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STRICTLY PRIVATE AND CONFIDENTIAL

Dickson Minto

PROJECT CHARLOTTE

BIBLE OF TRANSACTION DOCUMENTS

6 May 2011



M
Dickson Minto W.S.
Edinburgh

PROJECT CHARLOTTE
PARTIES AND ABBREVIATIONS

<u>Name</u>	<u>Abbreviation</u>
The Rangers Football Club plc	"Club"
Rangers Financial Services Limited	"Rangers Financial"
The Rangers Shop Limited	"Rangers Shop"
RANGERS.CO.UK LIMITED	"Rangers.co.uk"
The independent directors' committee of the board of the Club	"Independent Committee"
Wavetower Limited	"Wavetower"
Liberty Capital Limited	"Liberty"
Murray MHL Limited	"MHL"
Rangers Financial, Rangers Shop and Rangers.co.uk	"Subsidiaries"
Bank of Scotland plc	"BoS"
Lloyds Banking Group plc	"LBG"
Capital Bank Property Investments (6) Limited	"NWS"
The Premier Property Group Limited	"PPG"
Charlotte Ventures (Edmiston House) Limited	"Charlotte Ventures"

PROJECT CHARLOTTE
INDEX OF DOCUMENTS

All documents and announcements are dated 6 May 2011 unless otherwise stated.

PRINCIPAL DOCUMENTS

1. Share purchase agreement between MHL, Wavetower and Liberty.
2. Side letter from Wavetower to the Club.
3. Debt assignment agreement between the Club, Wavetower, the Subsidiaries and BoS dated 5 May 2011.
4. Letter from Wavetower and the Club to BoS and NWS in relation to the Asset Finance Facility dated 5 May 2011.
5. Letter from LBG to the Club in relation to the Club's ongoing hedging arrangements with LBG.
6. Letter from Collyer Bristow LLP to the Club in relation to the funds to be provided by Wavetower pursuant to the share purchase agreement.
7. Letter from Wavetower to the Club confirming that Wavetower will make a committed working capital facility of £5 million available to the Club.
8. Letter from Liberty to the Club confirming that Liberty has set aside £5 million for Wavetower to be used as a working capital facility by the Club.
9. Letter from Collyer Bristow LLP to the Independent Committee confirming the provision of a committed working capital facility of £5 million to Wavetower.
10. Letter from Charlotte Ventures to the Club in relation to a right of pre-emption that the Club has in relation to Edmiston House.
11. Discharge of a standard security, registered in the Land Register of Scotland on 31 March 2005, by PPG in favour of the Club over the subjects known as Former Albion Training Ground, Broomloan Road, Glasgow (the "Subjects").
12. Discharge of a standard security, registered in the Land Register of Scotland on 1 May 2006, by PPG in favour of the Club over the Subjects.
13. Letter from PPG to the Club discharging the Club from its obligations and liabilities in relation to the Subjects.

ANNOUNCEMENTS

14. Announcement by Wavetower in relation to its acquisition of 85.3% of the ordinary shares in the capital of the Club.
15. Announcement by the Independent Committee in relation to Wavetower's acquisition of 85.3% of the ordinary shares in the capital of the Club.
16. Announcement by Murray International Holdings Limited in relation to its sale of 85.3% of the ordinary shares in the capital of the Club to Wavetower.
17. Announcement by the Club providing information about Wavetower.

BOARD MINUTES

18. Board minute of a meeting of the Independent Committee held on 5 May 2011.
19. Board minute of Rangers Financial approving the entering into of the debt assignment.
20. Board minute of Rangers Shop authorising and approving the entering into of the debt assignment agreement.
21. Board minute of Rangers.co.uk authorising and approving the entering into of the debt assignment agreement.
22. Board minute of a meeting of the Independent Committee.
23. Board minute of a meeting the Independent Committee in relation to meeting Craig Whyte and his advisers held on 24 April 2011 (unsigned).
24. Board minute of a meeting of the Independent Committee in relation to meeting with Paul Murray regarding his proposal for the Club held on 24 April 2011 (unsigned).

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SHARE PURCHASE AGREEMENT

between

MURRAY MHL LIMITED

and

WAVETOWER LIMITED

and

LIBERTY CAPITAL LIMITED

Dated: 6/5/2011

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THIS AGREEMENT is made on 6/5/ 2011

BETWEEN:

- (1) **MURRAY MHL LIMITED** a company incorporated in Scotland (registered number SC143450) whose registered office is at 10 Charlotte Square, Edinburgh, EH2 4DR (the **Seller**);
- (2) **WAVETOWER LIMITED** a company incorporated in England (registered number 7380537) whose registered office is at 4 Bedford Row, London WC1R 4DF (the **Purchaser**); and
- (3) **LIBERTY CAPITAL LIMITED** a company incorporated in the British Virgin Islands (registered number 421410) whose registered office is at c/o LWB Company Limited, PO Box 92, Road Town, Tortola, BVI (the **Covenantor**).

INTRODUCTION:

- (A) **THE RANGERS FOOTBALL CLUB P.L.C.** is a public limited company incorporated in Scotland (registered number SC004276) having its registered office at Ibrox Stadium, Glasgow G51 2XD (the **Company**).
- (B) The Seller is the legal and beneficial owner of the Shares and, as such, has the right, power and authority to sell and transfer the Shares in the manner contemplated by this Agreement.
- (C) The Seller has agreed to sell and the Purchaser has agreed to purchase the Shares on the terms and subject to the conditions of this Agreement.

NOW IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement, unless the context otherwise requires, the following words and phrases have the meanings stated:

Agreed Form	shall mean the form agreed between and signed or initialled by or on behalf of the Seller and the Purchaser;
Albion Car Park	means Albion Car Park, Broomloan Road, Glasgow;
Asset Finance Letters	means (a) the letter from the Purchaser and the Company to, amongst others, the Bank; (b) the letter from the Bank to, amongst others, the Purchaser and the Company; and (c) the letter from Capital Bank Property Investments (6) Limited to, amongst others, the Bank and the Company, all in the Agreed Form relating to the Albion Car Park;
Assignment Agreement	means the assignment agreement of even date herewith between, amongst others, the Purchaser and the Bank in the

	Agreed Form;
Bank	means Bank of Scotland plc (registered number SC327000);
Business Day	means 9am to 5pm on any day (other than a Saturday or Sunday) on which clearing banks are open for the transaction of normal banking business in London;
City Code	the City Code on Takeovers and Mergers;
Company's Representative	means the chairman of the Company from time to time or such other person as the chairman may from time to time nominate, or failing this, the finance director;
Completion	means completion of the sale and purchase of the Shares in accordance with Clause 4;
Confidential Information	means all information relating to the subject matter, provisions or negotiation of this Agreement including the Debt, or any third party or other financing arrangements relating to the Company, the Purchaser or the Seller or any document referred to in this Agreement;
Connected Persons	has the meaning given to it in section 1122 of the Corporation Tax Act 2010;
Control	has the meaning given in the City Code on Takeovers and Mergers;
Debt	means the debt which is owed by the Company to the Lloyds Banking Group and which will be assigned to the Purchaser for full value pursuant to the Assignment Agreement. For the avoidance of doubt, any agency agreement in respect of season ticket sales, amounts owed by the Company in respect of the Albion Car Park arrangements between Capital Bank Property Investments (6) Limited and the Company and costs and expenses in relation to the Hedging shall not constitute Debt;
Determined	means in relation to the Tax Case, finally determined by a tribunal or court with no right or leave to appeal arising for or being available to any party thereto;
Encumbrance	means any encumbrance or security interest whatsoever including, without limitation, any charge, mortgage, standard security, floating charge, pledge, hypothec, assignment, lien, right

of pre-emption, option, right to acquire, conversion right, third party right, interest and claim, right of set-off, right of counterclaim, title retention, conditional sale arrangement, trust arrangement and any other preferential right, agreement or arrangement having similar effect;

Hedging

means callable swap transaction between the Bank and the Company no. 1391111TS;

Hedging Letter

means the hedging letter from the Bank to the Company regarding Hedging in the Agreed Form;

H&S Balance

has the meaning set out in the Purchaser's Solicitors Undertaking;

H&S Liability

the health and safety and other capital expenditure, details of which are set out in paragraph 2 of the Purchaser's Solicitors Undertaking;

Insolvency Event

means any one of the following events:

(a) the winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company other than a solvent reorganisation of the Company or a members' voluntary winding-up; or

(b) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company or its assets,

provided that such event is in respect of a bona fide arm's length creditor but not including the Purchaser or its Connected Persons nor any person who has been assigned the Total Purchaser Debt in accordance with Clause 6.3;

Key Witnesses

means Martin Bain and Andrew Dickson or such other person the Seller may reasonably require to give evidence in respect of the Tax Case (provided that such person only becomes one of the Key Witnesses on written notification by the Seller to the Purchaser and the Company) and each being a Key Witness;

Lloyds Banking Group

means the Bank, HBOS plc (company number SC218813), any subsidiary of either of them, any holding company of either of them and any subsidiary of any such holding company;

Longstop Date	means 12 months from Completion;
New Entity	means another company or person which: <ul style="list-style-type: none"> (a) becomes the owner of the whole or substantially the whole of the business and/or assets of the Company as the same are immediately prior to acquisition by such company or person; or (b) is a successor to the footballing activities of the Company; or (c) is a successor to material intellectual property rights of the Company, and provided that Craig Whyte or any Connected Persons (taking all of the interests of any such persons into account) has Control of, or arrangements are in place such that in the future he, they or any or some of them will Control, (whether directly or indirectly) such New Entity;
New Entity Account	has the meaning given in Clause 6.12;
New Ordinary Shares	means new voting ordinary shares of £0.10 each in the capital of the Company;
Offer	means the offer to purchase the shares in the capital of the Company that, following Completion, the Purchaser will be required to issue pursuant to Rule 9 of the City Code in the event that a Rule 9 Dispensation is not obtained or any conditions attaching to any Rule 9 Dispensation are not satisfied in accordance with their terms;
Playing Squad Balance	has the meaning set out in the Purchaser's Solicitors Undertaking;
Pre-emption Letter	means the letter from Charlotte Ventures (Edmiston House) Limited to the Company regarding Edmiston House in the Agreed Form;
Purchaser's Solicitors	means Collyer Bristow LLP of 4 Bedford Row, London WC1R 4DF;
Purchaser's Solicitors Undertaking	means the undertaking in the Agreed Form from the Purchaser's Solicitors to the Company;
Reconstruction	means the approval of a scheme of arrangement or voluntary arrangement or the compromise or other settlement of creditors

	or the exit from administration or liquidation (including provisional liquidation) where thereafter the Company continues to be a going concern;
Relevant Date	has the meaning given in Clause 6.3;
Rule 9 Dispensation	a dispensation from the Takeover Panel removing the requirement for the Purchaser to make an offer to purchase shares in the capital of the Company following Completion pursuant to Rule 9 of the City Code;
Seller's Group	means the Seller, its subsidiaries, its holding companies and the subsidiaries of such holding companies from time to time;
Seller's Solicitors	means Dundas & Wilson CS LLP, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2EN;
Shareholder Circular	means either (i) a document setting out the terms of the Offer and including the information required to be published and sent to members of the Company under the terms of the City Code, or (ii) a document complying with any conditions attaching to any Rule 9 Dispensation and with the City Code to the extent it continues to apply notwithstanding any such Rule 9 Dispensation;
Shares	means the 92,842,388 ordinary shares of 10 pence each in the issued capital of the Company registered in the name of the Seller;
Side Letter	means the side letter from the Purchaser to the Company in the Agreed Form relating to the provisions of Clauses 6.3 and 6.5;
Successor Entity	has the meaning given in Clause 6.6;
Takeover Panel	means the Panel on Takeovers and Mergers, being the regulatory body which administers the City Code;
Tax Case	means the appeal made by or on behalf of the Company numbered SC/3117/2009 being an appeal against (1) Determinations under Regulation 80 of the Income Tax (Pay As You Earn) Regulations 2003 and Decisions in terms of Section 8 of the Social Security Contributions (Transfer of Functions etc) Act 1999 issued by HM Revenue & Customs on or about 28 February 2008, 7 March 2008, 14 March 2008, 31 March 2008, 25 April 2008, 3 March 2009 and 15 March 2010; and (2) Penalty Determination (Tax Reference 809/22710 20571/LBT1/KRM)

	issued by HM Revenue & Customs on 10 September 2009;
Tax Case Conclusion	means when the Tax Case has been settled or irrevocably withdrawn or otherwise the Tax Case has been Determined;
Tax Liability	means the liability of the Company in respect of the discount option scheme associated with player contributions between 1999 and 2003 assessed at £2,827,801;
Tax Litigation	means the tax litigation in respect of the Seller's Group co-joined with the Tax Case;
Total Purchaser Debt	means the aggregate of all amounts which will be payable as at the Relevant Date by the Company in respect of the Debt, whether principal, interest, fees, costs or any other amount whatsoever;
Transfer Window Closing	means 31 August 2011;
Tribunal	means the First-Tier Tribunal (Tax);
Tribunal Conclusion	means when the Tax Case has been settled or irrevocably withdrawn prior to a Tribunal Determination, or otherwise there has been a Tribunal Determination;
Tribunal Determination	means in relation to the Tax Case, determined by the Tribunal; and
Working Capital Facility Letter	means the letter from the Purchaser to the Company in the Agreed Form in respect of a working capital facility of £5,000,000.

1.2 In this Agreement, unless the context otherwise requires:

1.2.1 references to any statute or statutory provision includes a reference to:

- (a) subordinate legislation made from time to time pursuant to that statute or statutory provision (whether before or after the date of this Agreement); and
- (b) that statute or statutory provision as amended, extended, consolidated and/or re-enacted from time to time (whether before or after the date of this Agreement);

1.2.2 references to a person include individuals, bodies corporate, unincorporated associations, partnerships, joint ventures, trusts and government departments or agencies, and references to any of the same include the others;

1.2.3 subject to Clause 13 (Assignment), references to the parties include their respective successors and assigns or transferees;

1.2.4 the Schedule is incorporated and forms part of this Agreement and reference to "this Agreement" includes a reference to the Schedule and parts of the Schedule; and

1.2.5 "subsidiary" and "holding company" have the meanings given in section 1159 of the Companies Act 2006 save that the words "is a member of it and" shall be omitted whenever they appear.

1.3 References to Clauses are to clauses of this Agreement.

1.4 The headings to the Clauses are for convenience only and do not affect the construction or interpretation of this Agreement.

1.5 The *ejusdem generis* rule of construction does not apply to this Agreement and accordingly the meaning of general words is not to be restricted by any particular examples preceding or following those general words.

1.6 Words denoting one gender include all other genders and words denoting the singular include the plural and vice versa.

2. SALE AND PURCHASE OF SHARES

2.1 On the terms and subject to the conditions set out in this Agreement, the Seller shall sell the Shares and the Purchaser shall purchase the Shares as at and with effect from Completion together with all rights attached or accruing to them at Completion.

2.2 The Seller shall at Completion transfer the legal and beneficial interest in the Shares free from all Encumbrances.

2.3 The Purchaser shall be entitled to exercise all rights attached or accruing to such Shares to be sold and transferred to it under this Clause 2 on or after Completion including, without limitation, the benefit of any dividends, distributions and rights declared, paid, created or arising with effect from Completion.

2.4 For the avoidance of doubt, Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 shall not apply for the purposes of this Clause 2.

3. CONSIDERATION

3.1 The consideration for the purchase of the Shares shall be £1 (receipt of which is acknowledged by the Seller).

4. COMPLETION

- 4.1 Completion of the sale and purchase of the Shares shall take place immediately after the signing of this Agreement at the offices of the Seller's Solicitors (or at any other location as agreed upon by the parties).
- 4.2 At Completion the Seller shall deliver or make available to the Purchaser such documents as are identified in Part 1 of the Schedule.
- 4.3 At Completion the Purchaser shall deliver or make available to the Seller such documents as are identified in Part 2 of the Schedule.
- 4.4 At Completion, each of the parties to this Agreement shall sign and deliver those of the documents listed in Part 3 of the Schedule required to be signed and delivered by that party.
- 4.5 Completion shall be conditional upon;
- 4.5.1 compliance by the relevant parties to this Agreement with Clauses 4.2 to 4.4;
 - 4.5.2 execution of the documents listed in Part 3 of the Schedule; and
 - 4.5.3 the occurrence of the Effective Date (as defined in the Assignment Agreement).

5. WARRANTIES

- 5.1 The Seller warrants to the Purchaser that it is the sole owner of the Shares and it has full power, right and authority to enter into and perform this Agreement and to transfer the ownership of the Shares to the Purchaser on the terms of this Agreement, and this Agreement constitutes valid and binding obligations of the Seller in accordance with its terms and there are no Encumbrances on, over or relating to any of the Shares and, other than this Agreement, there is no agreement or arrangement to give or create any Encumbrance, and no person has or has claimed the right to an Encumbrance, on, over or relating to any of the Shares.

6. PURCHASER WARRANTIES AND UNDERTAKINGS

- 6.1 The Purchaser warrants and undertakes that:
- 6.1.1 it has full power, right and authority to enter into and perform its obligations under this Agreement;
 - 6.1.2 this Agreement constitutes valid and binding obligations of the Purchaser in accordance with its terms;
 - 6.1.3 it has immediately available from its own and third party resources on an unconditional basis (subject only to Completion) the cash resources necessary to:

- (a) meet its obligations under this Agreement;
- (b) pay the amount required to be paid under the Assignment Agreement; and
- (c) fund the reasonably foreseeable ongoing working capital requirements of the Company following Completion.

6.1.4 the acquisition of the Shares by the Purchaser will not lead to a breach of the rules of:

- (a) the Scottish Football Association (including but not limited to the dual interest rules contained therein);
- (b) the Scottish Premier League (including but not limited to the dual interest rules contained therein);
- (c) any rules promulgated or regulated by UEFA including but not limited to those relating to UEFA Champions League and Europa League participation; and

6.1.5 it will not appoint to the board of directors of the Company any person who is not permitted to act as a director of the Company as a matter of law or by reference to the rules of any footballing or other sporting organisation or body to which the Company is subject.

6.2 The Covenantor warrants and undertakes that:

6.2.1 it has full power, right and authority to enter into and perform its obligations under this Agreement;

6.2.2 this Agreement constitutes valid and binding obligations of the Covenantor in accordance with its terms; and

6.2.3 it is the sole legal and beneficial owner of the entire issued and to be issued share capital of the Purchaser at Completion.

6.3 Provided there is no subsisting Insolvency Event at the relevant time (the **Relevant Date**), the Purchaser undertakes to the Seller and the Company that within 90 Business Days after the date of the Tax Case Conclusion the Purchaser shall irrevocably:

6.3.1 waive any amount in respect of the Total Purchaser Debt (whether such amount is in respect of principal, interest, fees, costs or any other amount whatsoever); or

6.3.2 release and capitalise all obligations in respect of the Total Purchaser Debt for equity by way of an issue of New Ordinary Shares in the capital of the Company for cash (within the meaning of section 583 of the Companies Act 2006) in consideration for the Company issuing such New Ordinary Shares.

Until the subscription and/or release or waiver referred to above in this Clause 6.3, the Purchaser shall and does waive all rights to be paid principal, interest, fees or charges that it may have or which accrue in respect of the Debt. If an Insolvency Event occurs or the Company is unable to pay its debts as they fall due within the meaning of section 123 of the Insolvency Act 1986 (excluding any debts owed to the Purchaser or its Connected Persons), the waiver in the foregoing sentence shall cease to apply with effect from the date hereof. If there is a Reconstruction following an Insolvency Event, the Purchaser shall be required to irrevocably waive or release and capitalise all obligations in respect of the Total Purchaser Debt within 25 Business Days of the Reconstruction in accordance with this Clause 6.3. The parties agree and the Purchaser shall to the extent it is able procure that the provisions of this Clause 6.3, the funds available to the Company pursuant to the Purchaser's Solicitors Undertaking and the Working Capital Facility Letter shall be taken into account by the Company in determining whether it is unable to pay its debts as they fall due within the meaning of section 123 of the Insolvency Act 1986. The Purchaser undertakes to the Seller and the Company not to assign the Total Purchaser Debt or any part thereof to a third party without the Seller's and the Company's prior written consent unless the whole of the outstanding Total Purchaser Debt is assigned to such third party and such third party directly covenants to the Seller and the Company to comply with the obligations set out in this Clause 6.3 and Clause 7 as if it were the Purchaser. Immediately following the waiver or the release and capitalisation of the Total Purchaser Debt pursuant to this Clause 6.3, the Purchaser shall release and discharge the security and guarantees assigned to it pursuant to the terms of the Assignment Agreement.

6.4 Subject to Clause 6.12, the Purchaser undertakes to the Seller and the Company at Completion to contribute to the Company an amount equal to £5,000,000 to be held and paid by the Purchaser's Solicitors under the terms of the Purchaser's Solicitors Undertaking and to procure that such amount (together with any interest accrued thereon) is:

6.4.1 requested by the Company under the terms of paragraph 1 of the Purchaser's Solicitors Undertaking to finance payments on items as contemplated in paragraphs 1.2.2(a), 1.2.2(b) and 1.2.2(c) of the Purchaser's Solicitors Undertaking as and when the Company reasonably requires to incur such expenditure for the operation of its business in the ordinary and normal course; and

6.4.2 is, when received in whole or in part by the Company, applied as soon as practicable by the Company to finance payments on items as contemplated in paragraphs 1.2.2(a), 1.2.2(b) and 1.2.2(c) of the Purchaser's Solicitors Undertaking.

The Purchaser shall have no recourse against the Company in respect of any amounts paid by the Purchaser or to the Company pursuant to the provisions of this Clause 6.4 save as set out in Clause 6.13. The contribution of the Purchaser referred to in this Clause 6.4 shall only be available to be spent by the Company to finance payments on items as contemplated in paragraphs 1.2.2(a), 1.2.2(b) and 1.2.2(c) of the Purchaser's Solicitors Undertaking and for no

other purpose and the Company shall have no right to apply such contribution for any other purpose.

6.5 Subject to Clause 6.6, the Purchaser acknowledges that it is its intention to invest or procure an investment of a further aggregate amount of £20,000,000 (in excess of the amounts required to be invested pursuant to the provisions of Clauses 6.3 and 6.4) between the first anniversary and fifth anniversary of the date of this Agreement in the Company in cash and not in specie by way of either (i) a new subscription for New Ordinary Shares each fully paid up in the capital of the Company or (ii) a capital contribution with no right of recourse to the Company (for the avoidance of doubt not to be in the nature of debt or borrowings). The intention set out in this paragraph shall be fulfilled by subscribing or contributing or procuring the subscription or contribution of £5,000,000 on (or during the calendar year preceding) each of the second, third, fourth and fifth anniversaries of the date of this Agreement unless by the time of any such anniversary the Purchaser has previously subscribed or contributed or procured the subscription or contribution of more than the cumulative total of funds required to be subscribed on that and all previous anniversaries between the first and fifth anniversary (inclusive). Subject to the requirements of the Company's business and having regards to its cashflow requirements in the reasonable opinion of the directors of the Company, the Purchaser agrees with the Seller and the Company to procure that a minimum of 75 per cent. of the funds invested pursuant to this Clause 6.5 are used in connection with the squad of football players maintained by the Company, including but not limited to the payment of salaries, other benefits, transfer fees and related costs and expenses.

6.6 If there is a subsisting Insolvency Event at the date of the relevant anniversary set out in Clause 6.5, the Purchaser shall not be required to invest or procure the investment of funds in the Company as contemplated by Clause 6.5 but the Seller may require that the Purchaser complies with its obligations under Clause 6.5 by investing in another company or person (**Successor Entity**) by serving written notice on the Purchaser, so that the references to "Company" in Clause 6.5 are read as references to such Successor Entity and so that Clause 6.5 otherwise applies and is enforceable by the Seller and such Successor Entity. The obligation of the Purchaser to invest in such Successor Entity shall apply only if such Successor Entity, at the time when investment is required in accordance with that Clause, is or at that time arrangements are in place such that it will be at some point in the future:

6.6.1 the owner of the whole or substantially the whole of the business and/or assets of the Company as at immediately prior to the Insolvency Event; or

6.6.2 a successor to the footballing activities of the Company; or

6.6.3 a successor to material intellectual property rights of the Company.

provided that Craig Whyte or any Connected Persons (taking all of the interests of any such persons into account) has, or arrangements are in place such that in the future he, they or any or some of them will Control (whether directly or indirectly) such Successor Entity. The amount which the Successor Entity is by reference to Clause 6.5 required to invest in the Company shall be reduced on a £1.00 for £1.00 basis (to but not below zero) by the amount by which the consideration paid by such Successor Entity on an arm's length basis to become the owner or successor as referred to in Clauses 6.6.1 to 6.6.2 exceeds the total amount owed by the Company in respect of the Total Purchaser Debt at the time of such change of ownership or succession.

6.7 The Purchaser undertakes to the Seller and the Company at Completion to contribute to the Company an amount equal to the Tax Liability to be held and paid by the Purchaser's Solicitors under the terms of the Purchaser's Solicitors Undertaking and to procure that such amount (together with interest accrued thereon) is, when such Tax Liability becomes due and payable, requested by the Company under the terms of the Purchaser's Solicitors Undertaking and, when received in whole or in part by the Company, applied by the Company to settle the Tax Liability. The Purchaser shall have no recourse against the Company in respect of any amounts paid by the Purchaser or to the Company pursuant to the provisions of this Clause 6.7 save as set out in Clause 6.13.

6.8 Subject to Clause 6.12, the Purchaser undertakes to the Seller and the Company at Completion to contribute to the Company an amount equal to £1,700,000 to be held and paid by the Purchaser's Solicitors under the terms of the Purchaser's Solicitors Undertaking and to procure that such amount (together with any interest accrued thereon) is:

6.8.1 requested by the Company under the terms of paragraph 2 of the Purchaser's Solicitors Undertaking to finance payments on items as contemplated in paragraphs 2.2.2(a) and 2.2.2(b) of the Purchaser's Solicitors Undertaking as and when the Company reasonably requires to incur such capital expenditure for the operation of its business in the ordinary and normal course; and

6.8.2 when received in whole or in part by the Company, applied as soon as practicable by the Company to finance payments on items as contemplated in paragraphs 2.2.2(a) and 2.2.2(b) of the Purchaser's Solicitors Undertaking.

The Purchaser shall have no recourse against the Company in respect of any amounts paid by the Purchaser or to the Company pursuant to the provisions of this Clause 6.8 save as set out in Clause 6.13. The contribution of the Purchaser referred to in this Clause 6.8 shall only be available to be spent by the Company to finance payments on items as contemplated in paragraphs 2.2.2(a) and 2.2.2(b) of the Purchaser's Solicitors Undertaking and for no other purpose and the Company shall have no right to apply such contribution for any other purpose.

- 6.9 The Purchaser undertakes to the Seller and the Company that any New Ordinary Shares subscribed by it as contemplated under the provisions of this Agreement will not and will never comprise or impose obligations of or on the Company in the nature of indebtedness and will be capable when issued and at all times thereafter of being accounted for in the Company's accounts as equity share capital.
- 6.10 The Purchaser undertakes to the Seller and the Company to procure that, until the Purchaser has irrevocably waived the Total Purchaser Debt or released and capitalised the Total Purchaser Debt in accordance with Clause 6.3, the Company does not:
- 6.10.1 give or grant any security over any of its assets in connection with any borrowing by the Purchaser; and
- 6.10.2 loan any money to the Purchaser,
- save that the Purchaser may borrow money and the Company may grant security in respect of such borrowing provided that such borrowing is principally for the benefit of the Company.
- 6.11 The Purchaser undertakes that no changes shall be made to the terms of the Purchaser's Solicitors Undertaking without the prior written consent of the Seller.
- 6.12 If at the time of the Transfer Window Closing (in respect of Clause 6.4) or the Longstop Date (in respect of Clause 6.8), there is a New Entity, the Company's right to be paid the Playing Squad Balance or the H&S Balance as the case may be shall cease (whether under this Agreement or the Purchaser's Solicitors Undertaking) and shall be replaced with a right for such New Entity to be paid the Playing Squad Balance or the H&S Balance to such account (the **New Entity Account**) as the New Entity has notified in writing to the Purchaser and Purchaser's Solicitors from time to time and references in Clause 6.4 and 6.8 to "the Company" shall be read as references to the New Entity.
- 6.13 Until such time as the Total Purchaser Debt is either waived or released and capitalised pursuant to Clause 6.3, if there is an Insolvency Event or the Company is unable to pay its debts as they fall due within the meaning of section 123 of the Insolvency Act 1986 (excluding any debts owed to the Purchaser or its Connected Persons), the Total Purchaser Debt shall be deemed to be increased by an amount equal to the amounts contributed by the Purchaser pursuant to Clauses 6.4, 6.7 and 6.8. For the avoidance of doubt, if there is more than one Insolvency Event, the Total Purchaser Debt may only be increased by the operation of this Clause 6.13 by an amount equal to the maximum contributed by the Purchaser pursuant to Clauses 6.4, 6.7 and 6.8. The parties agree and the Purchaser shall to the extent it is able procure that the provisions of Clause 6.3, the funds available to the Company pursuant to the Purchaser's Solicitors Undertaking and the Working Capital Facility Letter shall be taken into account by the Company in determining whether it is unable to pay its debts as they fall due within the meaning of section 123 of the Insolvency Act 1986.

6.14 The Purchaser undertakes to the Seller;

6.14.1 that it will consult with the Seller with regard to the contents of the Shareholder Circular and will not issue an Offer or the Shareholder Circular until such time as the Seller has approved the terms of the Offer or Shareholder Circular unless such approval has been unreasonably withheld or delayed; and

6.14.2 it shall procure (i) the satisfaction of any conditions attaching to any Rule 9 Dispensation or (ii) if applicable, that it complies with Rule 9 of the City Code,

all at the Purchaser's sole cost.

7. CONSEQUENCES OF BREACH

In the event of and upon the Purchaser failing at the required time to satisfy any of its obligations in accordance with Clause 6.3 above the Purchaser (or any person who has been assigned the Total Purchaser Debt pursuant to Clause 6.3) agrees that the Total Purchaser Debt is automatically released or waived or otherwise extinguished in terms to be agreed by the Company, the Purchaser and the Seller.

8. CONDUCT OF THE TAX CASE

8.1 Except so far as provided in this Clause 8, nothing in this Agreement shall prevent or restrict the Seller from negotiating and agreeing a full and final settlement of the Tax Case on behalf of the Company or making any payment to HM Revenue & Customs in respect of the liability of the Company arising out of the Tax Case. Any payment which the Seller elects to make on behalf of the Company in respect of the Tax Case shall be on a non recourse basis to the Purchaser or the Company. For the avoidance of doubt, the Seller shall not be required to make any payment on behalf of the Company in respect of the Tax Case.

8.2 Prior to the Tribunal Conclusion, the Purchaser shall not and shall procure that the Company shall not make any admission of liability in respect of or compromise or settle the Tax Case without the prior written consent of the Seller and the Seller shall submit to the Purchaser for prior written approval (not to be unreasonably withheld or delayed) any communication with HM Revenue & Customs (written or otherwise) relating wholly or partly to the Tax Case and shall make any amendments the Purchaser shall reasonably request to the extent such amendments relate to the Tax Case.

8.3 The Seller shall not make any admission of liability in respect of or compromise or settle the Tax Case without the prior written consent of the Company's Representative. Prior to the Tribunal Conclusion, the Seller will actively consult with the Company's Representative and, to the extent reasonable, keep the Company's Representative fully informed of all material issues and permit the Company's Representative on a Business Day and during reasonable hours to access all

legal or other professional advice (and notes of conversations and meetings) in connection with the Tax Case which may in any way affect the Company.

- 8.4 The Purchaser shall procure prior to the Tribunal Conclusion that the Company:
- 8.4.1 retains and preserves all relevant documents, records and information which may be relevant in connection with the Tax Case; and
 - 8.4.2 provides the Seller with reasonable access to the premises, personnel and to all relevant documents, records and information within the power, possession or control of the Company for the purposes of enabling the Seller to take such action as is required pursuant to Clause 8.
- 8.5 Until the Tribunal Conclusion, the Purchaser shall and shall procure that the Company shall:
- 8.5.1 at the cost and expense of the Seller take such action and give such information and assistance as the Seller may reasonably require after taking appropriate legal and/or commercial advice for the Company to dispute, resist, compromise, defend, remedy or mitigate the Tax Case;
 - 8.5.2 use professional advisers nominated by the Seller in relation to the Tax Case;
 - 8.5.3 at the cost and expense of the Seller permit the Seller to have exclusive conduct of the Tax Case; and
 - 8.5.4 procure that (a) the Company takes no steps to terminate the employment contracts of Key Witnesses (otherwise than in circumstances where the Company is entitled to terminate the employment of the Key Witness for gross misconduct, in which case and so far as the Purchaser is able, details of the gross misconduct should be provided to the Seller by the Purchaser within 5 Business Days of such termination); and (b) provided the relevant Key Witness remains employed by the Company or any subsidiary of the Company, procure that the relevant Key Witness prepares for and attends any hearing as required by the Seller in relation to the Tax Case to give evidence.
- 8.6 In respect of the professional advisers nominated by the Seller pursuant to Clause 8.5.2, the Seller shall discharge all costs and disbursements incurred by such professional advisers in relation to the Tax Case.
- 8.7 The Purchaser shall procure that the Company gives such information and assistance as the Seller's Group reasonably requires in respect of the Tax Litigation.
- 8.8 Following the Tribunal Conclusion, each of the Seller and the Purchaser undertakes to act in good faith with regards to each other in relation to the conduct of the Tax Case and the Tax

Litigation and to reasonably co-operate upon reasonable request of the other in connection with the Tax Case and the Tax Litigation until such time as there is a Tax Case Conclusion and the Tax Litigation is settled, irrevocably withdrawn or finally determined with no right of appeal for any party involved in the Tax Litigation. For the avoidance of doubt this shall include providing the other with copies of any correspondence or advice received to the extent, in the case of provision by the Seller, the same relates to the Tax Case or, in the case of provision by the Purchaser, the same relates to the Tax Litigation. For the avoidance of doubt, this Clause 8.8 shall not restrict either the Company from settling the Tax Case on such terms as it sees fit or the Seller or a member of the Seller's Group from settling the Tax Litigation on such terms as they see fit.

9. ANNOUNCEMENTS AND CONFIDENTIALITY

- 9.1 Save where required by law or the rules or regulations of any recognised investment exchange there shall not be made or issued by or on behalf of either the Seller, the Purchaser or the Covenantor at any time before or after Completion any announcement, circular or other publicity relating to any matter referred to in this Agreement without the other parties' prior written approval to the form and content of such announcement (such approval not to be unreasonably withheld or delayed).
- 9.2 The Seller and the Purchaser shall both during and after the term of this Agreement preserve the confidentiality of the Confidential Information, and except to the extent otherwise expressly permitted by this Agreement, not directly or indirectly reveal, report, publish, disclose, transfer or use such Confidential Information for its own or any other purpose.
- 9.3 Notwithstanding any other provision in this Agreement, each party may, after consultation with the other parties whenever practicable, disclose Confidential Information if and to the extent:
- 9.3.1 required by law; or
 - 9.3.2 required by any securities exchange on which any party's securities are listed or traded; or
 - 9.3.3 required by any regulatory or governmental or other authority with relevant powers to which any party is subject or submits (whether or not the authority has the force of law); or
 - 9.3.4 required to enable that party to enforce its rights under this Agreement by judicial process; or
 - 9.3.5 required by its bankers, their professional advisers, professional advisers, officers, employees, consultants, sub-contractors or agents to provide their services (and subject always to similar duties of confidentiality); or

9.3.6 that information is in or has come into the public domain through no fault of that party;
or

9.3.7 the other parties have given prior written consent to the disclosure,

provided that prior to the disclosure or use of any Confidential Information pursuant to Clauses 9.3.1, 9.3.2, 9.3.3 and 9.3.4, the party concerned shall promptly notify the other parties of such requirement, save that if such party is restricted from making such notification prior to such disclosure or use pursuant to any applicable law, governmental or regulatory authority, the party concerned shall promptly notify the other parties of such requirement after such disclosure or use.

9.4 Neither the Purchaser nor the Covenantor shall make or cause to be made and shall procure that none of their Connected Persons shall make or cause to be made any comments or statements about the Company or its management in respect of the period of the Seller's ownership and/or management of the Company without the Seller's prior written consent, such consent not to be unreasonably withheld.

9.5 Neither the Seller nor their Connected Persons shall make or cause to be made any comments or statements about the Purchaser, the Covenantor or any of their Connected Persons without the Purchaser's prior written consent, such consent not to be unreasonably withheld.

9.6 The restrictions contained in this Clause 9 shall continue to apply after Completion without limit in time.

10. FURTHER ASSURANCE AND DECLARATION OF TRUST

10.1 At all times after Completion the Seller shall (at its own cost) do or procure to be done all acts and things and/or execute or procure the execution of all documents reasonably required of it by the Purchaser to transfer to the Purchaser or its nominee(s) the Shares and to give the Purchaser the full benefit of the provisions of this Agreement.

10.2 The Seller declares that after Completion and for so long as it remains the registered holder of any of the Shares it shall:

10.2.1 hold such Shares and the dividends and other distributions (if any) and all rights arising out of or in connection with such Shares on trust for the Purchaser;

10.2.2 at all times deal with and dispose of such Shares, dividends, distributions and rights as the Purchaser shall direct; and

10.2.3 at the request of the Purchaser attend and vote at all meetings which it is or becomes entitled to attend as the registered holder of the Shares in such manner as the Purchaser shall have previously determined and, if requested by the Purchaser,

execute all instruments of proxy or other documents which may be necessary or proper to enable the Purchaser or its nominees to attend and vote at any such meeting, provided it shall never be required to vote in favour, or take any other action, to enable any resolution to register the Company as an unlimited company.

- 10.3 The Seller declares that pending registration of the Purchaser as the registered holder of any of the Shares, it irrevocably appoints and authorises the Purchaser to be its attorney to sign any written resolutions or otherwise exercise all rights and privileges held by or accruing to it as the registered holder of the Shares in such form and on such terms as the Purchaser shall, in its absolute discretion, think fit.

11. **COSTS**

- 11.1 Except as otherwise stated in this Agreement or as otherwise agreed between the parties, each party shall each pay their own costs, charges and expenses in relation to the negotiation, preparation, execution implementation and performance of this Agreement and each document referred to in it and other agreements forming part of the transaction.

12. **NOTICES**

- 12.1 Any notice or other communication to be given in connection with this Agreement (**Notice**) shall be in writing.
- 12.2 A Notice shall either be sent by first class, pre paid, registered or recorded post.
- 12.3 A Notice for the Seller shall be marked for the attention of Mike McGill and David Horne and sent to the address given for the Seller at the beginning of this Agreement or to such other address as may previously have been communicated to the Purchaser and Covenantor in accordance with this Clause 12.3 and Clause 12.8 with a copy to be sent to David Davidson/Stuart MacLean of the Seller's Solicitors.
- 12.4 Notices to the Purchaser shall be marked for the attention of Gary Withey and sent to the address given for the Purchaser at the beginning of this Agreement or to such other address as may previously have been communicated to the Seller and Covenantor in accordance with this Clause 12.4 and Clause 12.8.
- 12.5 Notices to the Covenantor shall be marked for the attention of Gary Withey and sent to the address given for the Covenantor at the beginning of this Agreement or to such other address as may previously have been communicated to the Seller and Purchaser in accordance with this Clause 12.5 and Clause 12.8.
- 12.6 A Notice sent according to Clauses 12.3, 12.4 or 12.5 shall be deemed to have been served:

- 12.6.1 if delivered personally, at the time of delivery; or
- 12.6.2 if sent by first class, pre paid, registered or recorded post, at the expiration of two clear days after the time of posting in the case of inland post, and five clear days after the time of posting in the case of international post.

If, under the preceding provisions of this Clause 12.6, a notice would otherwise be deemed to have been delivered in the place of receipt outside normal business hours (being 9.00 a.m. to 5.00 p.m.) on a Business Day, it shall be deemed to have been received at 9.00 a.m. on the next Business Day.

12.7 In proving receipt of the Notice, it shall be sufficient to show:

- 12.7.1 that personal delivery was made; or
- 12.7.2 that the envelope containing the Notice was properly addressed and posted as a first class, pre paid, registered or recorded letter; or
- 12.7.3 that the fax was despatched and a confirmatory transmission report received.

12.8 The Seller shall notify the Purchaser and the Covenantor of a change to its address, or the relevant person to whom Notices should be sent (for the purpose of Clause 12.3) and the Purchaser or the Covenantor shall notify the Seller of a change to its address, or the relevant person to whom Notices should be sent (for the purposes of Clause 12.4) and the Covenantor shall notify the Seller and the Purchaser of a change to its address, or the relevant person to whom Notices should be sent (for the purpose of Clause 12.5), provided that such notification shall only be effective:

- 12.8.1 on the date specified in the notification as the date on which the change is to take place; or
- 12.8.2 if no date is specified (or if the date specified is less than five clear Business Days after the date on which notice is deemed to have been served), five clear Business Days after notice of any such change is deemed to have been given.

12.9 For the avoidance of doubt, the parties agree that the provisions of this Clause 12 shall not apply in relation to the service of any claim form, application notice, order, judgement or other document relating to or in connection with any proceeding, suit or action arising out of or in connection with this Agreement.

13. **ASSIGNMENT**

No party shall assign or transfer, or purport to assign or transfer, any of their rights or obligations arising under this Agreement without the prior written consent of the other parties (such consent not to be unreasonably withheld or delayed).

14. **GENERAL**

14.1 This Agreement (together with the documents referred to in it or executed at Completion including but not limited to the Side Letter) constitutes the entire agreement and understanding between the parties with respect to its subject matter and replaces and supersedes all prior oral and written agreements, understandings, representations and correspondence regarding such subject matter. Nothing in this sub-clause operates to limit or exclude any liability for fraud.

14.2 No variation of this Agreement shall be effective unless made in writing and signed by or on behalf of each of the parties.

14.3 Notwithstanding Completion, the provisions of this Agreement shall, to the extent that they remain to be performed or are capable of subsisting, remain in full force and effect and shall be binding on, and enforceable by, the parties or their respective successors or permitted assignees.

14.4 If a provision of this Agreement is illegal, invalid or unenforceable this shall not affect the legality, validity or enforceability of any other provision of this Agreement.

14.5 No failure to exercise, and no delay in exercising, any right or remedy in connection with this Agreement shall operate as a waiver of that right or remedy. No single or partial exercise of any right or remedy under this Agreement shall preclude any other or further exercise of that right or remedy or the exercise of any other right or remedy. A waiver of any breach of this Agreement shall not be deemed to be a waiver of any subsequent breach. The Purchaser may waive any condition of this Agreement without prejudice to any other right or remedy available to it.

14.6 The Purchaser's and the Seller's rights and remedies under this Agreement are cumulative and are not exclusive of any other rights or remedies provided by law.

14.7 The Purchaser acknowledges and agrees that in entering into this Agreement it has not relied on, and will have no remedy in equity, contract, tort, under the Misrepresentation Act 1967 or otherwise in respect of, any representation other than as set out in this Agreement. Each of the parties irrevocably and unconditionally waives any right or remedy it may have to claim damages and/or to rescind this Agreement by reason of any misrepresentation (other than fraudulent misrepresentation) having been made to it by any person (whether or not a party to this Agreement) and upon which it has relied in entering into this Agreement.

14.8 The parties agree that damages may not be a sufficient remedy for any breach of this Agreement by any party and that each party shall be entitled to equitable relief, including injunctive relief or specific performance, as a remedy for any such breach of this Agreement, in addition to all other remedies available to it at law or equity.

15. **CONTRACT RIGHTS OF THIRD PARTIES**

15.1 The undertakings set out in Clauses 6 and 7 of this Agreement are given not only for the Seller's benefit but also separately for the benefit of the Company and any Successor Entity and the Company and any Successor Entity may directly enforce those undertakings in accordance with the Contracts (Rights of Third Parties) Act 1999.

15.2 The provisions of Clause 8 are given not only for the Seller's benefit but also separately for the benefit of the Seller's Group and any member of the Seller's Group may directly enforce those undertakings in accordance with the Contracts (Rights of Third Parties) Act 1999.

15.3 The provisions of Clause 6 are given not only for the benefit of the parties but also separately for the benefit of any New Entity and any New Entity may directly enforce those undertakings in accordance with the Contracts (Rights of Third Parties) Act 1999.

15.4 Except as set out above, 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 term of this Agreement.

16. **COVENANTOR**

16.1 The Covenantor shall procure that the Purchaser complies with and fully performs all its obligations under this Agreement.

16.2 Notwithstanding any other provisions of this Agreement, the parties hereby agree that the Covenantor shall not be liable in damages to the Seller and/or the Company for breach of its obligation set out in Clause 16.1.

17. **COUNTERPARTS**

This Agreement may be entered into in any number of counterparts and by the parties on separate counterparts, but shall not be effective until each party has executed and delivered at least one counterpart. Each counterpart, when executed and delivered, shall constitute an original, but all the counterparts shall together constitute one and the same instrument.

18. **GOVERNING LAW AND JURISDICTION**

This Agreement is governed by and shall be construed in accordance with English law and the parties irrevocably submit to the non-exclusive jurisdiction of the courts of England to settle any

dispute arising out of or in connection with this Agreement in respect of any claim (including non-contractual claim).

19. **EXECUTION**

This Agreement is executed as a deed by the parties and is delivered and takes effect on the date at the beginning of this Agreement.

EXECUTED as a deed by a director

for and on behalf of Murray MHL Limited

at Saltire Court, 20 Castle Terrace, Edinburgh

on 6/15/ 2011

(Print name) MICHAEL SCOTT McGILL

(Signature) 

in the presence of this witness

R.M.S.

Witness Signature

ROBERT SPELMAN

Witness name

SOLICITOR

Occupation

BUSH HOUSE, LONDON

Address

EXECUTED as a deed by a director

on behalf of Wavetower Limited

at Saltire Court, 20 Castle Terrace, Edinburgh

on 6/15/ 2011

(Print name) CRAIG WHITE

(Signature) 

in the presence of this witness

R.M.S.

Witness Signature

ROBERT SPELMAN

Witness name

SOLICITOR

Occupation

BUSH HOUSE, LONDON

Address

EXECUTED as a deed

on behalf of Liberty Capital Limited

a company incorporated in the British Virgin Islands by a director

being a person who, in accordance with the laws of that territory

is acting under the authority of that company

at Saltire Court, 20 Castle Terrace, Edinburgh

on 6/15/ 2011

(Print name) CRAIG WHITE

(Signature) 

in the presence of this witness

R.M.S.

Witness Signature

ROBERT SPELMAN

Witness name

SOLICITOR Occupation
BUSH HOUSE, LONDON Address
.....

**SCHEDULE
COMPLETION**

Part 1. What the Seller shall deliver to the Purchaser at Completion

1. At Completion, the Seller shall deliver or cause to be delivered to the Purchaser the following documents and evidence:
 - 1.1 a transfer of the Shares executed by the registered holder in favour of the Purchaser; and
 - 1.2 the share certificates for the Shares in the name of the registered holder or an indemnity in the Agreed Form for any lost certificates;

Part 2. What the Purchaser shall deliver to the Seller

1. Signed board minutes of the Purchaser, approving the acquisition of the Shares;
2. a British Virgin Islands legal opinion in respect of the Covenantor in the Agreed Form; and
3. Signed board minutes of the Covenantor, approving the terms of this Agreement.

Part 3. Documents to be executed at Completion

4. the Assignment Agreement;
5. the Asset Finance Letters;
6. the Hedging Letter; and
7. the Pre-emption Letter.