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DATED 16 March 1999

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W M DIVES D KENT and C D SMEDLEY (1)

THE CORONA GROUP LIMITED (2)

SHARE EXCHANGE AGREEMENT
relating to shares in
The Kobal Collection Limited

Fiona Campbell
Solicitor

27a Pembridge Villas Notting Hill Gate
London W11 3EP

Telephone: 0171-243 1982 Fax: 0171-221 2736



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AGREEMENT dated 16 March 1999

PARTIES

- (1) THE PERSONS whose names are set out in the Schedule ("the Sellers")
- (2) THE CORONA GROUP LIMITED (registered no: 3387336) whose registered office is at 4th Floor, 184 Drummond Street, London NW1 3HP ("the Buyer")



RECITALS

- (A) The Kobal Collection Limited (registered no: 965129) ("the Company") is a private company with limited liability.
- (B) The Sellers wish to sell and the Buyer wishes to purchase all the Kobal Shares on the terms and conditions of this Agreement.

OPERATIVE CLAUSES

1. Interpretation

In this Agreement and in the Schedule unless the context otherwise requires:

- 1.1 The following words and expressions shall bear the meaning set opposite them:

"Completion" shall mean the completion of the sale and purchase of the Kobal Shares;

"Kobal Shares" shall mean the issued shares in the capital of the Company of which details are set out in column 2 of the Schedule;

"the New Shares" shall mean the shares in the capital of the Buyer of which details are set out in column 3 of the Schedule.

- 1.2 References to persons shall include references to unincorporated associations, to the singular shall include references to the plural and to the masculine shall include references to each other gender.
- 1.3 The headings in this Agreement have been inserted for convenience only and shall not affect its construction.
- 1.4 References to clauses and schedules are to clauses and schedules of this Agreement.

2. **Sale and purchase of Kobal shares**

The Sellers shall with full title guarantee and as beneficial owners sell and the Buyer shall purchase free from all liens charges rights of pre-emption encumbrances and equities and together with all dividends interest bonuses distributions and other rights now or hereafter attaching thereto that number and class of the Kobal Shares set opposite his name in the Schedule.

3. **Consideration**

The consideration for the sale of the Kobal Shares shall be the allotment to the Sellers of that number and class of the New Shares set opposite his name in the Schedule credited as fully paid up, which in the case of William Martin Dives includes the subscribers' shares which had been subdivided into 20 ordinary shares of 10 pence each, and would be transferred to him simultaneously.

4. **Completion**

4.1 Completion shall take place at 27a Pembridge Villas, Notting Hill Gate, London W11 3EP on the date hereof.

4.2 At Completion the Sellers shall deliver to the Buyer:

4.2.1 duly executed transfers in favour of the Buyer or its nominee(s) of all the Kobal Shares that he is selling;

4.2.2 the share certificates representing all of such Kobal Shares (or an express indemnity in a form satisfactory to the Buyer in the case of any found to be missing); and

4.2.3 such waivers, consents or other documents (if any) which may be required to vest in the Buyer the full beneficial ownership of the Kobal Shares and to enable the Buyer to be registered as the holder thereof.

4.3 Upon Completion of the matters referred to in Clause 4.2 hereof the Buyer shall issue to the Sellers (or as they may direct) that number and

class of the New Shares set opposite his name in column 3 of the Schedule credited as fully paid up, and register the transfer of the subscribers' shares as subdivided to William Martin Dives.

5. Notices

- 5.1 Any notice or other document to be given hereunder shall be delivered or sent by first class post to the party to be served at that party's address appearing in this Agreement or such other address as that party shall notify in accordance herewith.
- 5.2 Any such notice or document shall be deemed to have been served if delivered at the time of delivery or if posted on the second working day after posting.

6. Waiver of Sellers

Each of the Sellers hereby irrevocably:

- 6.1 ~~waives all pre-emption and option rights to which he may be entitled by~~ virtue of the Company's Articles of Association, the provisions of the Companies Act 1985, any agreement with the Company or otherwise in respect of any transfers of any of the Kobal Shares pursuant to the terms of the Agreement, and hereby authorises the directors of the Company to register the transfers of the Kobal Shares in the name of the Buyer upon such transfers being presented duly stamped and adjudicated; and
- 6.2 authorises the Purchaser to appoint a proxy or proxies to vote on his behalf at any meeting of the Company or of any class of shareholders of the Company convened or held after Completion.

AS WITNESS the hands of the Sellers and that of the Buyer's authorised officer.

THE SCHEDULE

(1) THE SELLERS	(2) THE KOBAL SHARES	(3) THE NEW SHARES
William Martin Dives	540 ordinary shares of 10 pence each in the capital of the Company	540 ordinary shares of 10 pence each in the capital of the Buyer
David Kent	30 ordinary shares of 10 pence each in the capital of the Company	30 ordinary shares of 10 pence each in the capital of the Buyer
Colin David Smedley	30 ordinary shares of 10 pence each in the capital of the Company	30 ordinary shares of 10 pence each in the capital of the Buyer

Signed by WILLIAM MARTIN)
DIVES in the presence of:)

William Martin Dives

Signed by DAVID KENT)
in the presence of:)

David Kent

Signed by COLIN DAVID)
SMEDLEY in the presence of:)

C. Smedley

Witness ✓

L. Dives

Signed by WILLIAM MARTIN)
DIVES for and on behalf of THE)
CORONA GROUP LIMITED)
in the presence of:)

Witness 11.9

Witness ✓

Arthur Crown