

NOVATION AGREEMENT

AN AGREEMENT made the 10 day of September 2015

between

Harley Curtain Wall Limited (Registration No 03244209) whose registered office is at Harley House Brooklands Park, Farningham Road, Crowborough, East Sussex, TN6 2JD (hereinafter called "the Contractor") acting by its Joint Administrators **Begbies Traynor (Central) LLP** (Registration No OC306540) whose registered office is at 340 Deansgate, Manchester, M3 4LY (hereinafter called "the Administrators") of the first part; and

Rydon Maintenance Limited (Registration No 01651097) whose registered office is at Rydon House, Station Road, Forest Row, East Sussex, RH18 5DW (hereinafter called "the Employer") of the second part; and

Harley Facades Limited (Registration No 03991613) whose registered office is at 15 Commercial Road, Paddock Wood, Tonbridge, Kent, TN12 6EN (hereinafter called "the Substitute Contractor") of the third part.

WHEREAS:-

- (1) This Agreement is supplemental to an order placed on 25 July 2015 (hereinafter called "the Contract") between the Contractor of the one part and the Employer of the second part and made under reference ZM/RM/HAR001 for the construction of the works specified therein (hereinafter called "the Works").
- (2) The Administrators were appointed as Joint Administrators of the Contractor on the [8 day of September 2015].
- (3) The Employer has not exercised its right to enter upon the site of the Works under the Contract and has agreed to the Novation of the Contract to the Substitute Contractor as hereinafter set out.
- (4) The Contractor desires to be released and discharged from the Contract and the Employer has agreed so to release and discharge the Contractor upon the terms hereinafter set out.

NOW IT IS HEREBY AGREED as follows:

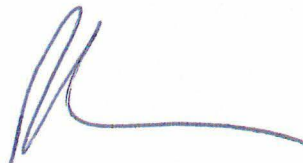
1. THE Employer and the Contractor hereby agree that notwithstanding the appointment of the Administrators the Contractor shall be entitled to Novate the Contract to the Substitute Contractor so that the Substitute Contractor shall be employed in place of the Contractor under the Contract as specifically varied by the terms of this Agreement.
2. THE Substitute Contractor undertakes to perform the Contract and to be bound by the terms of the Contract including the contract sum (less sums paid to date to the

Contractor) in every way as if the Substitute Contractor had been a party thereto and irrevocably confirms that the Employer shall make the further payment to the Contractor referred to in Clause 3. out of the payments otherwise due to it under the Contract.

- 3.1 IN consideration of the release contained in Clause 4. the Contractor waives all claims against the Employer save for the sum total of payments made to date and the further payment of £113,147.33 (inclusive of VAT) to be paid by the Employer to the Contractor in part satisfaction of future payments to be made under the Contract.
- 3.2 THE Contractor affirms and the Employer accepts that save for the said further sum of £113,147.33 which sum shall be paid in accordance with the terms of the Contract to the Contractor all future payments due under the Contract will be payable and due to the Substitute Contractor.
- 3.3 THE Employer confirms that the said further sum of £113,147.33 due to the Contractor will be paid without any deduction or set off whatsoever before any sum is payable to the Substitute Contractor under the Contract.
4. THE Employer releases and discharges the Contractor from all demands whatsoever in respect of the Contract and accepts the liability of the Substitute Contractor and agrees to be bound by the Contract in every way as if the Substitute Contractor were named in the Contract as a party thereof in place of the Contractor.
5. THE Substitute Contractor adopts all work executed to date under the Contract and accepts such work as if these works had been carried out by the Substitute Contractor
6. THE Contractor will pass to the Substitute Contractor all Bills, Plans, Drawings, Correspondence and other documents in its possession and control that relate to the Contract.
7. IT is hereby agreed that the Substitute Contractor will be entitled to utilise all building materials in relation to which the Contractor or the Employer has full title and which are on site at the date of the execution hereof for incorporation into the Works.
8. THE Administrators act as Agents of the Contractor and shall have no personal liability in respect of this Agreement whether under the provisions of The Insolvency Act 1986 or otherwise. The Administrators join in this agreement in their personal capacity solely for the purpose of receiving the benefit of the exclusions of liability in their favour contained in this agreement.

IN WITNESS whereof the parties hereto have executed this Agreement the day and year first before written.

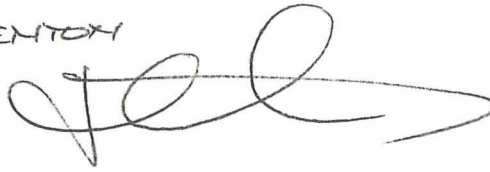
Signed by: RAY BAILEY
For and on behalf of
Harley Facades Limited



Signed by: JEFF HENTON

For and on behalf of

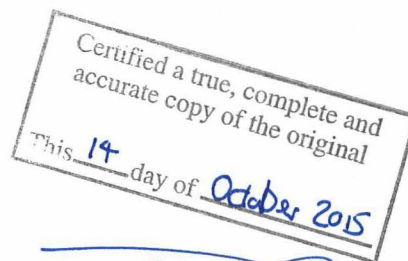
Rydon Maintenance Limited



Signed by: Julie Palmer (Joint Administrator)

For and on behalf of

Harley Curtain Wall Limited BY THE ADMINISTRATORS
as Agent (WITHOUT PERSONAL LIABILITY)



TIMOTHY SHUTLER