

COSALT PLC
AND
SURVITEC GROUP LIMITED

AGREEMENT FOR THE SALE AND
PURCHASE OF
(1) COSALT INTERNATIONAL LIMITED
(2) COSALT GMBH
(3) OCEANA AIR SEA TRADING COMPANY B.V.
(4) COSALT NV
AND
(5) COSALT SEGURIDAD MARITIMA S.L.

CONTENTS

Clause	Page
1. Interpretation.....	4
2. Sale and Purchase	24
3. Conditions.....	25
4. Final Consideration.....	27
5. Pre-Completion Matters.....	28
6. Completion.....	34
7. Post Completion Matters.....	35
8. Separation Issues.....	36
9. Seller's Warranties	43
10. Termination of Agreement.....	44
11. Indemnities.....	45
12. Wrong Pockets.....	51
13. Seller's Intellectual Property	51
14. The Buyer's Remedies	52
15. The Buyer's Warranties and Undertakings	53
16. Restrictive Covenants	53
17. Insurance	57
18. Confidential Information	59
19. Announcements.....	61
20. Costs.....	62
21. General.....	62
22. Entire Agreement.....	63
23. Assignment	64
24. Notices	65
25. Governing Law and Jurisdiction.....	66
26. Counterparts.....	66
Schedule 1 Information about the Companies and the Subsidiary Undertaking	68
Part A The Companies.....	68
Part B The Subsidiary Undertaking.....	71
Schedule 2 Completion Requirements.....	72
Schedule 3 Seller's Warranties.....	79
Schedule 4 Limitations on the Seller's Liability	121
Schedule 5 Action Pending Completion.....	125
Schedule 6 Completion Accounts and Accounting Policies.....	130

Part A Preparation of Completion Accounts	130
Part B Accounting Policies	134
Part C Pro Forma Completion Accounts	141
Schedule 7 Real Property	145
Part A Freehold Properties.....	145
Part B Leasehold Properties where Lease held by a Seller's Group Undertaking, to be Assigned to a Group Company	146
Part C Leasehold Properties where Lease held by a Group Company	147
Part D Leasehold Properties where Lease held by a Seller's Group Undertaking, Sub-Lease to be granted to a Group Company.....	149
Part E Leasehold Property where interest held by the Seller - New Lease to be granted directly to a Group Company.....	151
Schedule 8 Allocation of the Headline Price less the Premium Contribution Amount	152
Schedule 9 Commitments	153
Part A Commitments given by a member of the Seller's Group or the Seller	153
Part B Lease Guarantees	153
Schedule 10 Approvals	154
Schedule 11 Vehicle Lease Agreements.....	155
Part A HSBC Vehicle Lease Agreements.....	155
Part B GE Vehicle Lease Agreements	158
Schedule 12 Seller's Awareness.....	161
Part A : Key Individuals	161
Part B : Employees of whom Reasonable Enquiries have been made.....	161
Schedule 13 Change of Control Contracts.....	162
Part A Change of Control Consent Contracts.....	162
Part B Change of Control Notification Contracts.....	162
Schedule 14 Employee Lists.....	163
Part A Group Company employees remaining with the Group.....	163
Part B Aberdeen Employees	167
Part C Administrative Support Employees	168
Part D IT and Finance Support Employees.....	169
Part E Workwear Employees.....	170
Schedule 15 Minimum Content of the Exit Plan	171

Agreed form documents

1. 2010 Audited Accounts
2. Aberdeen Business Transfer Agreement

3. Banco Sabadell Termination Documentation
4. Change of Control Consent Letter
5. Covenant Schedules
6. Deeds of Release
7. Deed of Apportionment
8. Deed of Apportionment and Substitution
9. IP Assignment Agreements
10. Irrevocable Undertakings
11. Lease Assignment Agreements
12. Letters of resignation of directors and secretary of each Group Company
13. Local Transfer Agreements
14. New Articles
15. New Leases
16. Notification Change of Control Letter
17. Resolution
18. Reverse Transitional Services Agreement
19. Reviewed Documents Index
20. Tax Deed
21. Transitional Services Agreement
22. UK Shares Irrevocable Power of Attorney
23. Working Capital Schedules
24. Workwear Business Transfer Agreement

THIS AGREEMENT is made on 2011.

BETWEEN:

- (1) **COSALT PLC**, a company incorporated in England and Wales (registered no. 00019628), whose registered office is at 4 Origin Way, Europarc, Grimsby, South Humberside, DN37 9TZ (the "**Seller**"); and
- (2) **SURVITEC GROUP LIMITED**, a company incorporated in England and Wales (registered no. 00905173), whose registered office is at 1-5 Beaufort Road, Birkenhead, Merseyside, CH41 1HQ (the "**Buyer**").

INTRODUCTION

- (A) The Seller is the legal and beneficial owner of the European Shares.
- (B) CISL is the legal and beneficial owner of the UK Shares.
- (C) The Buyer has agreed to acquire, or procure the acquisition of, all of the Shares as at the Completion Date and the Seller has agreed to sell, or procure the sale, of all the Shares and rights, title and interests in and to the Shares upon the terms, and subject to the conditions, set out in this Agreement.

THE PARTIES AGREE as follows:

1. INTERPRETATION

1.1 In this Agreement:

"**2010 Audited Accounts**" means the audited consolidated balance sheet, audited consolidated profit and loss account of the Seller and cash flow statement in the agreed form for the financial period ended 31 December 2010 together with the auditors' report on those accounts and the directors' report on those accounts and the notes to those accounts.

"**2010 Accounts Date**" means 31 December 2010.

"**€**" or "**euros**" means the lawful currency from time to time of the countries that are members of the European Monetary Union.

"**£**" or "**sterling**" means the lawful currency from time to time of the United Kingdom.

"**Aberdeen Business**" means Group Business carried on from Aberdeen by the Seller's Group (other than the Group Companies) as at the relevant time and from time to time insofar as the same relates to the marine sector or such other business as was otherwise reflected in the Carve-out Accounts in respect of GTC Group Limited, excluding (for the avoidance of doubt) the servicing of Lifeboats to MED SOLAS Regulations carried out at Aberdeen.

"**Aberdeen Business Transfer**" means the transfer of the business and assets of the Aberdeen Business to Cosalt International Limited pursuant to the Aberdeen Business Transfer Agreement.

"Aberdeen Business Transfer Agreement" means the business transfer agreement in the agreed form or such other form as is acceptable to the Buyer (in its sole discretion) relating to the transfer of the business and assets of the Aberdeen Business to be entered into on or before Completion.

"Aberdeen Employee" means any of the 4 employees named on the list at Part B of Schedule 14 who are assigned to the Aberdeen Business as at the date of this Agreement and whose employment it is intended will transfer to Cosalt International Limited prior to Completion pursuant to the Employee Reorganisation, together with any other person who the parties agree should be added to that list; and **"Aberdeen Employees"** shall be construed accordingly.

"Accounting Policies" means the accounting policies and procedures set out in, and to be construed in accordance with, Part B and Part C of Schedule 6.

"Accounts" means, in relation to each Group Company, the individual accounts and cash flow statement (if any) for the financial year ended on the Last Accounting Date, the accountants' reports on those accounts and the relevant directors' reports for that year on those accounts (audited for Cosalt International Limited and Cosalt NV).

"Act" means the Companies Act 2006, as supplemented or amended from time to time.

"Actual Cash Amount" means the actual amount of Cash as at the Effective Time, as set out in the Completion Accounts.

"Actual Net Debt Amount" means the Net Debt Amount as at the Effective Time, as set out in the Completion Accounts.

"Actual Inter-Group Payables" means the Inter-Group Payables as at the Effective Time, as set out in the Completion Accounts.

"Actual Inter-Group Receivables" means the Inter-Group Receivables as at the Effective Time, as set out in the Completion Accounts.

"Actual Inter-Group Trading Payables" means the Inter-Group Trading Payables as at the Effective Time, as set out in the Completion Accounts.

"Actual Inter-Group Trading Receivables" means the Inter-Group Trading Receivables as at the Effective Time, as set out in the Completion Accounts.

"Actual Working Capital Amount" means the actual amount of Working Capital as at the Effective Time, as set out in the Completion Accounts.

"Administrative Support Employee" means any of the 3 employees named on the list at Part C of Schedule 14 who perform human resources, payroll and/or administrative roles for the Business as at the date of this Agreement and whose employment it is intended will transfer to Cosalt International Limited prior to Completion pursuant to the Employee Reorganisation, together with any other person who the parties agree should be added to that list; and **"Administrative Support Employees"** shall be construed accordingly.

"Agreed Rate" means 2 per cent above the base rate from time to time of Lloyds Bank PLC.

"Appointment Notice" has the meaning given to it in paragraph 5 of Part A of Schedule 6.

"Approvals" means those approvals listed in Schedule 10.

"Assigned IPRs" means the Intellectual Property to be assigned to Cosalt International Limited pursuant to the IP Assignment Agreements.

"Banco Sabadell Termination Documentation" means the documentation in the agreed form to be entered into by (i) Cosalt Seguridad Maritima, S.L., (ii) the Seller, and (iii) Banco Sabadell, as applicable.

"Bank Facilities" means:

- (a) the term and revolving facilities agreement dated 26 March 2009 between, amongst others, Cosalt International Limited, HSBC Bank plc and The Royal Bank of Scotland plc as amended;
- (b) the banking framework agreement between Cosalt Seguridad Maritima, S.L. and Banco Sabadell dated 8 November 2007; and
- (c) the loan agreement between Cosalt Seguridad Maritima, S.L. and Banco Sabadell dated 24 November 2008.

"Benefit Arrangement" has the meaning set out in paragraph 15.1 of Schedule 3.

"Best Estimate" means the Group's best estimate (acting reasonably and in good faith) of the relevant amount, in each case, prepared (a) by Sue Else and/or Andrew Richards; (b) in consultation with, and having taken due and reasonable account of the reasonable views of the Buyer and/or its advisers; (c) on the basis of the Accounting Policies; and (d) on a reasonably prudent basis;

"Borrowings" has the meaning given in paragraph 16.1.1 of Schedule 3, and **"Borrowing"** shall be construed accordingly;

"Business" means (i) the Aberdeen Business and (ii) Group Business carried on by the Group, in each case, as at the relevant time and from time to time, excluding, for the avoidance of doubt, the Workwear Business.

"Business Day" means a day other than a Saturday or Sunday or public holiday in Belgium, England and Wales, Germany, Spain or The Netherlands.

"Buyer's Accountants" means Ernst and Young LLP of 1 More London Place, London SE1 2AF.

"Buyer's Bank Account" means account number 0071705, at Lloyds TSB plc, 53 King Street, Manchester M2 4LQ (sort code 30-95-42).

"Buyer's Completion Documents" has the meaning set out in sub-clause 15.1.1.

"Buyer's Group Undertaking" means the Buyer or an undertaking which is at the date of this Agreement, a subsidiary undertaking of the Buyer and includes, for the avoidance of doubt, each Group Company after Completion and **"Buyer's Group"** means all of them.

"Buyer's Solicitors" means Clifford Chance LLP of 10 Upper Bank Street, London E14 5JJ, United Kingdom.

"Carve-out Accounts" means the documents prepared by the Seller to present the trading performance of the Business for the financial periods ended 26 October 2008, 1 November 2009 and the financial period to 31 July 2010 (document entitled "Financial Databook - Profit & Loss", dated 19 October 2010), the financial position of the Business as at 26 October 2008, 1 November 2009 and 31 July 2010 and the cash flow information of the Business for the financial periods ended 26 October 2008, 1 November 2009 and the financial period to 31 July 2010 (both within the document entitled "Balance sheet and cash flow databook", dated 22 October 2010).

"Carve-out Accounts Date" means 31 July 2010.

"Cash" means the aggregate of all cash held by all Group Companies, comprising those items listed in section 4 of Part C of Schedule 6.

"Change of Control Consent Letter" means the consent letter in the agreed form from the relevant member(s) of the Group and/or the Seller's Group to the counterparties to the Change of Control Contracts seeking consent from such counterparties to the change of control of the Group Companies arising as a result of the Transaction.

"Change of Control Contracts" means those contracts, agreements, licenses, permits, leases, arrangements and/or commitments between (i) a member of the Group and/or the Seller's Group, and (ii) any third party which, as a result of the Transaction are, or may be, capable of termination or acceleration by such third parties (**"Relevant Contracts"**) set out in Part A of Schedule 13 or which are notified by the Buyer to the Seller not later than 7 Business Days prior to Completion as being Relevant Contracts.

"Circular" means the class 1 shareholder circular in a form reasonably satisfactory to the Buyer, containing the Resolution and the Recommendation, to be sent by the Seller to its shareholders.

"CISL" means Cosalt Industrial Services Limited, a company incorporated in England and Wales (registered no. 00553893), whose registered office is at 4 Origin Way, Europarc, Grimsby, South Humberside, DN37 9TZ.

"Commitments" means any and all indemnities, guarantees, sureties, Encumbrances, letters of comfort, letters of credit and/or other liabilities, obligations or commitments (whether actual or contingent, present or future).

"Company" means, other than when used in Schedule 3, each of the companies listed in Part A of Schedule 1 and **"Companies"** shall mean all of them.

"Competition Commission" means the UK competition commission.

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

"Completion Accounts" means the consolidated balance sheet for the Group (including the Aberdeen Business) as at the Effective Time and including therein (*inter alia*) a statement of the Actual Cash Amount, the Actual Net Debt Amount and the Actual Working Capital Amount, as agreed or determined in accordance with Schedule 6.

"Completion Date" means the date falling 10 Business Days after the date on which the last of the Conditions is satisfied or waived (or such other date as the parties may agree in writing).

"Condition" means a condition set out in Clause 3.1 and **"Conditions"** shall be construed accordingly.

"Confidential Information" means all information relating to the Business or the Group Companies which is not publicly available and which is confidential in nature, in each case, as at the date of this Agreement.

"Continuing Clauses" means Clauses 10 (*Termination of Agreement*), 18 (*Confidential Information*), 19 (*Announcements*), 20 (*Costs*), 21.1 to 21.6.2 and 21.8 (*General*), 22 (*Entire Agreement*), 24 (*Notices*), 25 (*Governing Law and Jurisdiction*) and 26 (*Counterparts*).

"Core Product" means any product and/or equipment supplied by the Business, other than any Non-Core Product.

"Cosalt International Limited" means Cosalt International Limited, a company incorporated in England and Wales (registered no. 553893), whose registered office is at 4 Origin Way, Europarc, Grimsby, South Humberside, United Kingdom, DN37 9TZ.

"Cosalt Offshore Business" means the business carried on by the Seller's Group as at the date of this Agreement (other than the Business carried on as at the date of this Agreement).

"CTA 2009" means the Corporation Tax Act 2009.

"CTA 2010" means the Corporation Tax Act 2010.

"Covenant Schedules" means the covenant schedules in the agreed form.

"Data Room" means all documents and information made available by or on behalf of the Seller for inspection by the Buyer and its advisers in the electronic data room titled "Project Alpha" hosted by Sterling XAG prior to the date of this Agreement.

"Deed of Apportionment" means the deed of apportionment and cessation in the agreed form to be entered into between (i) the Seller, (ii) Cosalt International Limited, and (iii) Frederick William Wood, Ronald Briggs Heaton, Paul Arthur Bradbury, Alan Smith and Rodger Vincent Whyte McCracken (as trustees) relating to the Cosalt plc Retirement Benefits Plan.

"Deeds of Release" means:

- (a) the deed of release in the agreed form to be entered into between HSBC Corporate Trustee Company (UK) Limited, as security trustee, the Seller, CISL and Cosalt International Limited; and
- (b) the deed of release in the agreed form to be entered into between the trustees of the Cosalt plc Retirement Benefits Plan, the Seller, CISL and Cosalt International Limited,

together with such other deeds of release or such other documents or agreements in a form reasonably satisfactory to the Buyer, in each case, as release and discharge, and evidence the release and discharge of, each relevant Group Company from any and all Encumbrances, guarantees or other forms of security over any and/or all of its assets or undertaking.

"Deed of Apportionment and Substitution" means the deed of apportionment and substitution of principal employer in the agreed form to be entered into between (i) the Seller, (ii) Cosalt International Limited, and (iii) Neil Carrick and Denise Robinson (as trustees) relating to the Sea-Dog Life Saving Appliances (Scotland) Limited Retirement Benefits Scheme (1992).

"Default Rate" means 4 per cent above the base rate from time to time of Lloyds Bank PLC.

"Determination Date" means the date on which the Completion Accounts are agreed or determined in accordance with the provisions of Schedule 6.

"Disclosed" means fairly disclosed (with sufficient details to allow the Buyer to identify the nature and scope of the matter disclosed) in or under the Disclosure Letter.

"Disclosure Letter" means the letter from the Seller to the Buyer in relation to the Warranties having the same date as this Agreement receipt of which has been acknowledged by the Buyer.

"Draft Completion Accounts" has the meaning given in paragraph 1 of Part A of Schedule 6.

"Dutch Pension Scheme #1" means the Aegon Optus Pension Plan;

"Dutch Pension Scheme #2" means Centraal Beheer Pension Plan;

"EBITDA" means, for any period, operating profit before interest, tax, depreciation and amortisation.

"Effective Time" means, in respect of a Group Company, immediately prior to Completion, or such other time and date as the Buyer and the Seller may agree in writing.

"Employees" means the individuals whose names appear in Parts A, B and C of Schedule 14, being the Aberdeen Employees, the Administrative Support Employees, and all of the employees of each Group Company (other than the Workwear Employees and the IT and Finance Support Employees) except in sub-clauses 11.1.12 and 11.1.13, paragraph 14.12 of Schedule 3 and the Tax Deed where "Employees" shall also include (i) any former employee of a Group Company (including, if the Employee Reorganisation (or any relevant part) takes place prior to Completion, the IT and Finance Support Employees and the Workwear Employees), (ii) contractors and former contractors to a Group Company (including, for the avoidance of doubt, the Transfer Contractors), and (iii) if the Employee Reorganisation (or any relevant part) does not take place prior to Completion, the IT and Finance Support Employees and the Workwear Employees, and **"Employee"** shall be construed accordingly.

"Employee Reorganisation" has the meaning given to it in Clause 5.8.

"Encumbrance" means a mortgage, charge, pledge, lien, option, restriction, right of first refusal or first offer, right of pre-emption, third party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect.

"Environment" means:

- (a) land, including, without limitation, surface land, sub-surface strata, sea bed and river bed under water (as defined in paragraph (b) below) and natural structures;
- (b) water, including, without limitation, coastal and inland waters, surface waters, ground waters and water in drains and sewers;
- (c) air, including, without limitation, air inside buildings and in other natural and man-made structures above or below ground; and
- (d) any and all living organisms or systems supported by those media.

"Environmental Claim" means a claim by the Buyer (for itself and/or on behalf of any Buyer's Group Undertaking) under any of the Environmental Warranties.

"Environmental Investigation" means a governmental or other investigation, enquiry or inspection made by a regulatory authority (including, without limitation any investigation, enquiry or inspection by the Health and Safety Executive) relating to the Environment or Environmental Matters.

"Environmental Law" means any international, European Union, national or local law or regulation relating to the Environment in force and enforceable at the date this Agreement, excluding any laws relating to town and country planning and/or zoning but including, without limitation, the Producer Responsibility Obligations (Packaging Waste) Regulations 2007.

"Environmental Matters" means, except in relation to town and country planning or zoning:

- (a) pollution or contamination of the Environment;
- (b) the generation, manufacture, processing, handling, storage, distribution, use, treatment, removal, transport, disposal, release, spillage, deposit or discharge of Hazardous Substances;
- (c) the exposure of any person (including Employees) or other living organism to Hazardous Substances; or
- (d) the creation of any noise, vibration, radiation, common law or statutory nuisance or other damage to, or material adverse impact on, the Environment.

"Environmental Permit" means any permit, licence, authorisation or approval required under or pursuant to Environmental Law for the operation of the Business or in connection with any activities or operations carried out by the Business as at the date of this Agreement.

"Environmental Proceeding" means a civil, criminal, arbitration, administrative or other proceeding, process or mediation under Environmental Law or in relation to Environmental Matters.

"Environmental Warranties" means the warranties in paragraphs 10.12 to 10.18 (inclusive) of Schedule 3.

"Estimated Cash Amount" means Best Estimate of the Actual Cash Amount.

"Estimated Inter-Group Payables" means the Best Estimate of the Actual Inter-Group Payables.

"Estimated Inter-Group Receivables" means the Best Estimate of the Actual Inter-Group Receivables.

"Estimated Inter-Group Trading Payables" means the Best Estimate of the Actual Inter-Group Trading Payables.

"Estimated Inter-Group Trading Receivables" means the Best Estimate of the Actual Inter-Group Trading Receivables.

"Estimated Net Debt Amount" means the Best Estimate of the Actual Net Debt Amount.

"Estimated Working Capital Adjustment Amount" means the Estimated Working Capital Amount less the Target Working Capital Amount, which amount may accordingly be a positive or negative number, as the case may be.

"Estimated Working Capital Amount" means the Best Estimate of the Actual Working Capital Amount.

"European Shares" means all of the issued shares in the capital of each Company, other than Cosalt International Limited.

"Event" means, other than when used in the Tax Deed, an event, matter, occurrence, circumstance, act, effect, state of facts or affairs, transaction or omission including, without limitation, a receipt or accrual of income or gains, distribution, failure to distribute, acquisition, disposal, transfer, payment, loan or advance.

"Exchange Rate" means, with respect to a particular currency or currencies for a particular day, the closing mid-point spot rate of exchange for such currency into sterling on such date as reported in the London edition of the Financial Times which is first published thereafter or, where no such rate is so reported in respect of that currency for such date, at the rate quoted by Lloyds Bank PLC as at close of business in London on such date.

"Exit" means the transition of the provision of the Services from the Group to the Seller's Group or any successor supplier.

"Exit Plan" means the plan, in a form reasonably satisfactory to the Buyer and the Seller, describing the respective rights and obligations of each of the Seller and Cosalt International Limited to ensure an Exit.

"February Accounts" means the consolidated balance sheet for the Business as at 28 February 2011, in the agreed form, prepared by the Seller and the Seller's Accountants in accordance with the Accounting Policies.

"February Accounts Date" means 28 February 2011.

"Final Consideration" means the aggregate of:

- (a) the Headline Price;
- (b) minus the Premium Contribution Amount;
- (c) plus the Actual Cash Amount (if any);
- (d) minus the Actual Net Debt Amount (which may be a positive or a negative number);
- (e) plus the Working Capital Adjustment Amount (if any) (which may be a positive or a negative number).

"Former Properties" means any properties previously owned, leased or occupied by any member of the Group, other than the Properties.

"Freehold Properties" means those freehold properties owned by the Seller and listed in Part A of Schedule 7.

"Fundamental Warranties" means the warranties set out in paragraphs 1, 3, 18 and 21.4 to 21.9 (inclusive) of Schedule 3, and **"Fundamental Warranty"** shall be construed accordingly.

"Fundamental Warranty Breach" means breach of any of the Fundamental Warranties.

"GE Vehicle Lease Agreements" means the vehicle lease agreements entered into between the Seller and GE Capital Fleet Services Limited, further details of which are set out in Part B of Schedule 11.

"Governmental Agency" means any supra national, national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof) or any quasi governmental or private body exercising any regulatory, taxing, importing or other governmental or quasi governmental authority, including, without limitation, the European Union, the UK Pension Regulator, the UK Listing Authority and the Office of Fair Trading.

"Group Business" means the business of and relating to the provision of (i) safety equipment and products (other than the sale of Lifeboats and Lifeboat Equipment to MED SOLAS Regulations) to or for use in industry sectors supplied, serviced or served by the Group as at the date of this Agreement (other than the oil and gas and renewables industry sectors), and (ii) safety and equipment services to or for use in industry sectors supplied, serviced or served by the Group as at the date of this Agreement (other than the oil and gas and renewables industry sectors), but excluding in all cases Workwear Business.

"Group Company" means any of the Companies or the Subsidiary Undertaking and **"Group"** means all of them.

"Headline Price" means £31,000,000.

"Hazardous Substance" means any substance capable (whether alone or in combination with any other) of causing pollution or contamination, harm or damage to the Environment or human health or welfare, including any waste.

"HMRC" means HM Revenue & Customs.

"HSBC Vehicle Lease Agreements" means the vehicle lease agreements entered into between the Seller and HVF Limited, further details of which are set out in Part A of Schedule 11.

"Indebtedness" means all indebtedness and/or borrowings in the nature of indebtedness comprised in any of the items listed in Section 2 of Part C of Schedule 6, in each case, owed by or to any of the Group Companies (other than to or by, as the case may be, any other Group Companies).

"Indebtedness Schedule" has the meaning set out in Clause 8.7.1.

"Inter-Group Trading Schedule" has the meaning set out in Clause 8.5.1.

"ING Leases" means each of the liferaft finance lease agreements between Cosalt NV and ING Equipment Lease Belgium NV.

"Initial Consideration" means the aggregate of:

- (a) the Headline Price;
- (b) minus the Premium Contribution Amount;
- (c) plus the Estimated Cash Amount (if any);
- (d) minus the Estimated Net Debt Amount (which may be a positive or a negative number);
- (e) plus the Estimated Working Capital Adjustment Amount (if any) (which may be a positive or a negative number).

"Insolvency Event" means if:

- (a) any member of the Seller's Group is (or could be deemed by law or a court to be) insolvent or unable to pay its debts (as defined in section 123 of the Insolvency Act 1986), stops, suspends or threatens to stop or suspend payment of all or any material part of its indebtedness or commences negotiations with any one or more of its creditors with a view to the general readjustment or re-scheduling of all or any material part of its indebtedness or makes a general assignment for the benefit of, or composition with, its creditors or a moratorium is agreed or declared in respect of, or affecting, all or a material part of its indebtedness;
- (b) any member of the Seller's Group takes any corporate action or other steps are taken or legal or other proceedings are started for its winding-up, dissolution or re-organisation (other than the Aberdeen Business Transfer and the Workwear Business Transfer) (other than for the purposes of a bona fide, solvent scheme of reconstruction or amalgamation previously approved by requisite resolution) or in the event that a receiver, administrator, administrative receiver, trustee or similar officer is appointed of it or of any or all of its assets (other than for the purposes of any bona fide solvent reorganisation including the dissolution or winding up of any dormant subsidiaries);
- (c) anything analogous to or having a substantially similar effect to any of the events specified in sub-paragraphs (a) and (b) above shall occur under the laws of any applicable jurisdiction; and
- (d) any encumbrance on or over the assets of any member of the Seller's Group is or becomes enforceable and/or any step (including the taking of possession or the appointment of a receiver, manager or similar person) is taken to enforce that encumbrance.

"Intellectual Property" means patents, registered and unregistered designs, copyright, database rights, trademarks, service marks, logos, trading names, internet domain names, copyright (including rights in computer software) and other rights of the same or similar effect as any of the foregoing anywhere in the world, in each case whether registered or not, including pending applications for registration of such rights.

"Intellectual Property Rights" means all Intellectual Property owned, used or held for use in or by the Business or by any Group Company in, or in connection with, the Business together with the Assigned IPRs.

"Inter-Group Payable" means, in relation to each Group Company, any indebtedness owing by that Group Company to any Seller's Group Undertaking (other than a Group Company) as at the Effective Time, but excluding for the avoidance of doubt, any Inter-Group Trading Payables, and **"Inter-Group Payables"** shall be construed accordingly.

"Inter-Group Receivable" means, in relation to each Group Company, any indebtedness owing by a Seller's Group Undertaking (other than a Group Company) to that Group Company as at the Effective Time, but excluding for the avoidance of doubt, any Inter-Group Trading Receivables, and **"Inter-Group Receivables"** shall be construed accordingly.

"Inter-Group Trading Payables" means all amounts payable by any member(s) of the Group to the Seller's Group (excluding the Group) in respect of trading payables incurred in the normal operation of the Business in the ordinary course of trading as at the Effective Time.

"Inter-Group Trading Receivables" means all amounts payable by any member(s) of the Seller's Group (excluding the Group) to any member of the Group in respect of trading receivables incurred in the normal operation of the Business in the ordinary course of trading as at the Effective Time.

"IP Assignment Agreements" means the patent assignment, the trade mark assignments and the patent and registered design assignment, in each case, in the agreed form pursuant to which any Intellectual Property Rights owned by a Seller's Group Undertaking (other than a Group Company) will be assigned to Cosalt International Limited.

"Irrevocable Undertakings" means the irrevocable undertakings in the agreed form to be given by shareholders of the Seller holding not less than 34.7% of the issued share capital of the Seller at the date of this Agreement undertaking to vote all shares held by each of them in the Seller in favour of the Resolution.

"IT and Finance Support Employee" means any of the 3 employees named on the list at Part D of Schedule 14 who perform IT or finance support roles and whose employment it is intended will transfer to the Seller or another Seller's Group Company (other than the Group Companies) prior to Completion pursuant to the Employee Reorganisation, together with any person who the parties agree should be added to that list; and **"IT and Finance Support Employees"** shall be construed accordingly.

"IT Systems" means the information and communications technologies used by the Business and/or the Group Companies (including hardware, proprietary and third party software, services, networks, peripherals and associated documentation) which are material to the operations of the Business and/or the Group Companies, but excluding any that are provided under the Transitional Services Agreement.

"June Working Capital Projections" means the information contained in the document with reference number 8.7.6 in the Data Room.

"Key Employee" means Andrew Richards, Eloy Vinas, Miguel Romero, Jesus Lopez, Sue Else, Walter Van Boghout, Johan Van De Velde, Wim Hoogstad, Ralf-Thomas Rapp and Mireia Beltran.

"Key Transfer Contractor" means Johan Denis (through Mani BV) and Kurt Schoenvliet.

"KPMG Steps Plan" means the paper prepared by the Seller's Accountants setting out the steps and actions required to settle and discharge the intra-group debts and intra-group trade debts as between members of the Seller's Group, in each case, from time to time.

"Land Registry" means the land registry of England and Wales.

"Last Accounting Date" means 1 November 2009.

"Lease Assignment Agreements" means the agreements in the agreed form, or in such other form as is reasonably satisfactory to the Buyer, pursuant to which the leasehold interest in the Leasehold Properties set out in Part B of Schedule 7 will be assigned by the relevant Seller's Group Undertaking to Cosalt International Limited.

"Lease Guarantees" means any guarantee (including any authorised guarantee agreements (AGAs) and other guarantee agreements) given by a member of the Seller's Group (other than the Group) in respect of the leasehold properties detailed in Part B of Schedule 9.

"Leasehold Properties" means the properties held by a Seller's Group Undertaking or a Group Company under a lease and in respect of which details are set out in Parts B, C, D and E of Schedule 7 and **"Leasehold Property"** means any one of the Leasehold Properties.

"Loan Note Instrument" means the loan note instrument of the Seller constituting the Loan Notes to be executed as a deed poll on or around the date of this Agreement.

"Loan Notes" means up to £2,000,000 Series A unsecured floating rate loan notes due 2012 of the Seller to be issued pursuant to the Loan Note Instrument.

"Local Transfer Agreements" means the local transfer agreements or documents, in the agreed form, required under relevant local law and/or regulation to transfer the Shares on Completion, to be executed by the Seller and the Buyer or such other member(s) of the Seller's Group or the Buyer's Group as is nominated by the Seller and/or the Buyer respectively, and **"Local Transfer Agreement"** means any one of them.

"Longstop Date" means:

- (a) 30 September 2011; or
- (b) such later date as the parties may agree in writing.

"Losses" means losses, damages, liabilities, obligations, claims, costs and expenses including fines, penalties, clean up costs, reasonable legal and other professional fees, and Tax (including, for the avoidance of doubt, any VAT not recoverable as input tax) payable in relation to any matter, circumstance, item or Event, and **"Loss"** shall be construed accordingly.

"Major Customer" means a customer of the Business in respect of which:

- (a) the Business has generated Overlap Business revenue of £25,000 or more in either (i) the 12 months immediately preceding the date of this Agreement, and/or (ii) the 12 months immediately preceding the Completion Date; and
- (b) the Cosalt Offshore Business has not generated Overlap Business revenue of £25,000 or more in the 12 months immediately preceding the date of this Agreement,

provided that, when calculating or determining the relevant Overlap Business revenue, if an amount is expressed in a currency other than sterling, then such amount shall be translated into sterling at the Exchange Rate prevailing on the last day of the relevant 12 month period.

"Managed Payment Plan" means all and any outstanding amounts of VAT, National Insurance Contributions and Pay-As-You-Earn liabilities under any agreed payment plan entered into before the Completion Date between any member of the Seller's Group and HMRC relating to due but unpaid taxes.

"Management Accounts" means, in relation to each Group Company, the individual unaudited management accounts for each monthly period from 31 July 2010 to 31 March 2011.

"Net Debt Amount" means any Indebtedness owed by any of the Group Companies minus any Indebtedness owed to any of the Group Companies.

"New Articles" means the new articles of association of Cosalt International Limited in the agreed form to be adopted on Completion.

"New Leases" means:

- (a) the leases in their agreed forms, or in such other form as is reasonably satisfactory to the Buyer and the Seller, to be entered into on the Completion Date between the Seller and Cosalt International Limited relating to the Freehold Properties;
- (b) the sub-leases in a form reasonably satisfactory to the Buyer and the relevant member of the Seller's Group to be entered into on the Completion Date between the relevant member of the Seller's Group (or, in the case of the sub-lease of the property known as Mumby Road, Gosport, Crewsaver Limited) and Cosalt International Limited relating to the leasehold properties set out in Part D of Schedule 7; and
- (c) the lease in an agreed form, or in such other form as is reasonably satisfactory to the Buyer, to be entered into on or prior to the Completion Date between (1)

Addpace Limited, (2) Cosalt International Limited, and (3) the Seller relating to the Leasehold Property set out in Part E of Schedule 7.

"Non-Core Product" means any of the following products and/or equipment: Lifebuoys and Lifebuoy Housings, Helideck Safety Equipment, Perimeter and Landing Nets, Safety Equipment Storage Lockers and Cabinets, Breathing Apparatus (including, Smoke Hoods, Re-breathers and EEBD's), Platform Evacuation Equipment (including Ladders, Nets, Knotted Ropes and Personal Descent Devices), Marine First Aid Kits, Safety Signage to IMO Regulations, Fire Extinguishers and other Marine Fire Fighting Equipment, in each case, as supplied by the Business at the date of this Agreement.

"Notification Change of Control Contracts" means those contracts, agreements, licenses, permits, leases, arrangements and/or commitments between a member of the Group and/or the Seller's Group and any third party which, as a result of the Transaction, require notification to such third party ("**Relevant Notice Contracts**") as set out in Part B of Schedule 13 together with any other Relevant Notice Contracts which are notified by the Buyer to the Seller not later than 7 Business Days prior to Completion.

"Notification Change of Control Letter" means the notification letter in the agreed form from the relevant member(s) of the Group and/or the Seller's Group to the counterparties to the Notification Change of Control Contracts notifying such counterparties of the change of control of the Group Companies arising as a result of the Transaction.

"Overlap Business" means the provision or supply of lifting and testing, gas detection and/or fall arrest products, equipment and/or services.

"Overlap Business Acquisition" means, in the case of the Seller's Group, any acquisition by a member of the Seller's Group of a business or of a company from a bona fide third party unaffiliated and unconnected with any member of the Seller's Group or any of their respective directors, where such business or company conducts Overlap Business.

"Overlap Business Transfer" means:

- (a) in the case of the Business and the Buyer's Group, a separate transfer or disposal by the Buyer (or any member of the Buyer's Group) of all and only the Overlap Business of the Business (excluding, for the avoidance of doubt, any transfer or disposal of the Overlap Business of the Business which forms part of a larger transfer or disposal transaction by the Buyer's Group) to a third party bona fide purchaser (excluding, for the avoidance of doubt, any member of the Buyer's Group); or
- (b) in the case of the Cosalt Offshore Business and the Seller's Group, a separate transfer or disposal by the Seller (or any member of the Seller's Group) of all and only the Overlap Business of the Cosalt Offshore Business (excluding, for the avoidance of doubt, any transfer or disposal of the Overlap Business of the Cosalt Offshore Business which forms part of a larger transfer or disposal

transaction by the Seller's Group) to a third party bona fide purchaser (excluding, for the avoidance of doubt, any member of the Seller's Group).

"Permit" means:

- (a) a permit, licence, permission, consent, approval, certificate, qualification, specification, registration or other authorisation; or
- (b) a filing of a notification, report or assessment,

in each case, necessary for the effective operation of the Business, its ownership, possession, occupation or use of an asset or the execution or performance of this Agreement.

"Premium Contribution Amount" means £100,000.

"Previous Acquisition / Disposal Document" means any contract, agreement, transaction, arrangement and/or commitment entered into by any member of the Group, GTC Group Limited or by any other Seller's Group Undertaking prior to the date of this Agreement in relation to (a) the disposal of any shares or the whole or a significant part of the business or undertaking of any member of the Group or the Aberdeen Business, or (b) the acquisition by any member of the Group of any shares or the whole or a significant part of the business or undertaking of any third party, including, without limitation, any contracts, agreements, transactions, arrangements and/or commitments contained in the Data Room in respect of any such disposals or acquisitions.

"Previous Announcements" means all documents issued and announcements made by or on behalf of the Seller or any member of the Group to the public or the press through a Regulatory Information Service in the two year period prior to the date of this Agreement which relate or refer to (a) any fraud or wilful concealment in relation to any member of the Seller's Group and/or the Business, or (b) any manipulation or mismanagement of the working capital of any member of the Seller's Group and/or the Business.

"Properties" means the properties, details of which are set out in Schedule 7, and **"Property"** means any one of them.

"Property Permit" means any permit, licence, authorisation or approval concerned with a Property, its ownership, occupation, possession or existing use, but excluding any Environmental Permit.

"Property Proceeding" means a civil, criminal, arbitration, administrative or other proceeding concerning a Property.

"Recommendation" means the unanimous recommendation from the directors of the Seller included within the Circular.

"Relief" has the meaning given in the Tax Deed.

"Reporting Accountants" means an independent firm of chartered accountants of international repute to be agreed upon by the Buyer and the Seller or, failing

agreement as to their identity within five Business Days of service of the Appointment Notice, to be identified, on the application in writing of either the Buyer or the Seller, by the President for the time being of the Institute of Chartered Accountants in England and Wales or in his/her absence a suitable deputy, and whose terms of appointment shall be agreed or determined in accordance with Schedule 6.

"Resolution" means the ordinary resolution of the Seller's shareholders in the agreed form or such other form as is satisfactory to the Buyer (in its sole discretion) approving the Transaction to be submitted to the shareholders of the Seller at a general meeting of the Seller.

"Reverse Transitional Services Agreement" means the agreement in the agreed form to be entered into between the Seller and Cosalt International Limited in respect of the provision of certain services to the Group by the Seller's Group after Completion.

"Reviewed Documents Index" means the index in the agreed form detailing the documents contained in the Data Room which have been reviewed by the Buyer or its advisers prior to the date of this Agreement.

"SEET Scheme" means the Scottish English & European Textiles Retirement Benefit Scheme.

"Seller's Accountants" means KPMG LLP of 1 The Embankment, Neville Street, Leeds LS1 4DW.

"Seller's Completion Documents" has the meaning given in paragraph 1.1 of Schedule 3.

"Seller's Directors" means the directors of the Seller from time to time.

"Seller's Group Undertaking" means the Seller or an undertaking which is, on or at any time after the date of this Agreement, a subsidiary undertaking or parent undertaking of the Seller or a subsidiary undertaking of a parent undertaking of the Seller (but excluding, from Completion, any Group Company) and **"Seller's Group"** means all of them.

"Seller's Solicitors" means Osborne Clarke of Apex Plaza, Forbury Road, Reading RG1 1AX.

"Seller's Solicitors Account" means Nat West Bank, 32 Corn Street, Bristol City Office, A/c No: 00708542, Sort code: 56 00 05.

"Services" means the services to be provided by the Group to the Seller's Group after Completion under the Transitional Services Agreement.

"Shares" means the UK Shares and the European Shares.

"Subsidiary Shares" means the shares in the Subsidiary Undertaking.

"Subsidiary Undertaking" means Cosalt B.V., details of which are listed in Part B of Schedule 1.

"Target Working Capital Amount" means £8,543,000.

"Tax" and **"Taxation"** have the meaning given in the Tax Deed.

"Taxes Act" means the Income and Corporation Taxes Act 1988.

"Tax Authority" and **"Taxing Authority"** have the meaning given in the Tax Deed.

"Tax Claim" means a claim by or on behalf of the Buyer (for itself and/or on behalf of any Buyer's Group Undertaking) under or pursuant to or for breach of the Tax Warranties and/or the Tax Deed.

"Tax Deed" means the tax deed in the agreed form between the Seller and the Buyer.

"Tax Warranties" means the Warranties in paragraph 6 of Schedule 3.

"TCGA" means the Taxation of Chargeable Gains Act 1992.

"Transaction" means the sale and purchase of the entire issued share capital of the Companies pursuant to, and the other transactions contemplated by, this Agreement.

"Transaction Documents" has the meaning given to it in Clause 22.1.

"Transfer Contractor" means any contractors or consultants who are necessary for the effective running of the Business whose services the Buyer and/or the Business will require after Completion and **"Transfer Contractors"** shall be construed accordingly.

"Transfer Legislation" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 or similar local legislation.

"Transitional Services Agreement" means the agreement in the agreed form to be entered into between the Seller and Cosalt International Limited in respect of the provision of certain services to the Seller's Group by the Group after Completion.

"UK GAAP" means all Statements of Standard Accounting Practice, the Financial Reporting Standards and Urgent Issues Task Force Abstracts issued by the Accounting Standards Board, and extant and mandatory at the date to which the relevant accounts are prepared.

"UK Shares" means all of the issued shares in the capital of Cosalt International Limited.

"VAT" means:

- (a) any tax imposed in compliance with the council directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for or levied in addition to, such tax referred to in (a), or elsewhere.

"Warranty" means a statement contained in Schedule 3 and **"Warranties"** means all those statements.

"Warranty Claim" means any claim by or on behalf of the Buyer (for itself and/or on behalf of any Buyer's Group Undertaking) under or pursuant to or for breach of the provisions of Clause 9.1.

"Working Capital" means the working capital of the Business comprising those items listed in section 3 of Part C of Schedule 6, under the heading Working Capital (excluding, for the avoidance of doubt, Cash and Indebtedness).

"Working Capital Adjustment Amount" means the amount by which the Actual Working Capital Amount is greater than the Target Working Capital Amount (a plus amount) or, as the case may be, the amount by which the Actual Working Capital Amount is less than the Target Working Capital Amount (a minus amount).

"Working Capital Schedules" means the Covenant Schedules and those schedules contained in the document with reference number 19.2 in the Data Room.

"Working Capital Report" means the working capital report on the Seller's Group's working capital prepared by the Seller's Accountants which supports the working capital statement in Part VI of the Circular.

"Workwear Business" means the business and assets known as the Cosalt Workwear business, primarily being the supply and manufacture of workwear, personal protective garments and certain products and services ancillary thereto to, inter alia, the following onshore markets: Laundry, Fire, Rail, Police, MOD (cold weather aircrew) and the Motor Industry, and Marine Fire Suits to the Royal Navy, in each case, carried on predominantly (but not exclusively) by Cosalt International Limited from premises in Stockport, Barnsley and, in respect of managed service fire brigade contracts, the South East of England.

"Workwear Business Transfer" means the transfer of the Workwear Business pursuant to the Workwear Business Transfer Agreement.

"Workwear Business Transfer Agreement" means the business transfer agreement in the agreed form or such other form as is acceptable to the Buyer (in its sole discretion) relating to the transfer of the Workwear Business to Ballyclare Limited to be entered into on or before Completion.

"Workwear Employee" means any of the 69 employees named on the list at Part E of Schedule 14 who are assigned to the Workwear Business and whose employment it is intended will transfer to Ballyclare Limited prior to Completion pursuant to the Employee Reorganisation, together with any person who the parties agree should be added to that list; and **"Workwear Employees"** shall be construed accordingly.

"YAK Trademark" means the trademark registered in the name of the Seller (and/or such other member of the Seller's Group) with trademark number 1536941 (YAK).

- 1.2 In this Agreement, a reference to:
- 1.2.1 a "**subsidiary undertaking**" or "**parent undertaking**" is to be construed in accordance with section 1162 (and Schedule 7) of the Act and to a "**subsidiary**" or "**holding company**" is to be construed in accordance with section 1159 of the Act;
 - 1.2.2 liability under, pursuant to or arising out of (or any analogous expression) any agreement, contract, deed or other instrument includes a reference to contingent liability under, pursuant to or arising out of (or any analogous expression) that agreement, contract, deed or other instrument;
 - 1.2.3 a document in the "**agreed form**" is a reference to a document in a form approved and for the purposes of identification initialled by or on behalf of each party;
 - 1.2.4 a statutory provision includes a reference to the statutory provision as modified or re-enacted or both from time to time before the date of this Agreement and any subordinate legislation made under the statutory provision (as so modified or re-enacted) before the date of this Agreement;
 - 1.2.5 a "**person**" includes a reference to any individual, firm, company, corporation or other body or body corporate, government, state or agency of a state or any joint venture, association or partnership, works council or employee representative body (whether or not having separate legal personality);
 - 1.2.6 a "**party**" includes a reference to that party's successors and permitted assigns;
 - 1.2.7 a clause, paragraph or Schedule, unless the context otherwise requires, is a reference to a clause or paragraph of, or schedule to, this Agreement;
 - 1.2.8 any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include that which most nearly approximates in that jurisdiction to the English legal term and to any English statute shall be construed so as to include equivalent or analogous laws of any other jurisdiction; and
 - 1.2.9 a time of the day is to London time.
- 1.3 In this Agreement, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words. Any phrase introduced by the terms "other", "including", "include" and "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.4 The headings in this Agreement do not affect its interpretation.
- 1.5 Where it is necessary to determine whether a monetary limit or threshold referred to in this Agreement has been reached or exceeded where that sum is expressed in a currency other than sterling, then such sum shall be translated into sterling at the

Exchange Rate at close of business in London on the date of this Agreement or, in the case of a claim against the Seller under the Warranties or the Tax Deed, on the date of receipt by the Seller of written notification from the Buyer of the existence of such claim in accordance with paragraph 2 of Schedule 4 (or, if such day is not a Business Day, on the Business Day immediately preceding such day).

- 1.6 Where any monetary sum to be taken into account in calculating the Initial Consideration, Final Consideration, Actual Cash Amount, Actual Net Debt Amount, Estimated Cash Amount, the Estimated Net Debt Amount, Estimated Inter-Group Payables and/or Estimated Inter-Group Receivables is expressed in a currency other than sterling, that sum shall be translated into sterling at the Exchange Rate, in the case of "Estimated" amounts, on the date on which such amounts are actually calculated and, in the case of "Actual" amounts, on the Completion Date.
- 1.7 Where any monetary sum to be taken into account in calculating the Estimated Working Capital Amount, Estimated Working Capital Adjustment Amount, Estimated Inter-Group Trading Payables, Estimated Inter-Group Trading Receivables, Actual Working Capital Amount, Working Capital Adjustment Amount, Actual Inter-Group Trading Payables and/or Actual Inter-Group Trading Receivables is expressed in a currency other than sterling, that sum shall be translated into sterling at the same Exchange Rate used to calculate the Target Working Capital Amount.
- 1.8 A reference in Schedule 3 to the Seller's knowledge, information or belief or the Seller's awareness or any similar expression is deemed to include the knowledge, information, belief and awareness of the individuals listed in Part A of Schedule 12, having made all due and careful enquiries of the individuals listed in Part B of Schedule 12.

2. **SALE AND PURCHASE**

- 2.1 The Seller agrees to (i) sell the European Shares, and (ii) procure the sale by CISL of the UK Shares, in each case with full title guarantee and the Buyer agrees to buy, or procure the purchase of, the European Shares and the UK Shares, in each case with each right attaching to the Shares at or after Completion and free of any Encumbrance.
- 2.2 The Seller waives (and agrees to procure that any other person waives) all rights of pre-emption (if any) and other restrictions on transfer over the Shares conferred on it (or such person) no later than Completion so as to permit the sale and purchase of the Shares free of any Encumbrance.
- 2.3 The Buyer and/or the relevant member of the Buyer's Group shall be entitled to exercise all rights attached or accruing to the Shares including the rights to receive all dividends, distributions or returns of capital declared, paid or made in respect of the Shares on or after Completion.

3. CONDITIONS

3.1 Completion is conditional upon satisfaction of the following Conditions:

- 3.1.1 the Office of Fair Trading deciding in terms satisfactory to the Buyer not to refer the Transaction or any matter arising therefrom to the Competition Commission and the expiry of the period during which an application may be made to the Competition Appeal Tribunal under s.120 of the Enterprise Act 2002 for a review of such decision without any such application having been made;
- 3.1.2 the prohibition on Completion contained in s.41(1) of the German Act against Restraints of Competition (*Gesetz gegen Wettbewerbsbeschaenkungen - GWB*) being lifted as a result of the German Federal Cartel Office (*Bundeskartellamt*):
 - (a) failing to inform the Buyer within one month of receipt of a complete notification (s.40(1) GWB) that it intends to initiate an in-depth investigation of the Transaction (*Hauptpruefverfahren*) under s.40(2) GWB; or
 - (b) after receipt of a complete notification (s.40(1) GWB), approving the Transaction by informing the Buyer in writing that the preconditions for prohibition in s.36(1) GWB are not met and that it therefore does not intend to initiate an in-depth investigation of the Transaction (*Hauptpruefverfahren*) under s.40(2) GWB;
- 3.1.3 the Seller obtaining written consent in a form reasonably satisfactory to the Buyer from ING Equipment Lease Belgium NV to the change of control of Cosalt NV in relation to the ING Leases;
- 3.1.4 the Seller's shareholders passing the Resolution without amendment;
- 3.1.5 consent being received in writing from any landlord and/or any other persons whose consent is required including, without limitation, HSBC Bank plc to the grant of the New Leases and the assignment of the leases of the Leasehold Properties set out in Part B of Schedule 7, in each case to Cosalt International Limited;
- 3.1.6 completion of the Aberdeen Business Transfer by no later than 10 Business Days after the date of this Agreement;
- 3.1.7 completion of the Workwear Business Transfer by no later than 10 Business Days after the date of this Agreement;
- 3.1.8 completion of the Employee Reorganisation by no later than 10 Business Days after the date of this Agreement;
- 3.1.9 the receipt of evidence of clearance of the requisite aspects of the Transaction by the Pensions Regulator, or such other comfort or confirmation from the Pensions Regulator in relation to the Transaction and/or in relation to the

Cosalt plc Retirement Benefits Scheme on terms reasonably satisfactory to the Seller and the Buyer;

- 3.1.10 the receipt of evidence of clearance of the requisite aspects of the Transaction by the Pensions Regulator, or such other comfort or confirmation from the Pensions Regulator in relation to the Transaction and/or in relation to the SEET Scheme on terms reasonably satisfactory to the Seller and the Buyer;
 - 3.1.11 the Seller making public its 2010 Audited Accounts and delivering a certified copy of the 2010 Audited Accounts duly signed by or on behalf of the Seller's Directors and the Seller's Accountants no later than 7 Business Days after the date of this Agreement; and
 - 3.1.12 the Seller despatching the Circular to its shareholders and delivering a certified copy of the issued Circular to the Buyer no later than 20 Business Days after the date of this Agreement.
- 3.2 The Buyer hereby undertakes at its own expense to use all reasonable endeavours to satisfy, or procure the satisfaction of, the Conditions set out in sub-clauses 3.1.1 and 3.1.2 (the "**Anti-trust Conditions**" and each an "**Anti-trust Condition**") as soon as possible after the date of this Agreement provided that the Buyer shall not have any obligation to propose or accept any remedies or conditions or to give any commitments, undertakings or mitigation, including divestments, in order to satisfy or procure satisfaction of the Anti-trust Conditions, and shall bear its own filing fees and costs incurred in relation to such and any other anti-trust filing required to be made in any jurisdiction in connection with the Transaction.
- 3.3 The Buyer shall, to the extent that a draft filing in respect of the Anti-trust Condition set out in sub-clause 3.1.1 has not already been submitted prior to the date of this Agreement, submit a draft filing to the Office of Fair Trading no later than 10 Business Days after the date of this Agreement.
- 3.4 The Seller shall use all reasonable endeavours to achieve satisfaction of each Condition set out in sub-clauses 3.1.3 to 3.1.12 (inclusive) (including execution of all documentation required by any landlord or any other person in order to satisfy the Condition set out in sub-clause 3.1.5) as soon as possible after the date of this Agreement and the Seller shall bear all costs and expenses of the Seller's Group (including the Group Companies) in respect of such Conditions and shall indemnify the Buyer (for itself and on behalf of each Group Company) in respect of all such costs and expenses.
- 3.5 Each of the parties agrees:
- 3.5.1 to the extent permitted by law, to co-operate with one another in good faith with a view to satisfying the Conditions, including providing all information reasonably required by the other party in relation to their respective businesses or, in respect of the Seller, the business of the Group and providing all information required by any Governmental Agency to such Governmental Agency; and

- 3.5.2 regularly updating the other on the progress of obtaining approvals, consents modifications or waivers and promptly informing the other of the satisfaction of any Condition as appropriate.
- 3.6 If, at any time, a party becomes aware of an Event that is reasonably likely to prevent a Condition being satisfied, it shall (subject always to any regulatory or legal requirements applicable to any party regarding the disclosure of information) inform the other party of the matter as soon as reasonably practicable.
- 3.7 Satisfaction of any or all of the Conditions (other than the Condition set out in sub-clause 3.1.4) may be waived by the Buyer by giving notice to the Seller in writing at any time prior to the Longstop Date.
- 3.8 If either the Office of Fair Trading (in respect of the Anti-trust Condition set out in sub-clause 3.1.1) or the German Federal Cartel Office (in respect of the Anti-trust Condition set out in sub-clause 3.1.2) decide to refer the Transaction to a "phase II" investigation or similar investigation or review period (a "**Phase II Referral**") then this Agreement shall automatically terminate upon the date which is the earlier of (i) 10 Business Days after the date upon which the Buyer is notified of the Phase II Referral, and (ii) the Longstop Date, unless the parties otherwise agree in writing or the Buyer elects to waive the relevant Anti-trust Condition in accordance with Clause 3.7.
- 3.9 If each Condition has not been satisfied (or, where applicable, waived) by 11.59 p.m. on the Longstop Date, this Agreement shall automatically terminate with immediate effect.
- 3.10 If this Agreement terminates pursuant to Clause 3.8, each party's further rights and obligations (except those under the Continuing Clauses, which shall continue) cease immediately on termination, but termination does not affect a party's accrued rights and obligations at the time of termination.

4. **FINAL CONSIDERATION**

- 4.1 The aggregate consideration payable by the Buyer for the purchase of the Shares shall be the Final Consideration.
- 4.2 On the fifth Business Day before the Completion Date, the Seller undertakes to notify the Buyer in writing of:
- 4.2.1 the Estimated Cash Amount;
- 4.2.2 the Estimated Net Debt Amount; and
- 4.2.3 the Estimated Working Capital Amount.
- 4.3 At Completion the Buyer shall pay to the Seller (for itself and as trustee for CISL) the Initial Consideration on account of the Final Consideration.
- 4.4 Following Completion, the Completion Accounts shall be prepared in accordance with Schedule 6 and the Final Consideration agreed or determined in accordance with Schedule 6.

- 4.5 If the Final Consideration:
- 4.5.1 exceeds the Initial Consideration, the Buyer shall pay to the Seller (for itself and as trustee for CISL) an amount equal to such excess;
 - 4.5.2 is less than the Initial Consideration, the Seller shall pay to the Buyer an amount equal to such shortfall,
- in each case, in accordance with the provisions of Clause 4.6.
- 4.6 Payments made by the Seller or the Buyer pursuant to Clause 4.5 shall be made by transfer of funds for same day value (in the case of payments to the Seller, to the Seller's Solicitor's Account and in the case of payments to the Buyer, to the Buyer's Bank Account), within 5 Business Days of the Determination Date without set off, deduction or withholding (except as required by law or otherwise permitted by this Agreement).
- 4.7 Any amount payable under Clause 4.5 shall be paid together with an amount equivalent to interest accruing thereon during the period from and including the Completion Date to but excluding the date of payment, at the Agreed Rate, such interest to be calculated on the basis of a 365-day year and actual days elapsed, and to accrue daily (but without compounding).
- 4.8 The Seller agrees that any sums payable to the Seller and/or CISL pursuant to this Agreement shall be paid by the Buyer to the Seller's Solicitor's Account whose receipt shall constitute a full discharge of the Buyer's obligations to make any such payment and the Buyer shall not be concerned with the application of any such amount.
- 4.9 Any payment which may be made pursuant to Clause 4.5 shall be treated as an adjustment to the Initial Consideration.
- 4.10 For tax and administrative purposes only:
- 4.10.1 the enterprise value of each Group Company shall be calculated by reference to the percentage allocations of the Headline Price less the Premium Contribution Amount set out in Schedule 8; and
 - 4.10.2 the equity value of each Group Company shall be calculated and derived by the Buyer (acting reasonably and in good faith) by reference to, and taking into account, such allocated enterprise values, the Final Consideration, the components comprising the Final Consideration and such other matters as may reasonably be considered in relation thereto.

5. **PRE-COMPLETION MATTERS**

- 5.1 The Seller shall, or shall procure that each Group Company and the Seller's Group (in relation to the Aberdeen Business) will (in relation to information in its possession or control), promptly provide the Buyer and the Buyer's Accountants with all information relating to the operations of the Business (and the opportunity to take copies of the same) including access at all reasonable times to the Group and GTC Group Limited and the employees and directors of the Group and GTC Group

Limited (who shall give such explanations as the Buyer and/or the Buyer's Accountants may reasonably require), books, records and other relevant information and all co-operation and assistance in each case, as may be reasonably required by the Buyer and/or the Buyer's Accountants including, without limitation, for the purpose of allowing it or them to observe and have visibility as to the preparation of, and to review and evaluate, the Estimated Cash Amount, the Estimated Net Debt Amount, the Estimated Working Capital Amount, the Indebtedness Schedule, the Inter-Group Trading Schedule and the KPMG Steps Plan.

- 5.2 Upon the date of this Agreement, the Seller shall deliver to the Buyer signed and dated Irrevocable Undertakings from shareholders of the Seller holding not less than 34.7% of the issued ordinary share capital of the Seller on the date of this Agreement.
- 5.3 As soon as practicable after the date of this Agreement, the Seller shall, or shall procure that the relevant Seller's Group Undertaking shall, notify in writing by Royal Mail Special Delivery and/or such other delivery service as requires signed evidence of receipt by or on behalf of the addressee:
- 5.3.1 all third parties which are counterparties to any Notification Change of Control Contracts of the proposed change of control of the relevant Group Company arising as a result of the Transaction, in the form of the Notification Change of Control Letter; and
- 5.3.2 all third parties which are counterparties to any Change of Control Contracts of the proposed change of control of the relevant Group Company arising as a result of the Transaction, in the form of the Change of Control Consent Letter.
- 5.4 The Seller agrees and undertakes to use reasonable endeavours to obtain prior to Completion all necessary consents from the relevant counterparties to the Change of Control Contracts. Without prejudice to the provisions of Clause 10.1, and except as provided in sub-clause 3.1.3, the obtaining of such consents shall not be a Condition to Completion.
- 5.5 The Seller warrants and confirms to the Buyer that between the February Accounts Date and the date of this Agreement (inclusive) none of the actions set out in Schedule 5 have been taken or omitted to be taken (as the case may be) and that Schedule 5 has been complied with in full as if given as of the February Accounts Date.
- 5.6 The Seller and the Buyer agree that between the date of this Agreement and Completion, the provisions of Schedule 5 shall apply.
- 5.7 The Seller and the Buyer agree that between the date of this Agreement and Completion, the Seller shall (to the extent that is has not already done so):
- 5.7.1 comply with, and procure compliance with, any employee notification and/or consultation requirements in connection with the Aberdeen Business Transfer, the Workwear Business Transfer and, if applicable, the Transaction; and
- 5.7.2 provide reasonable assistance in relation to the obtaining of any clearances or approvals or the making of any filings or notifications which are not

Conditions but may be required by any relevant Government Agency or, at the Buyer's cost, by the Buyer.

Without prejudice to the provisions of Clause 10.1, and subject to Clause 3.1, the achievement of any or all of the actions set out in this Clause 5.7 is not a Condition to Completion.

- 5.8 The Seller shall (a) use its best endeavours to procure that prior to Completion all of the Aberdeen Employees and the Administrative Support Employees shall become employed by Cosalt International Limited and all of the Workwear Employees and the IT and Finance Support Employees shall become employed by the Seller or as the Seller may direct (other than to a Group Company) (the "**Employee Reorganisation**"), and (b) use its reasonable endeavours to procure that the services of the Transfer Contractors are made available to Cosalt International Limited by way of novation or assignment of the underlying supply agreement or otherwise.

Without prejudice to the provisions of Clause 10.1, and subject to Clause 3.1, the achievement of any or all of the actions set out in Clause 5.8(b) is not a Condition to Completion.

- 5.9 The Seller and the Buyer agree that between the date of this Agreement and Completion, the Seller shall (to the extent permitted by law):
- 5.9.1 provide the Buyer with advance written notice of any proposed announcements or implementations of price changes or new or announced discount arrangements in relation to the Business;
 - 5.9.2 agree with the Buyer a reasonable communication strategy regarding the Transaction in relation to the Business' employees, customers and suppliers and, to the extent reasonably practicable, facilitate the implementation by the Buyer of such communication strategy on or after Completion;
 - 5.9.3 subject to clause 8.4, procure that there shall be no termination of or material amendment or variation made to the terms of any agreement or arrangement between any Seller's Group Undertaking and any Group Company without (save where regulatory or other rules of confidentiality require otherwise) the prior written consent of the Buyer;
 - 5.9.4 at the Buyer's cost and at no liability or potential liability to any Seller's Group Undertaking, provide such assistance as the Buyer shall reasonably require in connection with the Buyer's financing and security arrangements relating to the acquisition of the Shares or putting in place new banking and financial facilities for the Buyer and/or any member of the Buyer's Group or any proposed syndication of the debt finance or banking facilities available to the Buyer and/or any member of the Buyer's Group and/or any of its equity arrangements;
 - 5.9.5 give the Buyer reasonable notice of all proposed meetings and telephone calls with the Pensions Regulator, consult with the Buyer reasonably in advance of and take account of the Buyer's or its advisers reasonable requests and

comments in relation to such meetings and calls, and subsequently report back to the Buyer the material substance and outcome of such meetings and calls;

- 5.9.6 as soon as reasonably practicable notify the Buyer or its advisers of any material communication (whether written or oral) received from the Pensions Regulator; and
- 5.9.7 provide the Buyer or its advisers with drafts of all written communications with the Pensions Regulator (including, without limitation, the draft clearance applications), give the Buyer or its advisers a reasonable opportunity to comment thereon, take account of the Buyer's or its advisers reasonable requests or comments in relation thereto and provide the Buyer or its advisers with final copies of all such communications.

Without prejudice to the provisions of Clause 10.1, the achievement of any or all of the actions set out in this Clause 5.9 is not a Condition to Completion.

5.10 The Seller shall, subject to the statutory duties of the Seller's Directors under the Act:

5.10.1 procure that the Seller's Directors, or any duly appointed and constituted committee thereof, do not withdraw the Recommendation unless (having sought appropriate professional advice) the Seller's Directors or such committee resolve that it is inconsistent with the statutory duties of the Seller's Directors under the Act not to do so;

5.10.2 procure that the meeting of the Seller's shareholders referred to in the Circular is duly convened and held on the date specified in the Circular, and that the Resolution is put to the Seller's shareholders at such meeting, unless (having sought appropriate professional advice) the Seller's Directors, or any duly appointed and constituted committee thereof, resolve that it is not consistent with the statutory duties of the Seller's Directors under the Act to hold such meeting or to put the Resolution to a vote; and

5.10.3 announce, through a recognised regulatory news announcement service, the outcome of the shareholder vote on the Resolution as soon as reasonably practicable after it is known.

5.11 The Seller and the Buyer hereby agree that, if requested by the Buyer, prior to the Completion Date, the Seller and the Buyer shall (a) co-operate in making valid Entity Classification Elections pursuant to Treasury Regulation Section 301.7701-3 to treat certain entities as disregarded entities for US tax purposes which the Seller does not reasonably consider to be materially prejudicial to it (an "**Election**"); (b) any Elections so filed will have an "Effective Date" as defined in Treasury Regulation Section 301.7701-3(c)(1)(iii) prior to the Completion Date; and (c) the Seller and the Buyer shall, prior to the Completion Date, execute and, where necessary, file such documents and United States tax forms as required in connection with such Election. Any Election so filed will not be subsequently amended or revoked by the Seller. Any notification regarding the classification of an Entity received by the Seller from the Internal Revenue Service in response to such Elections will be promptly provided to the Buyer.

- 5.12 The Seller will not subsequently amend or revoke any election delivered to the Buyer as contemplated in paragraph 1.1.21 of Schedule 2.
- 5.13 Notwithstanding any other provision of this Agreement, the Seller shall (a) be responsible for undertaking and completing, to a reasonable standard, the dilapidations and other works disclosed or referred to in the Disclosure Letter against the Warranty in paragraph 10.9 of Schedule 3, in each case (i) on or prior to Completion or, to the extent not reasonably practicable, as soon as reasonably practicable following Completion and in any event no later than 3 months after the Completion Date, and (ii) at the Seller's (and not the Group's) sole cost and risk, and (b) indemnify the Buyer (for itself and each member of the Buyer's Group) against and in respect of any Loss relating to the matters described in sub-clause (a) above and/or the Seller's failure to comply with its obligations in sub-clause (a) above.
- 5.14 The Seller shall procure that the KPMG Steps Plan is prepared and finalised by the Seller's Accountants and delivered to the Buyer and its advisers, together with any supporting and/or accompanying information and documentation describing with appropriate detail the relevant legal and accounting steps necessary to implement the proposed steps and/or actions referred to in the KPMG Steps Plan (the "**Supporting Documentation**"), as soon as reasonably practicable after the date of this Agreement and, in any event, no later than 10 Business Days after the date of this Agreement.
- 5.15 The Buyer and the Buyer's Accountant's shall, upon receipt thereof, review the KPMG Steps Plan and the Supporting Documentation in good faith and the Buyer shall notify the Seller within 10 Business Days of receipt thereof whether or not it disagrees with any of the proposed steps and/or actions described in the KPMG Steps Plan and the Supporting Documentation and setting out the grounds on which the relevant steps and/or actions would, or would be reasonably likely to, have a detrimental effect on any of the Group Companies (a "**Detriment Notice**"). If the Buyer serves a Detriment Notice, the Seller agrees to consult with the Buyer in good faith and take account of and, so far as is reasonably practicable, to implement and resolve the Buyer's reasonable comments and requirements in relation to the proposed steps and/or actions and procure that the Seller's Accountant's amend or vary the KPMG Steps Plan and issue a revised version of such plan in a form reasonably satisfactory to the Buyer at least 10 Business Days prior to Completion which addresses and, so far as is reasonably practicable, implements the Buyer's comments and/or requirements. If the Buyer fails to serve a Detriment Notice within 10 Business Days of receipt of the KPMG Steps Plan the Buyer shall be deemed to have accepted the KPMG Steps Plan in the form in which it was delivered to the Buyer.
- 5.16 The Seller undertakes to the Buyer (for itself and on behalf of each Buyer's Group Undertaking) that it shall not, and shall procure that no other member of the Seller's Group shall, in respect of the period from (and including) the date of this Agreement up to (and including) the date on which all of the payments referred to in Clauses 4.5, 8.6 and 8.8 are made:
- (a) declare, authorise, pay or make a dividend, distribution or return of capital (whether in cash, stock or in kind); or
 - (b) repay, redeem, purchase, repurchase, cancel, release, exchange, settle and/or discharge any of the Loan Notes or any amounts thereunder.

5.17 Within 10 Business Days after the date of this Agreement, the Seller shall provide the Buyer with the following details in respect of each Employee (i) start date of employment, (ii) period of continuous employment, and (iii) date of birth.

5.18 Between the date of this Agreement and Completion:

5.18.1 the Seller shall use reasonable endeavours at its own cost to procure that consent is received in writing from the landlord (and/or any other persons whose consent is required) to the assignment of the lease of the premises known as The Car Park, Mumby Road, Gosport dated 11 December 1978 and made between (1) Borough of Gosport and (2) Crewsaver Marine Equipment Limited (the "**Mumby Car Park Lease**") from Cosalt International Limited to the Seller and the grant of a sub-lease of the Mumby Car Park Lease from the Seller to Cosalt International Limited;

5.18.2 subject to receipt of the consents referred to at Clause 5.18.1, the Buyer and Seller shall use reasonable endeavours at the Seller's cost to procure that:

(a) the Mumby Car Park Lease is assigned from Cosalt International Limited to the Seller in a form reasonably satisfactory to the Buyer and the Seller; and

(b) a sub-lease of the Mumby Car Park Lease is granted to Cosalt International Limited in a form reasonably satisfactory to the Buyer and the Seller.

provided that the Buyer and Seller agree that the assignment and sublease referred to at sub-clauses 5.18.2(a) and (b) respectively shall be completed, and only be completed, near simultaneously.

5.19 Within 10 Business Days after the date of this Agreement the Seller undertakes, at its sole cost and risk, to carry out all necessary investigations and searches (including a search of the UK Intellectual Property Office) and take such other steps and/or actions as may be reasonably necessary (including taking any steps and/or actions reasonably requested by the Buyer) to identify the licensees (if any) of the YAK Trademark, confirm the terms and conditions on which any such licensee has been granted a licence of the YAK Trademark (including the scope of any rights granted to the licensee) and procure a copy of the relevant license(s) (the "**Trademark Information**"). The Seller undertakes, within 3 Business Days of obtaining the relevant Trademark Information, to deliver such information to the Buyer.

5.20 At the Buyer's reasonable request, the Seller shall (at its sole cost and risk) terminate or procure the termination of any and all licences in relation to the YAK Trademark that have been entered into by the Seller (or any other member of the Seller's Group) with any persons (other than any members of the Group) and shall provide the Buyer with evidence, in a form reasonably satisfactory to the Buyer, of such termination. The Seller shall indemnify, and keep indemnified, the Buyer (for itself and on behalf of each Buyer's Group Undertaking) against all Losses which the Buyer (or any other Buyer's Group Undertaking) may incur in connection with the termination of any license granted by the Seller (or any other member of the Seller's Group) in relation to the YAK Trademark.

5.21 Without prejudice to the provisions of Clause 10.1, the obtaining of the information referred to in sub-clause 5.19 is not a Condition to Completion.

6. **COMPLETION**

6.1 Completion shall take place on the Completion Date at the offices of the Buyer's Solicitors (except in respect of those matters for which another location is stated in this Agreement, in which case each such matter shall take place at that place) or such other place as the Buyer and the Seller may agree in writing.

6.2 At Completion, the Buyer shall by way of payment on account of the Final Consideration pay the Initial Consideration to the Seller (for itself and as trustee for CISL) by transfer of funds for same day value to the Seller's Solicitors Account.

6.3 At Completion, the Seller shall pay or procure the payment (for and on behalf of the Seller's Group and the Group) to HMRC of (i) all and any amounts due under the Managed Payment Plan (with respect to UK VAT, National Insurance Contributions and Pay-As-You-Earn liabilities), (ii) all and any other outstanding UK VAT of any member of the VAT group of which a Group Company was a member prior to Completion, and (iii) all and any VAT incorrectly reclaimed on goods not supplied to the Seller's Group, together with all penalties and interest accrued on or relating to such amounts and/or payments, (in each case in full and final settlement and discharge of such amounts) and the Seller shall provide the Buyer with evidence from HMRC, in a form reasonably satisfactory to the Buyer, that such amounts have been paid, settled and discharged in full.

6.4 The Seller shall, and shall procure that CISL shall, and the Buyer or such other member of the Buyer's Group as the Buyer may nominate shall, enter into the Local Transfer Agreements at Completion.

6.5 In the event of any conflict or inconsistency between the terms of this Agreement and any Transaction Document (including, without limitation, the Local Transfer Agreements), this Agreement shall prevail unless such Transaction Document expressly states that it overrides this Agreement or the Seller and the Buyer otherwise expressly agree in writing.

6.6 The Buyer is not obliged to complete this Agreement unless at Completion:

6.6.1 the Seller complies with all its obligations under this Clause 6 and Schedule 2; and

6.6.2 the sale and purchase of, and the transfer of ownership of, all the Shares is completed simultaneously.

6.7 If Completion does not take place on the Completion Date because the Seller fails to comply with any of its obligations under this Clause 6 or Schedule 2 (whether such failure by the Seller amounts to a repudiatory breach or not), the Buyer may by notice to the Seller:

6.7.1 proceed to Completion to the extent reasonably practicable (without limiting its rights under this Agreement);

- 6.7.2 postpone Completion to such date as the Buyer may specify (being a date not longer than 10 Business Days after the Longstop Date); or
- 6.7.3 terminate this Agreement with immediate effect.
- 6.8 If the Buyer postpones Completion to another date in accordance with sub-clause 6.7.2, the provisions of this Agreement apply as if that other date is the Completion Date.
- 6.9 If the Buyer terminates this Agreement pursuant to sub-clause 6.7.3, each party's further rights and obligations (except those under the Continuing Clauses which shall continue) cease immediately on termination, but termination does not affect a party's accrued rights and obligations as at the termination.

7. POST COMPLETION MATTERS

7.1 Access to Group Company Information

For a period of two years after Completion, the Buyer shall, to the extent permitted by law, provide to the Seller or its representatives (or shall procure the provision to them of), during normal business hours and on reasonable notice access to books, records, manuals, information, employees and/or directors of any of the Group Companies to the extent reasonably necessary for the Seller's external financial reporting and accounting and for the purpose of its covenant compliance with its bankers.

7.2 Access to Seller Group Company Information

For a period of seven years after Completion, the Seller shall, to the extent permitted by law, provide to the Buyer or its representatives (or shall procure the provision to them of) during normal business hours and on reasonable notice access to books, records, manuals, information, employees and/or directors of any Seller's Group Undertaking to the extent reasonably necessary for the Buyer's Group's financial reporting and accounting (including, without limitation, Taxation).

7.3 Retention of Group Company Information

Subject to any provision to the contrary in the Tax Deed, if a Seller's Group Undertaking or any of the Group Companies, as the case may be, wishes to dispose of any such books, records, manuals or other information referred to in Clause 7.1 or Clause 7.2 prior to the expiration of the relevant period referred to in Clause 7.1 or Clause 7.2 then the Seller (in the case of a Seller's Group Undertaking) or the Buyer (in the case of any Group Company) shall, prior to doing so, give the other party a reasonable opportunity to segregate, remove and retain (subject to the confidentiality obligations set out in Clause 18) such books, records, manuals or other information as such other party may select.

8. SEPARATION ISSUES

8.1 Release of Commitments

8.1.1 The Buyer agrees:

- (a) to use its reasonable endeavours to secure at Completion (or as soon as is practicable thereafter) the release and discharge (on terms reasonably satisfactory to the Seller) of the Seller (and each member of the Seller's Group) from any and all Commitments listed in Part A of Schedule 9 given or entered into by the Seller (and/or any member of the Seller's Group) in respect and to the extent of obligations or liabilities of any Group Company relating to the period after Completion and to provide written evidence (in a form reasonably satisfactory to the Seller) of such release and discharge; and
- (b) prior to such release and discharge, fully to indemnify and/or reimburse the Seller (and each member of the Seller's Group) and keep it so fully indemnified and/or reimbursed on demand at all times against any and all Losses arising under or otherwise relating to any and all such Commitments (excluding, for the avoidance of doubt, any Commitment insofar as it relates to Tax) but in each case, only to the extent that such Losses relate to the period after Completion.

8.1.2 The Seller agrees:

- (a) to use its reasonable endeavours to secure at Completion (or as soon as is practicable thereafter) the release and discharge (on terms reasonably satisfactory to the Buyer) of each Group Company from any and all Commitments given or entered into by any Group Company in respect and to the extent of obligations or liabilities (whether actual or contingent, past, present or future) of the Seller (and/or any member of the Seller's Group) and to provide written evidence (in a form reasonably satisfactory to the Buyer) of such release and discharge; and
- (b) prior to such release and discharge fully to indemnify and/or reimburse the Buyer (for itself and as trustee for the relevant members of the Group) and keep it so fully indemnified and/or reimbursed on demand at all times against any and all Losses arising under or otherwise relating to any and all such Commitments.

8.2 HSBC Vehicle Lease Agreements

- 8.2.1 The Seller shall indemnify, and keep indemnified, the Buyer (for itself and on behalf of each Buyer's Group Undertaking) against all Losses which the Buyer or any member of the Buyer's Group may incur as a result of the Seller's performance prior to Completion of its obligations under or in relation to the HSBC Vehicle Lease Agreements.

