

TRADEMARK ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:		NEW ASSIGNMENT	
NATURE OF CONVEYANCE:		Stock Purchase Agreement	
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
DNA Research Innovations Limited		10/28/2004	LIMITED LIABILITY COMPANY: UNITED KINGDOM
RECEIVING PARTY DATA			
Name:	Invitrogen Corporation		
Street Address:	5791 Van Allen Way		
City:	Carlsbad		
State/Country:	CALIFORNIA		
Postal Code:	92008		
Entity Type:	CORPORATION: DELAWARE		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	2715133	CST	
Registration Number:	2826884	CHARGE SWITCH	
CORRESPONDENCE DATA			
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	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
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NAME OF SUBMITTER:	Alan Hammond		
Signature:	/ALAN HAMMOND/		
Date:	03/02/2010		

CH \$65.00 2715133

STOCK PURCHASE AGREEMENT

by and among

INVITROGEN CORPORATION,

INVITROGEN EUROPE LIMITED

THE STOCKHOLDERS AND OPTION HOLDERS OF

DNA RESEARCH INNOVATIONS, LTD.

and

SIMON DOUGLAS, as the Sellers' Representative

October 28, 2004

DEFINED TERMS

Unless the context otherwise indicates, whenever used in this Agreement or an Exhibit to this Agreement, the following terms will have the meaning ascribed thereto in the section identified:

Term	Section or Subsection in Which Defined
1993 Act	Section 2.34(a)(iv)
1995 Act	Section 2.34(a)(v)
1998 Act	Section 2.34(a)(vi)
Accounting Firm	Section 1.5(b)(iv)
Acquisition Document(s)	Section 8.6(a)
Adjusted Working Capital	Section 1.5(b)(ii)
Adjustment Amount	Section 1.5(b)(i)
Affiliate	Section 8.2
Agreement	Introduction
Approvals	Section 2.1
Approved	Section 2.34(a)(i)
Balance Sheet Date	Section 2.7
Base Working Capital	Section 1.5(b)(ii)
Business	Section 4.3(b)(iii)
business day	Section 8.2
Buyer	Introduction
Buyer's Relief	Section 6.12(i)
CAA 1990	Section 2.14(a)(i)
CAA 2001	Section 2.14(a)(ii)
Claims	Section 6.2(a)
Closing	Section 1.4
Closing Balance Sheet	Section 1.5(b)(iii)
Closing Date	Section 1.4
Closing Payment	Section 1.5(a)(i)
Closing Working Capital	Section 1.5(b)(ii)
Company	Introduction
Company Capital Stock	Introduction
Company Permits	Section 2.6(b)
Company Stock Option Plans	Section 5.2(d)
Competition Authority	Section 2.33(b)(i)
Computer Software	Section 8.2
Computer Systems	Section 8.2
Confidential Information	Section 8.2
Contingency Payment Claims	Section 6.2(a)
Contingent Payments	Section 1.5(a)(ii)
Control	Section 8.2
Data Protection Laws	Section 2.26(o)
Environment	Section 2.17(a)(i)

Term	Section or Subsection in Which Defined
EMI Plan	Section 5.2(d)
EMI Seller	Part 2 of Exhibit A
EMI Shares	Section 1.10
Environmental Law	Section 2.17(a)(ii)
Indemnification Escrow Account	Section 1.5(a)(i)
Escrow Agent	Section 1.5(a)(i)
Escrow Agreement	Section 1.5(a)(i)
Escrow Amount	Section 1.5(a)(i)
Established Claim	Section 6.11(a)
Euro Compliant	Section 2.26(m)
Event	Section 2.14(a)(iii)
Executable Object Code	Section 8.2
FA	Section 2.14(a)(iv)
Financial Statements	Section 2.7
Governmental Authorities	Section 2.5(d)
Hazardous Substance	Section 2.17(a)(iii)
Held Back Amount	Section 6.11(b)(ii)
Indebtedness	Section 2.29
Indemnification Escrow Account	Section 1.5(a)(i)
Insolvency Event	Section 7.3
intangible asset	Section 2.14(a)(vi)
ITEPA	Section 2.14(a)(v)
Knowledge	Section 8.2
Lease Documents	Section 2.16(a)
Liens	Section 2.5(c)
loan relationship	Section 2.14(a)(vii)
Losses	Section 6.2(a)
Material Adverse Effect	Section 8.2
Material Contracts	Section 2.5(a)
MB Option Shares	Section 5.2(e)
Milestones	Section 1.5(a)(ii)
Notified	Section 6.11(a)(ii)
Notified Claim	Section 6.11(a)(ii)
Option Holder	Introduction
Other Securities	Section 5.2(g)
Permitted Assignee	Section 8.7
Person	Section 8.2
Properties	Section 2.15(a)
Purchase Price	Section 1.5(a)
Relief	Section 2.14(a)(viii)
Relevant Accounts	Exhibit I, Part 1
Relevant Portion	Section 8.2
Seller	Introduction
Sellers' Solicitors	Section 1.5(a)

Term	Section or Subsection in Which Defined
Shares	Section 1.6(a)(i)
Source Code	Section 8.2
Stockholder(s)	Introduction
Sellers' Representative subsidiary or subsidiaries	Section 1.5(b)(iii) Section 8.2
Tax Authority	Section 2.14(a)(x)
Tax Claim	Section 6.12
Tax Covenant	Exhibit I, Part 1
Tax Liability	Section 2.14(a)(xi)
Tax Statute	Section 2.14(a)(xii)
Taxation or Tax	Section 2.14(a)(ix)
Taxes Act	Section 2.14(a)(xiii)
TCGA	Section 2.14(a)(xiv)
Third Party	Section 8.8(a)
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UK GAAP	Section 2.7
Unapproved Share Option Agreements	Section 5.2(d)
USO Seller	Part 3 of Exhibit A
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VATA	Section 2.14(a)(xv)
Warranty or Warranties	Section 2 (Introduction)
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STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (this "Agreement{ XE "Agreement" }"), dated as of October 28, 2004, is among INVITROGEN CORPORATION, a Delaware corporation whose principal office is at 1600 Faraday Avenue PO Box 6482 Carlsbad California 92008 USA ("Guarantor{ XE "Guarantor" }"), Invitrogen Europe Limited of 3 Fountain Drive, Inchinnan Business Park, Paisley, Renfrewshire, PA 4 9RF ("Buyer") and the individuals and entities listed on Part 1 of Exhibit A attached hereto (each a "Stockholder{ XE "Stockholder" }" and collectively, the "Stockholders{ XE "Stockholders" }") and the individuals listed in Parts 2 and 3 of Exhibit A attached hereto (each an "Option Holder{ XE "Option Holder" }" and collectively, the "Option Holders{ XE "Option Holders" }") and Simon Douglas, as the Sellers' Representative (as defined below).

WHEREAS, the Stockholders collectively own legally and beneficially and of record, all of the issued and outstanding share capital (the "Company Capital Stock{ XE "Company Capital Stock" }") of DNA Research Innovations, Ltd., an English private limited company and with its registered office at Narrow Quay House, Narrow Quay, Bristol, Avon, BS1 4AH, United Kingdom, incorporated under the Companies Act of 1985 with registered number 05241196 (the "Company{ XE "Company" }");

WHEREAS, the Stockholders desire to sell to Buyer and Buyer desires to purchase from the Stockholders, all of the Company Capital Stock, on the terms and conditions set forth herein and immediately prior to but coterminous with the Closing of the sale and purchase of the Company Capital Stock the options granted in respect of the EMI Shares and the USO Shares will be exercised at the applicable exercise price and the EMI Shares and USO Shares issued to the Option Holders pursuant to such exercise will immediately following their issue be sold by the Option Holders to the Buyer on Closing on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the parties hereby agree as follows:

ARTICLE I PURCHASE AND SALE OF SHARES AND CLOSING

Section 1.1 Purchase and Sale. The Stockholders and the Option Holders (each a "Seller{ XE "Seller" }" and together the "Sellers{ XE "Sellers" }") as legal and beneficial owners and with full title guarantee agree to sell to Buyer and Buyer agrees to purchase from the Sellers the Company Capital Stock, the EMI Shares and the USO Shares (collectively the "Shares{ XE "Shares" }") and all right, title and interest of the Sellers in the Shares at the Closing free from all encumbrances and together with all accrued benefits and rights attached thereto and all dividends declared after the date hereof in respect of the Shares on terms and subject to the conditions set forth in this Agreement. The Guarantor has agreed to guarantee the obligations of the Buyer under this Agreement in accordance with Article VII.

Section 1.2 Waiver. Each of the Sellers waives or agrees to procure the waiver of any rights or restrictions conferred upon it or any other person which may exist in relation to its Shares under the articles of association of the Company or otherwise.

Section 1.3 Simultaneous Purchase. The Buyer shall not be obliged to complete the purchase of any of the Shares unless the Sellers complete the sale of all the Shares simultaneously.

Section 1.4 Closing. The consummation of the transactions contemplated hereby (the "Closing{ XE "Closing" }") will take place at the offices of DLA, 3 Noble Street, London, EC2V 7EE, United Kingdom, UK counsel for Buyer on the date hereof (the "Closing Date{xe "Closing Date" }").

Section 1.5 Purchase Price.

(a) For the purposes of this Agreement, the "Purchase Price{ XE "Purchase Price" }" for the Shares shall be equal to the following:

(i) The sum of \$35,000,000, less \$2,000,000 to be withheld until the Closing Working Capital (as defined in Section 1.5(b)(ii) below) is determined (the "Working Capital Holdback{ XE "Working Capital Holdback" }"), and \$4,200,000 (the "Escrow Amount{ XE "Escrow Amount" }") to be deposited in an escrow account (the "Indemnification Escrow Account{ XE "Indemnification Escrow Account" }") pursuant to the terms of an escrow agreement in the form attached hereto as Exhibit B (the "Escrow Agreement{ XE "Escrow Agreement" }") by and among Buyer, the Sellers' Representative (on behalf of all the Sellers) DLA LLP (the "Buyer's Solicitors") and Taylor Wessing (the "Sellers' Solicitors{ XE "Sellers' Solicitors" }") (together the "Escrow Agent{ XE "Escrow Agent" }") for a period of eighteen (18) months from the Closing Date for purposes of securing the indemnification obligations of the Sellers under Article VI, which sum shall be paid by Buyer to the Sellers' Solicitors at the Closing (the "Closing Payment{ XE "Closing Payment" }"); and

(ii) If and when earned, payments of up to \$30,000,000 in the aggregate, (collectively, the "Contingent Payments{xe "Contingent Payment"}) contingent upon the achievement of the milestones set forth on Exhibit C within eighteen (18) months of the Closing, and as determined and payable in accordance with Section 4.5 and in such amounts as are set out in respect of each of the milestones in Exhibit C (collectively, "Milestones{xe "Company Sales"}) less 29.3 per cent. of each Contingent Payment which shall be deposited in the Indemnification Escrow Account.

All payments of the Purchase Price shall be made pursuant to the procedures set forth in Section 1.6 hereof.

(b) Post-Closing Working Capital Adjustment to Purchase Price.

(i) The Purchase Price shall be adjusted to the extent the Closing Working Capital is less than the Base Working Capital (as defined in Section 1.5(b)(ii) below) (the "Adjustment Amount{xe "Adjustment Amount"}).

(ii) Exhibit D hereto specifies the line items that make up the parties' determination of Company's working capital for the purposes of calculating the Adjustment Amount (the "**Adjusted Working Capital**{ XE "Adjusted Working Capital" }") and further sets forth the amount that the parties have agreed to use as the "**Base Working Capital**{ XE "Base Working Capital" }," which has been extracted from the Financial Statement for the Company for the year ended 30 June 2004 as set out in Part 2 of Exhibit D. The "**Closing Working Capital**{ XE "Closing Working Capital" }" shall be the Adjusted Working Capital calculated as of the Closing Date. For purposes of calculating the Closing Working Capital: (A) only line items reflected in Part 3 of Exhibit D shall be used and the format of the Closing Working Capital shall reflect the format set out in Part 3 of Exhibit D, (B) amounts shall be determined in accordance with UK GAAP (as defined in Section 2.7).

(iii) As soon as reasonably practicable after the Closing Date and in any event no later than forty-five (45) days after the Closing Date, Buyer shall prepare and deliver to Simon Douglas (as duly authorised representative of all the Sellers) (the "**Sellers' Representative**{xe "Stockholders' Representative"}") a calculation of Closing Working Capital and the balance sheet of the Company as of the Closing Date (the "**Closing Balance Sheet**{ XE "**Closing Balance Sheet**" }"). If within thirty (30) days after the delivery to the Sellers' Representative of the Closing Balance Sheet and proposed calculation of Closing Working Capital, Sellers' Representative (as duly authorised representative of all the Sellers) indicates to Buyer his acceptance of the Closing Balance Sheet and proposed calculation of Closing Working Capital has not given Buyer written notice of objection as to any item set forth or reflected therein or omitted therefrom or as to the calculation of any amount set forth or reflected therein (which notice shall state the basis of his objection), then the Closing Balance Sheet and proposed calculation of Closing Working Capital shall be binding and conclusive on the parties and be used in computing the Adjustment Amount.

(iv) If Sellers' Representative (as duly authorised representative of all the Sellers) gives Buyer written notice of objection (which notice shall include in reasonable detail the basis of such objection, an alternative Adjustment Amount and supporting calculations), and if Buyer and Sellers' Representative fail to resolve the issues outstanding with respect to the Company Closing Balance Sheet within thirty (30) days of Buyer's receipt of Sellers' Representative's (on behalf of all the Sellers) written objection notice, Buyer and Sellers' Representative (on behalf of all the Sellers) shall submit the matters in dispute for resolution to an independent internationally recognized accounting firm mutually agreeable to Buyer and Sellers' Representative (on behalf of all the Sellers) or, failing agreement, to be selected on the application of either party, by the President for the time being of the Institute of Chartered Accountants in England and Wales (in each case an "**Accounting Firm**{xe "Accounting Firm"}"). The Accounting Firm shall act as an expert (and not as an arbitrator) in making its determination and shall, within thirty (30) days after such submission, determine and report to the parties upon such disputed matters, and such report together with the Accounting Firm's determination of the Company Closing Balance Sheet and the calculation of Closing Working Capital shall be final, binding and conclusive on the parties with respect to the matters in dispute (in the absence of manifest error). The fees and disbursements of the Accounting Firm shall be borne by the party whose proposed Adjustment Amount differs to the greater extent from the Adjustment Amount finally determined by the Accounting Firm. Subject to any rule of law or any regulatory body, the Sellers' Representative shall procure that he shall, and the Buyer shall

procure that the Company shall, promptly provide each other, their respective advisers, the Buyer's accountants and the Sellers' accountants and any Accounting Firm with all information (in their respective possession or control) relating to the operations of the Company, as the case may be, including reasonable access at all reasonable times to the Company's employees, books and records (to be conducted with a view to minimizing disruption to the business of the Company), and all co-operation and assistance, as may in any such case be reasonably required to:

(1) enable the production of the Company Closing Balance Sheet and Closing Working Capital;

(2) enable the Accounting Firm to determine the Company Closing Balance Sheet and Closing Working Capital.

The Sellers' Representative and the Buyer hereby authorise each other, their respective advisers and the Accounting Firm to take copies of all information which they have agreed to provide under this Section 1.5.

(v) Payment of Adjustment Amount. The Adjustment Amount due to Buyer, if any, shall be deducted from the Working Capital Holdback, and to the extent the Working Capital Holdback is insufficient to satisfy such amount, from the Indemnification Escrow Account. To the extent that there are monies remaining in the Working Capital Holdback after deduction of the Adjustment Amount, the balance of the Working Capital Holdback shall be paid within five (5) days of its determination to Sellers in accordance with Section 1.6(a)(ii).

Section 1.6 Payment of Purchase Price.

(a) Procedures for Payment. The Purchase Price shall be paid as follows:

(i) The Closing Payment and Exchange Procedures. At the Closing, each Seller as legal and beneficial owner and with full title guarantee will transfer or will cause to be transferred to Buyer good and valid title in and to the shares of Company Capital Stock set against each Stockholders' name in Part I of Exhibit A and the 5,276 ordinary shares in the capital of the Company over which options have been granted to the EMI Sellers in the proportions set out against each EMI Sellers' name in Part 2 of Exhibit A (the "EMI Shares" XE "EMI Shares" 1") and the 2,800 ordinary shares in the capital of the Company over which options have been granted to the USO Sellers' in the proportions set out against each USO Sellers' name in Part 3 of Exhibit A (the "USO Shares" XE "USO Shares" 1") which are held by such Seller, free and clear of all Encumbrances (other than Encumbrances created or suffered to exist by Buyer), in accordance with Section 1.1 by delivering or causing to be delivered to Buyer share certificate(s) representing the Shares together with stock transfers in common form relating to all the Company Capital Stock, the EMI Shares and the USO Shares (together the "Shares" XE "Shares" 1") duly executed in favour of the Buyer (or its nominee) or an indemnity as required by Section 1.7 below, accompanied where applicable by duly executed powers of attorney and evidence of authority pursuant to which such stock transfers have been executed. Subject to compliance by the Sellers with Article V, the holder of such certificate(s) shall be

entitled to receive in exchange therefor (subject in each case to deductions to be made by the Sellers' Solicitors in accordance with Section 8.10) (x) a cash amount equal to that amount of the Closing Payment due to each Seller as set forth against each Sellers' name in column 1 Exhibit A, and (y) the Relevant Proportion of the Contingent Payments (after the payment of 29.3 per cent. of each Contingent Payment into the Indemnification Escrow Account) in accordance with subsection 1.6(a)(iii), below. Buyer shall cause the Closing Payment to be made to the Sellers by remitting an amount of \$28,800,000 by bank electronic transfer to the Sellers' Solicitors bank account (branch: National Westminster Bank plc, Temple Bar Branch, PO Box 10720, 217 Strand, London, Sort Code 60-80-81, Account Number : 08498342 and SWIFT Code : NWBKGB2154F) ("**Sellers' Solicitor's Bank Account**" XE "**Sellers' Solicitors Bank Account**").

(ii) To the extent that there are monies remaining in the Working Capital Hold Back after deduction of the Adjustment Amount, the balance of the Working Capital Held Back Amount shall be paid by the Buyer into the Sellers' Solicitor's Bank Account and the Seller's Solicitors are hereby authorized to distribute such balance to the Sellers' in the Relevant Proportions.

(iii) All Contingent Payments shall be made to the order of Sellers' Representative (as duly authorized representatives of and for the benefit of all the Sellers) within ten (10) days after the final determination that such Contingent Payments were earned. The determination of whether and when the Milestones have been achieved and Contingent Payments have been earned shall be made in accordance with the provisions of Section 4.5 below.

(iv) Buyer shall have no responsibility or liability of any kind or nature with respect to the administration of the Closing Payment or any balance remaining of the Working Capital Holdback by the Sellers or the Sellers' Solicitors or the Contingent Payments by Sellers' Representative so that any such payment of the Closing Payment or any balance remaining of the Working Capital Holdback to the Sellers' Solicitors and any Contingent Payments to the order of the Sellers' Representative shall constitute an absolute discharge of Buyer's payment obligations to the Sellers and Buyer shall not be concerned with the application of such Closing Payment or any balance remaining of the Working Capital Holdback by the Sellers' Solicitors or any Contingent Payments by the Sellers' Representative. The proper making of the Closing Payment or any balance remaining of the Working Capital Holdback to the Sellers' Solicitors or any Contingent Payments required hereby by Buyer to the order of Sellers' Representative shall satisfy in full Buyer's obligations hereunder with respect thereto, and all Sellers shall look solely to Sellers' Solicitors in respect of their due amount of the Closing Payment and Relevant Proportion of any balance remaining of the Working Capital Holdback and Sellers' Representative in respect of the Relevant Proportion of any such Contingent Payments. Buyer shall not make Contingent Payments to any Person other than such Person or Persons as are nominated by the Sellers' Representative and, save as expressly set out to the contrary in this Agreement, shall discharge its obligations relating to the Sellers hereunder only through the Sellers' Representative. Until further notice from the Sellers' Representative the Buyer shall pay all Contingent Payments to the Sellers' Solicitors and the Sellers' Solicitors are hereby authorized by the Sellers' Representative to distribute all Contingent Payments to the Sellers in the Relevant Proportions.

(b) For the avoidance of doubt, any Tax Liability (including any withholding obligations) applicable to any portion of the Purchase Price shall be borne by the party on whom such Tax Liability or withholding obligation falls as a matter of law and no other party will be responsible for any contribution, reimbursement, payment, indemnity or other obligation with respect thereto.

Section 1.7 Lost, Stolen or Destroyed Certificates. In the event any share certificate(s) representing Company Capital Stock shall have been lost, stolen or destroyed, the relevant Stockholder shall deliver an indemnity in favour of the Buyer and the Company in a form reasonably acceptable to the Buyer against payment of that portion of the Purchase Price as may be required pursuant to Section 1.5.

Section 1.8 Taking of Necessary Action; Further Action. After the Closing Date, each of the Sellers shall from time to time forthwith upon request from the Buyer at the Sellers' expense do or procure the doing of all acts and/or execute or procure the execution of all such documents in a form reasonably satisfactory to the Buyer but only so far as each Seller is able to do so for the purpose of vesting in the Buyer the full legal and beneficial title to the Shares set against that Seller's name Exhibit A and otherwise giving the Buyer the full benefit of this Agreement.

Section 1.9 Further Seller Assignment of Intellectual Property. Without prejudice to the generality of Section 1.8, each Seller that is a natural person hereby irrevocably assigns and transfers to the Buyer to the fullest extent permitted by law all IP Rights which relates to or is incidental to the business of the Company or which the Company has used or needs in order to carry out its business and which is in the possession or ownership of such Seller and hereby grants to the Buyer (on behalf of itself and Company) an irrevocable exclusive royalty-free perpetual licence of any such IP Rights with the right to sub licence pending any effective transfer and assignment to the Buyer.

Section 1.10 Power of Attorney to vote Shares. On Closing at the request of the Purchaser, each of the Sellers shall execute or procure the execution under seal or as a deed of a power of attorney in the agreed form in favour of the Buyer or such person as may be nominated by the Buyer generally in respect of the Shares which each such Seller is selling hereunder and in particular, but without limitation, to enable the Buyer (or its nominee) to attend and vote at general meetings of the company during the period prior to the name of the Buyer (or its nominee) being entered on the register of members of the Company in respect of the Shares.

ARTICLE II REPRESENTATIONS AND WARRANTIES OF THE WARRANTORS

Simon Douglas and Matthew Baker (each a "Warrantor{ XE "Warrantor" }" and both the "Warrantors{ XE "the Warrantors" }") warrant to Buyer that as of the date hereof, except as fairly and specifically disclosed ("Disclosed{ XE "Disclosed" }") in the written disclosure schedule of even date herewith delivered on or prior to the date hereof by the Warrantors to Buyer (the "Warrantors' Disclosure Schedule{xe "Warrantors' Disclosure Schedule"}") corresponding to each representation and warranty (each a "Warranty" and together the "Warranties{ XE "Warranties" }") made hereunder by Warrantors:

Section 2.1 Organization and Qualification of Company; Subsidiaries. Company is a private limited company duly organized, validly existing and in good standing under the laws of England and Wales, and Company has the requisite power and authority and is in possession of all franchises, grants, authorizations, licenses, permits, easements, consents, certificates, approvals and orders (the "Approvals{xe "Approvals"}) necessary to own, lease and operate the properties it purports to own, lease or operate and to carry on its business as it is now being conducted, except where the failure to be so organized, existing and in good standing or to have such power, authority or Approvals would not, individually or in the aggregate, have a Material Adverse Effect. Company is duly qualified or licensed as a foreign corporation to do business, and is in good standing in each jurisdiction where the character of the properties owned, leased or operated by it or the nature of its activities makes such qualification or licensing necessary, except for such failures to be so duly qualified or licensed and in good standing that would not, individually or in the aggregate, have a Material Adverse Effect. Except as set forth on Section 2.1 of the Warrantors' Disclosure Schedule, Company does not own or lease property in any jurisdiction other than its jurisdiction of incorporation. Except as set forth on Section 2.1 of the Warrantors' Disclosure Schedule, no jurisdiction has claimed, in writing or otherwise, that Company is required to qualify as a foreign corporation or other entity therein, and (except as set forth in Section 2.1 of the Warrantors' Disclosure Schedule) Company does not file any franchise, income or other tax returns in any other jurisdiction other than its jurisdiction of incorporation based upon the ownership or use of property therein or the derivation of income therefrom. Company does not have any subsidiaries and does not hold any shares or securities or any interest in shares or securities in any other person or body and does not have the right to call for any shares or securities or interest in shares or securities in any other person or body to be issued or allotted to it.

Section 2.2 Certificate of Incorporation and Articles of Association. Company has heretofore furnished to Buyer a true, complete and correct copy of its certificate of incorporation and articles of association, each as amended to date. Such certificate of incorporation and articles of association are in full force and effect. Company is not in violation of any of the provisions of its certificate of incorporation or articles of association.

Section 2.3 Capitalization; Shares and Stockholder Information.

(a) Capitalization. As of the date of this Agreement, the authorized share capital of Company consists of (i) 53,744 A Ordinary Shares, of which there are 21,092 shares issued and outstanding of which 5,276 A Ordinary Shares are the subject of an option under the EMI Plan and 2,800 A Ordinary Shares are the subject of the USO Agreements, (ii) 17,058 B Ordinary Shares, all of which are issued and outstanding, and (iii) 29,198 C Ordinary Shares, all of which are issued and outstanding. The Company Capital Stock constitutes the entire issued share capital of the Company and at Closing the Shares will constitute the entire issued share capital of the Company. All outstanding shares of Company Capital Stock are duly authorized, validly issued, fully paid and non-assessable. All the Shares (i) are free of any liens or encumbrances created by Company, and, to the knowledge of the Warrantors, free of any liens or encumbrances created by or imposed upon the holders thereof, and (ii) were not issued in violation of any preemptive rights or rights of first refusal created by statute, the certificate of incorporation or articles of association of Company or any agreement to which Company is a party or by which it is bound. Except for the rights created pursuant to this Agreement and for

the EMI Shares and the USO Shares, there are no options, warrants, calls, rights, commitments or agreements that are outstanding to which Company is a party or by which it is bound, obligating Company to issue, deliver, sell, repurchase or redeem, or cause to be issued, delivered, sold, repurchased or redeemed, any shares in the capital of the Company or obligating Company to grant, extend, accelerate the vesting of, change the price of, or otherwise amend or enter into any option, warrant, call, right, commitment or agreement regarding shares in the capital of the Company. There are no other contracts, commitments or agreements relating to the voting, purchase or sale of any of the share capital of the Company (a) between or among Company and any of its Sellers; and (b) to the knowledge of the Warrantors, between or among any of Company's Sellers. All issued and outstanding shares in the capital of the Company and options over the EMI Shares and the USO Shares were issued in compliance with all applicable securities laws.

(b) Shares and Stockholder Information; Distribution of Purchase Price.

Exhibit A sets forth, as of the date hereof: (i) the number and class of Shares that each Seller will hold of record immediately prior to Closing legally and beneficially; and (ii) the address and state of residence of such Seller. Exhibit A is a true and accurate account of the individuals and entities that are entitled to the Purchase Price and the amounts to which they are entitled, respectively.

Section 2.4 Authority Relative to this Agreement. Each Seller has all power and authority to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by each Seller and the consummation by such Seller of the transactions contemplated hereby have been duly and validly authorized by all necessary action on the part of such Seller. This Agreement has been duly and validly executed and delivered by each Seller and, assuming the due authorization, execution and delivery by Buyer, constitutes a legal, valid and binding obligation of such Seller enforceable against such Seller in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting the enforcement of creditors' rights and by general principles of equity relating to enforceability (regardless of whether considered in a proceeding at law or in equity).

Section 2.5 No Conflict; Required Filings and Consents.

(a) Section 2.5(a) of the Warrantors' Disclosure Schedule includes a list of all contracts, agreements, licenses, arrangements or understandings, whether or not in writing, to which Company is a party or by which Company or its assets are bound or affected as of the date hereof, (i) under which the consequences of a default, nonrenewal or termination could have a Material Adverse Effect, (ii) pursuant to which payments are required or acceleration of benefits is required upon a "**change of control**" of Company, (iii) which require the consent or waiver of a third party prior to the consummation of the transactions contemplated by this Agreement, (iv) whose terms prohibit or would materially delay the consummation of this Agreement and the other transactions contemplated by this Agreement, (v) which, as of the date of this Agreement, constitute contracts, agreements, arrangements or understandings between Company and any other Person, and involve consideration in excess of \$25,000 over the term of the contract or have a term that will expire more than one year from the date of this Agreement, (vi) which are

not terminable without individual payments by Company, Buyer or any of its subsidiaries or Affiliates, or (vii) relating to the acquisition of any right, title or interest in, under or to any IP Rights (as defined in Section 2.18), other than standardized nonexclusive licenses that are available to the public generally and were obtained by Company in the ordinary course of business (the contracts, agreements, licenses, arrangements or understandings referred to in clauses (i) through (vii) above are referred to collectively herein as the "**Material Contracts**{xe "**Material Contracts**"}"), and Company is not currently negotiating any Material Contract.

(b) Company has delivered to Buyer a complete and accurate copy of each written Material Contract. Each Material Contract that was oral when entered into by Company has been reduced to writing. Each Material Contract is a valid and binding obligation of Company, and, to the knowledge of the Warrantors, of each other party thereto. Except as set forth on Section 2.5(b) of the Warrantors' Disclosure Schedule, (i) Company is not in breach of any provision of, or in default under, any Material Contract; (ii) to the knowledge of the Warrantors, no other party is in default under or in breach or violation of, any Material Contract; (iii) each Material Contract will continue to be legal, valid, binding and enforceable and in full force and effect immediately following the Closing Date in accordance with its terms as in effect prior to the Closing Date; and (iv) to knowledge of the Warrantors, no event has occurred that with notice or lapse of time would constitute a breach or default by Company or, to the knowledge of the Warrantors, by any such other party, or permit termination, modification or acceleration, under such Material Contract.

(c) Except as set forth in Section 2.5(c) of the Warrantors' Disclosure Schedule, the execution and delivery of this Agreement by the Sellers does not, and the performance of this Agreement by Sellers will not, (i) conflict with or violate the certificate of incorporation or articles of association of Company, (ii) conflict with or violate any law, rule, regulation, order, judgment or decree applicable to a Sellers or Company or by which their respective assets are bound or affected, or (iii) result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or result in a modification of any right or benefit under, or impair Company's rights or alter the rights or obligations of any third party under, or give to others any rights of termination, amendment, acceleration, repayment or repurchase, or result in increased payments or cancellation under, or result in the creation of security interests, liens, claims, pledges, agreements, charges or other encumbrances of any nature whatsoever (collectively, "**Liens**{xe "**Liens**"}") on any of the properties or assets of Company, under any Material Contract, except in the case of (ii) or (iii) only for any such conflicts, violations, breaches, defaults or other occurrences that would not, individually or in the aggregate, have a Material Adverse Effect.

(d) The execution, delivery and performance of this Agreement by each Seller does not require any consent, approval, exemption, authorization or permit of, or filing with or notification to, any national, trans national, EU, federal, state, provincial or local governmental regulatory or administrative authority, agency, commission, court, tribunal, arbitral body or self-regulated entity, domestic or foreign (collectively, the "**Governmental Authorities**{xe "**Governmental Authorities**"}").

Section 2.6 Compliance; Permits.

(a) Except as set forth in Section 2.6 of the Warrantors' Disclosure Schedule, Company is not in conflict with, or in default or violation of any law, rule, regulation, order, judgment or decree applicable to Company or by which Company or any of its assets is bound or affected.

(b) Company holds all permits, licenses, easements, variances, exemptions, consents, certificates, orders and approvals from Governmental Authorities that are necessary to the operation of the business of Company as it is now being conducted (collectively, the "Company Permits{xe "Company Permits"}"), except when the failure to have such Company Permits would not, individually or in the aggregate, have a Material Adverse Effect. Company is in compliance with the terms of the Company Permits, except where the failure to have such Company Permits would not, individually or in the aggregate, have a Material Adverse Effect.

Section 2.7 Financial Statements. Section 2.7 of the Warrantors' Disclosure Schedule contains the unaudited balance sheet and profit and loss account of the Company and cashflow statement for the period ended September 30, 2004 (the "Balance Sheet Date{xe "Balance Sheet Date"}") and the audited financial statements for Company's 2004, 2003 and 2002 financial years ended 30 June in each such year (the "Financial Statements{xe "Financial Statements"}"). Except as set forth in Section 2.7 of the Warrantors' Disclosure Schedule, the Financial Statements have been prepared in accordance with the requirements of the relevant statutes and (except as stated in the Financial Statements or to take account of changes to English law) United Kingdom generally accepted accounting principles ("UK GAAP{xe "GAAP"}") and all financial reporting standards and statements of standard accounting practice which have been applied on a consistent basis throughout the period involved, and give a true and fair view of the state of affairs and the financial position of Company as at the respective dates thereof and its losses for the periods indicated. To the Warrantors' knowledge, as of the date hereof, any year-end adjustments for Company's current financial year would be normal and recurring and not material in amount. The Company is not engaged in any financing (including the incurring of any borrowing or any indebtedness in the nature of acceptances or acceptance credits) of a type which would not be required to be shown or reflected in the Financial Statements.

Section 2.8 Absence of Certain Changes or Events. Except as set forth in Section 2.8 of the Warrantors' Disclosure Schedule, since June 30, 2004, Company has conducted its business in the ordinary course so as to maintain the same as a going concern and there has not occurred any of the following: (i) any Material Adverse Effect; (ii) any amendments or changes in the certificate of incorporation or articles of association of Company; (iii) any damage to, destruction or loss of any material asset of Company (whether or not covered by insurance); (iv) any material change by Company in its accounting methods, principles or practices or any change to the accounting reference date of the Company; (v) any material revaluation by Company of any of its assets, including, without limitation, writing down the value of inventory or writing off notes or accounts receivable or the deferral subordination or factoring or release of any debt; (vi) any sale or transfer of a material amount of property of Company; (vii) any declaration, setting aside or payment of any dividend or distribution in respect of Shares or any redemption, purchase or other acquisition of any of Company's securities (except as contemplated by this Agreement) or any capitalisation of reserves of the Company; (viii) any

increase in the compensation or benefits or establishment of any bonus, insurance, severance, deferred compensation, pension, retirement, profit sharing, stock option (including, the granting of stock options, stock appreciation rights, performance awards or restricted stock awards), stock purchase or other employee benefit plan, or any other increase in the compensation payable or to become payable to any executive officers of Company, in each case except in the ordinary course of business consistent with past practice or except as required by applicable law; (ix) any creation or assumption by Company of any Lien on any material asset of Company; (x) any making of any loan, advance or capital contribution to or investment in any person by Company, other than advances to employees to cover travel and other ordinary business-related expenses in the ordinary course of business consistent with past practice; (xi) any incurrence or assumption by Company of any indebtedness for borrowed money or any guarantee, endorsement or other incurrence or assumption of a material liability (whether directly, contingently or otherwise) by Company for the obligations of any other person; (xii) any material modification, amendment, assignment or termination of or relinquishment by Company of any rights under any Material Contract; (xiii) any transfer, sale or assignment of any of the Company's IP Rights; or (xiv) any dividend or distribution declared made or paid by the Company or any payment or obligation to pay to any person any management charge.

Section 2.9 No Undisclosed Liabilities. Except as set forth in Section 2.9 of the Warrantors' Disclosure Schedule, Company does not have any material liabilities (actual, accrued, known contingent or to the knowledge of the Warrantors otherwise) except liabilities (a) in the aggregate properly and adequately provided for in Company's unaudited balance sheet as of September 30, 2004 and (b) incurred since September 30, 2004 in the ordinary course of business consistent with past practice or in connection with the transactions contemplated by this Agreement.

Section 2.10 Absence of Litigation. Except as set forth in Section 2.10 of the Warrantors' Disclosure Schedule, (a) the Company (or any person for whom the Company is vicariously liable) is not subject to any claims, complaints, actions, suits, disputes, arbitrations or proceedings and there are no claims, complaints, actions, suits, disputes, arbitrations or proceedings pending or, to the knowledge of the Warrantors, threatened against Company, or any assets or rights of Company (or any person for whom the Company is vicariously liable), before any Governmental Authority or body, domestic or foreign; (b) to the knowledge of the Warrantors, there are no investigations or reviews by any Governmental Authority pending or threatened against, relating to or affecting, Company (or any person for whom the Company is vicariously liable); and (c) Company is not subject to any proceeding or outstanding decree, order, judgment or stipulation restricting in any manner the use, transfer or licensing of any IP Rights in which Company has (or purports to have) any right, title or interest. Company is not subject to any other outstanding order, writ, injunction or decree of any court of Governmental Authority.

Section 2.11 Employee Benefit Plans; Employment Agreements.

(a) (i) None of the current officers or employees of the Company has given or received notice terminating his employment or will be entitled to give notice as a result of the provisions of this Agreement. (ii) Full particulars of the terms and conditions of employment of all the current officers or employees of the Company (including, without limitation, all

remuneration, incentives, bonuses, expenses, profit-sharing arrangements and other contractual payments, share options and other contractual benefits whatsoever payable) and where an employee has been continuously absent from work for more than one month in the last twelve months the reasons for the absence, are set out in the Warrantors' Disclosure Schedule. (iii) There is not in existence any contract of employment with any director or employee of the Company (or any contract for services of any individual) which cannot be terminated by the Company giving three months' notice or less without giving rise to the making of a payment in lieu of notice or a claim for damages or compensation (other than a statutory redundancy payment or statutory compensation for unfair dismissal) or which is in suspension or has been terminated but is capable of being revived or enforced or in respect of which the Company has a continuing obligation.

(b) There is no agreement or arrangement between the Company and any of its current employees or officers with respect to his employment, his ceasing to be employed or his retirement which is not included in the written terms of his employment.

(c) There is no ongoing agreement, arrangement, scheme or obligation (whether legal or moral) for the payment of any pensions, allowances, lump sums or other like benefits on redundancy, on retirement or on death or during periods of sickness or disablement for the benefit of any of the officers or employees of the Company or former officers or employees or for the benefit of dependants of such person.

Section 2.12 Employment and Labor Matters.

(a) The Company is in compliance with all applicable laws and regulations respecting employment, employment practices, terms and conditions of employment, employee health and safety, wages and hours, and with respect to employees: (i) has withheld and reported all amounts required by law or by agreement to be withheld and reported with respect to wages, salaries and other payments to employees, (ii) is not liable for any arrears of wages, severance pay or any taxes or any penalty for failure to comply with any of the foregoing, (iii) maintained adequate and suitable records regarding service and (iv) is not liable for any payment to any trust or other fund governed by or maintained by or on behalf of any governmental authority, with respect to unemployment compensation benefits, social security or other benefits or obligations for employees (other than routine payments to be made in the normal course of business and consistent with past practice).

(b) As at the Closing Date there are no actions, suits, claims pending, or to the knowledge of the Warrantors, threatened or reasonably anticipated against the Company or any of its current or former employees (terminated within the last 12 months) relating to any employee. There are no pending or to the knowledge of the Warrantors, threatened or reasonably anticipated claims or actions against the Company or any Company trustee under any worker's compensation policy.

(c) No work stoppage or strike against the Company is pending, or to the knowledge of the Warrantors, threatened, or reasonably anticipated. The Company has not entered into any recognition agreement with a trade union nor has it done any act which may be construed as recognition. The Company has not engaged in any unfair labor practices.

Company is not presently, nor has it been in the past three years, a party to, or bound by, any collective bargaining agreement or union contract with respect to employees and as at the Closing Date no collective bargaining agreement is being negotiated by the Company.

(d) As at the Closing Date the Company is not involved in any disputes involving any of the current officers or employees or former officers or employees of the Company (terminated within the last 12 months) and to the knowledge of the Warrantors there are no circumstances which may result in any such dispute.

(e) Since September 30, 2004, no material change has been made in the terms of employment by the Company (other than those required by law) of any of the officers or employees of the Company and the Company is not obliged to increase and has not made provision to increase the total annual remuneration payable to its officers and employees.

(f) Within the two years preceding the Closing Date, the Company has not been a party to a relevant transfer (as defined in the Transfer of Undertakings (Protection of Employment) Regulations 1981).

Section 2.13 Restrictions on Business Activities.

(a) Except for this Agreement, to the knowledge of the Warrantors, there is no material agreement, judgment, injunction, order or decree binding upon Company which has or could reasonably be expected to have the effect of prohibiting or impairing any material business practice of Company or any acquisition of property by Company.

(b) To the knowledge of the Warrantors, none of Company's officers, directors or key employees is a party to any agreement which, by virtue of such person's relationship with Company, restricts in any material respect Company from continuing its business activities as presently conducted.

Section 2.14 Tax Warranties.

(a) For the purposes of this Agreement the following terms shall have the following respective meanings:

(i) "CAA 1990" means the Capital Allowances Act 1990;

(ii) "CAA 2001" means the Capital Allowances Act 2001;

(iii) "Event" includes any act, omission, event or transaction and without limitation, the receipt or accrual of any income, profit or gain, the declaration, making or payment of any distribution, membership of or ceasing to be a member of any group or partnership or any other association, death, any residence or change in the residence of any person for Tax purposes, the expiry of any period of time and Closing;

(iv) "FA" followed by a year means the Finance Act of that year or where there was more than one, "FA" followed by a number in brackets and a year shall be construed accordingly;

(v) "**ITEPA**" means the Income Tax (Earnings and Pensions) Act 2003;

(vi) "**intangible asset**" shall have the same meaning as in paragraph 3 of schedule 29 to the FA 2002;

(vii) "**loan relationship**" shall have the same meaning as in section 81(1) of the FA 1996;

(viii) "**Relief**" includes any loss, relief, allowance, credit, deduction, exemption, set-off or right to repayment of Tax including, without limitation, any deduction in computing income profits or gains for the purposes of any Tax;

(ix) "**Taxation**" or "**Tax**" means any form of taxation, duty, impost, levy, tariff in the nature of taxation, whether of the United Kingdom or elsewhere, whether or not any such taxation, duty, impost, levy or tariff arises in respect of actual, deemed, gross or net income, profit, gain, value, receipt, payment, sale, use, occupation, franchise, value added property or right and includes, without limitation, any amount of or in respect of any of the foregoing payable by virtue of any Tax Statute and any penalty, charge, surcharge, fine or interest payable in connection with any such taxation, duty, impost, levy or tariff;

(x) "**Tax Authority**" means the Commissioners of Inland Revenue, the Commissioners of Customs and Excise, or any authority or body, whether of the United Kingdom or elsewhere and whether national or otherwise having the power or authority to raise, assess or collect Tax;

(xi) "**Tax Liability**" means any liability of the Company to make a payment of or increased payment in respect of Tax;

(xii) "**Tax Statute**" means any primary or secondary statute, instrument, enactment, order, law, by-law or regulation making any provision for or in relation to Tax;

(xiii) "**Taxes Act**" means the Income and Corporation Taxes Act 1988;

(xiv) "**TCGA**" means the Taxation of Chargeable Gains Act 1992; and

(xv) "**VATA**" means the Value Added Tax Act 1994.

(b) The Company has at all times submitted to all relevant Tax Authorities by the requisite dates every computation, return and all information for the purpose of Tax however required and each such computation, return and information was and remains true, complete and accurate .

(c) The Company has discharged every Tax Liability, whether or not a primary liability of the Company, due from the Company directly or indirectly in connection with any Event occurring on or before Closing and there is no Tax Liability or potential Tax Liability in respect of which the date for payment has been postponed by agreement with the

relevant Tax Authority or by virtue of any right under any Tax Statute or the practice of any Tax Authority.

(d) The Company has properly made all deductions, withholdings and retentions required to be made in respect of any actual or deemed payment made or benefit provided on or before Closing and has accounted for all such deductions, withholdings and retentions to each relevant Tax Authority and complied with all its obligations under Tax Statutes in connection with the same.

(e) The Company will not at Closing have any liability for any interest, fine, penalty or surcharge in connection with Tax.

(f) No Relief claimed prior to Closing which is taken into account when calculating the Closing Working Capital is likely to be disallowed, lost, reduced or modified.

(g) Every claim, election and disclaimer which has been taken into account for the purposes of the Financial Statements has been duly submitted by the Company within the requisite periods and either has been accepted as valid or its validity has not been challenged by the relevant Tax Authority.

(h) The Company has maintained and has in its possession and under its control all records and documentation that it is required by any Tax Statute to maintain and preserve and the Company has complete and accurate records and/or information to calculate its future Tax Liability or relief from Tax including, without limitation, arising upon the disposal of any asset owned by the Company at the date of this Agreement or which has been disposed of since the Balance Sheet Date.

(i) The Company has not been and to the knowledge of the Warrantors is not likely to be subject to any investigation or non-routine audit or visit by any Tax Authority.

(j) The Company is a not "**large company**" within the meaning of regulation 3 of the Corporation Tax (Installment Payments) Regulations 1998.

(k) To the extent required by generally accepted accounting principles, provision or reserve was made in the last Financial Statement in respect of every Tax Liability for which the Company at the Balance Sheet Date was liable or accountable whether or not such Tax Liability was or is a primary liability of the Company and whether or not the Company has had or may have any right of reimbursement against any other person.

(l) Since the Balance Sheet Date:

(i) no Event has occurred which has given rise to any Tax Liability (or would have given rise to a Tax Liability but for the availability of a Relief) other than corporation tax on trading profits of the Company (and not chargeable gains, balancing charges or deemed income or profits) or any other Tax arising from transactions entered into in the ordinary course of business of the Company carried on at the Balance Sheet Date;

(ii) no expense has been incurred which is not deductible by the Company in computing its taxable profits for corporation tax purposes for its accounting period current at the date of this Agreement.

(m) The Company is a close company as defined in section 414 of the Taxes Act but has never been a close investment holding company as defined in section 13A of the Taxes Act.

(n) No loan or advance has been made or waived or debt incurred or assigned whether by or to the Company or any other person as a result of which section 419 of the Taxes Act has applied, applies or may apply to the Company and there is no agreement or arrangement for such loan advance or debt to be made, waived, incurred or assigned and no such loan advance or debt will be outstanding at Closing.

(o) The Company has never made a distribution or transfer of value or disposition to which sections 418 of the Taxes Act and 94 of the Inheritance Tax Act 1984 applied, applies or may apply and there has been no alteration of the share or loan capital of the Company as a result of which section 98 of the Inheritance Tax Act applied, applies or may apply.

(p) Neither the assets nor the shares of the Company are or may be subject to any charge by virtue of section 237 of the Inheritance Tax Act 1984 and no person has or may have the power under section 212 of the Inheritance Tax Act 1984 to raise any capital transfer tax or inheritance tax by sale or mortgage of, or a terminable charge on, any of the Company's assets or shares.

(q) The Company has never been a member of a group for any tax purposes, been owned by or been a member of a consortium, for the purposes of chapter IV part X of the Taxes Act or been an associated company as defined in section 416 of the Taxes Act.

(r) Each amount in relation to which the Company is a debtor or creditor and reflected in the last Financial Statement or existing on the date of this Agreement constitutes a loan relationship of the Company and no such loan relationship is one to which sections 88A (Accounting method where interest rate is reset), 93 (Relationships linked to chargeable assets), 93A (Relationships linked to chargeable assets: guaranteed returns), 94 (Indexed Gilts), 95 (Gilt Strips) or 96 (Other Gilts) of the FA 1996 apply or may apply, which has an unallowable purpose as defined in paragraph 13 of schedule 9 to the FA 1996. There is no creditor relationship of the Company which represents an asset to which section 92 (Convertible Securities) applies or may apply, and no debtor relationship of the Company to which section 92A (Convertible securities etc; debtor relationships) applies or may apply.

(s) No Tax Liability or non-trading deficit would arise from any loan relationship of the Company as a result of any debt under such loan relationship being settled in full or in part at Closing.

(t) The Company has sufficient records to identify which (if any) of the intangible fixed assets shown in the Financial Statements are "existing assets" within the meaning of paragraph 118(3) of Schedule 29 of the FA 2002.

(u) Each document in the possession or under the control of the Company or to the production of which the Company is entitled and on which the Company relies or may rely for any purpose whatsoever and which, in the United Kingdom or elsewhere, requires any stamp or mark to denote that:

(i) any duty, tax or fee required to be paid by law has been paid; or

(ii) a duty, tax or fee referred to in paragraph (u) is not required to be paid or that the document in question or the Event evidenced by it qualifies from a relief or exemption from such duty, tax or fee; or

(iii) the document has been produced to the appropriate authority, has been properly stamped or marked, as appropriate, and no such document which is outside the United Kingdom would attract stamp duty if it were to be brought into the United Kingdom

(v) The Company does not hold any interest in real property situated in the United Kingdom which was granted or transferred to it in the three years prior to the date of this Agreement where such grant or transfer was the subject of an application for relief from stamp duty under section 42 of the FA 1930, section 151 of the FA 1995, or section 76 of the FA 1986.

(w) The Company has not entered into any agreement for the sale of an estate or interest in real property situated in the United Kingdom in the 90 days prior to the date of this Agreement.

(x) The Company has complied in all respects with the provisions of Part IV of the FA 1986 (Stamp Duty Reserve Tax) and any regulations made under such legislation.

(y) The Company is registered as a taxable person for the purposes of VAT and has never been registered as a member of a group of companies under section 43 of the VATA nor applied to be treated as such a member.

(z) The Company has always exclusively been resident in the UK for tax purposes and no circumstance or arrangement exists which would or may cause the Company to cease to be resident in the UK for Tax purposes.

(aa) No Event has occurred which will or may cause the disallowance of any carry forward or carryback of losses, excess charges or non-trading deficits arising from loan relationships which would otherwise be available to the Company.

Section 2.15 Title to Property.

In this section "**Properties**" means the leasehold land and premises described in Exhibit and any part or parts thereof;

(a) The Properties comprise:

(i) all the land and premises of whatever tenure owned, occupied or otherwise used by the Company whether in the United Kingdom or elsewhere; and

(ii) all the estate, interest, right and title whatsoever (including for the avoidance of any doubt interests in the nature of options, rights of pre-emption or other contractual relationships) of the Company in respect of any land or premises.

(b) The Company is in physical possession and actual occupation of the Properties on an exclusive basis and no right of occupation or enjoyment has been acquired or is in the course of being acquired by any third party or has been granted or agreed to be granted to any third party.

(c) The information contained in Exhibit G as to the tenure of the Properties and the principal terms of the leases or licences under which the same are occupied or used by the Company is true and accurate.

(d) The Company is the legal and beneficial owner of the Properties and all fixtures and fittings at the Properties are the absolute property of the Company free from encumbrances.

(e) So far as the Warrantors are aware the Properties are free from all questions or doubts and there is not nor are they aware of their having been in force any policy relating to defective title or restrictive covenant indemnity. The Warrantors are not aware of any circumstance which could render any transaction affecting the Company's title to any of the Properties liable to be set aside under the Insolvency Act 1986.

(f) All lease documents (lease dated 7 January 2004 of building 935A Sittingbourne Research Centre, Kent between Sittingbourne No. 1 Limited, Sittingbourne No. 2 Limited and DNA Research Innovations Limited; and a lease dated 6 November 2001 of 940 Sittingbourne Research Centre between Ashtenne Sittingbourne Limited and DNA Research Innovations Limited and a Tenancy At Will dated 21 October 2002 of 94/24, 29 and 40 Innovation Building Sittingbourne Research Centre between Ashtenne Sittingbourne Limited and DNA Research Innovations Limited ("Lease Documents") necessary to prove the title of the Company to the Properties are in the possession or under the control of the Company and are either (a) fully stamped with ad valorem stamp duty and a particulars delivered stamp where applicable or (b) accompanied by a certificate from the Inland Revenue evidencing submission of a land transaction return for the purposes of stamp duty land tax.

Section 2.16 Real Estate.

(a) Encumbrances.

(i) The Properties are free from any mortgage, debenture or charge (whether specific or floating, legal or equitable) rent charge, lien or other encumbrance securing the repayment of monies or other obligation or liability whether of the Company or any other party.

(ii) The Properties are not subject to any liability for the payment of any outgoings other than national non-domestic rates, water and sewerage services charges and insurance premiums rents and service charges and other payments due under the terms of the leases under which the Company holds the Properties.

(iii) Where any such matters as are referred to in paragraphs 2.16(a)(i) and (ii) have been disclosed in the Disclosure Schedule. To the Warrantors knowledge the obligations and liabilities imposed and arising under them so far as the Warrantors are aware have been fully observed and performed and all payments in respect of them due have, where demanded, been duly paid.

(iv) There are no outstanding actions, disputes, claims or demands between the Company and any third party affecting the Properties or any neighbouring property or any boundary walls or fences or with regard to any casement right or means of access to the Properties.

(v) The Properties are not subject to any agreement or right to acquire the same nor any option, right of pre-emption or right of first refusal and there are no outstanding actions, claims or demands between the Company and any third party affecting or in respect of the Properties.

(vi) There is no person who is in occupation or who has or claims any rights or easements of any kind in respect of the Properties adversely to the estate, interest, right or title of the Company to the Properties.

(b) Planning Matters.

(i) No notice relating to the use and enjoyment of the Properties (including but not limited to planning contravention notices, breach of condition notices, enforcement notices and stop notices) has been received or given and the Company is not aware of any circumstances which may lead to any such notice being received or given.

(c) Statutory Obligations.

(i) No notices have been received or given in respect of any applicable statutory and bye-law requirements with respect to the Properties and in particular (but without limitation) with requirements as to fire precautions and means of escape in case of fire and with requirements under the Public Health Acts, the Housing Acts, the Highways Acts, the Offices Shops and Railway Premises Act 1963, the Health and Safety at Work, etc. Act 1974, the Factory Acts and the London Building Acts, and the Warrantors do not anticipate that it will be obliged to incur the expenditure of any substantial sum of money within the next two years in connection with such compliance.

(d) Adverse Orders.

(i) The Warrantors are not aware of any circumstances likely to lead to any compulsory purchase notices, orders or resolutions affecting the Properties being made.

(ii) the Warrantors are not aware of any circumstances likely to lead to any closing demolition or clearance orders affecting the Properties being made.

(e) Condition of the Properties.

(i) No notices have been received or given in respect of the state and condition and repair of the Properties or in respect of the use to which the Properties are currently put and so far as the Warrantors are aware there are no collateral warranties, guarantees, indemnities or latent defect or similar insurance policies the benefit of which is vested in the Company.

(ii) So far as the Warrantors are aware, none of the buildings or other structures on the Properties contains in its fabric any deleterious substances or any substances not approved by the British Standards and Codes of Practice for the time being.

(iii) So far as the Warrantors are aware there are no disputes with any adjoining or neighbouring owner with respect to boundary walls and fences or with respect to any easement, right or means of access to the Properties.

(iv) Each of the Properties enjoys the main services of water, drainage, electricity and gas and the passage and provision of such service is uninterrupted.

(f) Insurance.

(i) So far as the Warrantors are aware the Properties are insured in accordance with the terms of the Lease Documents.

(ii) All premiums demanded by the Landlord in respect of insurance policies relating to the Properties which have become due have been duly paid to the Landlord and the Warrantors are not aware of any circumstances which have arisen which would vitiate or permit the insurers to avoid such policies.

(iii) The information in the Warrantors' Disclosure Schedule with respect to insurance policies is up to date and true and accurate.

(g) Leasehold Properties.

(i) The Company has paid the rent and so far as the Warrantors are aware has observed and performed in all material respects the covenants on the part of the lessee and the conditions contained in each of the leases under which the Properties are held and the last demands for rent (or receipts if issued) were unqualified and all such leases are valid and in full force and there have been no disputes with any landlord.

(ii) So far as the Warrantors are aware all licences, consents and approvals required from the lessors and any superior lessors under the leases of the Properties and from their respective mortgagees (if any) have been obtained and the covenants on the part of the lessee contained in such licences, consents and approvals have been duly performed and observed and, subject thereto, there are no collateral agreements, undertakings, waivers or concessions which are binding upon either the landlords or the Company.

(iii) So far as the Warrantors are aware there is no unfulfilled obligation to reinstate any of the Properties by removing or dismantling any alteration made to the same by the Company or any predecessor-in-title to the Company.

(iv) So far as the Warrantors are aware there is no outstanding and unobserved or unperformed any obligation necessary to comply with any notice or other requirement given by the landlord under any leases of the Properties.

(v) So far as the Warrantors are aware there are no circumstances which would entitle any lessor to exercise any powers of entry or take possession or which would otherwise restrict the continued possession and enjoyment of the Properties.

(vi) The Warrantors are not aware of any major item of expenditure already incurred by the lessor of any of the Properties or expected to be incurred by any such lessor within the next 12 months which is recoverable in whole or in part from the Company.

(h) General Matters.

(i) The Company does not have any continuing liability in respect of any other property formerly owned or occupied by the Company either as original contracting party or by virtue of any direct covenant having been given on a sale or assignment to the Company or as a guarantor of the obligations of any other person in relation to such property.

(ii) There is no other matter of which the Warrantors are aware which casts any doubt on the right or title of the Company to any of the Properties which should be revealed to the Purchaser.

(iii) Any replies given by or on behalf of the Warrantors to enquiries before contract raised by or on behalf of the Purchaser relating in any way to the Properties are true, complete and accurate in all respects and contain all information known or available to the Warrantors.

Section 2.17 Environmental Matters.

(a) The following terms shall be defined as follows:

(i) "Environment" means any and all living organisms (including without limitation, humans), ecosystems, property and the media of air (including without limitation air in buildings, natural or man-made structures below or above ground) water, (including without limitation groundwater, rivers, canals, streams, lakes, coastal waters and water within drains and sewers) and land (including land under any water as described above);

(ii) "Environmental Law" means all EU Directives or Regulations, statutes, or subordinate legislation or civil or common law, all court orders, ordinances, decrees or regulatory codes of practice, circulars, guidance notes and equivalent controls having the force of law and which have as their purpose or effect the protection or prevention of harm to the Environment;

(iii) "**Hazardous Substance**" means any natural or artificial substance (whether solid, liquid, gas, noise, ion, vapour, electromagnetic or ionising radiation, and whether alone or in combination with any other substance) which is capable of causing harm to or having a deleterious affect on the Environment or is capable of being a nuisance, or which restricts or makes more costly the use, development, ownership or occupation of any property. The Company has not received any notice of any breach and so far as the Warrantors are aware the Company is not in any breach of any Environmental Law relating to the properties or facilities used, leased or occupied by the Company.

(b) The Company has not, so far as the Warrantors are aware, discharged, emitted, released, leaked or spilled any Hazardous Substance in, on or under any land or any other part of the Environment such as is likely to give rise to any liability of the Company under Environmental Law.

(c) The Company has not received notice of any civil, criminal or administrative action, proceeding or investigation against the Company with respect to any Hazardous Substance or Environmental Law. The Warrantors have no knowledge of any facts or circumstances that are reasonably likely to form the basis of a claim against the Company regarding Hazardous Substances or its failure to comply, in any respect, with Environmental Law.

Section 2.18 Intellectual Property.

(a) For purposes of this Agreement, the following terms shall have the respective meanings set forth below:

(i) "**IP Rights**{ XE "IP Rights" }" means all of the following in any country: (a) Patent Rights, Know-How Rights, Copyrights, Trade Mark Rights, Database Rights, domain name registrations, moral rights, design rights and other intellectual property rights; and (b) the right (whether at law, in equity by contract or otherwise) to use or otherwise exploit any of the foregoing.

(ii) "**Database Rights**{ XE "Database Rights" }" means all rights in any database whether in electronic, hard copy or other media created, used or otherwise controlled or managed by the Company.

(iii) "**Patent Rights**{ XE "Patent Rights" }" means all issued patents and pending patent applications (including without limitation utility models, design patents, certificates of invention and applications for certificates of invention and priority rights) in any country, including all provisional applications, substitutions, continuations, continuations-in-part, divisions, renewals, reissues, re-examinations and extensions thereof.

(iv) "**Know-How Rights**{ XE "Know-How Rights" }" means all trade secret rights and other know-how rights (whether at law, in equity or otherwise).

(v) "**Copyrights**{ XE "Copyrights" }" means all copyrights (whether registered or not), applications therefor, moral rights and other rights associated with original works of authorship (whether by statute, common law or otherwise).

(vi) **"Trade Mark Rights"** XE "Trade Mark Rights" **1** means all trade marks (whether registered or not), service marks (whether registered or not), tradenames, applications for any of the foregoing, and all goodwill associated with any of the foregoing.

(b) Section 2.18(b)(i) of the Warrantors' Disclosure Schedule lists all of the Patent Rights and Trade Mark Rights owned by Company, setting forth in each case the jurisdictions in which patents have been issued and patent applications have been filed. Section 2.18(b)(ii) of the Warrantors' Disclosure Schedule lists all of the Patent Rights and Trade Mark Rights in which the Company has any right, title or interest (other than those owned by Company), setting forth in each case the jurisdictions in which patents have been issued and patent applications have been filed and the basis of the Company's rights in such Patent Rights and Trade Mark Rights.

(c) Except as listed in Section 2.18(c) of the Warrantors' Disclosure Schedule, Company does not jointly own, license or claim any right, title or interest with any other Person any IP Rights. No current or former officer, manager, director, stockholder, member, employee, consultant or independent contractor of Company has any right, title or interest in, to or under any IP Rights in which Company has (or purports to have) any right, title or interest that has not been assigned to Company.

(d) Section 2.18(d) of the Warrantors' Disclosure Schedule lists all written contracts and other written arrangements under which Company acquired any right, title or interest in, under or to any IP Rights, other than standardized non-exclusive licenses that are available to the public generally and were obtained by Company in the ordinary course of business. All contracts or other arrangements (other than standardized non-exclusive licenses that are available to the public generally and were obtained by Company in the ordinary course of business) under which Company acquired any right, title or interest in, under or to any IP Rights are in writing.

(e) No third party has notified Company of any asserted or threatened claim against the Company or any other Person, nor, to the knowledge of the Warrantors, are there any facts which could give rise to a claim, which would adversely affect Company's ownership interest in any IP Rights, or Company's rights under any contract or other arrangement under which Company claims any other right, title or interest under any IP Rights. No third party has notified the Company of a challenge or threatened challenge to the validity, enforceability or claim construction of any Patent Rights owned or controlled by the Company (except any challenge by the applicable patent authorities in the ordinary course of prosecution), nor to the knowledge of the Warrantors, are there any other facts which could reasonably give rise to any successful challenge to the validity, enforceability or claim construction of any such Patent Rights (except any prior art references set forth in the patent prosecution files for such Patent Rights as maintained by the relevant patent authorities). To the knowledge of the Warrantors, there has been no public disclosure of any patentable invention (patent protection for which would be reasonably determined to have material commercial value), that was conceived by or on behalf of the Company within two years prior to the date of this Agreement, prior to filing a patent application claiming such invention which would be adversely affected by such public disclosure.

(f) Except as set forth in Section 2.18(f) of the Warrantors' Disclosure Schedule, to the knowledge of the Warrantors, all Patent Rights which Company owns have been duly filed or registered (as applicable) with the applicable Governmental Authorities, and maintained, including the submission of all necessary filings and fees in accordance with the legal and administrative requirements of the jurisdictions in which filings are necessary for protection of the IP rights, and have not lapsed, expired or been abandoned. Except as set forth in Section 2.18(f) of the Warrantors' Disclosure Schedule, (i) all Patent Rights which Company has owns (or in respect of which the Company has the right to control prosecution) have been prepared, filed and prosecuted in good faith, (ii) to the knowledge of the Warrantors, there are no inventorship challenges to any such Patent Rights, (iii) to the knowledge of the Warrantors, no interference has been declared or provoked relating to any such Patent Rights, and (iv) all maintenance and annual fees have been fully paid, and all fees paid during prosecution and after issuance of any patent have been paid in the correct entity status amounts, with respect to such Patent Rights.

(g) Except as set forth in Section 2.18(g) of the Warrantors' Disclosure Schedule, (i) Company has not entered into any covenant not to compete or contract or other arrangement restricting its business activities in any market, field or geographical area or with any Person, and (ii) Company is not subject to any contract, agreement or other arrangement that restricts the use, transfer, delivery or licensing of IP Rights in which Company has any right, title or interest (or any tangible embodiment thereof).

(h) Company has taken all commercially reasonable and customary measures and precautions necessary to protect and maintain the confidentiality of all Know-How Rights which Company owns or controls and protect the full value of all such Know-How Rights.

(i) Except as set forth in Section 2.18(i) of the Warrantors' Disclosure Schedule, and without limiting the representations set forth in Section 2.18(e), Company has not granted, licensed, conveyed or permitted to any third party, pursuant to any written contract, agreement, license or other arrangement, any license or other right, title or interest in, to or under (i) any IP Rights in which Company has any right, title or interest (or any tangible embodiment thereof), or (ii) any future IP Rights (or any tangible embodiment thereof) to be developed in the future from IP Rights in which Company has any right, title or interest. Company has not transferred or disclosed any IP Right in which Company has any right, title or interest (or any tangible embodiment thereof) to a third party without having the recipient thereof execute a written agreement prohibiting the disclosure and use (other than research uses only) thereof (other than (A) information disclosed to the applicable governmental authorities in the ordinary course of intellectual property registration, and (B) transfers or disclosures inherent in products sold (or customary commercial samples transferred) in the ordinary course of business).

(j) There are no outstanding obligations to pay any overdue amounts or provide other consideration to any other Person in connection with any IP Rights in which Company has any right, title or interest (or any tangible embodiment thereof).

(k) To the knowledge of the Warrantors no IP Rights owned or controlled by Company have been infringed or misappropriated by any third party. To the knowledge of the Warrantors there is no unauthorized use, disclosure or misappropriation of any IP Rights owned

or controlled by Company by any current or former officer, manager, director, stockholder, member, employee, consultant or independent contractor of Company.

(l) Except as set forth in Section 2.18(l) of the Warrantors' Disclosure Schedule, Company has not entered into any contract or other arrangement to indemnify any other person against any charge of infringement of any IP Rights. Except as set forth in Section 2.18(l) of the Warrantors' Disclosure Schedule or otherwise required under the statutory provisions of relevant legislation, there are no royalties, fees or other amounts payable by Company to any Person by reason of the ownership, use, sale or disposition of IP Rights (or any tangible embodiment thereof).

(m) All current and former officers and employees of Company have executed and delivered to Company an agreement regarding the protection of proprietary information and the assignment to Company of any IP Rights arising from services performed during their employment or engagement by the Company, the form of which has been provided to Buyer. All current and former consultants and independent contractors to Company have executed and delivered to Company an agreement in the form provided to Buyer regarding the protection of proprietary information and the assignment to Company of any IP Rights arising from services performed for Company by such persons. To the knowledge of the Warrantors, no officer, employee, consultant or independent contractor of Company is in violation of any term of any patent disclosure agreement or employment contract or any other contract or agreement relating to the relationship of any such officer, employee, consultant or independent contractor with Company.

(n) Neither the execution, delivery or performance of this Agreement or any ancillary agreement contemplated hereby nor the consummation of this Agreement or any of the transactions contemplated by this Agreement will contravene, conflict with or result in any material limitation on Buyer's right, title or interest in or to any IP Rights.

(o) Company owns and has good and marketable title to, or is licensed under, all IP Rights (i) under which the Company purports to have any ownership or license rights, and (ii) which are used in the business of Company as conducted prior to or on the date of this Agreement.

(p) Except as set forth in Section 2.18(p) of the Warrantors' Disclosure Schedule or otherwise disclosed to Buyer prior to the date of this Agreement in the letter dated October 27, 2004, (i) to the knowledge of the Warrantors, there are no reasonable grounds to believe that the conduct of the Company's business as conducted prior to or on the date of this Agreement, infringes or constitutes contributory infringement, inducement to infringe, misappropriation or unlawful use of IP Rights of any other Person, and (ii) Company has not received any notice or other communication asserting that the conduct of the Company's business as conducted prior to or on the date of this Agreement, infringes or constitutes contributory infringement, inducement to infringe, misappropriation or unlawful use of IP Rights of any other Person.

Section 2.19 Interested Party Transactions. Except as set forth in Section 2.19 of the Warrantors' Disclosure Schedule, there has been no transaction between Company, on the one

hand, and any Affiliate of Company, any officer, director or employee of Company, or any spouse, child, grandchild or sibling of any officer, director or employee of Company, on the other hand, other than transactions related to employment, stock ownership, stock option grants and exercise thereof and expense reimbursement. If and to the extent that there has been any such transaction, such transaction has been entered into on arm's length commercial terms and there have been no unlawful preferences or transactions entered into at an undervalue.

Section 2.20 Insurance. All material fire and casualty, general liability, business interruption, product liability and professional liability insurance policies maintained by Company are of kinds, in the amounts and against the risks customarily maintained by organizations similarly situated. Section 2.20 of the Warrantors' Disclosure Schedule lists all of the material insurance policies held by or on behalf of Company with the Closing Date and coverage amounts indicated thereon. Such policies and binders are valid and enforceable in accordance with their terms and are in full force and effect. All premiums have been paid and are up to date and there are no circumstances which would render such insurance invalid or allow the insurers to refuse a claim.

Section 2.21 Brokers. Except as disclosed in Section 2.21 of the Warrantors' Disclosure Schedule, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission from Company or the Stockholders in connection with the transactions contemplated by this Agreement.

Section 2.22 Bank Accounts. Section 2.22 of the Warrantors' Disclosure Schedule provides, as of the date of this Agreement, accurate information with respect to each account maintained by or for the benefit of Company at any bank or other financial institution including the name of the bank or financial institution, the account number and the names of all individuals authorized to draw on or make withdrawals from such accounts and the amount standing to the credit of such accounts at the close of business on the day immediately prior to the date of this Agreement.

Section 2.23 Certain Payments. Company has not, and to the knowledge of the Warrantors, no director, officer, agent or employee of Company, nor any other person acting for or on behalf Company, has directly or indirectly, on behalf of Company made any contribution, gift, bribe, rebate, payoff, influence payment, kickback or other payment to any entity or person, private or public, regardless of form, whether in money, property or services in material violation of any federal, state, local or foreign statute, law, ordinance, rule or regulation.

Section 2.24 Minute Books and Records. The minute books and statutory books and registers of Company are up to date, in its possession or control and have been made available to Buyer and contain a materially complete and accurate summary of all meetings of directors and shareholders or actions by written consent since the time of incorporation of Company through the date of this Agreement. All the books of account and all other financial records of the Company are up to date in its possession or control and comply with sections 221 and 222 of the Companies Act 1985 (as amended).

Section 2.25 Complete Copies of Materials. Each document that Company has delivered to Buyer (or made available for review by Buyer), is a true and complete copy of

each such document, and in each case where a representation and warranty of the Stockholders in this Agreement requires the listing of documents and agreements, a true and complete copy of all such documents and agreements have been delivered to Buyer.

Section 2.26 Computer Back-Up Systems and Data Protection.

(a) Except as set forth in Section 2.26 of the Warrantors' Disclosure Schedule, Company has made back-ups of all material computer software programs, source code, object code, data, documentation and databases owned or licensed by it and maintains such computer software programs, source code, object code, data, documentation and databases at an off-site location.

(b) The Company has full right and authority to use the Computer Systems, and all such use is within the scope of such right and authority.

(c) The Computer Systems have been satisfactorily maintained and the computer hardware included in the Computer Systems is in good repair and condition.

(d) All agreements under which support, maintenance, disaster recovery and other services in relation to the Computer Systems are provided to the Company are specified in the Warrantors' Disclosure Schedule. No party to any such agreement is or has at any time been in breach of it and no circumstances exist (including the execution and performance of this Agreement) which would or could give rise to any such agreement being terminated, suspended, varied or revoked.

(e) The Computer Systems have adequate capability and capacity and comprise all the hardware, software and other equipment, including telecommunications and network equipment, necessary for the immediate requirements of the Company for not less than 18 months following Closing for the processing and other functions required to be performed for the purposes of the business of the Company

(f) Disaster recovery plans are in effect and are adequate to ensure that the Computer Systems can be replaced or substituted without material disruption or loss to the business of the Company.

(g) The Company does not use any bespoke or non-standard Computer Software under licence from a third party.

(h) The Company has adequate procedures to ensure internal and external security of the Computer Systems including procedures for taking and storing, on site and off site, back up copies of computer programs and data. There has been no material loss to the Company caused by loss of Computer Systems functionality or of data stored on the Computer Systems.

(i) All of the Computer Systems processes have processed and will continue to process data appropriately and to operate satisfactorily irrespective of the date or the format of any date-related information.

(j) All Software included in the Computer Systems is capable of performing the function it was intended to perform and functions without material errors in accordance with specification or other relevant performance documentation. To the knowledge of the Warrantors such software is virus free, compatible with the relevant hardware and fit for the purpose for which it is used.

(k) No person is in a position, by virtue of his rights in, knowledge of or access to any part of the Computer Systems and databases used and operated by the Company or any part of them (including Software), lawfully to prevent or impair the proper and efficient function of the Computer Systems or to demand any payment in excess of any current licence fee or in excess of reasonable remuneration for services rendered or to impose any onerous conditions, in order to preserve the proper and efficient functioning of the Computer Systems in the future.

(l) The Company is not currently in breach of the terms of any warranty (express or implied), licence, systems supply, data supply, maintenance, service or services agreement with any of its suppliers or customers and will be able to comply with ongoing obligations contained therein without recourse to external human resources.

(m) In paragraph (n) "**Euro Compliant**" means that:

(i) the introduction of the single European currency shall not affect the performance or functionality of the Computer Systems, nor cause any part of the Computer Systems to malfunction, end abruptly or provide invalid results;

(ii) all currency-reliant and currency-related functions of each element of the Computer Systems anticipate the introduction and operation of the single European currency;

(iii) all Computer Systems shall continue to operate in accordance with their published specifications and the terms of any contracts relating to them up to, during and after the introduction of the single European currency; and

(iv) in particular (but without limitation), all Computer Systems, to the extent that they perform or rely on currency-related functions, shall:

- (1) be able to perform all such functions in Euros;
- (2) during the transition phase, be able to deal with multiple currencies and dual currencies;
- (3) recognise the Euro currency symbol; and
- (4) incorporate protocols for dealing with rounding and currency conversion.

(n) All Computer Systems are and will after Closing continue to be fully Euro Compliant.

(o) The Company has at all times complied with all applicable data protection, privacy and similar laws relating to any data processed by it within the United Kingdom including the UK Data Protection Act 1998 ("Data Protection Laws").

(p) The Company has not received notice of any enquiry by, or complaint to, the Information Commissioner or any allegations by any person of non-compliance with any of the Data Protection Laws.

(q) The data utilised by the Company and/or transferred to the Company's customers and/or other third parties has been lawfully obtained in accordance with Data Protection Laws, and the Company is entitled to use the same, transfer the same and grant such rights in the same as it grants to its customers and/or other third parties in respect of the use of such data.

Section 2.27 Trade Relations. There exists no actual or, to the knowledge of the Warrantors, threatened termination, cancellation or limitation of, or any other adverse modification or change in, the business relationship of Company, or the business of Company, with any customer or supplier or any group of customers or suppliers, that could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 2.28 Internal Controls. Company maintains a system of outsourced accounting controls that has been designed and administered to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability and recovery.

Section 2.29 Outstanding Borrowing. Section 2.29 of the Warrantors' Disclosure Schedule sets forth the amount of all Indebtedness of Company as of the date hereof, the Liens that relate to such Indebtedness and that encumber the assets and the name of each lender thereof. For purposes of this Agreement, "Indebtedness{xe "Indebtedness"}" means, as to Company, (a) all obligations for borrowed money (including, without limitation, reimbursement and all other obligations with respect to surety bonds, letters of credit and bankers' acceptances, whether or not matured), (b) all obligations to pay the deferred purchase price of property or services, (c) all interest rate and currency swaps, caps, collars and similar agreements or hedging devices under which payments are obligated to be made by Company, whether periodically or upon the happening of a contingency, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by Company (even though the rights and remedies of the Seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all obligations under leases which have been or should be, in accordance with GAAP, recorded as capital leases, (f) all indebtedness secured by any Lien (other than Liens in favor of lessors under leases other than leases included in clause (e)) on any property or asset owned or held by Company regardless of whether the indebtedness secured thereby shall have been assumed by Company or is non-recourse to the credit of Company, and (g) any direct or indirect liability with respect to any Indebtedness, lease, dividend, guaranty, letter of credit or other obligation, contractual or otherwise of another Person, whether or not contingent (including without limitation any guarantee, indemnity, letter of comfort or other covenants or assurances), (i) to purchase, repurchase or otherwise acquire such primary

obligations or any property constituting direct or indirect security therefor, (ii) to advance or provide funds (x) for the payment or discharge of any such primary obligation, or (y) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency or any balance sheet item, level of income or financial condition of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation, or (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss or failure or inability to perform in respect thereof.

Section 2.30 Potential Conflicts of Interest. Except as set forth in Section 2.30 of the Warrantors' Disclosure Schedule, to the knowledge of the Warrantors, no officer or director, no spouse of any such officer or director, no relative of such spouse or of any such officer or director and no affiliate of any of the foregoing: (a) owns, directly or indirectly, any interest in (excepting less than one percent (1%) stock holdings for investment purposes in securities of publicly held and traded companies), or is an officer, director, employee or consultant of, any person which is, or is engaged in business as, a direct competitor, lessor, lessee, supplier, distributor, sales agent or customer of, or lender to or borrower from, Company; (b) owns, directly or indirectly, in whole or in part, any tangible or intangible property that Company has used in the conduct of its business; or (c) has any cause of action or other claim whatsoever against, or owes or has advanced any amount to, Company, except for claims in the ordinary course of business such as for accrued vacation pay, accrued benefits under employee benefit plans, and similar matters and agreements existing on the date hereof.

Section 2.31 Power of Attorney. The Company has not given any power of attorney or any other authority (express, implied or ostensible) which is still outstanding or effective to any person to enter into any contract or commitment or do anything on its behalf (other than any authority of directors or employees to enter into routine trading contracts in the normal course of their duties).

Section 2.32 Insolvency.

- (a) No resolution has been passed nor meeting called to consider such resolution, no petition has been presented and no order has been made for the winding up of or for the appointment of a provisional liquidator to the Company.
- (b) No petition has been presented and to the knowledge of the Warrantors no application has been made to court for an administration order in respect of the Company and no notice of an intention to appoint an administrator of the Company has been given or filed.
- (c) No liquidator, administrator, receiver, receiver and manager, administrative receiver or similar officer has been appointed in relation to the Company or in relation to the whole or any part of its assets, rights or revenues.
- (d) In relation to the Company:

(i) no voluntary arrangement has been proposed or implemented under section 1 of the Insolvency Act 1986;

(ii) no scheme of arrangement has been proposed or implemented under section 425 of the 1985 Act;

(iii) no scheme for the benefit of creditors has been proposed or implemented, whether or not under the protection of the court and whether or not involving a reorganisation or rescheduling of debt; and

(iv) to the knowledge of the Warrantors, no proceedings have been commenced under any law, regulation or procedure relating to the reconstruction or adjustment of debts.

(e) The Company has not stopped or suspended payment of its debts, and the Company is not unable or capable of being deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986.

(f) No distress, execution or other process has been levied on an asset of the Company and no unsatisfied judgment, order or award is outstanding against the Company.

(g) No action has been or is being taken by the Registrar of Companies to strike the Company off the register under section 652 of the 1985 Act.

(h) The Company has not been party to any transaction at an undervalue (within the meaning of section 238 of the Insolvency Act 1986) nor has it given or received any preference (within the meaning of section 239 of the Insolvency Act 1986) in either case during the two years preceding the date of this Agreement.

(i) The Company has not acquired any interest in property (or any interest deriving from such interest) in respect of which an order under section 238 or 239 of the Insolvency Act 1986 is likely to be made (whether in relation to the Company or in relation to any other person).

(j) The Company has not been party to any extortionate credit transaction (within the meaning of section 244 of the Insolvency Act 1986) during the three years preceding the date of this Agreement.

(k) The Company has not been party to any transaction at an undervalue (within the meaning of section 423(1) of the Insolvency Act 1986) for either of the purposes mentioned in section 423(3) of the Insolvency Act 1986, at any time.

Section 2.33 Competition Law Matters.

(a) The Company has not at any time been within the three years prior to Closing and is not a party to or concerned in any agreement, arrangement, concerted practice or conduct which:

(i) was registerable under the provisions of the Restrictive Trade Practices Act 1976;

(ii) was or is within the scope of Article 81(1) of the EC Treaty or Article 53(1) of the Agreement on the European Economic Area;

(iii) was or is an abuse of a dominant position under Article 82 of the EC Treaty or Article 54 of the Agreement on the European Economic Area;

(iv) was unlawful by virtue of the Resale Prices Act 1976;

(v) was or is within either of the prohibitions contained in Chapters I and II of the Competition Act 1998, whether or not subject to a transitional exemption;

(vi) was or is the subject of any investigation or reference under the Fair Trading Act 1973, the Competition Act 1980 or the Enterprise Act 2002; or

(vii) was or is an infringement of the competition law of any other jurisdiction to which the Company has been or is subject.

(b) The Company has not within the three years prior to Closing:

(i) received, nor are there any grounds for believing that it may receive, any process, notice, communication or request for information with respect to any actual or proposed agreement, arrangement or concerted practice from the Office of Fair Trading, the Competition Commission, the Secretary of State, the Monopolies and Mergers Commission, the European Commission, the EFTA Surveillance Authority or any other person or body involved in the investigation and/or regulation of mergers or anti-competitive agreements or practices anywhere in the world (for the purposes of this paragraph only, each a "**Competition Authority**"); or

(ii) been the subject of any report, decision, order, judgment or injunction made, taken or obtained by any Competition Authority; or

(iii) given or been the subject of any undertaking or assurance given to any Competition Authority in respect of merger control, anti-competitive agreements or practices or otherwise.

(c) No application or notification has been made by or on behalf of the Company to any Competition Authority under the competition laws of the relevant jurisdiction, nor has the Company (directly or indirectly) made any communications to, or been involved in

any discussions with, any Competition Authority, in respect of the application of the competition laws of the relevant jurisdiction to:

(i) any past, present or proposed agreement, arrangement, concerted practice or conduct of the Company; or

(ii) any past, present or proposed agreement, arrangement, concerted practice or conduct of any other person.

(d) The Company has fully complied with all undertakings and/or assurances given to any Competition Authorities.

Section 2.34 Disclosed Schemes.

(a) In this part:

(i) "**Approved**" means exempt approved by the Board of Inland Revenue for the purposes of either Chapter I or Chapter IV of Part XIV of the Taxes Act and "**Approval**" shall be construed accordingly;

(ii) "**Disclosed Schemes**" means the Group Personal Pension operated by the Company and insured with Scottish Widows known as the DNA Research Innovations Pension Scheme and the DRI Group Life Assurance Scheme with AIG Life (policy number 401A1366);

(iii) "**Taxes Act**" means the Income and Corporation Taxes Act 1988;

(iv) "**1993 Act**" means the Pension Schemes Act 1993;

(v) "**1995 Act**" means the Pensions Act 1995; and

(vi) "**1998 Act**" means the Data Protection Act 1998.

(b) There is not and has not been in operation, and no proposal has been announced to enter into or establish, and the Company does not contribute, is not bound to contribute either now or in the future and has not contributed to, any agreement, arrangement, scheme, custom or practice (whether enforceable or not, whether or not Approved and whether or not funded for in advance) for the payment of any pensions, allowances, lump sums or other benefits on death, retirement or termination of employment (whether voluntary or not), or during any period of sickness or disablement, for or in respect of any of the Company's employees or officers or former employees or officers, or any dependant of such an employee or officer, or former employee or officer, other than under the Disclosed Schemes.

(c) No company which is and was at the relevant time a member of the Company's Group has since 1 April 1997 contributed towards, participated in or had employees who participated in, an occupational pension scheme to which s.75 of the 1995 Act has applied or can apply.

(d) Since 1 August 1993 no employee or former employee of the Company has had his contract of employment transferred to the Company from another employer in circumstances where the Transfer of Undertakings (Protection of Employment) Regulations 1981 and/or Council Directive 77/187 EEC of 14 February 1977 or Council Directive 2001/23 EC of 12 March 2001 applied to the transfer of his employment contract so as to give rise to any liability to provide relevant benefits (as defined in section 612(1) of the Taxes Act) arising from an occupational pension scheme (within the meaning of section 1 of the 1993 Act) through the Disclosed Schemes or otherwise and the Company has no obligation to provide or fund the provision of such relevant benefits, either through the Disclosed Schemes, or otherwise, in respect of any employee of the Company above the levels under the current scheme documentation of the Disclosed Schemes.

(e) Full and accurate details of the Disclosed Schemes, including current details of the rate(s) at which the Company is obliged to contribute in respect of each employee or officer who is a member of the DNA Research Innovations Pension Scheme and the current rate of premium payable in respect of the DRI Group Life Assurance Scheme, are set out in the Warrantors' Disclosure Schedule.

(f) All contributions due to or premiums due in respect of the Disclosed Schemes have been paid on or before the date on which payment falls due. No contribution to or premium due to the Disclosed Schemes in respect of a period prior to Closing is unpaid.

(g) Other than the contributions referred to in paragraph (f) above, there are no other costs or contributions paid by the Company in respect of the Disclosed Schemes.

(h) There are no members of the Disclosed Schemes other than those whose names have been supplied to the Buyer and there are no other employees of the Company who are currently eligible for or who have been offered membership of the Disclosed Schemes.

(i) No undertaking or assurance (whether or not legally enforceable) has been given or discretion or power exercised by or on behalf of the Company or the trustees of the Disclosed Schemes:

(i) to any person that any benefits under the Disclosed Schemes (other than lump sum benefits on death in service) will be calculated by reference to any person's remuneration or length of service or will be approximately or exactly any amount; or

(ii) as to the continuance of the Disclosed Schemes or the continuance, increase or improvement of any benefit provided by, or contribution to, the Disclosed Schemes or to admit to membership any person who would not normally be eligible for membership of the Disclosed Schemes or on terms other than those that would normally be applicable under the Disclosed Schemes.

(j) To the knowledge of the Warrantors, the Disclosed Schemes have been Approved since their commencement date and there is no reason why such Approval may be withdrawn or cease to apply.

(k) All benefits (other than refunds of contributions with interest where appropriate) payable under the Disclosed Schemes on the death of a member are fully insured with an insurance company as defined in Section 659B of the Taxes Act at its normal rates and under its normal terms for people in good health and to the knowledge of the Warrantors there are no grounds on which the insurance company could avoid liability under such policy.

(l) To the knowledge and belief of the Warrantors, the DRI Group Life Assurance Scheme and, to the extent that it affects employees of the Company, the DNA Research Innovations Pension Scheme are and have at all times been administered in accordance with all applicable laws and regulatory requirements and the general requirements of trust law and the requirements of the Inland Revenue and subject thereto in accordance with their governing provisions.

(m) No person has made or threatened any claim (other than a routine claim for benefits in accordance with the provisions governing the Disclosed Schemes) or complaint (including a complaint to the Pensions Ombudsman) against the Company or to the knowledge and belief of the Warrantors, against the trustees or administrators of the Disclosed Schemes (including claim for compensation from the Company under the 1998 Act or any regulations made under it for loss or unauthorised disclosure of data) or to the knowledge and belief of the Warrantors made any complaint or report to the Occupational Pensions Regulatory Authority in respect of any act, event or omission arising out of or in connection with the Disclosed Schemes or any other agreement, arrangement, scheme, custom or practice with which the Company is or has been involved for the payment of any pensions, allowances, lump sums or other benefits on death, retirement or termination of employment, or during any period of sickness or disablement and to the knowledge and belief of the Warrantors there are no circumstances which may give rise to any such claim, complaint or report being made.

(n) No employees or officers or former employees or officers of the Company have been excluded from membership of the Disclosed Schemes who would otherwise have been eligible either under the governing documentation of the Disclosed Schemes, under any applicable law or under any announcement or other contractual obligations and every such employee or officer has been properly notified of that right.

(o) There are no liabilities which have been or are or may be imposed on the Company as a debt due pursuant to Section 144 of the 1993 Act or Section 75 of the 1995 Act for the Company to the trustees of an occupational pension scheme in which the Company participates or participated as an employer (within the definition thereof in Section 144 of the 1993 Act as modified by the Occupational Pension Scheme (Deficiency on Winding-up etc) Regulations 1994 or Section 75 of the 1995 Act and the Occupational Pension Schemes (Winding-up) Regulations 1996) and there are no circumstances which may give rise to such a debt.

(p) The Company has not received any notice or allegation from the Data Protection Commissioner, a data subject or any third party, including without limitation, any governmental or other authority, board or agency, alleging non-compliance with the 1998 Act or any regulations made under it.

(q) There are no circumstances which could result in any penalty for failure to comply with Part 1 of the Welfare Reform and Pensions Act 1999 or the Stakeholder Pension Schemes Regulations 2000 becoming payable by the Company.

(r) All benefits (other than lump sum benefits on death in service) payable under the Disclosed Schemes are money purchase benefits (as defined in section 181 of the 1993 Act).

(s) The Disclosed Schemes do not hold any employer related investments within the meaning given by Section 40 of the 1995 Act and associated regulations.

(t) No payment has been or is proposed to be made from the Disclosed Schemes to the Company.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to the Sellers as follows:

Section 3.1 Organization and Qualification; Subsidiaries. Guarantor is a corporation duly organized, validly existing and in good standing under the laws of Delaware. Buyer is a limited company registered in Scotland with registered number SC084330.

Section 3.2 Authority Relative to this Agreement. Buyer has all necessary corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by Buyer and the consummation by Buyer of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of Buyer, and no other corporate proceedings on the part of Buyer or the stockholders of Buyer are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Buyer and, assuming the due authorization, execution and delivery by the Sellers, constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity relating to enforceability (regardless of whether considered in a proceeding of law or in equity).

Section 3.3 No Conflict, Required Filings and Consents. The execution and delivery of this Agreement by Buyer do not, and the performance of this Agreement by Buyer will not, (a) conflict with or violate the certificate of incorporation or articles of association of Buyer, or (b) conflict with or violate any law, rule, regulation, order, judgment or decree applicable to Buyer or any of its subsidiaries or by which its or their respective properties are bound or affected, except for any such conflicts, or violations that would not, individually or in the aggregate, have a Material Adverse Effect. The execution and delivery of this Agreement by

Buyer does not, and the performance of this Agreement by Buyer will not require any consent, approval, exemption, authorization or permit of, or filing with or notification to, any Governmental Authority.

Section 3.4 No Violation, Litigation, Regulatory Action. There is no criminal, civil, administrative or regulatory action, suit or proceeding pending against Buyer or, the knowledge of Buyer, threatened against Buyer, which questions the legality or propriety of, or otherwise seeks to block or prevent, the transactions contemplated by this Agreement.

ARTICLE IV POST-CLOSING COVENANTS

Section 4.1 Public Announcements. Except as may be required by law or by obligations pursuant to any listing agreement with Nasdaq or any applicable national securities or recognized investment exchange and except for any announcements, communications, circulars made or sent by Buyer on or after Closing to customers, employees, agents, advisors or suppliers of the Company, Buyer and Sellers' Representative (as duly authorized for and on behalf of all Sellers) (from and after the Closing Date) shall consult with each other before issuing any press release with respect to this Agreement and shall not issue any such press release or make any such public statement without the prior consent of the other party, which shall not be unreasonably withheld, delayed or conditioned.

Section 4.2 Further Actions and Assurances. Each of the parties to this Agreement shall execute such documents and take such further actions as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated hereby.

Section 4.3 Restrictive Covenants.

(a) Each of the Sellers (on behalf of itself and its Affiliates) severally undertakes to and covenants with the Buyer that (except with the consent in writing of the Buyer) it will not at any time after Closing:

(i) (except as an officer, employee or consultant of or to the Company), use or procure or cause the use of any name or names identical or confusingly similar to or including the words "DRI XE "DRI" }" or "DNA Research Innovations" or any trade names or trademarks listed in Exhibit H in connection with any business activity involved with nucleic acid purification kits or any business activity which is similar to the Business save where it is being used by a Seller to publicise its involvement in this Agreement on the basis of any announcement agreed in accordance with Section 4.1;

(ii) (except as required by law) disclose or divulge to any person (other than to officers or employees of the Company or the Buyer whose province it is to know the same) or use (other than for the benefit of the Company or the Buyer) any Confidential Information disclosed by the Company to a Seller or information obtained as a result of entering into or performing this Agreement save that any Seller may disclose such information:

(1) if and to the extent required by law;

(2) if and to the extent required by any securities exchange or regulatory government body to which that party is subject;

(3) to its professional advisers, auditors and bankers for the purposes only of advising the Sellers on the terms of this Agreement and any matters relating thereto;

(4) if and to the extent the information has come into the public domain through no fault of that party;

(5) if it can be demonstrated that the information was lawfully in the possession of the Seller at the time of its disclosure and was free of any restriction as to its use or disclosure at such time;

(6) if and to the extent the information was independently developed by employees or others of a Seller that is not a natural person without access to or use of such information disclosed by the Company to such Seller.

This Section Section 4.3(a)(ii) shall expire with respect to all Confidential Information, except for trade secrets, within five years of the Closing.

(b) Each of the Sellers listed in Part 2 of Exhibit F attached hereto, Steven Ripley and Jo Cesary severally undertakes to and covenants with the Buyer that such Seller will not, for a period of two years after the date of Closing, either on its own behalf or jointly with any other person or as an officer, manager, employee, adviser, consultant or agent for any other person, directly or indirectly:

(i) interfere or endeavour to interfere with the continuance of supplies of goods or services to the Company (or the terms relating to those supplies) by any person who is or, at any time during the period of 12 months preceding the date of Closing was a supplier of goods or services to the Company;

(ii) approach, canvass, solicit, engage or employ or otherwise endeavour to entice away any person who at the date of Closing shall be one of the employees of the Company named in Part 2 of Exhibit F;

(iii) be engaged, concerned or interested, whether as an employee or in any other capacity whatsoever, in carrying on any business within the United Kingdom in competition with the Business. For the purposes of this agreement "**Business**" shall mean the development, manufacture and commercialisation of nucleic acid purification kits and products for the life science research market;

Provided however, that in the event any of the employees listed in Group II in Part 2 of Exhibit F, Steven Ripley or Jo Cesary are terminated without cause (as the concept of cause for their termination is addressed in Section 6.2 of the affected employee's employment agreement), the restrictions set forth in this Section 4.3(b) shall cease with respect to such terminated employee as of the date of their termination without cause unless such terminated employee is provided severance payments (to the full extent of his or her remuneration and benefits existing

at the time of termination) following their termination, in which case the restrictions set forth in Section 4.3(b) shall continue in effect through the period of such severance payments (but in no event later than the date two years after the Closing).

(c) Each of the covenants contained in Sections 4.3(a) and (b) shall constitute an entirely separate and independent restriction on each of the relevant Sellers and its Affiliates and shall be enforceable by the Buyer (on its own behalf and on behalf of the Company) separately and independently of its right to enforce any one or more of the other covenants contained in Sections 4.3(a) and (b).

(d) Nothing in Section 4.3(b) shall prohibit any of the Sellers or its Affiliates from holding shares or stock quoted or dealt in on a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) provided that not more than three per cent of the shares or stock of any class of any one company which competes directly or indirectly with the Business is so held.

(e) Nothing in this Section 4.3 shall prevent any of the Stockholders or its Affiliates from advertising generally for staff provided that such advertising is not targeted directly at employees of the Company.

(f) Each of the Sellers referred to in Section 4.3(b) agrees and acknowledges (having taken independent legal advice) that the restrictions contained in Section 4.3(b) are fair and reasonable and necessary to assure to the Buyer the full value and benefit of the Shares but, in the event that any such restriction shall be found to be void or unenforceable but would be valid and effective if some part or parts thereof were deleted, such restriction shall apply with such deletion as may be necessary to make it valid and effective.

Section 4.4 Conduct of the Company's Business Post-Closing. The Buyer undertakes to the Sellers that for a period of eighteen (18) months from Closing it will be bound by the obligations set out in Exhibit F provided that if at any time during such period the Buyer pays all remaining outstanding Contingency Payments which are due, the obligations set out in Exhibit F shall cease to apply on payment of that amount.

Section 4.5 Determination of Achievement of Milestones/Contingency Payments.

(i) If and when a Milestone is achieved within the 18-month period following the Closing (regardless of how it is achieved), the Sellers' Representative (on behalf of the Sellers) shall send to Buyer a written notice concerning same. In the event that Buyer shall agree that a Milestone has been achieved, it shall make the corresponding Contingent Payment associated with such Milestone in accordance with Section 1.6(b)(ii) subject to any reductions in respect of any breach of this Agreement, the Warranties and/or the Tax Covenant or in respect of any Held Back Amount (as defined in Section 6.11(d)). In the event that the parties do not agree as to whether a Milestone has been achieved and they cannot resolve such dispute within the thirty (30) day period following the date on which the Sellers' Representative (on behalf of the Sellers) delivers to Buyer written notice of his belief that a Milestone has been achieved, the matter shall be submitted to an expert for final determination at the request of either Buyer or Sellers' Representative (acting on behalf of all the Sellers). The expert who shall act as an expert

and not as an arbitrator, shall be an independent consultant in the field with relevant industry experience and no previous connection with either the Company or the Buyer shall be appointed by agreement between the parties, and if the parties fail to agree on the identity of the expert within thirty (30) days from such request, either the Buyer or Sellers' Representative (acting on behalf of all the Sellers) may request the Chief Executive for the time being of the BioIndustry Association in the UK (or such other body as the parties may agree) to appoint such an expert. Each of the Buyer and the Sellers' Representative (acting on behalf of all the Sellers) shall be entitled to make only one submission in writing to the expert, to be submitted to the expert within fourteen (14) days of his appointment. On the basis of the information provided to the expert by the Buyer or Sellers' Representative (acting on behalf of the all the Sellers), the expert shall determine whether a Milestone has been substantively achieved. It shall be a term of the appointment of the expert that he shall deliver his determination within sixty (60) days of his appointment. The expert shall have no authority to decide on any issues other than those set out above. The decision of the expert shall be final and binding on the parties. The costs of the expert shall be paid by the party that does not prevail on the issue of whether a particular Milestone is achieved.

(ii) Subject to any rule of law or any regulatory body, the Sellers' Representative shall procure that he shall, and the Buyer shall procure that the Company shall, promptly provide each other, their respective advisers, the Monitoring Committee and the expert with all information (in their respective possession or control) relating to the operations of the Company, as the case may be, including reasonable access at all reasonable times to the Company's employees, books and records (to be conducted with a view to minimizing disruption to the business of the Company), and all co-operation and assistance, as may in any such case be reasonably required to enable the expert to determine whether or not any Milestone has been achieved. The Sellers' Representative and the Buyer hereby authorise each other, their respective advisers, the Monitoring Committee and the expert to take copies of all information which they have agreed to provide under this Section 4.5 provided that such information is used for the purposes set out in this Section and is otherwise kept confidential subject to applicable law or regulation to the contrary.

ARTICLE V CONDITIONS TO THE CLOSING

Section 5.1 Conditions to Obligation of Each Party to Closing. The respective obligations of each party to consummate this Agreement shall be subject to the satisfaction or waiver to the extent permissible under law at or prior to the Closing Date of all the following conditions:

(a) Orders, Injunctions. No foreign or domestic law, statute, ordinance, rule, regulation, order, injunction, judgment or decree that prohibits, restrains, enjoins or otherwise prohibits (whether temporarily, preliminarily or permanently) consummation of this Agreement and the transactions contemplated hereby shall have been enacted, issued, promulgated, enforced or entered by any court or Governmental Authority of competent jurisdiction and there shall not be pending any suit, action or proceeding by any Governmental Authority which seeks to restrain, enjoin or otherwise prohibit (whether temporarily, preliminarily or permanently)

consummation of this Agreement and the transactions contemplated hereby; provided, that each of the parties shall have used its reasonable endeavours to prevent any such enactment, issuance, promulgation, enforcement or entry and to appeal as promptly as practicable any such foreign or domestic law, statute, ordinance, rule, regulation, order, injunction, judgment or decree.

Section 5.2 Additional Conditions to Obligation of Buyer. The obligations of Buyer to consummate the transactions contemplated hereby are also subject to the satisfaction or waiver by Buyer at or prior to the Closing Date of the following conditions:

(a) Consents and Approvals. All consents and approvals necessary to the consummation of this Agreement and the transactions contemplated hereby, including, without limitation, consents from parties to loans, leases and other agreements and consents from any Governmental Authority shall have been duly obtained.

(b) Proprietary Inventions and Assignment Agreement. All Company personnel (including without limitation, officers, directors and employees) and Company contractors shall have duly executed and delivered Proprietary Inventions and Assignment Agreements in form and substance satisfactory to Buyer.

(c) Employment Agreements. Buyer, the Company and each of Simon Douglas, Matthew Baker, Dr Antony Stevenson, Steven Ripley and Gary Harper shall have entered into an employment agreement in the form attached hereto as Exhibit F.

(d) Termination of Company Stock Option Plan. The Company shall have terminated all Company Stock Option Plans and any other plan, program or arrangement providing for the issuance or grant of any other interest in respect of Company Capital Stock, the Shares or any other shares in the capital of the Company shall have been cancelled as of the Closing, and no participant or potential participant in the Company Stock Option Plans or other plans, programs or arrangements in respect of any entitlement to shares in the capital of the Company shall thereafter have any right thereunder and Buyer shall have received evidence from the Company of such termination, to its satisfaction. The Company shall have obtained all necessary consents or releases from holders of any option in respect of any shares in the capital of the Company granted pursuant to any employee stock option plan or agreement entered into by Company with any employee of the Company including the Company's Enterprise Management Incentive Plan (the "EMI Plan") and the Company's Unapproved Share Option Agreements (the "Unapproved Share Option Agreements") (the "Company Stock Option Plans{xe "Company Stock Option Plans"}") and shall have taken all such other lawful action as may be necessary to give effect to the transactions contemplated by this section, including, without limitation, making all necessary amendments to the Company Stock Option Plans.

(e) Exercise of Stock Options. The Company shall have permitted the exercise in full of all the options granted in respect of the EMI Shares and the USO Shares immediately prior to but coterminous with Closing and each of the Option Holders shall have each validly exercised in full and made irrevocable arrangements for there to be paid to the Company in full in cleared funds the applicable exercise price payable in respect of any option which they hold in respect of any shares in the capital of the Company. Upon such exercise the Company shall validly allot and issue the shares which are the subject of any option to each of

the Option Holders and write up the register of members to reflect such allotment and issue immediately prior to but coterminous with Closing. In respect of the 950 Shares held by Matthew Baker which are part of the EMI Plan (the "MB Option Shares{ XE "MB Option Shares" }", Matthew Baker shall immediately upon exercise of the options by Simon Douglas over the MB Option Shares transfer with full title guarantee as legal and beneficial owner the relevant MB Option Shares to Simon Douglas free from all Encumbrances and the Company shall write up the register of members (subject to stamping) to reflect such transfer of the relevant MB Shares to Simon Douglas.

(f) Resignation of Officers and Directors. Matthew Baker, Sir John Ivan George Cadogan, Robert Cumming, Dr Robert Ian James, Dr John Maynard and Philip Monks in office immediately prior to the Closing Date will have resigned as officers and directors of the Company in writing in the agreed terms effective as of the Closing Date. Quayseco Limited will have resigned as secretary of the Company effective as of the Closing Date.

(g) No Other Securities. All (i) warrants, options (including, without limitation, the Stock Options and the Warrants), rights, or other securities that entitle the holders thereof to purchase or otherwise acquire any shares of the capital stock of Company, and (ii) notes, evidence of indebtedness, stock or other securities issued by Company that are convertible into or exchangeable for any shares of the capital stock of Company or any securities set forth in clause (i) above (collectively, "Other Securities{xe "Other Securities"}"), will have been validly terminated or exercised in full and thereby converted into shares of Company Capital Stock.

(h) Any waivers or consents by the Sellers or other persons which the Buyer has specified prior to Closing so as to enable the Buyer or its nominees to be registered as the holders of the Shares shall have been delivered to the Buyer.

(i) The common seals, certificates of incorporation and statutory books, share certificate books and cheque books of the Company shall have been delivered to the Buyer.

(j) All land certificates, charge certificates, leases, title deeds and other documents relating to the Properties shall have been delivered to the Buyer.

(k) To the extent not in the possession of the Company, all books of account or references as to customers and/or suppliers and other records and all insurance policies in any way relating to or concerning the businesses of the Company shall have been delivered to the Buyer.

(l) To the extent not in the possession of the Company, all licences, consents, permits and authorisations obtained by or issued to the Company or any other person in connection with the business carried on by any of them and such contracts, deeds or other documents (including assignments of any such licences) as shall have been required by the Buyer prior to the date hereof shall have been delivered to the Buyer.

(m) A release in the agreed terms duly executed as a deed, in a form satisfactory to the Buyer, releasing the Company and their respective officers and employees

from any liability whatsoever (actual or contingent) which may be owing to the Sellers or any of their Affiliates by the Company shall have been delivered to the Buyer.

(n) Certain Stockholders entering into a deed of termination in respect of the Investment Agreement dated 13 December 2002 between Matthew Baker and others, the Company and Foresight 3 VCT plc and others.

Section 5.3 Board Resolutions. At or prior to Closing (and prior to the taking effect of the resignations of the directors referred to in section 5.2(f) above) the following board resolutions of the Company shall be passed:

- (a) approving (subject where necessary to due stamping) the transfers in respect of the Shares;
- (b) appointing John Cottingham and Bernd Brust to be the directors of the Company, and John Cottingham to be the secretary of the Company;
- (c) revoking all mandates to bankers and giving authority in favour of David Smith or such other persons as the Buyer may nominate to operate the bank accounts thereof;
- (d) resolving that the registered office of the Company be changed to Watchmaker Court, 33 St John's Lane, London, EC1M 4DB (FAO Tarlo Lyons);
- (e) changing the accounting reference date of the Company to 31 December.

Section 5.4 Repayments and Releases. Each Seller shall at Closing:

- (a) repay all sums (if any) owing to the Company by such Seller (or any of its Affiliates in the case of any Seller who is a body corporate or in the case of an individual by any of their connected persons) and whether or not such sums are due for repayment, unless such sums owing are with respect to goods or services in the ordinary course of business pursuant to a written contract;
- (b) release the Company from any guarantee, indemnity, bond, letter of comfort or Encumbrance or other similar obligation given or incurred by it which relates in whole or in part to debts or other liabilities or obligations, whether actual or contingent, of any person other than the Company and prior to such repayment or release the Sellers undertake to the Buyer (on behalf of itself and as trustee on behalf of the Company) to keep the Company fully indemnified against any failure to make any such repayment or any liability arising under any such guarantee, indemnity, bond, letter of comfort or Encumbrance.

Section 5.5 Inability to Close. If in any respect the obligations of the Sellers (or Buyer) are not complied with on Closing the party not in default may:

- (a) defer Closing to a date not more than 28 days after Closing (and so that the provisions of Section 5, apart from this Section 5.5, shall apply to Closing as so deferred); or

(b) terminate this Agreement by means of a notice to that effect in writing served on the other.

ARTICLE VI INDEMNIFICATION AND LIMITATIONS

Section 6.1 Remedies to Survive Closing. The rights and remedies of Buyer in respect of any breach of the Warranties or the Tax Covenant or the Agreement shall continue to subsist notwithstanding Closing. The Sellers acknowledge that Buyer has entered into this agreement and the other documents referred to herein in reliance upon each of the Warranties. The rights and remedies herein provided are cumulative with and not exclusive of any rights or remedies provided by law.

Section 6.2 Indemnification Provisions for the Benefit of Buyer.

(a) Subject to the provisions in Sections 6.4 to 6.11, the Sellers agree to indemnify, defend and hold harmless the Buyer and its respective affiliates, officers, directors, agents, employees, subsidiaries, partners, members and controlling persons to the fullest extent permitted by law from and against any and all losses, actions, suits, proceedings, claims, complaints, disputes, arbitrations or investigations or written threats thereof ("**Claim**" or collectively, "**Claims**"{xe "Claims"}) (including, without limitation, any Claim by a third party), damages, expenses (including reasonable fees, disbursements and other charges of counsel incurred by the indemnified party in any action between an indemnifying party and an indemnified party or between an indemnified party and any third party or otherwise if such are incurred as a result of a Claim subject to indemnification hereunder) or other liabilities ("**Loss**" or collectively, "**Losses**"{ XE "Losses" }) resulting from or arising out of (i) any breach of any representation or warranty, covenant or agreement or obligation by any of the Sellers in this Agreement; or (ii) any claim for fees or compensation resulting from the Contingency Payments made by brokers retained or hired by Company or any of the Sellers prior to the date of this Agreement (the claims contemplated by this clause (ii) are referred to as "**Contingency Payment Claims**"); All sums payable by the Sellers shall be paid gross, free and clear of any rights of counterclaim or set-off and without any deduction or withholding unless the deduction or withholding is required by law, in which event the Sellers shall pay such additional amount as shall be required to ensure that the net amount received and retained (free of any liability) by the Buyer will equal the full amount which would have been received by it had no such deduction or withholding been required. If any amount payable under this section 6.2(a) above is subject to Tax the amount so payable shall be grossed up by such amount as will ensure that, after deduction of the Tax in question, there shall be left an amount equal to the amount that would otherwise be payable.

(b) To the extent the Sellers are obligated to indemnify Buyer pursuant to this Article VI, Buyer will, as its sole recourse, deduct such amounts from the Indemnification Escrow Account and Buyer will not seek payment directly from any Seller, even in the event of a deficiency but subject to Section 6.4(g).

(c) Any information supplied prior to the date of Closing by or on behalf of the Company to or on behalf of the Sellers in connection with the Warranties, the Disclosure

Schedule or otherwise in relation to the business and affairs of the Company shall not constitute a representation or warranty or guarantee as to the accuracy thereof by the Company and each of the Sellers undertake to the Buyer and the Company (and their respective directors, officers, employees, agents and advisers) that it will not bring any and all claims which it might otherwise have against the Company or any of their respective directors, officers, employees, agents or advisers in respect thereof.

(d) Each of the Warranties shall be construed as a separate warranty, and (unless expressly provided to the contrary) shall not be limited by the terms of any of the other Warranties or by any other term of this Agreement.

(e) Each of the Sellers irrevocably appoint and instruct the Sellers' Representative (or in the event of the death or incapacity of the Sellers' Representative such person as may be elected as their replacement by holders of a majority in nominal value of Shares at Closing and notified to the Buyer) to represent all of the Sellers in relation to all matters relating to any Claims in so far as they relate to (i) a claim against the Indemnification Escrow Account or (ii) any dispute as to whether a Milestone has been achieved provided that during any negotiations and prior to any settlement of any such Claim or dispute the Sellers' Representative shall consult with a monitoring committee consisting of Sir John Cadogan, Patrick Lee (or his successor as may be nominated in writing by Advent Venture Partners from time to time), Rob James (or his successor as may be nominated in writing by Prelude Venture Partners from time to time), the CFO from time to time of The Dow Chemical Company or his authorized delegate and David Hughes (or his successor as may be nominated in writing by VCF LLP from time to time) (together the "Monitoring Committee"). Each of the Sellers irrevocably and unconditionally authorises, instructs and empowers the Sellers' Representative to act on its behalf as its representative in respect of any Claim, to negotiate, accept liability, agree and settle, on their behalf and in their respective names any Claim, empower the Sellers' Representative to sign any documents on their behalf and agree that the Sellers' Representative may do so on such terms as he thinks fit in his absolute discretion and without being required to seek any instructions, consent or approval of any of the Sellers and the Sellers agree and accept that they shall be bound by, and may not challenge, any decision of the Sellers' Representative in that regard and any agreement reached between the Sellers' Representative and the Buyer with respect to any such Claim provided the Sellers' Representative has acted with the prior written approval of Patrick Lee, Rob James and David Hughes (or their successors on the Monitoring Committee), which he is obligated to seek prior to any action being taken on behalf of the Sellers and for the avoidance of doubt, any payment made under this agreement pursuant to the Sellers' Representative instruction (whether or not made through the Sellers' Solicitors) shall be made in the Relevant Proportions. Furthermore, each of the Sellers other than The Dow Chemical Company for which service in respect of a claim shall be made to The Dow Chemical Company Limited (Attention: Corporate Secretary), 2 Heathrow Boulevard, 284 Bath Road, West Drayton, Middlesex, UB7 0DQ, UK, irrevocably and unconditionally authorizes, instructs and empowers the Sellers' Representative (on behalf of all the Sellers) to accept service of court proceedings in respect of any Claim on his behalf. Where any decision is required to be taken by the Sellers' Representative written notice to the Buyer signed by any of the Sellers' Representative as to what that decision is accompanied by a confirmation notice signed by Patrick Lee, Rob James and David Hughes (or their successors on the Monitoring Committee) shall be sufficient for the purposes of the Buyer. Notwithstanding the provisions of this Section 6.2(e), if a Claim is

brought against a Seller arising out of one or more of those matters described in section 6.4(g) and such Claim would result in a liability which could not be satisfied in whole by the Indemnification Escrow Amount, then the Sellers' Representative may not take any actions he would otherwise be entitled to take by virtue of this section unless he has received the prior written agreement of that Seller, provided that Section 6.11 shall apply to any such Claim and the Sellers' Representatives' actions in respect of the operation of the Indemnification Escrow Account shall continue to operate in all respects.

(f) Each of the Sellers, as a primary obligor, hereby covenants, acknowledges, agrees and undertakes to the Buyer (without any requirement for the Buyer (who in any event shall have no right to do so) to claim any monies first from any of the Warrantors or Covenantors and notwithstanding that the Warrantors are giving the Warranties and the Covenantors are giving the covenants under the Tax Covenant):

(i) that any liability arising in respect of any Claim (including any Claim arising out of any breach by any Seller of their respective obligations under this Agreement) will be borne by all of the Sellers in accordance with the terms of this Agreement out of the amount standing to the credit of the Indemnification Escrow Account from time to time; and

(ii) that each of the Sellers will be directly and primarily liable to the Buyer in respect of any such Claim; and

(iii) that they shall be bound by the provision of Section 6.11 in respect of any such Claim.

Accordingly, each of the Sellers who is not a Warrantor or who is not a Covenantor hereby covenants directly in favour of the Buyer that it will be directly liable to the Buyer in respect of any such Claim. Each of the Sellers hereby irrevocably consents to the Buyer setting off in full any amounts that become due and owing to the Buyer in respect of any Claims out of the monies standing to the credit of the Indemnification Escrow Account from time to time and each Seller agrees that its entitlement to its share of the monies in the Indemnification Escrow Account shall only arise after any such set-off and deductions have occurred in respect of such amounts that may become due and owing to the Buyer. If and to the extent that there is a Claim in respect of any of the matters referred to in Section 6.4(g) against any Seller or Sellers at any time and the amount standing to the credit of the Indemnification Escrow Account (if anything) is insufficient to satisfy any such Claim then the Seller or Sellers who is or are in breach shall be liable for his or their breach to the full extent of any excess.

(g) Save as set out in Section 6.2(f) above, no Seller shall be liable for any breach of this Agreement by any other Seller.

Section 6.3 Indemnification Provisions for Benefit of Sellers. Subject to the limitations and provisions contained herein, Buyer hereby agrees to indemnify, defend and hold harmless the Sellers from and against any and all Losses which the Sellers may sustain or incur which are occasioned by, caused by or arise out of (a) Buyer's breach of any of its representations, warranties, or covenants contained herein or (b) the operation of the business

of the Company after the Closing Date, provided that (i) Sellers' Representative make a written Claim for payment or indemnification, as the case may be, against Buyer on behalf of the Sellers pursuant to Section 7.1 below within the eighteen (18) month period immediately following the Closing Date, which identifies the Claim in reasonable detail, and (ii) the maximum amount payable by Buyer in respect of all claims for indemnification under this Agreement will not exceed the amount in the Indemnification Escrow Account.

Section 6.4 Limitations

(a) Time Limits. Subject to Section 6.4(g), the Sellers shall have no liability for any breach of an Acquisition Document unless the Buyer gives written notice to the Sellers' Representative regarding the Claim in accordance with Section 6.4(b) save that the Sellers shall retain liability in respect of any Claim notified after such date in respect of any breach of the provisions relating to any failure to release monies from the Indemnification Escrow Account in accordance with the terms of this Agreement.

(b) Any notice under Section 6.4(a) must:

(i) be given on or before the expiry of a period of 18 months after Closing:

(ii) give reasonable details of the Claim and, in the case of a Claim under the Tax Warranties, include so far as practicable the amount of the Claim.

(c) The liability of the Sellers for any Claim notified under this Section 6.4 shall (if it has not been previously satisfied, settled or withdrawn), cease 9 months after the date on which the Claim was notified unless legal proceedings in respect of it have been commenced and such legal proceedings have not been withdrawn or terminated save that this limitation shall not apply to a Tax Claim involving a Tax Authority or claim made against an insurer or any contingent claim or Third Party Claim until such time as the date which falls 9 months after the claim or liability ceases to be contingent or the Third Party Claim or insurance claim is finally settled or determined.

(d) The Sellers shall not be liable in respect of any Claim under the Warranties unless the total cumulative liability of the Sellers in respect of all such Claims exceeds \$125,000 (in which case the Sellers shall be liable for the whole of such liability and not merely for the excess).

(e) Maximum Claims. Subject to Section 6.4(g), the maximum total liability of the Sellers in respect of Claims made under or in connection with the Acquisition Documents shall be limited to the sum of the Escrow Amount and 29.3 per cent. of the Contingent Payments plus any accrued interest thereon.

(f) Double Claims. The Buyer shall not be entitled to recover from the Sellers under the Warranties and the Tax Covenant more than once in respect of the same loss, and accordingly the Sellers shall not be liable for a breach of any Warranty to the extent that the loss is or has been included in a Claim under the Tax Covenant and has been satisfied, nor shall

the Sellers be liable in respect of a Claim under the Tax Covenant to the extent that the loss is or has been included in a Claim for breach of the Warranties and has been satisfied.

(g) General. Nothing in this clause shall limit the liability of a Seller in respect of:-

(i) any Claim arising out of his own fraud, wilful default or intentional misrepresentation; or

(ii) any Claim arising out of his breach of Section 4.3 or Section 1.1.

Section 6.5 Recoveries from Third Parties

(a) The liability of the Sellers for any Claim for breach of any of the Warranties and the Tax Covenant shall be reduced to the extent that the Buyer and/or the Company recovers any money (net of all expenses of making such recovery including legal fees) from any third party (including a Taxation Authority or insurer) in respect of the matter or circumstance giving rise to the Claim.

(b) If the Buyer and/or the Company makes any recovery from a third party (including a Taxation Authority or insurer) in respect of the matter or circumstance giving rise to a Claim for breach of Warranty or Tax Covenant and such recovery is made following payment by the Sellers of the Claim, then the recipient of such recovery shall repay an amount of such recovery (less the expense of making such recovery including legal fees) equal to but not exceeding the amount paid in respect of the Claim into the Indemnification Escrow Account. If such recovery is made by the Buyer after the expiry of the 18-month period after Closing and was money previously paid to the Buyer out of the Indemnification Escrow Account and there are no further outstanding Claims against any of the Sellers, then such monies shall be paid to the Sellers' Representative (acting on behalf of the Sellers) who shall then immediately distribute such amount in the Relevant Proportions to the Sellers. To the extent that any Claim remains outstanding, such monies so recovered (after the aforesaid deductions) shall be retained by the Buyer pending resolution of such Claim. The Buyer shall not be concerned as to the application thereof by the Sellers' Representative and such payment shall be an absolute discharge to Buyer.

Section 6.6 Changes in legislation

The Sellers' liability for any breach of any Acquisition Document shall be reduced to the extent that:

(i) it arises or is increased as a result of:

(1) the introduction of any new legislation;

(2) the changing of any existing legislation;

(3) the changing or withdrawal of any extra-statutory concession by the Inland Revenue or any other fiscal authority after the date of Closing whether or not such introduction, change or withdrawal are effective retrospectively;

(ii) it arises or is increased as a result of any change in the basis or method of calculation of, or of any increase in the rates of Taxation made or imposed by legislation after Closing with effect to any period ending before Closing.

Section 6.7 Provisions in the Financial Statements and/or the Closing Working Capital and Accounting Bases

(a) No Claim against the Sellers under any of the Warranties or the Tax Covenant shall be made if the subject matter of the Claim is the subject matter of an express provision in the Closing Working Capital unless (and then only to the extent that) such provision is insufficient.

(b) The Sellers shall not be liable in respect of any Claim under the Warranties or the Tax Covenant to the extent that the Claim arises or is increased as a result of any changes after Closing in the accounting bases, policies, practice or methods applied in preparing Closing Working Capital save where the change is to comply with applicable law or UK GAAP where the previous treatment was not in accordance with applicable law or UK GAAP.

Section 6.8 Acts of Buyer

The Sellers' liability for any breach of the Warranties shall be reduced to the extent that such liability is attributable in whole or in part to any act of the Buyer or, transaction of the Buyer or the Company voluntarily effected otherwise than in the ordinary course of business of the Buyer or the Company or anything required to be done pursuant to this Agreement or any other agreement binding upon the Buyer or the Company.

Section 6.9 Adjustment to Purchase Price

If any amount is paid in respect of a Claim for breach of Warranties by the Buyer under any Acquisition Document, the amount paid shall be treated as a reduction in the Purchase Price for the Shares sold by the Sellers pro rata to their Relevant Proportions.

Section 6.10 Conduct of Claims

(a) In relation to any Claim for breach of Warranties notified under Section 6.4, the Buyer shall (subject to being indemnified and secured to the reasonable satisfaction of the Buyer against all losses, costs, charges, liabilities, claims and expenses (including legal costs and expenses) that the Buyer may suffer or incur in connection herewith):

(i) not (if reasonably practicable and commercially sensible to do so) make any admission of liability, conclude any agreement with any third party in relation to the matters giving rise to such Claim or make any compromise with any person, body or authority in relation to such matters without the consent of the Sellers' Representative (acting on behalf of all the Sellers) (such consent not to be unreasonably withheld or delayed); and

(ii) promptly upon request give the Sellers' Representative professional advisers reasonable access to the premises and employees of the Buyer during normal business

hours, Monday to Friday (public holidays excepted), to examine and take copies of any relevant property, documents, books and records (including records held in electronic form) in the possession or control of the Buyer and as soon as reasonably practicable answer any reasonable questions asked by the Sellers' Representative or its professional advisers provided that the Sellers' Representative shall, and shall procure that its professional advisers shall, keep confidential all matters so examined, and provided that the Buyer may require the Sellers to pay a reasonable fee for the time of the employees of the Buyer spent in connection with such examination.

(b) If the Sellers' Representative acknowledges that, subject to the alleged facts being demonstrated to be true, the Sellers may have a liability to the Buyer (but not necessarily the quantum of the liability) under the Warranties or the Tax Covenant and if the existence or amount of the Claim is determined by reference to:

- (i) a claim made against the Buyer by a third party; or
- (ii) the Buyer's right to make a claim against a third party

(a claim of the kind referred to in paragraphs (i) and (ii) of this Section being referred to below as a "**Third Party Claim**") and if the Sellers' Representative's indemnify and secure the Buyer to its reasonable satisfaction against all resulting losses, charges, costs, liabilities, claims and expenses (including legal costs and expenses) the Buyer shall subject to Section 6.10(c):

(iii) take such action as the Sellers' Representative (acting on behalf of all the Sellers) may reasonably request to:

- (1) avoid, dispute or defend;
- (2) pursue or institute proceedings in respect of; or
- (3) appeal or compromise the Third Party Claim;

provided that in the opinion of the Buyer to do so would not be materially and adversely prejudicial to the business of the Buyer and/or the Company and their respective commercial interests,

(iv) allow the Sellers' Representative (acting on behalf of the Sellers) in the name of the Buyer the right to conduct all negotiations with any insurers of the Buyer in respect of any matter which may give rise to the Third Party Claim including the right in the name of the Buyer to commence proceedings against such insurers provided that in the opinion of the Buyer to do so would not be materially and adversely prejudicial to the business of the Buyer and/or the Company and their respective commercial interests; and

(v) continue to permit the access referred to in sub-Section 6.10(a)(ii) above and otherwise continue to comply with the provisions of that Section.

(c) For the purposes of Section 6.10(b):

(i) the Sellers' Representative shall, in conducting any negotiations or proceedings, act reasonably and not prejudicially to Buyer having regard to the best interests of the Buyer and the Company;

(ii) the appointment of lawyers or other professional advisers shall be subject to the approval of the Buyer, such approval not to be withheld or delayed unreasonably;

(iii) the Buyer shall be kept fully informed of all relevant matters and shall be entitled to see copies of all correspondence relating to any such action, negotiations or proceedings; and

(iv) the Sellers' Representative shall not make any settlement of or compromise the Third Party Claim nor agree any matter in the conduct of any such action, negotiations or proceedings which is likely to affect the amount of the claim or the future liability of the Buyer or would which would materially or adversely prejudice the business or other commercial interests of the Buyer or the Company without the prior written approval of the Buyer.

Section 6.11 Payments in respect of Claims and Established Claims

(a) For the purposes of this clause, the following definitions apply:

"Established Claim" means the amount of any Notified Claim which has been:

(i) settled by written agreement between the Sellers' Representative (acting on behalf of all the Sellers) and the Buyer; or

(ii) the subject of a final judgment of a court of competent jurisdiction or arbitral award not being (i) a judgment or award which is the subject of an ongoing appeal or (ii) a judgment or award in respect of which the time permitted for lodging an appeal has yet to expire;

"Notified" in relation to any Claim means notified to the Sellers in accordance with Section 6.4 and **"Notified Claim"** means any such Claim so Notified;

"Related Interest" means, in relation to any part of the Indemnification Escrow Account withdrawn in accordance with this Agreement, that portion of the interest accruing from Closing in respect of the Indemnification Escrow Account as is attributable to the sum withdrawn net of any Taxation required by law to be deducted from it; and

"Release Date" means the date at the end of the 18 month period after Closing;

(b) In respect of a Notified Claim:

(i) an amount equal to any part of it which is an Established Claim shall be deducted from the amount standing to the credit of the Indemnification Escrow Account together with the Related Interest at the time that an Established Claim first arises and applied by the Buyer in or towards satisfaction of the Established Claim;

(ii) the amount of it which is not an Established Claim shall be retained in the Indemnification Escrow Account

(each a "**Held Back Amount**");

(c) subject to Section 6.11(d), on the Release Date the Sellers' Representative and the Buyer shall instruct the Escrow Agents to pay the amount in the Indemnification Escrow Account, together with the Related Interest to the order of the Sellers' Representative;

(d) where there is an amount in the Indemnification Escrow Account relating to any Notified Claims such amount in the Indemnification Escrow Account shall not be released upon the Release Date until all such Notified Claims either:

(i) become in whole or in part an Established Claim in which event Section 6.11(b) shall apply; or

(ii) until it is finally determined that the Notified Claims will not become in whole or in part Established Claims in which event Section 6.11(c) shall apply to the balance.

(e) The Escrow Amount shall be held in the Indemnification Escrow Account on the following terms:

(i) all interest earned in respect of it shall be credited to the Indemnification Escrow Account without any deduction save as may be required by law or to meet bank charges;

(ii) save as provided in this agreement no other credit shall be made to the Indemnification Escrow Account without the written consent of the Buyer's Solicitors and the Sellers' Solicitors; and

(iii) no withdrawal shall be made from the Indemnification Escrow Account except as provided in Sections 6.11(c) and (d).

(f) The Buyer's Solicitors and the Sellers' Solicitors are irrevocably authorised and instructed to pay out of the Indemnification Escrow Account:

(i) any Taxation which may be payable as a matter of law in respect of interest accrued on the amount standing from time to time to the credit of the Indemnification Escrow Account; and

(ii) all bank charges payable in respect of the Indemnification Escrow Account.

(g) Neither the Buyer nor the Sellers shall have any entitlement to interest until the due date of payment of the principal to which it relates and subject to Section 6.11(f)(i) the Liability to Taxation on any interest on any amount of the Indemnification Escrow Account shall be borne by the party ultimately entitled to that amount.

(h) On execution of this Agreement, the Buyer and the Sellers' Representative shall forthwith instruct respectively the Buyer's Solicitors and the Sellers' Solicitors to open, operate and make payments out of the Indemnification Escrow Account in accordance with this Agreement on the basis that such firms shall receive and hold all sums paid to them under this agreement and all sums from time to time standing to the credit of the Indemnification Escrow Account, jointly as trustees for the Buyer and the Sellers' Representative on trust to pay them either to the Buyer or to the Sellers' Representative, or partly to one and partly to the other, on the terms of this Agreement.

(i) The Buyer and the Sellers' Representative shall when necessary give instructions forthwith to the Buyer's Solicitors and the Sellers' Solicitors respectively who are hereby instructed to act promptly in order to procure compliance with the provisions of this Section 6.11. The Buyer's Solicitors and the Sellers' Solicitors shall not be required to take any action with respect to the Indemnification Escrow Account except on the joint written instructions of the Buyer and the Sellers' Representative.

(j) The Buyer and the Sellers' Representative agree that, if any instructions are not given to the Buyer's Solicitors and the Sellers' Solicitors, such firms shall be entitled to place the sums in the Indemnification Escrow Account on deposit for such period as they agree or, if such firms cannot agree, on overnight deposit. Such firms shall have no responsibility for the rate or amount of interest earned.

(k) The Buyer and the Sellers' Representative agree that, no payment or transfer out of the Indemnification Escrow Account may be made except as expressly provided in this Agreement or as may otherwise be ordered by a court of competent jurisdiction.

(l) The Buyer and Sellers' Representative undertake to their solicitors and to each other to pay the fees and expenses (including VAT) of their respective solicitors in connection with the Indemnification Escrow Account.

Section 6.12 Limitations applying to Tax Claims

The Sellers shall not be liable in respect of any claim relating to Taxation payable by the Company made under this agreement or under the Tax Covenant under part 2 of Exhibit I (a "**Tax Claim**"):

(a) to the extent it arises or is increased as a result of a change in the law or its interpretation in any jurisdiction inside and/or outside the England, enacted or made after the date of this agreement, or the withdrawal or amendment of any extra statutory concession or practice made by a Tax Authority after that date whether retrospective or not;

(b) to the extent it occurs or is increased as a result of any increase in the rates of Taxation made after the date of this Agreement or it arises as a result only of the appropriate

provision or reserve in the Closing Working Capital being insufficient by reason of any increase in rates of Taxation made after the date of this agreement whether retrospective or not;

(c) to the extent that the Tax Liability would not have arisen but for a change after Closing:

- (i) in generally accepted accounting practices or the accounting standards; or
- (ii) in the treatment of anything relating to the valuation of assets or liabilities of the Company; or
- (iii) a change after Closing which affects the way in which statutory accounts of the Company are prepared, presented or compiled; or
- (iv) in the accounting reference date of the Company.

save where such change is to comply with applicable law or UK GAAP where the previous treatment was not in accordance with applicable law or UK GAAP.

(d) which would not have arisen but for any act, or transaction of the Buyer's Group (including assignees and successors in title) or its employees or agents or any person connected with the Buyer's Group at any time or of the Company or its employees or agents or any person connected with the Company (including assignees and successors in title) carried out, or occurring after the date of Closing save where such act or transaction was required by law or at the request of any Seller or in respect of a pre-Closing contractual commitment;

(e) to the extent that provision or reserve in respect of it was made in the Closing Working Capital;

(f) to the extent that any income, profits or gains to which that Tax Liability is attributable were actually earned or received by or actually accrued to the Company but were not (in either such case) reflected in the Closing Working Capital;

(g) to the extent that that Tax Liability is attributable to the Company ceasing to be entitled to any lower rate of tax applicable to companies below a certain size;

(h) to the extent that the Tax Liability consists of penalties or interest on Tax resulting from a failure by the Company to pay Taxation to a Tax Authority promptly after the Sellers have satisfied such liability to the Buyer as it has in respect of that Taxation under this Agreement;

(i) to the extent that it is, or can be, reduced, mitigated or deferred by any Relief available to the Company at the Closing Working Capital (including any Relief available by claiming capital allowances or revoking disclaimers of capital allowances but excluding any Relief which arises on or after the Closing or was taken into account as an asset in the Closing ("**Buyer's Relief**")):

(j) to the extent that the Taxation Liability would not have arisen but for any Relief or right to repayment of Taxation (other than a Buyer's Relief) available to the Company at Closing being utilised in respect of Taxation attributable to any event occurring or entered into after Closing or resulting from or calculated by reference to any income, profits or gains earned, accrued or received deemed to have been earned, received or accrued after Closing;

(k) to the extent that it would not have arisen (or would not have arisen at the time that it does arise) but for any claim, disclaimer, notice, election, consent or return (or withdrawal or revocation or amendment thereof) made or given (or omitted to be made or given within any requisite period) for any Taxation purpose (including without limitation in respect of any capital allowances) after the date of this Agreement unless this was assumed to be made or given (or, as the case may be omitted to be made or given) in the Financial Statements;

(l) to the extent that the Tax Liability would not have arisen or would have been reduced or eliminated but for any act or transaction or arrangement whatsoever carried out at the written request or with the written approval of the Buyer or any member of the Buyer's Group prior to Closing or under this Agreement or any documents referred to in this Agreement provided that where the Sellers sought approval of the Buyer, the Sellers also ensured that the Buyer was made aware of the tax implications of the proposal;

(m) to the extent that it would not have arisen but for any transfer, winding up or cessation after Closing of any trade or business carried on by the Company or any major change in the nature or conduct of the Company, whether taking place after or partly before and partly after Closing or any significant increase in the capital of the Company after Closing;

(n) to the extent that it was paid or discharged prior to Closing;

(o) to the extent that it arises because of the disposal (including deemed disposal) after Closing of any asset which is or has at any time been in use for the purposes of the trade carried on by the Company (unless the Company was legally obliged so to do under an agreement entered into before Closing);

(p) to the extent that it arises because of any change in the intentions of the Company after Closing as to the use of any goods or services supplied to or by the Company on or before Closing or because of the making of any exempt supply of goods or services by the Company for VAT after Closing;

(q) to the extent that it has been made good or otherwise compensated for without cost to the Company and/or the Buyer.

ARTICLE VII GUARANTEE

Section 7.1 In consideration of the Sellers entering into this agreement, the Guarantor as a primary obligor and not merely as a surety irrevocably guarantees the performance by the Buyer of its obligations under this agreement and, if there is any failure by the Buyer to perform those obligations, will itself perform them and will indemnify the Sellers in respect of such failure.

Section 7.2 This guarantee is a continuing guarantee and except for an express written release by the Sellers (acting through the Sellers' Representative in accordance with section 6.2(e)) of the Guarantor or variation of the Guarantor's liability in writing by the Sellers, the liability of the Guarantor will not be affected by fact or circumstance including any of the following:

- (a) an interim or partial performance by the Buyer of its obligations;
- (b) a variation of this agreement or other agreement entered into by the Buyer (unless in either case made with the written agreement of the Stockholders);
- (c) time or indulgence given by the Sellers to the Buyer;
- (d) an Insolvency Event occurring in respect of the Buyer or the dissolution of the Buyer; or
- (e) the obligations of the Buyer being illegal, void, voidable or unenforceable.

Section 7.3 For the purposes of section 1.2, "Insolvency Event" in relation to a person means any of the following events:

- (a) a meeting of creditors of that person being held or an arrangement or composition with or for the benefit of its creditors (including a voluntary arrangement as defined in the Insolvency Act 1986) being proposed by or in relation to that person;
- (f) a chargeholder, receiver, administrative receiver or other similar person taking possession of or being appointed over or any distress, execution or other process being levied or enforced (and not being discharged within seven days) on the whole or a material part of the assets of that person;
- (g) that person ceasing to carry on business or being deemed to be unable to pay its debts within the meaning of section 123 Insolvency Act 1986;
- (h) that person or its directors or the holder of a qualifying floating charge giving notice of their intention to appoint, appointing or making an application to the court for the appointment of, an administrator;
- (i) a petition being presented (and not being discharged within 28 days) or a resolution being passed or an order being made for the administration or the winding-up, bankruptcy or dissolution of that person; or
- (j) the happening in relation to that person of an event analogous to any of the above in any jurisdiction in which it is incorporated or resident or in which it carries on business or has assets.

**ARTICLE VIII
GENERAL PROVISIONS**

Section 8.1 Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made if and when delivered personally or by overnight courier to the parties at the following addresses or sent by electronic transmission, with confirmation received, to the telecopy numbers specified below (or at such other address or telecopy number for a party as shall be specified by like notice):

(a) If to Guarantor:

INVITROGEN CORPORATION
1600 Faraday Avenue
Carlsbad, CA 92008

Telecopier No.: 760-602-6585
Telephone No.: 760-603-7200
Attention: General Counsel

(b) If to Buyer

INVITROGEN EUROPE LIMITED
3 Fountain Drive
Inchinnan Business Park
Paisley, Renfrewshire, PA 4 9RF

With a copies to:

Gray Cary Ware & Freidenrich LLP
4365 Executive Drive, Suite 1100
San Diego, CA 92121-2133
Telecopier No.: 858-677-1401
Telephone No.: 858-677-1400
Attention: Jeffrey T. Baglio

and

DLA LLP
3 Noble Street
London
EC2V 7EE
Telecopier No.: +44 207 796 6363
Telephone No.: +44 207 796 6313
Attention: Tom Whelan

(c) If to Sellers' Representative:

Simon Douglas
(c/o the Company)
940 Cornforth Drive
Sittingbourne Research Centre
Kent
ME9 8PX
Telecopier No.: +44 1745 411115
Telephone No.: +44 1795 411114

With copies to:

Taylor Wessing (FAO Simon Walker)
Carmelite
50 Victoria Embankment
Blackfriars
London
EC4Y 0DX
Telecopier No: +44 7300 7100
Telephone No: +44 7300 7000
Attention: Simon Walker

and

The Dow Chemical Company
2030 Dow Center
Midland, Michigan, 48674
USA
Attention: CFO and Corporate Venture Capital

and to such other persons as may be designated in writing by the party to receive such notice as provided above.

Section 8.2 Certain Definitions. For purposes of this Agreement, the term:

"Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the first mentioned person;

"business day" means any day other than a day on which banks in England are required or authorized to be closed;

"Buyer's Group" means the Buyer, its subsidiaries and subsidiary undertakings and its holding company and any subsidiary or subsidiary undertakings of that holding company (or any of them);

"Computer Software" means all the computer programs (in both Source Code and Executable Object Code form) used by the Company;

"Computer Systems" means all computer systems including computer processors, associated and peripheral equipment, network infrastructure (including connections to any telecommunications internet backbone), Computer Software, technical and other documentation and data or used by or for the benefit of the Company;

"Confidential Information" includes (but is not limited to) all business information, technical know-how and other information in any form relating to the Business of the Company, whether oral, written, magnetic, electronic, graphic or digitised, relating to inventions, proprietary software, practical experience, methodologies, data (including without limitation technical and scientific data), samples, by-products, chemicals, diagrams, drawings, photographs, measurements, formulae, specifications, business organisations, pricing structures, strategy, business plans, budgets, developments and/or pricing information, manufacturing information (whether or not patentable or patented), works of authorship or creative works and ideas and/or any other information of a confidential nature.

"control" (including the terms "**controlled by**", and "**under common control with**") means the possession, directly or indirectly or as trustee or executor, of the power to direct or cause the direction of the management or policies of a person, whether through the ownership of stock, as trustee or executor, by contract or credit arrangement or otherwise;

"Encumbrance" means and includes any interest or equity of any Person (including, any right to acquire, option, right of pre-emption or right of conversion) or any mortgage, charge, pledge, lien, assignment or any other encumbrance, priority or security interest or arrangement of whatever nature over or in the relevant property;

"Executable Object Code" means computer programming code, substantially or entirely in binary form, which is directly executable by a computer after suitable processing but without the intervening steps of compilation or assembly;

"knowledge" or awareness means, with respect to any matter in question, in the case of Buyer, knowledge of any executive officer of Buyer after making due inquiry of officers and other employees charged with senior administrative or operational responsibility of such matters and without further duty to investigate, and in the case of the Warrantors, each Warrantor shall be deemed to have knowledge of anything which is in his actual knowledge or of which the other Warrantor has knowledge and that which is within the actual knowledge of each other executive officer of Company after making due and careful inquiry of officers and other employees charged with senior administrative or operational responsibility of such matters and without further duty to investigate and anything which each Warrantor ought reasonably to have knowledge given his particular position and responsibilities to the Company;

"Material Adverse Effect" means any change, effect or circumstance that is materially adverse to the business, assets, condition (financial or otherwise)

or results of operations of Company or Buyer and holding company, subsidiaries and subsidiary undertakings, as the case may be, in each case taken as a whole.

"**Person**" means an individual, corporation, partnership, limited liability company, association, joint venture, trust, unincorporated organization, other entity or group (as defined in [], as amended); and

the expressions "**holding company**", "**subsidiary**" and "**subsidiary undertaking**" shall have the meaning given to them in the Companies Act 1985 (as amended);

"**Relevant Proportion**" means the proportion which the aggregate consideration due to that Seller, being aggregate all amounts set out against that Seller's name in column 5 of the relevant parts of Exhibit A bears to the aggregate purchase price, such proportion for each seller being the sum of all the proportions set out against that seller's name in column 5 of the relevant parts of Exhibit A;

"**Source Code**" means computer programming code, other than Executable Object Code, and related system documentation, comments and procedural codes and flow charts.

Section 8.3 **Amendment; Waiver.** This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto. Any waiver of any of the terms or conditions of this Agreement must be in writing and must be duly executed by or on behalf of the party to be charged with such waiver. Except as expressly set forth in this Agreement, the failure of a party to exercise any of its rights hereunder or to insist upon strict adherence to any term or condition hereof on any one occasion shall not be construed as a waiver or deprive that party of the right thereafter to insist upon strict adherence to the terms and conditions of this Agreement at a later date. Further, no waiver of any of the terms and conditions of this Agreement shall be deemed to or shall constitute a waiver of any other term of condition hereof (whether or not similar).

Section 8.4 **Headings.** The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 8.5 **Severability.** If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

Section 8.6 Entire Agreement.

(a) This Agreement and the Tax Covenant (collectively "the Acquisition Documents") and the Disclosure Schedule constitute the entire agreement between the parties with respect to the subject matter of this Agreement.

(b) Except for any misrepresentation or breach of warranty which constitutes fraud:

(i) the Acquisition Documents supersede and extinguish any representations and warranties previously given or made other than those contained in the Acquisition Documents;

(ii) each party acknowledges to the other (and shall execute the Acquisition Documents in reliance on such acknowledgement) that it has not been induced to enter into any such documents by nor relied on any representation or warranty other than the warranties set out in this Agreement;

(iii) each party hereby irrevocably and unconditionally waives any right it may have to claim damages or to rescind this Agreement or any of the other Acquisition Documents by reason of any misrepresentation and/or warranty not set forth in any such document.

(c) Each of the parties acknowledges and agrees for the purposes of the Misrepresentation Act 1967 and the Unfair Contract Terms Act 1977 that the provisions of this section 7.6 are reasonable.

Section 8.7 Assignment. The Buyer may at any time assign all or any part of the benefit of, or its right to benefits under the Acquisition Documents (together with any causes of action arising, in connection with any of them) to another member of the Buyers' Group (a "Permitted Assignee") provided that no Permitted Assignee shall be entitled to greater damages or other compensation than that to which the Buyer would have been entitled had it not assigned such rights and no such assignment shall relieve the Buyer of its obligations under the Acquisition Documents. The Buyer unconditionally guarantees the performance by any Permitted Assignee of its obligation hereunder. If the Permitted Assignee ceases to be a member of the Buyer's Group, the Buyer shall procure that it assigns all of its rights as Permitted Assignee to the Buyer or another member of the Buyer's Group and pending such assignment the Permitted Assignee shall not assign any of its rights as assignee.

Section 8.8 Third-Party Rights.

(a) Any person (other than the parties to this Agreement) who is given any rights or benefits under sections 4.3 or Section 6.2(c) (a "Third Party") shall be entitled to enforce those rights or benefits against the parties in accordance with the Contracts (Rights of Third Parties) Act 1999.

Section 8.9 Failure or Indulgence Not Waiver. No failure or delay on the part of any party hereto in the exercise of any right hereunder shall impair such right or be construed to be a

waiver of, or acquiescence in, any breach of any representation, warranty or agreement herein, nor shall any single or partial exercise of any such right preclude other or further exercise thereof or of any other right.

Section 8.10 Costs

(a) Save as expressly provided to the contrary in this Agreement, each party shall pay the costs and expenses incurred by that party in connection with the preparation, negotiation and implementation of the Acquisition Documents. However, the Buyer shall bear any stamp duty payable on the transfer of the Shares.

(b) The Sellers hereby authorise the Sellers' Solicitors to deduct from Closing Payment the following amounts:

(i) such amount as equals the aggregate of the costs and expenses of the Sellers and apply such amount on behalf of the Sellers in payment of the same including without limitation the sum of £605,000 to ING Bank NV London Branch ;

(ii) the sum of £150,000 which is to be paid into the Selling Solicitors' Bank Account as directed by the Sellers' Representative.

(c) The Sellers hereby authorise the Sellers' Solicitors to deduct from the Contingency Payments (if any) such amount as equals the aggregate of the costs and expenses of the Sellers and apply such amount on behalf of the Sellers in payment of the same including without limitation the payment to ING Bank NV London Branch of an amount equal to 2 per cent. of the amount by which the aggregate of the sum of \$35,000,000 and the Contingent Payments (if any) (before any amount is deducted therefrom for the Indemnification Escrow Account, costs or otherwise) exceeds £30,000,000 (for which purposes the dollar/sterling exchange rate of .5431240495 GBP per U.S. Dollar shall be used) and once such threshold has been exceeded payment shall be made to ING Bank NV London Branch as and when a Contingent Payment is made.

Section 8.11 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF ENGLAND AND WALES.

Section 8.12 Jurisdiction, Venue and Waiver of Jury Trial.

(a) Each of the parties to this Agreement irrevocably agrees that except as provided in Section 1.5(b)(iv) and Section 4.5, the courts of England shall have exclusive jurisdiction to hear and decide any suit, action or proceedings, and/or to settle any disputes, which may arise out of or in connection with this Agreement (respectively, "**Proceedings**" and "**Disputes**") and, for these purposes, each party irrevocably submits to the jurisdiction of the courts of England.

(b) Each party irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and decide any Proceedings and to settle any Disputes and agrees not to claim that the courts of England are not a convenient or appropriate forum for any such Proceedings or Disputes and further irrevocably agrees that a

judgment in any Proceedings or Disputes brought in any court referred to in this Section 8.12 shall be conclusive and binding upon the parties and may be enforced in the courts of any other jurisdiction.

(c) Without (d) prejudice to any other permitted mode of service the parties agree that service of any claim form, notice or other document ("Documents") for the purpose of any Proceedings begun in England shall be duly served upon it if delivered personally or sent by registered post, in the case of:

(i) the Sellers to the Sellers' Representative and the Sellers' Solicitor as set out in Section 8.1(c) and The Dow Chemical Company for which service in respect of a claim shall be made to The Dow Chemical Company Limited, 2 Heathrow Boulevard, 284 Bath Road, West Drayton, Middlesex, UB7 0DQ, UK; and

(ii) the Buyer to 3 Fountain Drive, Inchinnan Business Park, Paisley PA4 9RF, UK (marked for the attention of Bernd Brust),

with a copy to: John Cottingham, Invitrogen Corporation, 1600 Faraday Avenue, Carlsbad, CA 92008,

or such other person and address in England and/or Wales as the Seller shall notify the Buyer or the Sellers' Representative shall notify each other in writing or vice versa from time to time.

Section 8.13 Counterparts. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. It is the express intent of the parties to be bound by the exchange of signatures on this Agreement via facsimile.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as a deed on the date first written above.

Executed and Delivered)
as a Deed by)
INVITROGEN EUROPE LIMITED)
acting by:)

Director

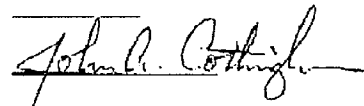
Director/Secretary


Mark A. Hendry
Tax Director

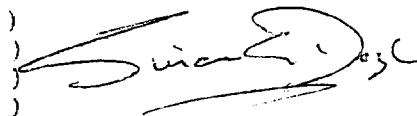
Executed and Delivered)
as a Deed by)
INVITROGEN CORPORATION)
acting by:)

Director

Director/Secretary


John R. Cottrill

Executed and Delivered)
as a Deed by)
SIMON DOUGLAS)
in the presence of:)
Signature of witness:



Name:

Address:

Occupation:

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as a deed on the date first written above.

Executed and Delivered)
as a Deed by)
INVITROGEN EUROPE LIMITED)
acting by:)

Director _____

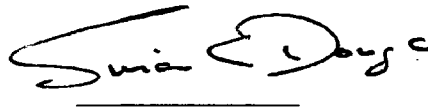
Director/Secretary _____


Executed and Delivered)
as a Deed by)
INVITROGEN CORPORATION)
acting by:)

Director _____

Director/Secretary _____

Executed and Delivered)
as a Deed by)
SIMON DOUGLAS)
in the presence of:)



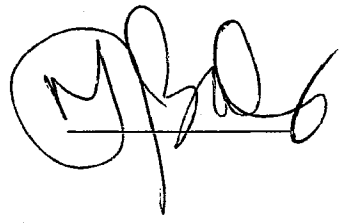
Signature of witness: 

Name: ADELA SOLOMON

Address: Carmelite
10 Victoria Embankment
Blackfriars
London
EC4Y 0DX

Occupation: Trainee solicitor

Executed and Delivered)
as a Deed by)
MATTHEW JOHN BAKER)
in the presence of:)



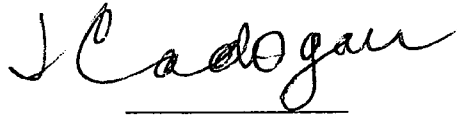
Signature of witness: *gh*

Name: ADELA SOLOMON

Address: CARMELITE
50 VICTORIA EMBANKMENT
BLACKFRIARS
LONDON
EC4Y 0DX

Occupation: TRAINEE SOLICITOR

Executed and Delivered)
as a Deed by)
JOHN IVAN GEORGE CADOGAN)
in the presence of:)



Signature of witness: *gh*

Name: ADELA SOLOMON

Address: CARMELITE
50 VICTORIA EMBANKMENT
BLACKFRIARS
LONDON
EC4Y 0DX

Occupation: TRAINEE SOLICITOR

Executed and Delivered)
as a Deed by)
DOROTHY BAKER)
in the presence of:)



Signature of witness: *gh*

Name: ADELA SOLOMON

Address: CARMELITE
50 VICTORIA EMBANKMENT
BLACKFRIARS
LONDON
EC4Y 0DX

Occupation: TRAINEE SOLICITOR

JOHN CADOGAN, AS ATTORNEY

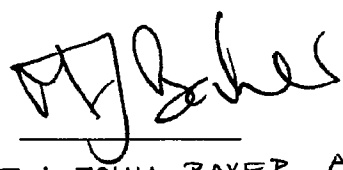
Executed and Delivered)
as a Deed by)
GEORGINA GROVES)
née BAKER)
in the presence of:)

Signature of witness: *gh*

Name: ADELA SOLOMON

Address: Carmelite
50 Victoria Embankment
Blackfriars
London

Occupation: ECHY ODX
Trainee solicitor



MATTHEW JOHN BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
RICHARD BAKER)
in the presence of:)

Signature of witness: *gh*

Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE



JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
JO BLAKEBROUGH)
in the presence of:)

Signature of witness: *gh*

Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE



MATTHEW JOHN BAKER, AS ATTORNEY

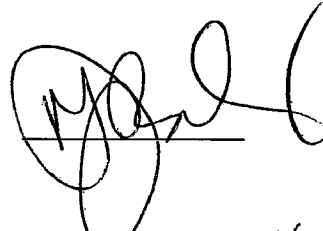
Executed and Delivered
as a Deed by
DUNCAN BORTHWICK
in the presence of:

Signature of witness:

Name: *Adela Solomon*

Address: *Carmelite
10 Victoria Embankment*

Blackfriars
London
EC4Y 0DX
Occupation: *Trainee solicitor*



MATTHEW JOHN BAKER, AS ATTORNEY

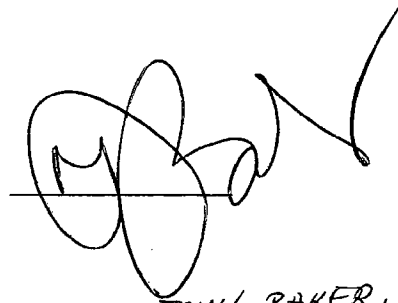
Executed and Delivered
as a Deed by
CHRIS BRIDGE
in the presence of:

Signature of witness:

Name: *Adela Solomon*

Address: *AS ABOVE*

Occupation: *AS ABOVE*



MATTHEW JOHN BAKER, AS ATTORNEY

Executed and Delivered
as a Deed by
HAMISH BUCHAN
in the presence of:

Signature of witness:

Name: *Adela Solomon*

Address: *AS ABOVE*

Occupation: *AS ABOVE*

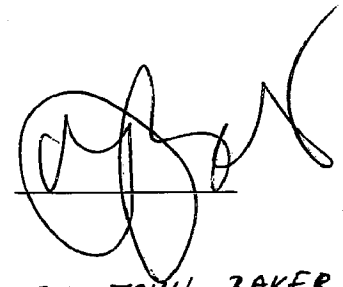


JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
JOHN BUCKELS)
in the presence of:)

Signature of witness: *Jh*
Name: ADELA SOLOMON

Address: Carmelite
50 Victoria Embankment
Blackfriars
London
EC4Y 0DX
Occupation: Trainee Solicitor



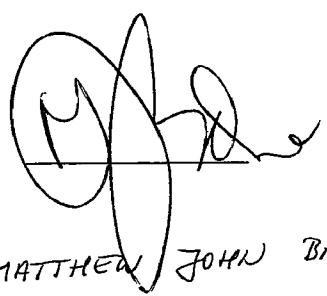
MATTHEW JOHN BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
ANGELA BUNGER)
in the presence of:)

Signature of witness: *Jh*
Name: ADELA SOLOMON

Address: AS above

Occupation: AS above



MATTHEW JOHN BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
DAVID JOHN CADOGAN)
in the presence of:)

Signature of witness: *Jh*
Name: ADELA SOLOMON

Address: AS above

Occupation: AS above



JOHN CADOGAN, AS ATTORNEY

Executed and Delivered
as a Deed by
GEOFFREY V CADOGAN
in the presence of:

Signature of witness:

[Handwritten signature]

Name: **ADELA SOLOMON**

Address: **Carmelite
50 Victoria Embankment
Blackfriars
London**

Occupation: **EC&Y ODX
Trainee solicitor**

[Handwritten signature]

JOHN CADOGAN, AS ATTORNEY

Executed and Delivered
as a Deed by
RICHARD CADOGAN
in the presence of:

Signature of witness:

[Handwritten signature]

Name: **ADELA SOLOMON**

Address: **AS above**

Occupation: **AS above**

[Handwritten signature]

JOHN CADOGAN, AS ATTORNEY

Executed and Delivered
as a Deed by
JO CESARY
in the presence of:

Signature of witness:

[Handwritten signature]

Name: **ADELA SOLOMON**

Address: **AS above**

Occupation: **AS above**

[Handwritten signature]

MATTHEW JOHN BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
ZARA CHESHIRE)
in the presence of:)

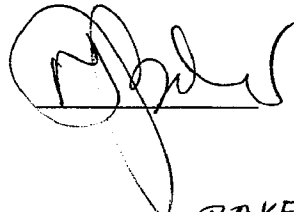
Signature of witness:



Name: ADELA SOLOMON

Address: ~~Barwick~~
50 Victoria Embankment
Blackfriars
London, EC4Y 0DX

Occupation: ~~AS ABOVE~~ Trainee Solicitor



MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
PAULA COOPER)
in the presence of:)

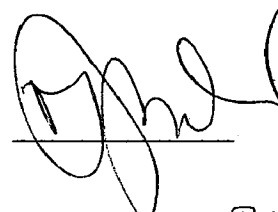
Signature of witness:



Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE



MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
MATT CROW)
in the presence of:)

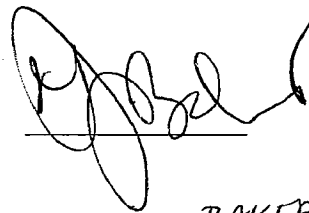
Signature of witness:



Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE



MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
DAVID CUMMING)
in the presence of:)

Signature of witness: *Jh*

Name: ADELA SOLOMON

Address: Carmelite Embankment
50 Victoria
Blackfriars, London
EC4Y 0DX

Occupation: Trainee solicitor

J Cadogan

JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
MICHAEL CUMMING)
in the presence of:)

Signature of witness: *Jh*

Name: ADELA SOLOMON

Address: AS above

Occupation: AS above

J Cadogan

JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
NANCY CUMMING)
in the presence of:)

Signature of witness: *Jh*

Name: ADELA SOLOMON

Address: AS above

Occupation: AS above

J Cadogan

JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
NIGEL CUMMING)
in the presence of:)

Signature of witness: *JH*

Name: ADELA SOLOMON

Address: Carmelite
50 Victoria Embankment
Blackfriars, London
ECHY ODX

Occupation: Trainee Solicitor

J Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
ROBERT A CUMMING)
in the presence of:)

Signature of witness: *JH*

Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE

J Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
ROBERT PATTERSON AITKEN CUMMING)
in the presence of:)

Signature of witness: *JH*


Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE

J Cadogan
JOHN CADOGAN, AS ATTORNEY


Executed and Delivered)
as a Deed by)
ROBERT RUTHERFORD CUMMING)
in the presence of:)

Signature of witness: 


Name: ADELA SOLOMON

Address: ~~AS ABOVE~~ CARMELITE
50 Victoria Embankment
Blackfriars, London
EC4Y 0DX

Occupation: ~~AS ABOVE~~ Finance Solicitor


JOHN CADOGAN, AS ATTORNEY

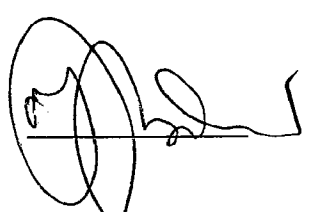
Executed and Delivered)
as a Deed by)
DECLAN DONOVAN)
in the presence of:)

Signature of witness: 


Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE


MATTHEW BAKER, AS ATTORNEY

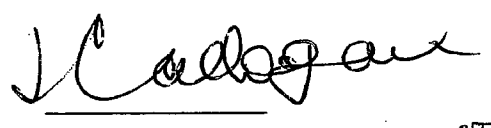
Executed and Delivered)
as a Deed by)
MICHAEL GILLAM)
in the presence of:)

Signature of witness: 


Name: ADELA SOLOMON

Address: AS ABOVE


Occupation: AS ABOVE


JOHN CADOGAN, AS ATTORNEY

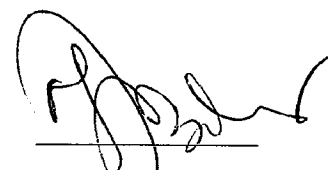
Executed and Delivered
as a Deed by
ROBERT GREER
in the presence of:)
)
)
)




JOHN CADOGAN, AS ATTORNEY

Signature of witness: 
Name: ADELA SOLOMON
Address: Carmelite
10 Victoria Embankment
Blackfriars, London
EC4Y 0DX
Occupation: Trainee Solicitor

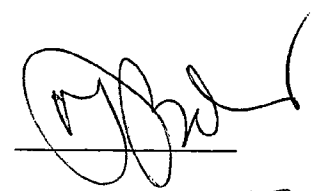
Executed and Delivered
as a Deed by
GARY HARPER
in the presence of:)
)
)
)




MATTHEW BAKER, AS ATTORNEY

Signature of witness: 
Name: ADELA SOLOMON
Address: AS ABOVE
Occupation: AS ABOVE

Executed and Delivered
as a Deed by
MICHELLE FOSTER
née **HASELDEN**
in the presence of:)
)
)
)



MATTHEW BAKER, AS ATTORNEY

Signature of witness: 
Name: ADELA SOLOMON
Address: AS ABOVE
Occupation: AS ABOVE

Executed and Delivered)
as a Deed by)
NORMA HIGTON)
in the presence of:)

Signature of witness: *Jh*
Name: ADELA SOLOMON

Address: Carmelite Embankment
10 Victoria Blackfriars, London
EC4Y 0DX

Occupation: Trainee Solicitor

J Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
GORDON I JENKINS)
in the presence of:)

Signature of witness: *Jh*
Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE

J Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
JAMES KNOWLES)
in the presence of:)

Signature of witness: *Jh*
Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE

M Baker
MATTHEW BAKER, AS ATTORNEY

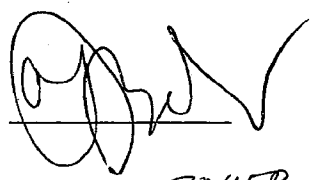
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as a Deed by)
ELLIOT LAWRENCE)
in the presence of:)

Signature of witness: *JS*

Name: ADELA SOLOMON

Address: Carmelite Embankment
50 Victoria Blackfriars, London
EC4Y 0DX

Occupation: Trainee Solicitor



MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
VERITY LEA)
in the presence of:)

Signature of witness: *JS*

Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE



JOHN CADOGAN, AS ATTORNEY

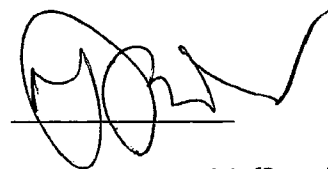
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as a Deed by)
JANE LEADSHAM)
in the presence of:)

Signature of witness: *JS*

Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE



MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
ROBERT MACPHERSON)
in the presence of:)

John Cadogan

JOHN CADOGAN, AS ATTORNEY

Signature of witness: AS
Name: ADELA SOLOMON

Address: Carmelite Embankment
10 Victoria Blackfriars, London
EC4Y 0AX

Occupation: Trainee Solicitor

Executed and Delivered)
as a Deed by)
BARRY MARTIN)
in the presence of:)

John Cadogan

JOHN CADOGAN, AS ATTORNEY

Signature of witness: AS
Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE

Executed and Delivered)
as a Deed by)
FIONA MARTIN)
in the presence of:)

John Cadogan

JOHN CADOGAN, AS ATTORNEY

Signature of witness: AS
Name: ADELA SOLOMON

Address: AS ABOVE

Occupation: AS ABOVE

Executed and Delivered)
as a Deed by)
DR JOHN MAYNARD)
in the presence of:)

John Maynard

Signature of witness: JH

Name: ADELA SOLOMON

Address: Carmelite
St Victoria Embankment
Blackfriars, London
EC4Y 0DX

Occupation: Trainee solicitor

Executed and Delivered)
as a Deed by)
GEORGE MCLELLAN)
in the presence of:)

John Cadden

JOHN CADOGAN, AS ATTORNEY

Signature of witness: JH

Name: ADELA SOLOMON

Address: As above

Occupation: As above

Executed and Delivered)
as a Deed by)
PHILIP JOHN MONKS)
in the presence of:)

John Cadden

JOHN CADOGAN, AS ATTORNEY

Signature of witness: JH

Name: ADELA SOLOMON

Address: As above

Occupation: As above

Executed and Delivered)
as a Deed by)
T NISBET)
in the presence of:)

Signature of witness: *JLH*
Name: ADELA SOLOMON
Address: Carmelite
To Victoria Embankment
Blackfriars, London
ECHR OIX
Occupation: Trainee Solicitor

J Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
ANDREW NOBLE)
in the presence of:)

Signature of witness: *JLH*
Name: ADELA SOLOMON
Address: As above
Occupation: As above

J Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
ANDREA POTTS)
in the presence of:)

Signature of witness: *JLH*
Name: ADELA SOLOMON
Address: As above
Occupation: As above

M Baker
MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
NICHOLAS PURNELL)
in the presence of:)

Signature of witness: *jh*
Name: ADELA SOLOMON

Address: Carmelite
TO Victoria Embankment
Blackfriars, London
E4Y 0DX
Occupation: Trainee solicitor

John Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
KELDA RAWLINGS)
in the presence of:)

Signature of witness: *jh*
Name: ADELA SOLOMON

Address: AS above
Occupation: AS above

Matthew Baker
MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
STEVE RIPLEY)
in the presence of:)

Signature of witness: *jh*
Name: ADELA SOLOMON

Address: AS above
Occupation: AS above

Matthew Baker
MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
GAVIN ANDREW ROBERTSON)
in the presence of:)

Signature of witness: *jh*

Name: ADELA SOLOMON

Address: Carmelite
50 Victoria Embankment
Blackfriars, London
EC4Y 0DX

Occupation: Trainee Solicitor

J. Cadoogan
JOHN CADOOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
HAMISH ROBERTSON)
in the presence of:)

Signature of witness: *jh*

Name: ADELA SOLOMON

Address: As above

Occupation: As above

J. Cadoogan
JOHN CADOOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
JAMES TAYLOR ROBERTSON)
in the presence of:)

Signature of witness: *jh*

Name: ADELA SOLOMON

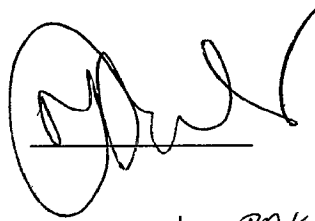
Address: As above

Occupation: As above

J. Cadoogan
JOHN CADOOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
TONY STEVENSON)
in the presence of:)

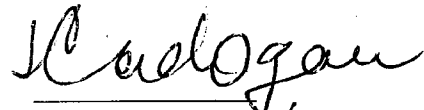
Signature of witness: *cfh*
Name: ADELA SOLOMON
Address: Carmelite
To Victoria Embankment
Blackfriars, London
EC4Y 0DY
Occupation: Trainee Solicitor



MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
CALLUM RODERICK RENTON STEWART)
in the presence of:)

Signature of witness: *cfh*
Name: ADELA SOLOMON
Address: AS above
Occupation: AS above



JOHN CADOGAN
~~MATTHEW BAKER~~, AS ATTORNEY

Executed and Delivered)
as a Deed by)
GARRY RICHMOND STEWART)
in the presence of:)

Signature of witness: *cfh*
Name: ADELA SOLOMON
Address: AS above
Occupation: AS above



JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
RACHEL SULLIVAN)
in the presence of:)

Signature of witness: *js*

Name: ADELA SOLOMON

Address: Carmelite Embankment
50 Victoria Blackfriars, London
E4Y 0UY

Occupation: Trainee solicitor

J Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
KOSTAS TAMPAKIS)
in the presence of:)

Signature of witness: *js*

Name: ADELA SOLOMON

Address: As above

Occupation: As above

M Baker
MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
MAT TAYLOR)
in the presence of:)

Signature of witness: *js*

Name: ADELA SOLOMON

Address: As above

Occupation: As above

M Baker
MATTHEW BAKER, AS ATTORNEY

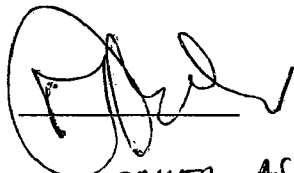
Executed and Delivered)
as a Deed by)
VIKKI TAYLOR)
in the presence of:)

Signature of witness: *fu*

Name: ADELA SOLOMON

Address: Carmelite
10 Victoria Embankment
Blackfriars, London

Occupation: ECHY ODX
Trainee Solicitor


MATTHEW BAKER, AS ATTORNEY


Executed and Delivered)
as a Deed by)
STEPHEN TERRY)
in the presence of:)

Signature of witness: *fu*

Name: ADELA SOLOMON

Address: As above.

Occupation: As above.


JOHN CADOGAN, AS ATTORNEY

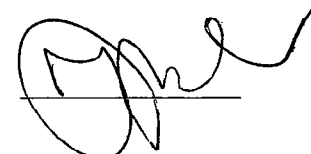
Executed and Delivered)
as a Deed by)
SHILPA UPPAL)
in the presence of:)

Signature of witness: *fu*

Name: ADELA SOLOMON

Address: As above.

Occupation: As above.


MATTHEW BAKER, AS ATTORNEY

Executed and Delivered)
as a Deed by)
ARCHIBALD PETER MENZIES WALLS)
in the presence of:)

Signature of witness: *JH*

Name: ADELA SOLOMON

Address: Carmelite
50 Victoria Embankment
Blackfriars, London
EC4Y 0DX

Occupation: Trainee Solicitor

J Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
ALEXANDER T WATSON)
in the presence of:)

Signature of witness: *JH*

Name: ADELA SOLOMON

Address: AS ABOVE.

Occupation: AS ABOVE.

J Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
ROBERT WATSON)
in the presence of:)

Signature of witness: *JH*

Name: ADELA SOLOMON

Address: AS ABOVE.

Occupation: AS ABOVE.

J Cadogan
JOHN CADOGAN, AS ATTORNEY

Executed and Delivered)
as a Deed by)
RICHARD WATTS)
in the presence of:)

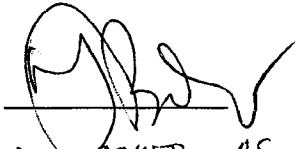
Signature of witness:



Name: ABELA SOLOMON

Address: Carmelite
50 Victoria Embankment
Blackfriars, London
EC4Y 0DX

Occupation: Trainer Solicitor


MATTHEW BAKER, AS ATTORNEY

Executed as a Deed by)
VCF LLP)
acting as Manager of)
FORESIGHT 3 VCT PLC)
acting by:)

Partner _____

Partner _____

Executed as a Deed by)
VCF LLP)
acting as Manager of)
FORESIGHT 4 VCT PLC)
acting by:)

Partner _____

Partner _____

Executed as a Deed by)
PRELUDE TRUST PLC)
acting by:)

Director _____

Director/Secretary _____

Executed as a Deed by)
THE DOW CHEMICAL)
COMPANY)
acting by:)

Director _____

Director/Secretary _____

Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT MANAGEMENT)
III LIMITED PARTNERSHIP)
acting by:)

Partner _____

Partner _____

Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III 'A')
acting by:)

Partner _____

Partner _____

Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III AFFILIATES)
acting by:)

Partner _____

Partner _____

Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III 'B')
acting by:)

Partner _____

Partner _____

Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III 'C')
acting by:)

Partner _____

Partner _____

Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III 'D')
acting by:)

Partner _____

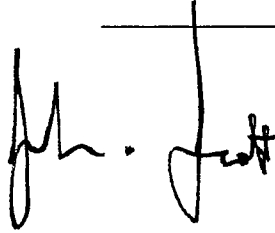
Partner _____

Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III GmbH Co KG)
acting by:)

Partner

Partner

Executed as a Deed by)
ENTERPRISE VENTURE CAPITAL)
TRUST PLC)
acting by:)



JOHN SCOTT, AS
ATTORNEY

in the presence of:

Director

Signature of witness: *AS*

Director/Secretary

Name: ADELA SOLOMON

Address: *Camelite*
50 Victoria Embankment
Blackfriars, London
EC4Y 0DX

Executed as a Deed by
VCF LLP
acting as Manager of
FORESIGHT 3 VCT PLC
acting by:

)
)
)
)
)

Partner

J.M. Hughes
J.C. Kelly

Partner

Executed as a Deed by
VCF LLP
acting as Manager of
FORESIGHT 4 VCT PLC
acting by:

)
)
)
)
)

Partner

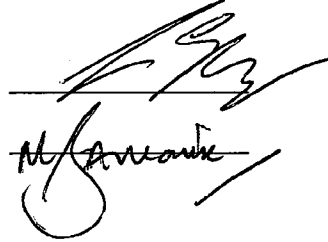
J.M. Hughes
J.C. Kelly

Partner

Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT MANAGEMENT)
III LIMITED PARTNERSHIP)
acting by:)

Partner

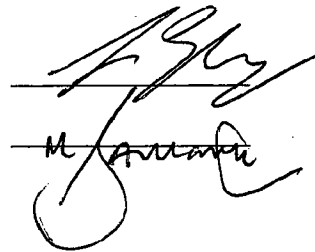
Partner



Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III 'A')
acting by:)

Partner

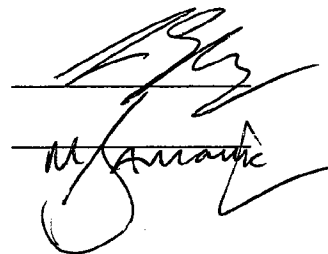
Partner



Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III AFFILIATES)
acting by:)

Partner

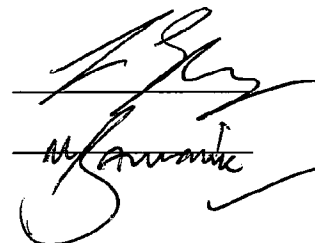
Partner



Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III 'B')
acting by:)

Partner

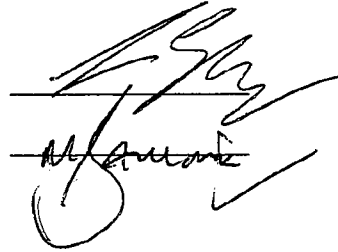
Partner



Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III 'C')
acting by:)

Partner

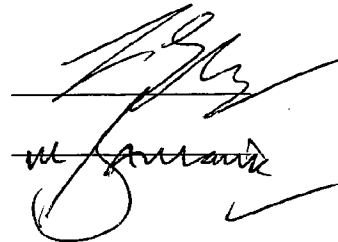
Partner



Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III 'D')
acting by:)

Partner

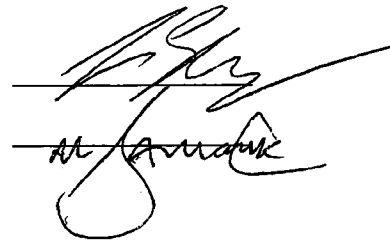
Partner



Executed as a Deed by)
ADVENT VENTURE PARTNERS LLP)
acting as Manager for)
ADVENT PRIVATE)
EQUITY FUND III GmbH Co KG)
acting by:)

Partner

Partner



Executed as a Deed by
**THE DOW CHEMICAL
COMPANY**
acting by:

))
))
))



James H. Plonka
Vice President, Corporate Venture Capital

27-OCT-2004 14:56 FROM PRELUDE CAMBRIDGE
FROM : Alan Duncan

FROM PRELUDE CAMBRIDGE

TO 02073007100

P.03/05

PHONE NO. : +44 181 255 9379

27 Oct. 2004 01:06PM P2

27-OCT-2004

FROM PRELUDE CAMBRIDGE

TO INSTANT: ALAN

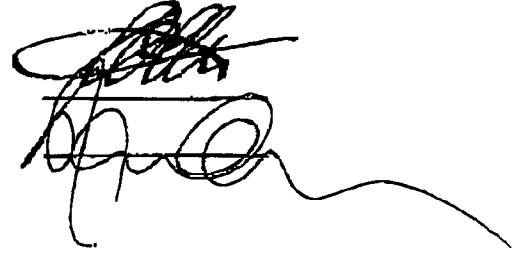
F.02

Executed as a Deed by
PRELUDE TRUST PLC
acting by:

)
)
)

Director

Director/Secretary

Handwritten signatures of the Director and Director/Secretary. The Director's signature is a cursive scribble above a horizontal line. The Director/Secretary's signature is a larger, more elaborate cursive signature below another horizontal line.

TRADEMARK

REEL: 004168 FRAME: 0872

EXHIBIT A

Stockholders

Part I

The Stockholders and the Company Capital Stock

NAME	Address	Amount of Company Capital Stock	Closing Payment (US\$)	Relevant Proportion (%)
A Ordinary Shares				
Baker, Dorothy	The Watch House 18 Watch House Road Pill Bristol BS20 0EP	212	90,657.48	0.314783
Baker, Richard	The Watch House 18 Watch House Road Pill Bristol BS20 0EP	212	90,657.48	0.314783
Baker, Matthew John	Jubilee Villa Loose Road Maidstone Kent ME15 9UJ	7,290	3,117,419.97	10.824375

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