

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE: NEW ASSIGNMENT

NATURE OF CONVEYANCE: CHANGE OF NAME

CONVEYING PARTY DATA

Name	Execution Date
Richard Charles Elliot Cornwell	08/06/2006
Edward Colin Winslett	08/11/2006
Andrew David Noble	08/02/2006
Brian Gorman Cooper	08/07/2006
Anthony Truscott	08/02/2006
David Greenwood	08/09/2006
Nicola Di Lieto	08/21/2006

RECEIVING PARTY DATA

Name:	Ricardo UK Limited
Street Address:	Bridge Works, Shoreham-By-Sea
City:	West Sussex
State/Country:	UNITED KINGDOM
Postal Code:	BN43 5FG

PROPERTY NUMBERS Total: 1

Property Type	Number
Application Number:	10536619

CORRESPONDENCE DATA

Fax Number: (212)575-0671  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
Phone: 2127909200  
Email: jcl@cll.com  
Correspondent Name: Cowan, Liebowitz & Latman  
Address Line 1: 1133 Avenue of the Americas  
Address Line 2: John Laurence  
Address Line 4: New York, NEW YORK 10036-6799

ATTORNEY DOCKET NUMBER: 27865.049

PATENT

500780811

REEL: 022253 FRAME: 0970

OP \$40.00 10536619

NAME OF SUBMITTER:

John Laurence

**Total Attachments: 24**

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**DATED 28 MARCH 2003**

**(1) RICARDO CONSULTING ENGINEERS LIMITED**

**(2) RICARDO UK LIMITED**

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**BUSINESS TRANSFER AGREEMENT**  
**in respect of the business of**  
**Ricardo Consulting Engineers Limited**

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***LANDWELL***

Southwark Towers  
32 London Bridge Street  
London SE1 9AE

Tel: 00 44 20 7212 1616  
Fax: 00 44 20 7212 1570  
Ref: VA/MP/RIC005.0002

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## AGREEMENT

DATED 28 MARCH 2003

### BETWEEN:

- (1) **RICARDO CONSULTING ENGINEERS LIMITED**, a company incorporated in England and Wales (registered number 2251330) whose registered office is at Bridge Works, Old Shoreham Road, Shoreham By Sea, West Sussex BN43 5FG (the "Seller"); and
- (2) **RICARDO UK LIMITED**, a company incorporated in England and Wales (registered number 2815682) whose registered office is at Bridge Works, Old Shoreham Road, Shoreham By Sea, West Sussex BN43 5FG (the "Buyer").

### PRELIMINARY:

- (A) The Seller granted the Buyer an option to purchase the Business (as defined below) under a call option agreement dated 21 March 2003 (the "Option Agreement") and this agreement is to be entered into pursuant to the Buyer exercising its option under the Option Agreement.
- (B) The Seller wishes to sell and the Buyer wishes to buy as a going concern the Business (as defined below), together with all properties, rights, assets and goodwill relating to the Business, including those relating to the branch of the Seller situated in the Czech Republic, on the terms and subject to the conditions of this agreement.

### IT IS AGREED:

#### 1 INTERPRETATION

- 1.1 In this agreement the following expressions have, unless inconsistent with the context or otherwise specified, the following meanings:

"Act"	the Companies Act 1985;
"Assets"	all the assets relating to the Business and owned by the Seller including for the avoidance of doubt the Czech Assets, to be transferred to the Buyer under the terms of this agreement, including but without limitation as more particularly described in Schedule 1;
"Business"	the business of research and development in natural sciences and engineering mainly in the field of automotive powertrain technology, as carried on by the Seller as at the close of business on the Transfer Date to be transferred to the Buyer under the terms of this agreement;

<b>"Carve-Out Notice"</b>	a notice from the Buyer to the Seller, issued in writing during the Conditional Period, which identifies any items of Conditional IP that the Buyer does <i>not</i> wish to purchase under the terms of this agreement;
<b>"Claims"</b>	all rights and claims of the Seller in respect of the period up to the close of business on the Transfer Date under any warranty, term, condition, guarantee or indemnity or insurance policy whether express or implied in favour of the Seller in relation to the Business;
<b>"Completion"</b>	completion of the sale and purchase of the Business pursuant to this agreement;
<b>"Completion Accounts"</b>	the management accounts of the Seller as at 28 March 2003 prepared in accordance with the Seller's usual practice;
<b>"Completion Date"</b>	close of business on 28 March 2003;
<b>"Conditional IP"</b>	all the Intellectual Property other than such Intellectual Property as: <ul style="list-style-type: none"> <li>a) subsists and is unregistered in any jurisdiction; or</li> <li>b) subsists in registered or unregistered form in the jurisdictions of the USA, UK, Germany, Netherlands, Japan or France;</li> </ul>
<b>"Conditional Period"</b>	is defined in clause 4.9;
<b>"Contracts"</b>	all contracts, undertakings, arrangements and engagements of the Seller relating to the Business in force as at the close of business on the Transfer Date including, without limitation, any supply and distribution agreements, licences (including any Intellectual Property that is licensed to the Seller or jointly owned by the Seller and one or more third parties), customer and supplier contracts, lease, hire and hire purchase agreements (including any of the above entered into by the Seller in the Czech Branch);
<b>"Creditors"</b>	the amounts due from the Seller (including for the avoidance of doubt, in respect of the Czech Branch) in connection with the Business at the close of business on the Transfer Date in respect of all creditors, but excluding Trade Creditors;
<b>"Czech Assets"</b>	all the assets of the Czech Branch, as more particularly described in Schedule 3;

<b>"Czech Branch"</b>	the branch of the Seller's Business located in the Czech Republic;
<b>"Czech Employees"</b>	those employees employed by the Seller in connection with the Czech Branch, including, but without limitation, as more particularly described in Schedule 4;
<b>"Czech Lease"</b>	the lease in the Czech Republic in respect of the property occupied by the Czech Branch situated at Building No 76/3, Letenskie namesti 3 170 00 Prague 7;
<b>"Czech Liabilities"</b>	all amounts which are or may become due and owing by the Seller in connection with the Czech Branch in respect of the period up to the close of business on the Transfer Date, including, without limitation any creditors;
<b>"Debtors"</b>	any debts or other sums due or payable to the Seller at the close of business on the Transfer Date, or to become due to the Seller after the close of business on the Transfer Date in relation to the period prior to the close of business on the Transfer Date, relating to the Business and the benefit of all securities, guarantees, indemnities and rights relating to those debts or other sums including any interest payable on them save Trade Debtors and the Outstanding Intra-Group Debts;
<b>"Encumbrance"</b>	any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance or security interest of any kind, and any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;
<b>"Equipment"</b>	all office equipment, computer equipment and motor vehicles owned or leased by the Seller in connection with the Business (including those used in connection with the Czech Branch) at the Transfer Date, as listed in the fixed asset registers of the Seller as at the Transfer Date;
<b>"Excluded Assets"</b>	the Outstanding Intra-Group Debts and Trade Debtors (and for the avoidance of doubt, the issued share capital in Ricardo Inc., Ricardo GmbH, Ricardo S.A. and Ricardo Special Vehicle Limited) owned by the Seller which are not to be transferred to the Buyer under the terms of this agreement;

<b>"Excluded Liabilities"</b>	the Trade Creditors, which are not to be assumed by the Buyer under the terms of this agreement;
<b>"Fixtures and Fittings"</b>	all fixtures and fittings owned by the Seller (including those used by the Czech Branch) at the close of business on the Transfer Date, to the extent transferable;
<b>"Goodwill"</b>	the goodwill of the Seller in connection with the Business including the goodwill attaching to, arising from or symbolised by the use of the Intellectual Property from time to time together with the right for the Buyer (or its successors and assigns) to represent itself as carrying on the Business in succession to the Seller;
<b>"Intellectual Property"</b>	all registered or unregistered legal and beneficial intellectual and industrial property rights owned by the Seller at the Transfer Date, including (by way of illustration only) copyrights, patents, design rights, database rights, trade marks and any property rights in confidential information, together with the right to enforce past infringements of all such rights, the right to apply for any relevant registrations and all similar or equivalent rights recognised in any jurisdiction;
<b>"Know-how"</b>	<p>all information not at present in the public domain owned by the Seller or used, or required to be used, by the Seller in, or in connection with, the Business (including in, or in connection with, the Czech Branch) held in any form and relating to:</p> <ul style="list-style-type: none"> <li>(a) the manufacture or production of goods or the provision of services;</li> <li>(b) the selection, procurement, construction, installation or use of any raw material, plant, machinery or other equipment or process;</li> <li>(c) the supply, storage, assembly or packing of raw material, components or partly manufactured or finished products;</li> <li>(d) quality control, testing or certification; or</li> <li>(e) the rectification, repair or service of products, plant, machinery or other equipment;</li> </ul>
<b>"Landlord's Consent"</b>	the consent of the person(s) in whom there is vested the reversion immediately expectant on the



	determination of the term created by the Leases to the assignment of those Leases to the Buyer;
"Leases"	the leases relating to the Properties, including but without limitation, as more particularly described in Schedule 2 and for the avoidance of doubt includes any Leases relating to property in the Czech Republic and Germany;
"Liabilities"	all amounts which are or may become due and owing by the Seller in connection with the Business in respect of the period up to the close of business on the Transfer Date, including, without limitation, the Creditors and the Czech Liabilities, but excluding the Excluded Liabilities;
"Loan Note"	loan note in the form agreed between the Seller and the Buyer for the principal sum of £1,100,002 to be issued by the Buyer to the Seller pursuant to clause 3.3;
"Outstanding Intra Group Debts"	the debt due to the Seller by Ricardo GmbH for the principal amount of euros 1,743,563.22 and the debt due to the Seller by Ricardo Inc. for the principal amount of US\$ 8,033,886 and £313,362 sterling;
"Pension Scheme"	the Ricardo Group Pension Fund and the Ricardo International Pension Scheme;
"Properties"	the properties, including but without limitation as more particularly described in Schedule 2 and "Property" means any one of the Properties;
"Records"	all bought and sold ledgers, purchase and sales day books and purchase and sales invoices, lists of suppliers and other books and records of the Seller (including those relating to the Czech Branch) necessary for the Buyer to carry on the Business;
"Stock"	the stock of raw materials, finished and partly finished goods, work in progress and any stock in trade in relation to the Business at the Transfer Date, wherever situated;
"Trade Creditors"	all amounts due from the Seller in respect of trade creditors as listed in the purchase ledger of the Seller as at the Transfer Date;

**"Trade Debtors"** any debts or other sums due or payable to the Seller in respect of any trade debtors, as listed in the sales ledger of the Seller as at the Transfer Date; and

**"Transfer Date"** the date of this agreement.

1.2 In this agreement, unless inconsistent with the context or otherwise specified;

1.2.1 the index, clause and Schedule headings are inserted for ease of reference only and do not affect its interpretation;

1.2.2 a reference to a clause or Schedule is a reference to a clause of or Schedule to this agreement;

1.2.3 words and expressions defined in the Act have the same meaning as in the Act;

1.2.4 a reference to a person includes a reference to a firm, body corporate, association, authority or partnership;

1.2.5 references to writing include any mode of reproducing words in a legible form and reduced to paper;

1.2.6 the Interpretation Act 1978 shall apply to this agreement in the same way as it applies to an enactment; and

1.2.7 references to all or any part of any statute or statutory instrument include any statutory amendment, modification or re-enactment in force from time to time and references to any statute include any statutory instrument or regulations made under it.

## 2 SALE AND PURCHASE OF THE BUSINESS

2.1 In accordance with and subject to the provisions of this agreement, and on and with effect from the Transfer Date, the Seller shall with full title guarantee (save as provided in clause 2.2) sell or procure to be sold, and the Buyer shall purchase, the Business as a going concern which shall include the Assets as at the Transfer Date, free from all Encumbrances and together with all rights, benefits and advantages of any nature whatsoever now or at any time after the date of this agreement attaching or accruing to them.

2.2 Notwithstanding clause 2.1, the following Assets are sold subject to the following:

2.2.1 the Properties are sold subject to the interests disclosed to the Buyer by the Seller and save as provided in clause 5.1;

2.2.2 the Stock is sold subject to any title transfer and retention arrangements relating to it; and

2.2.3 the Conditional IP is sold subject to the provisions of clause 4.9.

2.3 Notwithstanding clauses 2.1 and 2.2 the transfer of the Czech Assets and Czech Employees to the Buyer shall be effected on receipt of notice from the Buyer that it has established and registered a branch of the Buyer, in the Czech Republic, in accordance with the relevant requirement under the laws of the Czech Republic ("Czech Transfer Date") and:

2.3.1 in the period between the Transfer Date and the Czech Transfer Date, any proceeds received in respect of the Czech Assets shall be for the benefit of the Buyer and the Buyer shall indemnify the Seller in respect of any liabilities arising in relation thereto from and including the Transfer Date; and

2.3.2 the Seller will use its best endeavours to transfer the Czech Assets and Czech Employees to the Buyer as soon as practicable following the Czech Transfer Date.

2.4 For the avoidance of doubt, the sale and purchase pursuant to clause 2.1 shall not include any of the Excluded Assets.

2.5 The Buyer shall assume responsibility for the satisfaction of all the Liabilities (other than the Excluded Liabilities) with effect from the Transfer Date.

### 3 **CONSIDERATION**

3.1 The consideration for the sale and purchase of the Business shall be the assumption by the Buyer of the Liabilities and the payment by the Buyer to the Seller of the sum of £90,606,000 but subject to adjustment in accordance with clause 3.2 and payable in accordance with clause 3.3.

3.2 The consideration referred to in clause 3.1 shall be adjusted so that if the amount obtained by subtracting the value of Trade Creditors (as determined in the Completion Accounts) from the value of Trade Debtors (as determined in the Completion Accounts) (the "Net Debtor Amount"):

3.2.1 exceeds £11,563,000, the difference between the Net Debtor Amount and £11,563,000 shall be subtracted from the amount in clause 3.1; or

3.2.2 is less than £11,563,000, the difference between the Net Debtor Amount and £11,563,000 shall be added to the amount in clause 3.1.

3.3 The consideration referred to in clause 3.1 as adjusted pursuant to clause 3.2 shall be payable and paid by the Buyer to the Seller as follows:

3.3.1 £89,505,998 shall be paid in cash at Completion;

3.3.2 £1,100,002 shall be satisfied by the delivery by the Buyer to the Seller at completion of the Loan Note duly executed by the Buyer; and

3.3.3 the balance of the adjusted consideration shall be paid by the Buyer (or repaid by the Seller if clause 3.2.1 applies) in cash within 30 days of the finalisation of the Completion Accounts.

3.4 The consideration to be satisfied by the Buyer shall be apportioned among the Assets as set out in Schedule 1.

3.5 The consideration may be further adjusted in accordance with the provisions of clause 4.10.

#### 4 **COMPLETION**

4.1 Completion shall take place (subject to clause 5 in relation to the Properties, clause 8 in relation to the Contracts and clause 2.3 in relation to the Czech Branch) at such place as the Seller and the Buyer may agree on the Transfer Date or as soon as practicable thereafter.

4.2 Save to the extent the Buyer shall agree otherwise, and subject to clause 2.3 in relation to the Czech Branch, at Completion the Seller shall:

4.2.1 deliver or cause to be delivered to the Buyer those Assets which are transferable by delivery;

4.2.2 execute and deliver or otherwise vest in the Buyer, all requisite transfers, assignments, assurances, confirmations and novations in respect of the Assets which are not transferable by delivery (subject to clause 5 in relation to the Properties, clause 8 in respect of the Contracts and clause 2.3 in relation to the Czech Branch) together with the documents of title thereto (if any);

4.2.3 deliver to the Buyer the Records, all subsisting contracts and all other instruments and documents relating to the Business and Assets including the Properties;

4.2.4 provide evidence to the reasonable satisfaction of the Buyer of any release of any of the Assets including the Properties which were subject to any Encumbrance prior to the date hereof; and

4.2.5 subject to clause 5 in relation to the Properties, clause 8 in relation to the Contracts and clause 2.3 in relation to the Czech Branch, use its reasonable endeavours to obtain such consents, licences or other permissions as are necessary to give the Buyer the full benefit of this agreement.

4.3 Upon compliance by the Seller with the provisions of clause 4.2, the Buyer shall;

4.3.1 pay or cause to be paid to the Seller the amount referred to in clause 3.3.1, such payment to be made to such account of the Seller as the Seller shall have notified to the Buyer prior to Completion for such purpose; and

4.3.2 execute and deliver to the Seller the Loan Note in respect of the consideration referred to in clause 3.3.2.

4.4 Subject to clause 2.3 in respect of the Czech Assets, and subject to clause 4.9 in respect of the Conditional IP, beneficial ownership and risk in respect of the Assets shall pass to the Buyer on Completion. Save where otherwise specified in this agreement, title to all Assets shall pass to the Buyer on Completion and title to all

Assets which are capable of transfer by delivery shall pass on delivery. Such delivery shall be deemed to take place at the Buyer's registered office address.

- 4.5 If and to the extent that any documents of transfer are not available at Completion, the parties shall arrange for appropriate transfer documents to be prepared and completed as soon as practicable after Completion.
- 4.6 The Seller and the Buyer shall each provide the other upon request with full and free access (including the right to take copies) during normal business hours to the books, accounts and records of the Business and the Czech Branch business to be held by each of them after the Transfer Date and which relate to the period up to the Transfer Date.
- 4.7 Save as otherwise expressly stated in this agreement, with effect from Completion the Seller assigns to the Buyer the beneficial right and interest in the Intellectual Property.
- 4.8 The Buyer shall use its reasonable endeavours to collect as agent for the Seller any sums due from the Trade Debtors and so far as practicable, the Buyer shall adopt the same method as used by the Seller prior to the Transfer Date to collect such sums and shall apply such sums received first in satisfying the Trade Creditors.
- 4.9 The Conditional IP shall not be transferred to the Buyer:
  - 4.9.1 until a period of 10 days has elapsed from the date of Completion (the "**Conditional Period**"); and
  - 4.9.2 where the relevant items of Conditional IP have, during the Conditional Period, been made the subject of a Carve-Out Notice from the Buyer to the Seller.
- 4.10 In the event that a Carve-Out Notice is issued pursuant to clause 4.9, the parties shall negotiate in good faith an appropriate reduction in the consideration for the sale and purchase of the Business, together with any other appropriate variations to the terms or subject matter of this agreement.

## 5 THE PROPERTIES

- 5.1 The Seller shall use its reasonable endeavours to obtain the Landlord's Consent as soon as reasonably possible at its own expense. If the Landlord's Consent is unreasonably refused the Seller shall take all reasonable action required by the Buyer including applying to the court without delay for a declaration accordingly and shall pursue such application and (if required by the Buyer) shall appear with all due diligence and at the Seller's expense. The Seller shall keep the Buyer informed of all steps and advice in relation thereto.
- 5.2 The Buyer shall supply such information and references as may reasonably be required of it in connection with obtaining the Landlord's Consent.
- 5.3 If the Landlord's Consent has not been obtained at the Transfer Date or in respect of the Czech Lease, the Czech Transfer Date then:

- 5.3.1 completion of the assignment of the Properties shall be deferred and shall take place on the fifth working day following receipt by the Buyer of evidence reasonably satisfactory to the Buyer that the Landlord's Consent has been obtained; and
- 5.3.2 as from and including the Transfer Date (or, in the case of the Czech Lease, the Czech Transfer Date) and up to and including the expiry of the Leases or the completion of the assignment of the Properties whichever shall be the earlier:
- (a) the Seller shall not do or omit to do anything which could amount to a breach of the Leases;
  - (b) the Seller shall permit the Buyer to occupy the Properties as licensee only and so that this right of occupation shall be personal to the Buyer and shall not operate or be deemed to operate as a grant of tenancy, no exclusive occupation of the Properties being granted; and
  - (c) the Buyer shall pay to the Seller a licence fee equal to the amount of all rent, rates, service charges and other outgoings directly attributable to the period from the Transfer Date to the assignment of the Leases to the Buyer and the Buyer will comply from the Transfer Date with all covenants and conditions applicable to the Properties as far as they are consistent with occupation under a licence.
- 5.4 The Seller will take all reasonable action as the Buyer may require to avoid, dispute, resist, appeal against, compromise or defend any claim for forfeiture of the Leases and/or damages relating to such Leases and will take all reasonable action required by the Buyer at the Seller's expense including applying for relief without delay from any forfeiture and will keep the Buyer informed of all steps and advice in relation thereto.
- 5.5 The Buyer accepts liability from the Transfer Date for and will keep the Seller and its respective employees, agents and duly authorised representatives fully and effectually indemnified and held harmless from and against all actions, claims, demands, proceedings, costs, expenses, loss, damage, charges, or any other liabilities whatsoever arising out of its use of the Properties in accordance with clause 5.3.2 and any breach of any of its obligations, covenants and conditions under the Leases except where the same shall be proven only to arise from the negligence or wilful misconduct of the Seller or its respective employees, agents or duly authorised representatives in which case the Seller shall be solely liable. In this clause 5.5 the expression "costs, expenses, loss and damage" shall be given the widest possible interpretation lawfully possible.
- 6 BUYER'S OBLIGATIONS**
- 6.1 The Buyer hereby undertakes to the Seller that it will with effect from the close of business on the Transfer Date:

- 6.1.1 subject to clause 8, adopt, perform, fulfil and observe and be bound by all the terms, conditions, obligations and liabilities under or in respect of the Contracts so far as the same remain undischarged or unperformed or are otherwise capable of being performed, observed, adopted or fulfilled;
  - 6.1.2 accept responsibility for payment and discharge of all the Creditors (but for the avoidance of doubt, not the Trade Creditors);
  - 6.1.3 use the Assets in carrying on the same kind of business as previously carried on by the Seller; and
  - 6.1.4 satisfy and discharge all other Liabilities incurred in connection with the Business to the extent they have not been discharged prior to close of business on the Transfer Date.
- 6.2 The Buyer will at all times keep the Seller fully and effectually indemnified and held harmless from and against any breach or non-performance or non-observance by the Buyer of any of its obligations or liabilities contained in clause 6.1 and against all actions, claims, demands, proceedings, costs, expenses, loss, damages, charges and other liabilities whatsoever in respect thereof brought or made against or suffered or incurred by the Seller after the close of business on the Transfer Date.

## **7 SELLER'S OBLIGATIONS**

- 7.1 The Seller shall keep the Buyer fully and effectually indemnified and held harmless against all actions, claims, demands, proceedings, costs, expenses, loss, damages, charges and other liabilities whatsoever made against or incurred by the Buyer in respect of any act or omission on the part of the Seller in relation to the Business on or before the close of business on the Transfer Date ("**Relevant Claims**") provided that the Buyer acts in accordance with the provisions of this clause.
- 7.2 If the Buyer becomes aware of any matter which may give rise to a Relevant Claim it shall give written notice to the Seller of the matter stating in reasonable detail the nature of the matter and, so far as practicable, the amount claimed and shall consult with the Seller with respect to the matter.
- 7.3 The Buyer shall take such action and institute such proceedings ("**Proceedings**") as the Seller may reasonably request to dispute, resist, appeal, compromise, defend, remedy or mitigate the matter or to enforce against any person the rights of the Buyer in relation to the matter.
- 7.4 The Seller shall keep the Buyer fully and effectually indemnified and held harmless in respect of all reasonable costs suffered or incurred by the Buyer as a result of any action taken by the Buyer under this clause 7.
- 7.5 If the Buyer itself conducts the Proceedings, it will not admit liability in respect of or settle any matter without the prior written consent of the Seller, such consent not to be unreasonably withheld.

## 8 CONSENTS

8.1 If any of the Contracts cannot be transferred to the Buyer except by an assignment made with the consent of another party or by an agreement of novation, then:

8.1.1 this agreement shall not constitute an assignment or an attempted assignment of the Contract if the assignment or attempted assignment would constitute a breach of the Contract;

8.1.2 the Seller and the Buyer shall use their respective reasonable endeavours to obtain the consent of the other party to the assignment, or to procure the novation, of the Contract;

8.1.3 until the consent or novation is obtained, the Seller shall at the sole cost and risk of the Buyer do all such acts and things as the Buyer may reasonably require to enable due performance of the Contract and to provide for the Buyer the benefits of the Contract; and

8.1.4 if a consent or novation cannot be made in respect of the Contract the Seller and the Buyer shall use their respective reasonable endeavours to procure that the Contract is terminated without liability to either of them and neither the Seller nor the Buyer shall have any further obligation to the other relating to the Contract except that the Seller shall repay to the Buyer any amount paid by the Buyer to the Seller in respect of the Contract.

8.2 The Seller shall take all necessary steps to enforce and defend its rights in respect of any proceedings, actions, costs, damages, claims and demands in respect of the Contracts which arise before consent to the relevant Contract being assigned or novated is obtained and in particular shall:

8.2.1 give written notice to the Buyer of any matter which may give rise to such proceedings and consult with the Buyer with respect to the matter;

8.2.2 take such action to defend the proceedings or to enforce its rights as the Buyer may reasonably request;

8.2.3 use such professional advisers as may be nominated by the Buyer in respect of the proceedings;

8.2.4 not admit liability in respect of or settle the matter without the prior written consent of the Buyer, such consent not to be unreasonably withheld; and

8.2.5 account to and hand over to the Buyer any sums received in respect of such proceedings.

## 9 EMPLOYEES

9.1 The parties:

9.1.1 note that as at the date hereof the Seller has no employees and the Buyer supplies staff to the Seller for use in the Business pursuant to a staff supply



agreement between the parties dated 20 March 2003 (the "Staff Supply Agreement");

- 9.1.2 agree that the Staff Supply Agreement shall terminate on the Transfer Date, such termination to be without prejudice to any rights of the parties pursuant thereto which have accrued prior to that date.

## 10 POST-TRANSFER OBLIGATIONS

At, or as soon as practicable after, the close of business on the Transfer Date the Seller and the Buyer shall, if required by the Buyer, send a joint letter to each customer, client and supplier of the Business and the Czech Branch advising it of the purchase of the Business by the Buyer and the Czech Branch.

## 11 VALUE ADDED TAX

- 11.1 Each of the Seller and the Buyer warrants that it is registered for the purpose of value added tax.
- 11.2 In the event that value added tax is chargeable at any time in respect of any of the assets transferred under this agreement the Buyer agrees with the Seller that such value added tax will be in addition to the sums agreed to be paid under this agreement and agrees to pay to the Seller the amount of the value added tax upon production by the Seller of an invoice for such tax.

## 12 WARRANTIES

- 12.1 The Seller warrants, represents and undertakes to the Buyer that each of the statements set out in this clause 12.1 (the "Seller's Warranties") is true and accurate in all respects and is not misleading at the date of this agreement and Completion, and that:
- 12.1.1 the Seller is the sole legal and beneficial owner of the Assets;
- 12.1.2 there is no Encumbrance, nor is there any agreement, arrangement or obligation to create or give any Encumbrance, on, over or affecting any of the Assets and no claim has been made by any person to be entitled to any Encumbrance;
- 12.1.3 the Seller has the legal right and full power and authority to execute and deliver, and to exercise its rights and perform its obligations under this agreement and all the documents which are to be executed at Completion;
- 12.1.4 all corporate action required by the Seller validly and duly to authorise the execution and delivery of, and the exercise of its rights and performance of its obligations under, this agreement and all other documents which are to be executed at Completion has been duly taken; and
- 12.1.5 the agreement and all other documents which are to be executed at Completion will, when executed, create legal, valid and binding obligations of the Seller enforceable against the Seller in accordance with their terms.

12.2 The Buyer warrants, represents and undertakes to the Seller that each of the statements set out in this clause 12.2 (the "**Buyer's Warranties**") is true and accurate in all respects and is not misleading at the date of this agreement and Completion, and that:

12.2.1 the Buyer has the legal right and full power and authority to execute and deliver, and to exercise its rights and perform its obligations under this agreement and all the documents which are to be executed at Completion;

12.2.2 all corporate action required by the Buyer validly and duly to authorise the execution and delivery of, and the exercise of its rights and performance of its obligations under, this agreement and all other documents which are to be executed at Completion has been duly taken; and

12.2.3 the agreement and all other documents which are to be executed at Completion will, when executed, create legal, valid and binding obligations of the Buyer enforceable against the Buyer in accordance with their terms.

12.3 The Seller's Warranties and the Buyer's Warranties shall remain in full force and effect notwithstanding Completion.

### 13 **GENERAL PROVISIONS**

#### 13.1 **Costs**

Except as otherwise stated in any provision of this agreement, each party shall pay its own costs and any applicable tax thereon in relation to the negotiations leading up to the sale of the Business and to the preparation, execution and carrying into effect of this agreement and all other documents referred to in it.

#### 13.2 **Further assurance**

The Seller shall, from time to time at its own cost and on being required to do so by the Buyer, perform or procure the performance of all such acts and/or execute or procure the execution of all such documents in a form satisfactory to the Buyer to give full effect to this agreement and to secure to the Buyer the full benefit of the rights, powers and remedies conferred upon the Buyer by or pursuant to this agreement.

#### 13.3 **Entire agreement**

The written terms of this agreement constitute the entire understanding, and constitute the whole agreement in relation to their subject matter, and supersede any previous agreement between the parties with respect thereto.

#### 13.4 **The Contracts (Rights of Third Parties) Act 1999**

A person who is not a party to this agreement has no right under The Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this agreement, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

### **13.5 Severability**

If at any time any provision of this agreement is or becomes, or is adjudicated by any court of competent jurisdiction or public authority to be, illegal, invalid or unenforceable in any respect under the law of any jurisdiction, this shall not affect or impair:

13.5.1 the legality, validity or enforceability in that jurisdiction of any other provision of this agreement; or

13.5.2 the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this agreement.

### **13.6 Amendment**

This agreement may be amended or modified in whole or in part at any time by an agreement in writing executed by or on behalf of the parties to this agreement.

### **13.7 Waiver**

No failure to exercise or delay in exercising any right or remedy under this agreement shall constitute a waiver thereof and no waiver by either party of any breach or non-fulfilment by the other party of any provision of this agreement shall be deemed to be a waiver of any subsequent or other breach of that or any other provision hereof. No single or partial exercise of any right or remedy under this agreement shall preclude or restrict the further exercise of any such right or remedy. The rights and remedies provided in this agreement are cumulative and not exclusive of any rights and remedies provided by law.

### **13.8 Assignment**

This agreement shall be binding upon and inure for the benefit of the successors of the parties, but neither party may assign, encumber, dispose of or otherwise transfer any of its rights under this agreement, save that a party may at any time assign all or any part of its rights and benefits under this agreement to any company which is the subsidiary, holding company or fellow subsidiary of the holding company of that party, who may enforce them as if it had also been named in this agreement as that party.

### **13.9 Counterparts**

This agreement may be executed in one or more counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart. Each counterpart shall constitute an original of this agreement, but all the counterparts shall together constitute the same instrument.

### 13.10 Notices in English

Each notice, demand, request, statement, instrument, certificate, or other communication given, delivered or made under or in connection with this agreement shall be:

13.10.1 in the English language; or

13.10.2 if not in the English language, accompanied by an English translation made by a translator, and certified by such translator in such manner as may be approved by the receiving party.

The receiving party shall be entitled to assume the accuracy of, and to rely upon, any English translation of any document provided pursuant to this clause 13.10.

### 13.11 Notices

13.11.1 A notice or other communication in connection with this agreement:

- (a) must be in writing; and
- (b) must be left at the address of the addressee or sent by prepaid ordinary post (airmail if posted to or from a place outside the United Kingdom) or by facsimile transmission to the address or facsimile number of the addressee which is to be notified by the parties or, if the addressee notifies another address in England and Wales or facsimile number for such purpose, then to that other address or facsimile number.

13.11.2 A notice or other communication shall take effect from the time it is received (or, if earlier, the time it is deemed to be received in accordance with clause 13.11.3) unless a later time is specified in it. A notice or communication sent by facsimile transmission shall be confirmed by personal delivery or by post in accordance with clause 13.11.3 within two business days of the facsimile taking effect.

13.11.3 Any notice or other communication given or made under or in connection with the matters contemplated by this agreement shall be addressed as provided in clause 13.11.1 and, if so addressed, shall be deemed to have been duly given or made as follows:

- (a) if personally delivered, upon delivery at the address of the relevant party;
- (b) if sent by first class post, two business days after the date of posting;
- (c) if sent by airmail, six business days after the date of posting; and
- (d) if sent by facsimile transmission, on receipt of printed confirmation of successful transmission.

14      **GOVERNING LAW AND JURISDICTION**

14.1      This agreement is governed by, and shall be construed in accordance with, the law of England and Wales.

14.2      The parties hereby agree that the courts of England and Wales shall have non-exclusive jurisdiction to hear and decide any suit, action or proceedings and to resolve any disputes, arising in connection with this agreement and the parties hereby submit to the jurisdiction of the courts of England and Wales.

IN WITNESS WHEREOF the parties hereto or their duly authorised representatives have executed this agreement the day and year first above written.

SIGNED by )  
duly authorised for and on )  
behalf of )  
RICARDO CONSULTING )  
ENGINEERS LIMITED )



SIGNED by )  
duly authorised for and on )  
behalf of )  
RICARDO UK LIMITED )



## **SCHEDULE 1**

### **THE ASSETS**

The following Assets shall be transferred to the Buyer pursuant to clause 2.1:

<b>ASSET</b>		<b>APPORTIONMENT OF CONSIDERATION</b>
1	The Property	£1.00
2	The Fixtures and Fittings	The value specified in the Completion Accounts
3	The Equipment	The value specified in the Completion Accounts
4	The Stock	The value specified in the Completion Accounts
5	The benefit of each Contract	£1.00
6	The Claims	£1.00
7	The Debtors	The value specified in the Completion Accounts
8	The Records	£1.00
9	Cash in hand and at bank	The value specified in the Completion Accounts
10	Goodwill (excluding Intellectual Property specified at item 9)	Value of total consideration less value of items 1-9

**SCHEDULE 2**  
**THE PROPERTIES**

Property	Date of Lease
Level 1, The Saturn Centre, Bedford Heights, Bedford	9 January 2002
Unit 15D Shoreham Airport	28 September 1998
Unit 5, Highdown House, Shoreham Airport	
Building No 7613, Letenske namesti 3, 170 00 Prague 7	



### **SCHEDULE 3**

#### **Czech Assets**

The Czech Assets include all the Assets owned by the Seller, without limitation, the following assets used in the Czech Branch business:

1. Catia Software Licence;
2. Czech Lease;
3. Any fixtures and fittings used by the Czech Branch at close of business on the Transfer Date, to the extent transferable;
4. All office equipment, computer equipment and motor vehicles owned or leased by the Czech Branch;
5. the Claims as they relate to the Czech Branch;
6. the Debtors as they relate to the Czech Branch;
7. The Goodwill as it relates to the Czech Branch;
8. The Records of the Czech Branch;
9. All know-how or intellectual property held, owned or produced by the Czech Branch;
10. Cash in hand and at the bank; and
11. All other assets owned or used by the Czech Branch.

## SCHEDULE 4

### Czech Employees

	Surname	First name
Expatriates	Hill	Martin
	Hill	Sandra
Local employees	Bendlová	Zuzana
	Charvátová	Helena
	Čečrle	Jiří
	Hončík	Richard
	Kalčík	Miroslav
	Kalina	Ladislav
	Kácovský	Alois
	Keprta	Jaroslav
	Kluganost	Vít
	Krátký	Martin
	Lutišan	Eduard
	Petrus	Michal
	Rabík	Tomáš
	Střílka	Tomáš
	Štěpánek	Pavel
	Valdman	Jan
	Lingerová	Martina
	Plaček	Lukáš
	Podruh	Jiří
	Řezáč	Radek
	Stehlík	Vladimír