount of the repayment;
- (c) the use or setting off of any Relief arising to the Company after Completion or to any member of the Buyer's Tax Group in circumstances where, but for such set off or use, the Company would have had a liability to make a payment of or in respect of Tax for which the Buyer would have been able to make a claim against the Sellers under this Tax Covenant, in which case, the amount of the Liability for Tax will be the amount of Tax for which the Sellers would have been liable but for the setting off or use.

Relief: includes any loss, relief, allowance, credit, exemption or set off for Tax or any deduction in computing income, profits or gains for the purposes of Tax and any right to a repayment of Tax (including any repayment supplement or interest in respect of it) or to a payment in respect of Tax.

Tax: all forms of tax and charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and whether of the UK or any other jurisdiction (including, for the avoidance of doubt, National Insurance contributions) and any penalty, fine, surcharge, interest, charges or costs relating to it.

Tax Claim: any assessment, notice, demand, letter or other document issued or action taken by or on behalf of any Tax Authority, self-assessment or other occurrence from which it appears that the Company or the Buyer is or may be subject to a Liability for Tax.

Tax Authority: any authority, body or official competent to impose, assess or collect Tax in the UK or elsewhere.

1.2 References to gross receipts, income, profits or gains earned, accrued or received shall include any gross receipts, income, profits or gains deemed, for any Tax purpose, to have been or treated or regarded as earned, accrued or received.

1.3 Any stamp duty charged on any document (or in the case of a document that is outside the UK, any stamp duty that would be charged on the document if it were brought into the UK) that is necessary to establish the title of the Company to any asset, and any interest, fine or penalty relating to the stamp duty, shall be deemed to be a liability of the Company to make an actual payment of Tax because of an Event arising on the last day on which it would have been necessary to pay the stamp duty to avoid any liability to interest or penalties arising on it.

2. COVENANT

Subject to the provisions of this Tax Covenant, the Sellers severally covenant to pay to the Buyer apportioned between the Sellers as set out opposite their respective names in Schedule 1 an amount equal to any:

- (a) Liability for Tax resulting from, or by reference to, any Event occurring on or before Completion or in respect of any gross receipts, income, profits or gains earned, accrued or received by the Company on or before Completion, whether or not that liability was discharged on or before Completion;
- (b) Liability for Tax which arises solely due to the relationship for Tax purposes before Completion of the Company with any person other than a member of the Buyer's Tax Group, whether arising before or after Completion;
- (c) Liability for Tax that is a liability of the Company to account for income tax or National Insurance contributions (NICs), whether arising before or after Completion, in respect of any acquisition, holding, variation or disposal of employment-related securities (as defined for the purposes of Part 7 of ITEPA 2003) where the acquisition occurred on or before Completion;
- (d) costs and expenses (including legal costs on a full indemnity basis), properly incurred by the Buyer, the Company or any member of the Buyer's Tax Group in connection with any Liability for Tax, any Tax Claim or taking or defending any action under this Schedule.

3. PAYMENT DATE AND INTEREST

3.1 Payment by the Sellers in respect of any liability under this Schedule must be made in cleared and immediately available funds on:

- (a) in the case of a Liability for Tax that involves an actual payment of or in respect of Tax, the later of seven Business Days before the due date for payment and seven Business Days after the date on which the Buyer serves notice on the Seller requesting payment;
- (b) in a case that falls within paragraph 1.1(c) of the definition of Liability for Tax, the date on which the Tax saved by the Company is or would have been required to be paid to the relevant Tax Authority; or
- (c) in any other case, seven Business Days following the date on which the Buyer serves notice on the Sellers requesting payment.

- 3.2 If any amount due from the Sellers under this Tax Covenant is not paid on the date specified in paragraph 3.1, then, except to the extent that the Sellers' liability under paragraph 2 includes interest and penalties to compensate the Buyer for the late payment, the amount due shall bear interest (to accrue on a daily basis before and after any judgment) at the rate of 2% a year over the base rate from time to time of National Westminster Bank plc or (in the absence of that) at any similar rate as the Buyer shall select from the day following the due date up to, and including, the day of actual payment of those sums.

4. EXCLUSIONS

The covenant contained in paragraph 2 above shall not cover any Liability for Tax to the extent that:

- (a) specific provision or reserve (other than a provision for deferred tax) for the liability is made in the Completion Accounts, with the income tax provision reflecting the income tax payable on taxable income generated for the period from the start of the tax year to the Completion Date, taking into account if applicable any R&D tax benefits;
- (b) the Liability for Tax was paid on or before Completion and the Completion Accounts reflected that payment;
- (c) it arises or is increased only as a result of any change in the law or rates of Tax (other than a change targeted specifically at countering a tax avoidance scheme) coming into force after Completion or the withdrawal of any extra-statutory concession previously made by a Tax Authority (whether or not the change is retrospective in whole or in part) provided that this paragraph 4(c) will not apply to any payment under paragraph 9;
- (d) the Buyer is compensated for the Liability for Tax under any other provision of this Agreement;
- (e) it would not have arisen but for a voluntary act, transaction or omission of the Company or the Buyer or any member of the Buyer's Tax Group outside the ordinary course of business after Completion and which the Buyer was aware, or ought reasonably to have been aware, would give rise to the Liability for Tax or other liability in question.

5. LIMITATIONS

The liability of the Sellers under paragraph 2 will terminate on:

- (a) the 21st anniversary of Completion, for any claim under paragraph 2 for a liability arising from a loss of Tax caused fraudulently or deliberately by the Company or any related person; or
- (b) the seventh anniversary of Completion (in any other case)

except for any claim under paragraph 2 of which written notice is given to the Sellers before that relevant date containing, to the extent reasonably practicable, a description of that claim and the estimated total amount of the claim.

6. RECOVERY FROM THIRD PARTIES

Where the Sellers have paid an amount under paragraph 2 for any Liability for Tax and the Buyer or the Company recovers from some other person that is not the Buyer or the Company or any other company in the Buyer's Tax Group, any amount for any Liability for Tax, the Buyer shall or shall procure that the Company shall account to the Sellers for the lesser of:

- (a) any amount recovered (including any related interest or related repayment supplement) less any Tax suffered in respect of that amount and any costs and expenses incurred in recovering that amount; and
- (b) the amount paid by the Seller under paragraph 2 in respect of the Liability for Tax in question.

7. CORPORATION TAX RETURNS

The Buyer will procure that the Company keeps the Sellers or the Sellers' duly authorised agent fully informed of its Tax affairs for any accounting period ended on or before Completion for which final agreement with the relevant Tax Authority of the amount of Tax due from the Company has not been reached. The Buyer will not submit any substantive correspondence or submit or agree any return or computation for any such period to any Tax Authority without giving the Sellers a reasonable opportunity to comment and taking account of the Sellers' reasonable representations.

8. CONDUCT OF TAX CLAIMS

- 8.1 Subject to paragraph 8.2, if the Buyer or the Company becomes aware of a Tax Claim, the Buyer shall give or procure that notice in writing is given to the Sellers or to the Sellers' duly authorised agent as soon as reasonably practicable, provided that giving that notice shall not be a condition precedent to the Sellers' liability under this Tax Covenant.
- 8.2 If the Sellers become aware of a Tax Claim, it shall notify the Buyer in writing as soon as reasonably practicable, and, on receipt of the notice, the Buyer shall be deemed to have given the Sellers notice of the Tax Claim in accordance with the provisions of paragraph 8.1.
- 8.3 The Buyer shall (and shall procure that the Company shall) take full account of any reasonable representations in relation to the Tax Claim that are made in writing by the Sellers or the Sellers' duly authorised representative within ten Business Days of notice having been given (or deemed to have been given) under paragraph 8.1 or paragraph 8.2.
- 8.4 The Buyer shall (and shall procure that the Company shall) take all reasonable steps to avoid or mitigate any Tax Claim.

9. GROSSING UP

- 9.1 All amounts due under this Tax Covenant shall be paid by the Sellers to the Buyer in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax required by law). If any deductions or withholdings are required by law to be made from any of the sums payable under this Tax Covenant, the Sellers shall pay to the Buyer any sum as will, after

the deduction or withholding is made, leave the Buyer with the same amount as it would have been entitled to receive without that deduction or withholding.

- 9.2 If the Buyer incurs, or would have incurred, but for the use of a Relief, a Tax liability which results from, or is calculated by reference to, any sum paid under this Tax Covenant, the amount payable will be increased by any amount that will ensure that, after payment of the Tax liability, the Buyer is left with a net sum equal to the sum it would have received had no such Tax liability arisen.

10. GENERAL

All payments made by the Sellers to the Buyer or by the Buyer to the Sellers in accordance with this Tax Covenant will be treated, to the extent possible, as an adjustment to the Purchase Price for the Sale Shares.

Schedule 7 Completion Accounts

1. DEFINITIONS

1.1 The definitions in this paragraph apply in this Agreement.

Accounting Standards: Recognition and measurement requirements specified by the International Accounting Standards and Interpretations and the disclosure requirements of IAS 1 Presentation of Financial Statements, IAS 7 Statement of Cash Flows, and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Completion Accounts: the balance sheet of the Company to the close of business on the Completion Date (including the notes thereon) to be prepared and agreed or determined (as the case may be) in accordance with this Schedule.

Completion Net Assets: the aggregate assets less the aggregate liabilities of the Company as at close of business on 30 September 2015, in each case as derived from the Completion Accounts and shown in the Net Assets Statement, calculated on a consolidated basis in accordance with the accounting principles, policies, standards, practices, evaluation rules and estimation techniques referred to in paragraph 4 of this Schedule 7 and in a form consistent with that set out in column C of Annex A to this Agreement.

Dispute Notice: has the meaning set out in paragraph 2.3 of this Schedule.

Draft Documents: has the meaning set out in paragraph 2.1 of this Schedule.

Expert: a member of an independent firm of chartered accountants of repute appointed in accordance with paragraph 3 of this Schedule to resolve any dispute arising between the parties in connection with the preparation of the Completion Accounts or the Net Assets Statement.

Net Assets Statement: in a statement setting out the amount of the Completion Net Assets as derived from the Completion Accounts, as prepared and agreed or determined in accordance with this Schedule.

Resolution Period: has the meaning set out in paragraph 2.6 of this Schedule.

Review Period: the period of 10 Business Days commencing on the first Business Day after the day on which the Buyer receives the Draft Documents from the Sellers in accordance with paragraph 2.1 of this Schedule.

Specific Policies: the specific accounting principles, policies, practices, evaluation rules and estimation techniques set out in paragraph 4.2 of this Schedule.

1.2 Any period of time specified in this Schedule may be extended by agreement in writing between the Buyer and the Sellers.

2. PREPARATION OF COMPLETION ACCOUNTS

2.1 As soon as practicable, and in any event no later than 10 Business Days after the Completion Date, the Sellers shall prepare and deliver to the Buyer for review drafts of the Completion Accounts and the Net Assets Statement drawn up in accordance with paragraph 4 of this Schedule (together the **Draft Documents**).

- 2.2 The Buyer shall promptly provide the Sellers (and their agents or advisers) with access to such of their information, books and records as the Sellers (or their agents or advisers) may reasonably require in connection with the preparation of the Draft Documents.
- 2.3 No later than the last day of the Review Period, the Buyer shall serve a written notice on the Sellers stating whether or not they agree with the Draft Documents. In the case of any disagreement, the notice (**Dispute Notice**) shall specify in reasonable detail:
- (a) each matter or item in dispute; and
 - (b) any adjustments which, in the Buyer's opinion, should be made to the Draft Documents.
- 2.4 During the Review Period, the Sellers shall upon reasonable notice and during normal business hours, permit the Buyers (and their agents or advisers) to access and review such books and records of the Company as the Buyer (or their agents or advisers) may reasonably require for the purpose of reviewing the Draft Documents.
- 2.5 If, during the Review Period, the Buyer:
- (a) serves a written notice on the Sellers confirming their agreement with the Draft Documents, they shall, with effect from the date of service of such notice, constitute the Completion Accounts and the Net Assets Statement and shall be final and binding on the parties; or
 - (b) fail to serve a Dispute Notice, the Draft Documents shall, with effect from the expiry of the Review Period, constitute the Completion Accounts and the Net Assets Statement and shall be final and binding on the parties.
- 2.6 If the Buyer serves a Dispute Notice in accordance with paragraph 2.3 of this Schedule, the parties shall, during the period of 10 Business Days commencing on the date of the Sellers' receipt of the Dispute Notice (**Resolution Period**), seek in good faith to reach agreement on the disputed matters. If, before the Resolution Period expires, the disputed matters are:
- (a) resolved by the parties in writing, the Draft Documents (revised as necessary to reflect the parties' agreement) shall constitute the Completion Accounts and the Net Assets Statement, and shall be final and binding on the parties with effect from the date of their agreement; or
 - (b) not resolved by the parties in writing, then at any time following the expiry of the Resolution Period either party may, by written notice to the other parties, require the disputed matters to be referred to an Expert for determination in accordance with paragraph 3 of this Schedule.
- 2.7 The Buyer and the Sellers shall bear and pay their own costs incurred in connection with the preparation, review and agreement of the Completion Accounts and the Net Assets Statement.

3. EXPERT DETERMINATION

- 3.1 If a notice is served by either party pursuant to paragraph 2.6(b) of this Schedule, the parties shall use all reasonable endeavours to reach agreement regarding the identity of the person to be

appointed as the Expert and to agree terms of appointment with the Expert. Neither party shall unreasonably withhold its agreement to the terms of appointment proposed by the Expert or the other party.

- 3.2 If the parties fail to agree on an Expert and his terms of appointment within 5 Business Days of either party serving details of a proposed Expert on the other, either party shall be entitled to request the President for the time being of the Institute of Chartered Accountants of England and Wales to appoint the Expert and to agree his terms of appointment on behalf of the parties.
- 3.3 Except for any procedural matters, or as otherwise expressly provided in this Schedule, the scope of the Expert's determination shall be limited to determining the unresolved matters in the Dispute Notice relating to:
- (a) whether the Draft Documents have been prepared in accordance with the requirements of this Schedule;
 - (b) whether any errors have been made in the preparation of the Draft Documents; and
 - (c) any consequential adjustments, corrections or modifications that are required in order for the Draft Documents to have been prepared in accordance with the requirements of this Schedule.
- 3.4 Each party shall co-operate with the Expert and shall give the Expert reasonable access to any documents, books and records in that party's possession or control that the Expert may reasonably require for the purpose of making his determination.
- 3.5 The parties shall be entitled to make submissions to the Expert and each party shall, with reasonable promptness, supply the other parties with all such information and access to its documentation, books and records as the other parties may reasonably require in order to make a submission to the Expert in accordance with this paragraph.
- 3.6 To the extent not provided for in this paragraph 3, the Expert may in his reasonable discretion determine such other procedures to assist with the conduct of his determination as he considers just or appropriate.
- 3.7 Unless otherwise agreed by the parties, the Expert shall be required to make his determination in writing (including reasons for his determination) and to provide a copy to each party as soon as reasonably practicable and in any event within 10 Business Days of his appointment.
- 3.8 The Expert shall act as an expert and not as an arbitrator.
- 3.9 Save in the event of manifest error or fraud:
- (a) the Expert's determination of any matters referred to him under this Schedule shall be final and binding on the parties; and
 - (b) the Draft Documents, subject to any adjustments, corrections or modifications that are necessary to give effect to the Expert's determination, shall constitute the Completion Accounts and the Net Assets Statement for the purpose of this Agreement.

3.10 If an appointed Expert dies or becomes unwilling or incapable of acting, or does not deliver his determination within the period required by this paragraph 3:

- (a) the parties shall use all reasonable endeavours to agree the identity and terms of appointment of a replacement Expert;
- (b) if the parties fail to agree and appoint a replacement Expert within 5 Business Days of a replacement being proposed in writing by a party, then either party may apply to the President for the time being of the Institute of Chartered Accountants of England and Wales to discharge the appointed Expert and to appoint a replacement Expert; and
- (c) this paragraph 3 shall apply in relation to each and any replacement Expert as if he were the first Expert appointed.

3.11 The parties shall act reasonably and co-operate to give effect to the provisions of this paragraph 3 and shall not do anything to hinder or prevent the Expert from making his determination.

3.12 Each party shall bear and pay their own costs incurred in connection with the Expert's determination pursuant to this paragraph 3. The Expert's fees and any costs or expenses incurred in making his determination (including the fees and costs of any advisers appointed by the Expert) shall be borne equally between the Buyer on the one hand and the Sellers on the other hand, or in such other proportions as the Expert may direct.

4. BASIS FOR PREPARING THE COMPLETION ACCOUNTS

4.1 The Completion Accounts shall be prepared on the following basis, and in the order of priority shown below:

- (a) in accordance with the Specific Policies;
- (b) to the extent not provided for by the Specific Policies, applying the same accounting principles, policies and practices (with consistent classifications, judgements, valuation and estimation techniques) that were applied in the preparation of the Accounts;
- (c) to the extent not provided for by the Specific Policies or the matters referred to in paragraph 4.1(b) above, in accordance with the Accounting Standards.

4.2 The Specific Policies are as follows:

Recognition

Sale of goods

Revenue from the sale of goods is recognised when there is persuasive evidence, usually in the form of an executed sales agreement, or other written confirmation, at the time of delivery of the goods to customer, indicating that there has been a transfer of significant risks and rewards to the customer, no further work or processing is required, the quantity and quality of the goods has been determined, the price is fixed and generally title has passed.

Rendering of services

Revenue from the rendering of a service is recognised upon delivery of the service to the customer. Where a customer is invoiced for services in advance revenue is recognised over the period of service delivery.

The deferred revenue liability relates to licence fees invoiced in advance, where the service period has not yet expired.

Revenue represents net invoiced sales of goods and services, excluding value added tax and discounts provided.

Value-added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of VAT, except where the amount of VAT incurred is not recoverable from the HM Revenue & Customs. In these circumstances, the VAT is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of VAT.

Cash flows are presented in the statement of cash flows on a gross basis, except for the VAT component of investing and financing activities, which are disclosed as operating cash flows.

Plant and equipment

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Intangible assets

Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred.

Development costs are capitalised only when technical feasibility studies identify that the project will develop an intangible asset that will be completed and available for use or sale, that there are adequate technical, financial and other resources to complete the development, that it will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Income tax

The income tax expense (revenue) for the period comprises current income tax expense (income) and deferred tax expense (income). Current and deferred income tax expense (income) is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

Current tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities / (assets) are therefore measured at the amounts expected to be paid to / (recovered from) the relevant taxation authority.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of amounts required to settle the obligation at the end of the reporting period.

Provisions – warranties

The warranty claim provision is in respect of potential costs to cover claims by customers on warranties currently in existence.

Provisions – credit notes

The provision for credit notes is in respect of potential credits granted to customers for previous period sales. This is estimated based on historical credit notes issued.

Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

4.3 The Completion Accounts shall not take account of:

- (a) any event or transaction that occurs or arises more than 5 days after the Completion Date;
- (b) any event or transaction that occurs or arises after the Completion Date as a result of a voluntary act or omission of the Buyer or the Company, except where such act or omission was carried out or effected in the ordinary course of the Business pursuant to a binding obligation of the Company in force immediately before Completion; or

- (c) any matter arising from the change of control of the Company effected by the Transaction.

Schedule 8 The Intellectual Property Rights

Part 1 Registered Intellectual Property Rights

Jayex registered trade mark no. 2402869 (currently registered to Jayex Group Limited and to be renewed and assigned to the Company on or prior to the Completion Date).

Domain names:

Jayex.com

Jayex.co.uk

Led-signs-international.com

Ledsignsinternational.com

Queuesystems.com

Part 2 - Unregistered Intellectual Property Rights

1. Intellectual Property Rights developed for and on behalf of the Company by employees of the Company all of which Intellectual Property Rights are by virtue of the terms and conditions of employment of each such employee, vested in and owned by the Company.
2. Intellectual Property Rights developed for the Company by independent contractors all of which Intellectual Property Rights are by virtue of the terms and conditions of engagement of each such independent contractor, vested in and owned by the Company.

Schedule 9 The Properties

Description of the Property	Units 12 and 13 Sovereign Park, Coronation Road, London, NW10 7QP
Description of Lease (lease, underlease, licence, date and parties)	Not applicable. New Lease to be granted
Owner	Jayex Group Limited
Registered/unregistered	Registered
Title number (if registered)	AGL16693 and AGL25314
Contractual date of termination of lease	Not applicable
Occupier	The Company
Current Use	Offices and ancillary use as Warehouse

Description of the Property	Part Second Floor, Scottish Mutual House, 27/29 North Street, Hornchurch, Essex, RM11 1RS
Description of Lease (lease, underlease, licence, date and parties)	Lease dated 18.06.12 made between R2 Property Company Limited (1) the Company (2)
Owner	The Company
Registered/unregistered	Unregistered
Title number (if registered)	Not applicable
Contractual date of termination of lease	10.05.2017
Occupier	The Company
Current Use	Offices


Schedule 10 - Working Capital Requirement

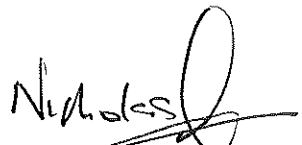
To be expended in the ordinary course of the Company's business and the budget for that purpose as agreed between the Buyer and the Company, and otherwise only as agreed between the Company and the Buyer.

For personal use only

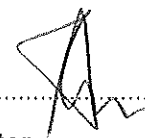
EXECUTED as a Deed.


Executed and delivered as a deed by Agam Jain in the presence of:

) 
)
) Agam Jain

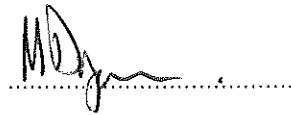
W Sign 
I
T Name NICHOLAS FERNANDO
N
E Address 13 SOVEREIGN PARK, CORONATION ROAD, LONDON NW10 7QP
S
S Occupation MANAGER

Executed and delivered as a deed by Jayex Group Limited acting by a Director, in the presence of:

) 
)
) Director

W Sign 
I
T Name NICHOLAS FERNANDO
N
E Address 13 SOVEREIGN PARK, CORONATION ROAD, LONDON NW10 7QP
S
S Occupation MANAGER

Executed and delivered as a deed by
Michael Dyson as duly appointed attorney)
for Jayex Healthcare Limited under a)
power of attorney dated 22nd September)
2015, in the presence of:



Signature of Michael Dyson, as
attorney for Jayex Healthcare
Limited

W Sign



I

T Name

NICHOLAS FERNANDO

N

E Address

13 SVERBISN PARK, CORDATION ROAD, LONDON NW10 7QP

S

S Occupation

MANAGER

Annex A
Pro Forma Net Assets Statement

JUK BALANCE SHEET			
AT 30 JUNE 2015	Bal Sheet per A Steve Bowman	Audit adjustments B (currently identified)	Adjusted Final C Balance Sheet
	£	£	£
Current Assets			
Bank	£664,930.00		664,930
Trade debtors	£722,519.00	-£22,351.00 6a	700,168
Loan to holding company		£0.00 12	-
Other debtors	£96,415.00		96,415
Inventory Asset	£208,702.00	-£31,062.00 5, 5a	177,640
Total Current Assets	£1,692,566.00	-£53,413.00	£1,639,153.00
Plant & equipment			
0030 - Office Equipment	£123,077.00	£10,284.17 8	133,361
0031 - Office Equipment Depreciation	-£94,587.00		(94,587)
0040 - Furniture and Fixtures	£24,451.00		24,451
0041 - Furniture/Fixture Depreciation	-£22,560.00		(22,560)
0050 - Motor Vehicles	£19,410.00		19,410
0051 - Motor Vehicles Depreciation	-£8,264.00		(8,264)
Total Plant & equipment	£41,527.00	£10,284.17	£51,811.00
Capitalised R&D			-
		9.1, 9.2	
Total Non-Current Assets	£41,527.00	£10,284.17	£51,811.00
Total Assets	£1,734,093.00	-£43,128.83	£1,690,964.00

Current Liabilities			
Creditors			
Payments on account	£39,519.00		39,519
Trade Creditors	£144,826.00		144,826
Taxation and social security	£68,973.00		68,973
Income tax payable	£39,902.00		39,902
Other creditors	£89,383.00		89,381
Total Creditors	£382,603.00	£0.00	£382,601.00
Provisions			
Provision for warranty claims	£209,903.00	(146,725)	63,178
Provision for credit notes		£37,410.53	37,411
Total Provisions	£209,903.00	-£109,314.23	£100,589.00
Borrowings			
Bank loan		£0.00	-
Total Current Liabilities	£592,506.00	-£109,314.23	£483,190.00
Non-Current Liabilities			
Borrowings			
Bank loan	£646,078.00	£0.00	646,078
Other			
Deferred Tax	£7,057.00		7,057
Deferred revenue liability			-
Total Non-Current Liabilities	£653,135.00	£0.00	£653,135.00

Total liabilities

£1,245,641.00

-£109,314.23

£1,136,325.00

Net Assets

£488,452.00

£66,185.40

£554,639.00

VARIATION TO SHARE PURCHASE AGREEMENT

We, the undersigned, refer to the share purchase agreement entered into between Jayex Group Limited (01375226) (**JGL**), Agam Jain (**AJ**) and Jayex Healthcare Limited (ACN 119 122 477) (**JHL**), dated on or about 22 September 2015 (**Share Sale Agreement**).

The Parties to this letter (**Variation**) hereby agree to the following:

- (a) the definition of 'Longstop Date' being amended to 18 December 2015;
- (b) the definition of 'Prospectus Price' being amended to \$0.32 per JHL Share;
- (c) deletion of any references to a 'Minimum Subscription' being achieved prior to the Longstop Date (including Schedule 3, condition 1.3) or any references to the Buyer raising a 'minimum' under the Prospectus;
- (d) deletion of any references to the Buyer raising \$10,000,000 under the Prospectus and replacing this with raising 'up to \$8,000,000';
- (e) reference to the 'Consideration Shares' of 12,162,162 (twelve million one hundred sixty two thousand one hundred sixty two) being replaced with 19,003,378 (nineteen million three thousand three hundred seventy eight); and
- (f) the definition of 'Completion Net Assets' being amended to 'a fixed amount of GBP500,000'.

Definitions in this Variation have the same meaning as those noted in the Share Sale Agreement.

By signing this Variation, each of the parties agrees that, from the date of execution of this Variation, the Share Sale Agreement shall be varied in the manner set out above and shall be read and construed within that context incorporated in the Share Sale Agreement and shall bind the parties to this Variation accordingly.

Each party agrees to duly and punctually observe and perform all the terms, covenants and conditions on its part contained in the Share Sale Agreement as varied by this Variation. All provisions of the Share Sale Agreement other than those varied by this Variation remain unchanged and continue in full force. If there is any inconsistency between the terms and conditions in the Variation and the provisions of the Share Sale Agreement, then the terms and conditions in this Variation will prevail.

Please indicate your acceptance of the proposed Variation on the terms set out above by signing below as soon as possible.

This Variation may be executed in any number of counterparts each of which shall be deemed for all purposes to be an original and all such counterparts taken together shall be deemed to constitute one and the same instrument.

I/WE have read the above, and agree to the amendments to the Share Sale Agreement on the terms and conditions contained in this Variation.

Dated this 2 day of NOVEMBER 2015.

For personal use only

EXECUTED by JAYEX HEALTHCARE LIMITED

ACN 119 122 477

in accordance with section 127 of the
Corporations Act 2001 (Cth);

)
)
)
)
)

Signature of director

Signature of director/company secretary*

Name of director

* please delete as applicable

Name of director/company secretary*

EXECUTED by JAYEX GROUP LIMITED in
accordance with its constituent documents:

)
)
)
)
)



Signature of director



Signature of director/company secretary*

A. JAIN


Name of director

S. D. JAIN

Name of director/company secretary*

SIGNED by
AGAM JAIN
in the presence of:

)
)
)
)


(Signature)

Signature of Witness

NEIL DHANANI

Full Name of Witness
(BLOCK LETTERS)

13 SUNGRIAN PK, LONDON NW10 7QP

Address:

CO. DIRECTOR

Occupation: