

THIS MEMORANDUM OF AGREEMENT is made this 15th day of Dec 1997

between Peter Savage and Joan Savage of **GRO**
(hereinafter called the Vendor(s) of the one part and Alan Bates and Suzanne Sercombe of **GRO**
GRO (hereinafter called the
Purchaser(s) of the other part.

1. In this agreement:

- (a) "the Property" means all that FREEHOLD land and premises known as **GRO**
GRO together with the appurtenances thereto
belonging subject to the covenants on the part of the Tenant reservations rights
easements conditions restrictions and other matters of a like nature subject to which the
Vendor(s) hold(s) the same. The Vendor sells with full title guarantee.
- (b) "the Business" means the business known as Craig y Don Post Office together with the
Business of Craft Shop Knitwear Fancy Goods hitherto carried on by the Vendor(s) at
the property.
- (c) "the Goodwill" means the goodwill of the Business.
- (d) "the Fittings" means the fixtures, fittings and trade equipment specified in schedule 1.
- (e) "the Stock" means the stock in trade of the Business at completion.
- (f) "the Employees" means the employees of the business specified in schedule 2 (if any).

2. The Vendor(s) agree(s) to sell and the Purchaser(s) agree(s) to buy:

- (a) the Property at a price of Eighty Thousand Pounds (£80,000.00);
- (b) the Goodwill at a price of Sixty Five Thousand Pounds (£65,000.00);
- (c) the Fixtures and Fittings at a price of Ten Thousand Pounds (£10,000.00);
- (d) the Stock at a price of Twenty Thousand Pounds (£20,000.00);

making a total price of One Hundred and Seventy Five Thousand Pounds
(£175,000.00).

3. The Business shall be transferred and the purchase of the FREEHOLD property
completed on or before the Second day of March 1998 or within 14 days of the fulfilment of
the requirements outline in clause 7(a) of this agreement if later.

4. The Vendor(s) shall, pending completion, continue to carry on the said business as
heretofore at his own risk and expense and will maintain it as a going concern and discharge
all debts and liabilities up to the date of completion.

5. **The Vendor(s)** shall not for a period of **THREE** years from the date for completion, either solely or jointly, or with any other person, persons or company, directly or indirectly, carry on or be engaged or interested in any business similar to the aforesaid, or permit or suffer his name to be employed in connection with such business within **THREE** miles of the property.

6. **It** is believed by the Vendor(s) and the Purchaser(s) that the purchase price can be paid without the addition of value added tax by reason of Article 12(1) of the Value Added Tax (Special Provisions) Order 1981 as amended and the fact that the Purchaser(s) hereby warrants that he will at the time of Completion be a registered taxable person and does not intend to reclaim value added tax on the purchase price. In the event that relief is not available under the said order or otherwise the Purchaser(s) agree(s) to pay the Vendor(s) on demand a further amount equal to the value added tax payable on assets comprised in the sale and purchase hereby agreed at the applicable rate upon production to the Purchaser(s) of a valid invoice.

7. **This** Contract is conditional upon and may be rescinded by either party by written notice if either:

- (a) the duly appointed Officer of Post Office Counters Limited declines to appoint the Purchaser(s) to be Sub Post Master within four months of the date hereof and the Purchaser(s) agree to use his best endeavours to attain such appointment within the said period and the Vendor(s) undertake to do everything that shall be necessary to be done by them to procure the same. Without prejudice to the foregoing, the Purchaser(s) warrant that he will:
 - i) satisfactorily complete and return within the specified time period, application forms for the said position of Sub Post Master together with, if required, a business plan and/or cash flow projection to Post Office Counters Limited. Full and honest disclosure must be made to Post Office Counters Limited in any such papers and/or any subsequent interview;
 - (ii) attend interview at the date and time requested by Post Office Counters Limited.
- or
- (b) the local search is received prior to completion but contains entries of and adverse or onerous nature such that a reasonable Purchaser(s) would be unwilling to purchase on the terms of this agreement;
- or
- (c) save for the reduction of one quarter of the first year's salary (as notified by Post Office Counters Limited) which applies to Sub Post Office Agencies with an Annual Unit Value of over 125,050., the duly appointed officer of Post Office Counters Limited declines to appoint the Purchaser(s) to be Sub Post Master except on terms which are materially different from the terms on which the Vendor(s) hold the appointment and are such that a reasonable Purchaser(s) would be unwilling to purchase;
- (d) the evidence of title deduced by the Vendor(s) disclose incumbrances upon the basis of which a reasonable Purchaser(s) would be unwilling to purchase on the terms of this agreement.

- 9.(a)** If for any reason other than the wilful default of the Vendor(s) or unavoidable delay of the transfer of the Post Office Agency by Post Office Counters Limited, the purchase is not completed on the date for completion, the Purchaser(s) shall on completion pay to the Vendor(s) interest on the balance of the purchase money payable upon completion at the rate of 4% above Nat West Bank Plc minimum lending rate from time to time from the date for completion to the date of actual completion.
- (b) If for any default of the Purchaser(s) completion does not take place within one month after the date for completion the Vendor(s) shall be at liberty by notice in writing forthwith to determine this agreement and to forfeit the said deposit and also be entitled to seek recompense by way of damages for all reasonable costs incurred in the sale of the business and offering of vacant possession on the agreed date of completion.
- 10.** The Purchaser(s) shall on the signing hereof pay a deposit of Eight Thousand (£8,000.00) to the Vendor(s) solicitors as Agents for the Vendor(s). This deposit will be held in a high interest bearing account at National Westminster Bank Plc in the Purchaser(s) name with interest accruing to the Purchaser(s) name with interest accruing to the Purchaser(s) to the date of appointment.
- 11.** The Vendor(s) and the Purchaser(s) acknowledge that the Transfer of Undertakings (Protection of Employment) Regulations 1982 apply to the transfer of the Business as regards the Employees and that on completion they will be transferred to the employment of the Purchaser(s) by operation of law and the Purchaser(s) shall compensate the Vendor(s) in full on demand against all liabilities in respect of the Employees which arise on or after the transfer of the Business.
- 12.** The stock in trade of the business shall be maintained by the Vendor(s) at the approximate value of Twenty Thousand Pounds (£20,000.00) until completion.
- 13.** The books and accounts relating to the Business shall remain the property of the Vendor(s) but shall be made available to the Purchaser(s) for inspection at the property at all reasonable times during the period of 6 months from the date of completion. All those documents connected with the Business shall be handed over to the Purchaser(s) upon completion.
- 14.** The Vendor(s) hereby warrant that the Fixtures and Fittings are their property and are not subject to any lien, bill of sale, hire purchase, agreement or other incumbrance whatsoever.
- 15.** For a period of seven days prior to completion the Vendor(s) will permit the Purchaser(s) to attend at the premises in order that they may be introduced to the customers of the business and will afford to the said Purchaser(s) all facilities which they may require for such purpose and for interviewing the Employees of the business and for examining the stock and book debts of the business.
- 16.** The Purchaser(s) should note that this Agreement is not subject to the provision of satisfactory finance or the provision of a satisfactory survey of the Property on behalf of the Purchaser(s) and such unconditional offer of finance should be attained, and such survey carried out if required by the Purchaser(s) prior to the signing of this agreement in order that

Saville & Woods (Merseyside) Ltd.

C. A. Free (BSc. Est. Man.) F.I.B.A. D. A. Free C.Free (Consultant)

BUSINESS TRANSFER SPECIALISTS, VALUERS & ESTATE AGENTS

NORTH WEST HOUSE, GRANGE ROAD, WEST KIRBY, MERSEYSIDE L48 4DY

Telephone: **GRO** Hour Answering Service Facsimile: **GRO**

Mr & Mrs P Savage
Craig-y-Don Post Office Post Office

GRO

Re: Craig-y-Don Post Office Queens Road Llandudno

Schedule of Fixtures and Fittings to be included in the sale of the above mentioned Property/Business.

I/We declare that the following Fixtures and Fittings and Equipment are not subject to any Loan or Hire Purchase Agreement.

2 Display Windows,
2 Metal Hanging Rails,
Approximately 8ft. of Compartmentalised Perspex Display Shelving for Wools,
Display Hangers and Curtain Display Rails,
Larger Compartmentalised Wall Shelving for Wools, Textiles and Laces,
Gondola Display Unit,
2 Glazed Haberdashery Display Counters,
Stationery Display Stand,
Circular Tubular Metal Hanging Rail,
Extensive Wall Display Shelving,
Glazed Display Counter,
NCR Till,
Electric Night Storage Heater,
3 Display Stands for Stockings, Tights etc.,
3 Position Post Office Counter (SPSO Screen 2000),
Large Behind Counter Area with Shelving and Cupboard Units,
Desk Area,
Compaq Computer Keyboard and Monitor running 'Capture' Software,
Star Printer,
Adding Machine with Print-Out Facility,
Electric Wall Clock,
Display Stands for Cottons Threads and Associated Items,
further Electric Night Storage Heater,
Strip Light,
Timber Cupboard Unit
Wash Basin,
Water Heater,
Electric Kettle,

Signed