

## AGREEMENT

(relating to the Purchase of Shares in TDS Enterprises Limited in Exchange for an Issue of Shares in Character World Limited)

Between

(1) THE PERSONS NAMED IN THE SCHEDULE

-and-

(2) CHARACTER WORLD LIMITED

Dated

◆ 4 April 2008



WE HEREBY CERTIFY THIS TO BE A TRUE COPY OF THE ORIGINAL

DATE 22/04/08

SIGNED DLA Piper  
DLA PIPER UK LLP

WEDNESDAY



A47 \*AN1R8ZB7\* 282  
COMPANIES HOUSE

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**THIS AGREEMENT** is made as a deed the ◆ day of ◆ 2008

**BETWEEN:**

- 1 **THE PERSONS** whose names and addresses are set out in column 1 of the Schedule hereto (collectively the **Sellers** which expression shall include their respective legal personal representatives and successors in title from time to time) and
- 2 **CHARACTERWORLD LIMITED**, (Company number: 4160087), whose registered office is at UHY Hacker Young, St James' Building, 79 Oxford Street, Manchester M1 6HT (the **Buyer**).

**INTRODUCTION:**

- (A) **TDS Enterprises Limited (the Company)** was incorporated in England as a private company limited by shares on 7 July 1995 under the Companies Act 1985 (Registered in England Number 3077277) and has at the date hereof an authorised share capital of £2 divided into 2 ordinary shares of £1 each, both of which are issued and fully paid up (the **Shares**)
- (B) The Sellers are the legal and beneficial owners of the number of the Shares specified opposite their respective names in column 2 of the Schedule hereto.
- (C) The Sellers have agreed to sell and the Buyer has agreed to purchase the Shares for the consideration and upon the terms and subject to the conditions hereinafter contained.

**IT IS AGREED THAT:**

**1 DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement the following words and expressions shall have the following meanings.

<b>Act</b>	means the Companies Act 1985
<b>Completion</b>	means the completion of the sale and purchase of the Shares in accordance with clause 4
<b>Consideration Shares</b>	means 2 Ordinary Shares of £1.00 each in the capital of the Buyer credited as fully paid
<b>Taxes Act</b>	means the Income and Corporate Taxes Act 1988.

1.2 Any reference to a statute, statutory provision or subordinate legislation shall be construed as referring to that statute, statutory provision or subordinate legislation as amended, modified, consolidated, re-enacted or replaced and in force from time to time, whether before or after the date of this agreement and shall also be construed as referring to any previous statute, statutory provision or subordinate legislation amended, modified, consolidated, re-enacted or replaced by such statute, statutory provision or subordinate legislation but not so as to increase the liability of any party under this agreement.

1.3 Any reference to a statutory provision shall be construed as including references to all statutory instruments, orders, regulations or other subordinate legislation made pursuant to that statutory provision.

- 1.4 Unless the context otherwise requires, all words and expressions which are defined in the Act shall have the same meanings in this agreement.
- 1.5 Unless the context otherwise requires
- (a) words denoting the singular include the plural and vice versa;
  - (b) words denoting any gender include all other genders,
  - (c) any reference to "persons" includes individuals, bodies corporate, companies, partnerships, unincorporated associations, firms, trusts and all other legal entities;
  - (d) any reference to a party is to a party to this agreement.
- 1.6 Clause headings are for convenience only and shall not affect the interpretation of this agreement. Any reference to a clause, sub-clause, paragraph or schedule is to the relevant clause, sub-clause, paragraph or schedule of this agreement.
- 1.7 The schedule to this agreement shall for all purposes form part of this agreement.

## **2 SALE OF SHARES**

- 2.1 Each of the Sellers shall with full title guarantee sell to the Buyer the number of the Shares set opposite his name, in column 2 of the Schedule and the Buyer shall purchase the Shares free from all liens, charges, encumbrances, equities and adverse or third party rights of any description (**Security Interest**) and together with the benefit of all present and future rights whether as to dividend, capital, voting or otherwise (including any dividend or other distribution declared paid or made on or after the date hereof).
- 2.2 Each of the Sellers severally warrants that:
- (a) the Sellers have full power and authority to enter into and perform this agreement and any agreement or document to be entered into by the Sellers pursuant to this Agreement which constitute, or when executed will constitute, valid and binding obligations on the Sellers enforceable in accordance with their respective terms;
  - (b) the execution and delivery of, and the performance by the Sellers of their obligations under, this agreement and any agreement or document entered into pursuant to this agreement will not
    - (i) result in a breach of any provision of the memorandum or articles of association of the Company, or
    - (ii) result in a breach of any order, judgment or decree of any court or governmental agency or Security Interest to which any of the Sellers is a party or by which the assets of any Seller are bound;
  - (c) each of the Sellers is the sole beneficial owner of the Shares set opposite his name in column 2 of the Schedule hereto and the Shares constitute the entire issued and allotted share capital of the Company,
  - (d) the Shares have been validly allotted and issued, are fully paid or are properly credited as fully paid,
  - (e) there is no Security Interest on, over or affecting any of the Shares and there is no agreement or arrangement to give or create any such Security Interest;

- (f) the Company has not created or granted or agreed to create or grant any Security Interest in respect of any of its uncalled share capital; and
- (g) except as required by this agreement, there are no agreements or arrangements in force which provide for the present or future allotment, issue, transfer, redemption or repayment of, or grant to any person of the right (whether conditional or otherwise) to require the allotment, issue, transfer, redemption or repayment of, any share or loan capital of the Company (including any option or right of pre-emption or conversion)

2.3 Each of the Sellers waives all and any pre-emption or other restriction on transfer in respect of the Shares conferred on him under the articles of association of the Company or otherwise.

### **3 CONSIDERATION**

The consideration payable by the Buyer for the Shares shall be the sum of £[ ] which shall be satisfied by the issue and allotment by the Buyer to the Sellers of the number of Consideration Shares set against each Seller's name in column 3 of the Schedule.

### **4 COMPLETION**

4.1 Completion shall take place immediately after the signature of this agreement whereupon:

- (a) each of Sellers shall cause to be delivered to the Buyer share transfers into the name of the Buyer or its nominees in respect of the number of Shares set opposite his name in column 2 of the Schedule duly executed by him or on his behalf and accompanied by the relevant share certificates (or a deed of indemnity in respect of the same);
- (b) the Sellers shall procure the transfers mentioned in sub-clause (a) of this Clause shall be approved for registration (subject to their being represented duly stamped) and that the Buyer or its nominees shall be entered in the register of members of the Company as the registered holders of the Shares;
- (c) all minute books, share registers and other statutory books (duly written up to date) the common seal and Share certificate books, Certificate of Incorporation, copies of the Memorandum and Articles of Association of the Company shall be delivered to the Buyer,
- (d) subject to the foregoing provisions of this clause the Buyer shall issue and allot to each of the Sellers the number of Consideration Shares set opposite their respective names in column 3 of the Schedule credited as fully paid and shall procure that share certificates are issued to each of the Sellers in respect thereof.

### **5 GENERAL PROVISIONS**

5.1 This agreement constitutes the entire agreement between the parties with respect to the transfer of the Shares by the Sellers and shall entirely supersede all agreements, negotiations, statements of intent, warranties or representations whether written or oral made or given prior to the signing hereof

5.2 The Buyer hereby acknowledges and declares that it has not entered into this agreement in reliance upon any statements, representations, undertakings, warranties or information other than those set out in this agreement

- 5.3 This agreement shall be binding on and enure for the benefit of the personal representatives and successors in title of the parties but shall not be assignable.
- 5.4 This agreement may be executed in any number of counterparts all of which taken together shall constitute one and the same agreement and any of the parties hereto may execute this agreement by signing such a counterpart.
- 5.5 Each of the Sellers shall at the request of the Buyer, do, execute, perform or procure to be done executed or performed all such further acts, deeds, documents and things as may be necessary to vest the Shares in the Buyer
- 5.6 Each of the Sellers undertakes and agrees with the Buyer that until the Shares have been registered in the name of the Buyer in the register of members of the Company each of them will hold the legal interest in the Shares registered in their respective names as trustee for the Buyer and during such period whilst they are holding the legal interest in the Shares on trust for the Buyer, they each hereby agree that they will attend any meetings of the Company and will exercise any votes attaching to the Shares in any manner as they may be directed in writing by the Buyer from time to time and will if requested by the Buyer, each execute a power of attorney permitting the Buyer to exercise the voting rights in respect of the Shares pending registration by the Company of the transfer.

## **6 NOTICE**

Any notice pursuant to this agreement shall be in writing signed by (or by some person duly authorised by) the person giving it and may be served by leaving it at or sending it by pre-paid recorded delivery or registered post to, in the case of a notice to be served on any of the Sellers, the appropriate addresses set out in the Schedule to this agreement or such other address or addresses as shall be notified to the Buyer from time to time or, in the case of a notice to be served on the Buyer, to its registered office for the time being. Any notice so served shall if delivered by hand be deemed to have been served when actually received by or on behalf of the person to be served and if sent by post, be deemed to have been served 48 hours after it was posted and in proving service by post it shall be sufficient to prove that the envelope containing the same was correctly addressed and posted.

## **7 LAW**

This Agreement shall be governed by and construed in all respects in accordance with English law and the parties hereby irrevocably submit to the exclusive jurisdiction of the High Court of Justice in England

**IN WITNESS** whereof the parties have executed this agreement as a Deed the day and year first before written.

**SCHEDULE 1**

<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
<b>Name and Addresses of the Sellers</b>	<b>The Shares</b>	<b>The Consideration Shares</b>
<b>HEATHER JUNE SCHWEIGER OF THE COTTAGE HEATHER LEA, GREEN WALK, BOWDEN, CHESHIRE WA14 2SJ</b>	<b>1 ORDINARY SHARE OF £1</b>	<b>1 A ORDINARY SHARE OF £1</b>
<b>THOMAS DAN ACHWEIGER OF THE COTTAGE HEATHER LEA, GREEN WALK, BOWDEN, CHESHIRE WA14 2SJ</b>	<b>1 ORDINARY SHARE OF £1</b>	<b>1 A ORDINARY SHARE OF £1</b>

**Executed as a deed**

for and on behalf of **HEATHER JUNE SCHWEIGER**

in the presence of

)  
) H. J. Schweiger  
)  
)

.....  
Signature of witness

Name JAMES TUSHINGHAM

Address 101 BARBICOLL SQUARE  
MANCHESTER M2 3DL

Occupation TRAINEE SOLICITOR

**Executed as a deed**

for and on behalf of **THOMAS DAN SCHWEIGER**

in the presence of

)  
) T. D. Schweiger  
)  
)

.....  
Signature of witness

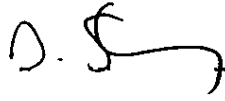
Name JAMES TUSHINGHAM

Address 101 BARBICOLL SQUARE  
MANCHESTER M2 3DL

Occupation TRAINEE SOLICITOR



Executed as a deed )  
for and on behalf of **CHARACTERWORLD** )  
**LIMITED** acting by two directors or by a )  
director and its secretary )

Director 

Director/Secretary 