

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (date of earliest event reported): December 2, 1997

THE COOPER COMPANIES, INC.

(Exact name of registrant as specified in its charter)

Delaware

1-00041

94-3019135

(State or other jurisdiction of
Incorporation)

(Commission File Number)

(I.R.S. Employer
Identification Number)

6140 Stoneridge Mall Road, Pleasanton, California 94588

(Address of principal executive offices) (Zip Code)

(510) 460-3600

(Registrants' telephone number, including area code)

n/a

(former name or former address, if changed since last report)

ITEM 2. Acquisition or Disposition of Assets

On December 2, 1997 (the "Closing Date"), The Cooper Companies, Inc., a Delaware corporation (the "Company"), through its wholly owned subsidiary, Aspect Vision Holdings Limited, an English company ("AVH"), acquired (the "Acquisition") all of the outstanding capital stock of the following privately held English companies: New Focus Health Care Limited ("NFHC"), Contact Lens Technologies Limited ("CLT") and Aspect Vision Care Limited ("AVC"). The Company also acquired a majority of the outstanding capital stock of Aspect Vision Italia S.R.L., a privately held Italian company ("AVI"), and intends to purchase the remainder of AVI's stock pursuant to certain put and call option arrangements, at prices to be agreed upon by the parties. NFHC, AVC, AVI and CLT are herein collectively referred to as the "Aspect Companies." The Aspect Companies manufacture contact lenses sold primarily in the United Kingdom and other European countries.

The Acquisition was accomplished pursuant to the following agreements: an Umbrella Agreement dated November 20, 1997, among the agent for the Aspect Companies, who is also a stockholder of certain of the Aspect Companies (the "Agent"), AVH and the Company; an Agreement for the sale and purchase of NFHC dated November 20, 1997, among the Agent, AVH, the Company and the former stockholders of NFHC; an Agreement for the sale and purchase of AVC dated November 20, 1997, among AVH, the Company and the former stockholders of AVC; an Agreement for the sale and purchase of CLT dated November 20, 1997, among AVH, the Company and the former stockholders of CLT; and an Agreement for the sale and purchase of AVI dated November 20, 1997, among AVH, the Company and the former stockholders of AVI (collectively, the "Purchase Agreements").

On the Closing Date, AVH paid the former stockholders of the Aspect Companies an aggregate of approximately 'L'30 million (equal to \$50.4 million at the closing exchange rate of \$1.68 on the Closing Date), consisting of 'L'15 million in cash and an aggregate principal amount of approximately 'L'15 million in 8% five year notes of AVH (the "Notes"), guaranteed by the Company, pursuant to the terms of a Loan Note Instrument executed by AVH as issuer and the Company as guarantor, dated December 2, 1997. Pursuant to the terms of a Third Party Charge Over Shares dated December 2, 1997, between the Agent and the Company, the Company granted the holders of the Notes a security interest in AVH's stock, par value 10 pence per share, owned by the Company.

The purchase price was determined through arms-length negotiations. 'L'10.5 million of the cash portion of the purchase price was financed by a 5 year loan from Midland Bank plc at a current interest rate of 8.1% per annum, which is locked in until February 27, 1998 and will adjust from time to time under LIBOR-based options provided in the loan agreement. The remainder of the purchase price was funded by cash on hand.

Pursuant to an Earn Out Agreement dated December 2, 1997 between the Agent, AVH and the Company (the "Earn Out Agreement") and a stock option arrangement established by AVH (the "AVH Option Scheme"), the Agent and others (the "Optionholders"), primarily

consisting of certain employees of the Aspect Companies, will receive certain earn out payments, as described herein and in the Earn Out Agreement.

Under the Earn Out Agreement, AVH has agreed to pay to the Agent and to the Optionholders an amount ("the Earn Out Amount") calculated primarily by reference to a percentage of the adjusted pre-tax profits (as defined in the Earn Out Agreement) of AVH and the Aspect Companies for each of the fiscal years ended in 1998, 1999 and 2000, multiplied by certain multiples. AVH has agreed to issue to the Agent in early 2001 a note payable for an amount not less than a certain percentage of the Earn Out Amount. Such note is repayable (subject to certain pre-payment rights) on the fifth anniversary of issue. The minimum amount of the Earn-Out Amount is '\$5,000,000 and the maximum amount is not limited.

The Aspect Companies will operate under their current names and management as a part of the group that includes CooperVision, Inc. ("CVI"), the Company's contact lens business. In the opinion of the Company's management, the Aspect Companies' businesses are complementary to CVI's business, both in terms of products offered and geography served.

The Aspect Companies manufacture and market broad lines of traditional, frequent replacement and disposable soft lenses using a number of polymers and a range of lens "geometries," i.e. the parameters, diameters, base curves and lens edges included in the design of a contact lens. The Aspect Companies manufacture and distribute their lenses from two facilities in the United Kingdom having an aggregate of approximately 145,000 square feet, where the Aspect Companies employ approximately 650 people. The Aspect Companies manufacture their lenses using their patented UltraSYNC'r' molding technology, which produces completely finished lenses with a minimal labor component.

A copy of each of the Purchase Agreements, the Loan Note Instrument, the Third Party Charge Over Shares and the Earn Out Agreement (collectively, the "Agreements") are filed as exhibits hereto and incorporated herein by reference. The descriptions of the Agreements set forth herein do not purport to be complete and are qualified in their entirety by the provisions of the Agreements. Exhibits A through K (collectively, the "Umbrella Exhibits") of the Umbrella Agreement, listed below, do not contain information which is material to an investment decision and have therefore not been attached to this filing, pursuant to Item 601 of Regulation S-K. The Company will supplementally furnish the Commission with a copy of any of the Umbrella Exhibits upon request. The following list identifies the contents of the Umbrella Exhibits:

- Exhibit A: Accounts
- Exhibit B: Management Accounts

Exhibit C: Memorandum and Articles of Association
Exhibit D: Financial facilities
Exhibit E: Insurance policies
Exhibit F: Material contracts
Exhibit G: Particulars of employees
Exhibit H: List of members of group personal pension scheme
Exhibit I: Particulars of Pension Schemes
Exhibit J: Particulars of Intellectual Property
Exhibit K: Intellectual Property Agreements

ITEM 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(a) Financial Statements of Business Acquired.

The Company has not included the required financial statements of the Aspect Companies at the time of filing this Current Report on Form 8-K. The required financial statements will be filed by amendment to this Report as soon as they are available, but in any event no later than 60 days after December 17, 1997.

(b) Pro Forma Financial Information.

The Company has not included the required pro forma financial information pertaining to the Acquisition at the time of filing this Current Report on Form 8-K. The required pro forma financial information will be filed by amendment to this Report as soon as it is available, but in any event no later than 60 days after December 17, 1997.

(c) Exhibits: The following exhibits are filed as part of this Report:

2.1 Umbrella Agreement among the Agent, AVH and the Company.

2.2 Agreement for the sale and purchase of NFHC among the Agent, AVH, the Company and the former stockholders of NFHC.

2.3 Agreement for the sale and purchase of AVC among AVH, the Company and the former stockholders of AVC.

2.4 Agreement for the sale and purchase of CLT among AVH, the Company and the former stockholders of CLT.

2.5 Agreement for the sale and purchase of AVI among AVH, the Company and the former stockholders of AVI.

99.1 Loan Note Instrument.

99.2 Third Party Charge Over Shares between Anthony Galley and the Company.

99.3 Earn Out Agreement between Anthony Galley, AVH and the Company.

ITEM 9. Sales of Equity Securities Pursuant to Regulation S.

On the Closing Date, pursuant to the terms of a Put and Call Option Agreement dated November 20, 1997, between the Company and one of the former stockholders of AVC (the "Stockholder"), entered into in connection with the Purchase Agreements, the Company purchased from the Stockholder Notes in the aggregate principal amount of '\$888,100. In exchange, the Company issued to the Stockholder 38,013 shares (the "Shares") of the Company's common stock, par value \$.10 per share. The Shares were issued in reliance on the exemptions from registration under the Securities Act of 1933, as amended (the "Securities Act") contained in Sections 4(2) and 4(6) of the Securities Act, Rules 505 and 506 of Regulation D thereunder and Rule 903 of Regulation S thereunder. The Stockholder is an accredited investor (as defined in Regulation D) and not a U.S. person (as defined in Regulation S). The Company did not make any directed selling efforts (as defined in Regulation S) in the United States with respect to the Shares and the Shares were not issued by any form of general solicitation or general advertising.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE COOPER COMPANIES, INC.

By: /s/ Stephen C. Whiteford

Stephen C. Whiteford
Vice President and
Corporate Controller
(Principal Accounting Officer)

Dated: December 16, 1997

EXHIBIT INDEX

- 2.1 Umbrella Agreement among the Agent, AVH and the Company.
- 2.2 Agreement for the sale and purchase of NFHC among the Agent, AVH, the Company and the former stockholders of NFHC.
- 2.3 Agreement for the sale and purchase of AVC among AVH, the Company and the former stockholders of AVC.
- 2.4 Agreement for the sale and purchase of CLT among AVH, the Company and the former stockholders of CLT.
- 2.5 Agreement for the sale and purchase of AVI among AVH, the Company and the former stockholders of AVI.
- 99.1 Loan Note Instrument.
- 99.2 Third Party Charge Over Shares between Anthony Galley and the Company.
- 99.3 Earn Out Agreement between Anthony Galley, AVH and the Company.

STATEMENT OF DIFFERENCES

The British pound sterling sign shall be expressed as..... 'L'
The registered trademark symbol shall be expressed as..... 'r'

Dated November 1997

ANTHONY DAVID GALLEY (1)

ASPECT VISION HOLDINGS LIMITED (2)

AND

THE COOPER COMPANIES, INC. (3)

Umbrella Agreement
for the sale and purchase
of the issued share capital
of Aspect Vision Care Limited and other companies

CAMERON MCKENNA
MITRE HOUSE
160 ALDERSGATE STREET
LONDON EC1A 4DD

T + 44(0)171-367 3000
F + 44(0)171-367 2000

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THIS AGREEMENT is made the day of November 1997

BETWEEN:-

- (1) ANTHONY GALLEY of Beacon Wey, The Hangers, Bishops Waltham Hampshire S032 1FZ (the "Vendor");
- (2) ASPECT VISION HOLDINGS LIMITED (registered in England with number 3448379) whose registered office is at Mitre House, 160 Aldersgate Street, London EC1A 4DD (the "Purchaser"); and
- (3) THE COOPER COMPANIES, INC. a company incorporated in Delaware whose principal office is at 6140 Stoneridge Mall Road, Suite 590 Pleasanton CA 94588 ("TCC").

WHEREAS:-

- (A) The Vendor is a shareholder in and/or a director of each of the Companies (as defined below).
- (B) The Purchaser wishes to purchase, directly or indirectly, the entire issued share capitals of the Companies from the Sellers (as defined below) and the Vendor has agreed to use all reasonable endeavours to procure the sale of the Companies in each case upon and subject to the terms and conditions of this Agreement.

WHEREBY IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement the following words and expressions have the meanings set opposite them:

"ACCOUNTS": the audited balance sheet as at the Balance Sheet Date and the audited profit and loss account for each Group Company and the notes, reports, statements and other documents which are or would be required by law to be annexed to the Accounts of the company concerned and to be laid before such company in general meeting for such Financial Year, a copy of each of which is contained in EXHIBIT A;

"ACCOUNTING STANDARDS": statements of standard accounting practice (including financial reporting standards) issued pursuant to section 256, CA 85 by the ASB;

"AGREED PROPORTIONS": has the meaning set out in clause 4 of the Deed of Contribution;

"ASB": Accounting Standards Board Limited (registered number 2526824) or such other body prescribed by the Secretary of State from time to time pursuant to section 256, CA 85;

"AFFILIATE": in relation to any body corporate, any Holding Company or subsidiary undertaking of such body corporate or any subsidiary undertaking of a Holding Company of such body corporate;

"AGREEMENT": this Agreement including its recitals and the schedules hereto but not the Deed of Tax Covenant or the Exhibits;

"AVC AGREEMENT": the agreement in the agreed terms to be entered into at Completion between the Purchaser and those Sellers holding shares in Aspect Vision Care Limited relating to the sale and purchase of those Shares;

"AUDITORS": Leonard Gold Chartered Accountants;

"AVI AGREEMENT": the agreement in the agreed terms to be entered into at Completion between the Purchaser and those Sellers holding shares in Aspect Vision Italia s.r.l relating to the sale and purchase of those Shares;

"BALANCE SHEET DATE": 31 March 1997;

"BENEFICIARIES": means any and all of the Purchaser, TCC and the Companies and in each case their directors, officers, employees, agents and shareholders;

"BUSINESS": collectively the businesses of each Group Company as carried on at any time in the twelve months prior to the date hereof;

"BUSINESS DAY": a weekday (other than a Saturday) when banks are open for business in London;

"CA 85": Companies Act 1985;

"CAA": Capital Allowances Act 1990;

"CASH CONSIDERATION": the cash consideration payable for the Shares;

"CLAIM AMOUNT": has the meaning set out in CLAUSE 10.2;

"CLT AGREEMENT": the agreement in the agreed terms to be entered into at Completion between the Purchaser and those Sellers holding shares in Contact Lens Technologies Limited relating to the sale and purchase of those Shares;

"COMPANIES": the companies details of which are set out in PART 1 of SCHEDULE 2;

"COMPANIES ACTS": as defined in section 744, CA 85 together with the Companies Act 1989;

"COMPETENT AUTHORITY": means any person or legal entity (including any government or government agency) having regulatory authority and/or any court of law or tribunal, or any local or national agency, authority, department, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of, or the government of, the United Kingdom or the European Community;

"COMPLETION": completion of the sale and purchase of the Shares pursuant to this Agreement and the Purchase Agreements;

"COMPLETION ACCOUNTS": the accounts referred to in CLAUSE 6.1.1, prepared in accordance with SCHEDULE 6;

"CONDITION": the condition referred to in CLAUSE 2.1;

"CONFIDENTIAL INFORMATION": all information received or obtained by the Vendor or supplied to the Vendor in the negotiations leading to this Agreement and which relates to TCC or any of its subsidiaries;

"CONNECTED PERSON": a person connected with any of the Sellers or the Directors (or any former director of any Group Company) within the meaning of section 839, TA 88;

"CONTAMINATED LAND PROVISIONS": means Section 57 and Schedule 22 paragraph 162 respectively of the Environment Act 1995 and all notices, codes of practice, guidance notes and all subordinate legislation made under the above statutory provisions;

"COPYRIGHT": copyright, design rights, topography rights and database rights, whether or not the same are registered or unregistered (including any applications for registration of any such thing), and rights under licences and consents in relation to any such thing) and any similar or analogous rights to any of the foregoing whether arising or granted under the law of England or of any other jurisdiction;

"DEED OF CONTRIBUTION": the deed of contribution in the agreed terms to be entered into at Completion between the Purchaser, TCC and the Sellers;

"DEED OF TAX COVENANT": the deed in the agreed terms to be entered into at Completion between the Vendor and the Purchaser containing taxation covenants and indemnities in respect of each Group Company;

"DIRECTORS": the directors of the Group Companies named as such in SCHEDULE 2;

"DISCLOSED": fairly disclosed by the Disclosure Documents and "Disclosure" shall be construed accordingly;

"DISCLOSURE DOCUMENTS": the Disclosure Letter and the two identical bundles of documents collated by or on behalf of the Vendor, the outside covers of each of which have been signed for identification by or on behalf of the Vendor and the Purchaser;

"DISCLOSURE LETTER": the letter described as such of even date herewith addressed by the Vendor to the Purchaser;

"EARN-OUT AGREEMENT": the agreement in the agreed terms to be entered in at Completion between TCC, the Purchaser and the Vendor relating to the EOLN and the Earn Out Shares and conduct of the business and affairs of the Purchaser;

"EARN OUT SHARES": the 4,500 ordinary shares of 10 pence each in the capital of the Purchaser which may be the subject of options pursuant to the Scheme in favour of certain of the employees of the Group, following Completion and which may be purchased by the Purchaser pursuant to the Earn-Out Agreement;

"ENCUMBRANCE": any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement;

"ENVIRONMENT": any and all organisms (including without limitation man and his senses), ecological systems, property and the following media: air (including without limitation, the air within buildings and the air within other natural or man-made structures made whether above or below ground); water (including without limitation, water under or within land or in drains or sewers and coastal and inland waters); and land (including without limitation, land under water);

"ENVIRONMENTAL AGREEMENTS": any and all leases or licences or other agreements which are binding upon any of the Group Companies but only to the extent that they relate, either wholly or in part, to the protection of the Environment, and/or the prevention of Harm or Damage;

"ENVIRONMENTAL INDEMNITY": means the covenant in respect of Environmental Losses in CLAUSE 12;

"ENVIRONMENTAL LAWS": any and all laws including European Community or European Union regulations, directives and decisions; statutes and subordinate legislation; regulations, orders, ordinances, Permits, codes of practice, circulars, guidance notes and the like; common law, local laws and bylaws; judgments, notices, orders, directions, instructions or awards of any Competent

Authority applicable to any Group Company, the Property and/or the Further Property and/or conduct of the Business and which have as a purpose or effect the protection of the Environment, and/or prevention of Harm or Damage and/or the provision of remedies in respect of Harm or Damage;

"ENVIRONMENTAL LIABILITY":

liability (including liability in respect of Remedial Action) on the part of any Group Company and/or any of their directors or officers or shareholders under Environmental Laws;

"ENVIRONMENTAL LOSS":

means any and all losses, damages and liabilities (including without limitation, consequential loss, loss of profits, fines, penalties, Remedial Action costs), and reasonably incurred costs and expenses (including without limitation legal and other professional fees) suffered by the Beneficiaries under Environmental Laws and arising out of any Environmental Matter;

"ENVIRONMENTAL MATTERS":

means any and all events, states of affairs, conditions, circumstances, activities, practices, incidences or actions which have occurred or are occurring or have been or are in existence in, at, on, under or about either the Property and or Further Properties or in or about the conduct of the Business at any time;

"ENVIRONMENTAL WARRANTIES":

the warranties set out in PARAGRAPH 9 of SCHEDULE 5;

"EOLN":

the loan note to be issued by the Purchaser to the Vendor by way of further consideration for the Shares purchased from the Vendor, in accordance with the terms of the Earn Out Agreement;

"ERA":

the Employment Rights Act 1996;

"EXHIBITS":

the exhibits referred to in this Agreement and signed for the purposes of identification by or on behalf of each party;

"FA":

Finance Act;

"FINANCIAL YEAR":

a financial year within the meaning ascribed to such expression by section 223, CA 85;

"FURTHER PROPERTIES":

means any and all land or property, other than the Properties, owned or occupied at any time by any one or more of the Companies;

"GAAP":

Accounting Standards, the legal principles set out in schedules 4 and 4A to CA 85, rulings and abstracts of the urgent issues task force of the ASB and guidelines, conventions, rules and procedures of accounting practice in the United Kingdom

which are regarded as permissible by the ASB in each case as generally accepted by the accountancy profession;

"GROUP": together the Companies and each of the Subsidiaries;

"GROUP COMPANY": any of the Companies or any of the Subsidiaries;

"HARM OR DAMAGE": harm or damage to, or other interference with, the Environment;

"HAZARDOUS MATTER": any and all matter (whether alone or in combination with other matter) which may or is liable to cause Harm or Damage;

"HOLDING COMPANY": a holding company within the meaning ascribed to such expression by sections 736 and 736A, CA 85;

"INDEMNITIES": the indemnities given by the Vendor in CLAUSE 9 and the Environmental Indemnity;

"INTELLECTUAL PROPERTY": Patent Rights, Know How, Copyright, Trade Marks, Software and IP Materials;

"INTELLECTUAL PROPERTY AGREEMENTS": material agreements or arrangements relating to Intellectual Property owned, used or exploited by any Group Company to which a Group Company is a party;

"IP MATERIALS": all documents, records, tapes, discs, diskettes and any other materials whatsoever containing Copyright works, Know How or Software;

"ITA": the Inheritance Tax Act 1984;

"KNOW HOW": trade secrets and confidential business information including details of supply arrangements, customer lists and pricing policy; sales targets, sales statistics, market share statistics, marketing surveys and reports; marketing research; unpatented technical and other information including inventions, discoveries, processes and procedures, ideas, concepts, formulae, specifications, procedures for experiments and tests and results of experimentation and testing; information comprised in Software; together with all common law or statutory rights protecting the same including by any action for breach of confidence and any similar or analogous rights to any of the foregoing whether arising or granted under the law of England or any other jurisdiction;

"LOSSES": actions, proceedings, losses, damages, liabilities, claims, costs and expenses including legal and other professional fees;

"MANAGEMENT ACCOUNTS": the management accounts for each Group Company for the period from 1 April 1997 to 30 September 1997, a copy of each of which is contained in EXHIBIT B;

"NET ASSETS": in relation to the Group, its consolidated fixed assets plus its consolidated current assets less its consolidated liabilities as set out in the Completion Accounts;

"NFHC AGREEMENT": the agreement in the agreed terms to be entered into at Completion between the Purchaser and those Sellers holding shares in New Focus Health Care Limited relating to the sale and purchase of those Shares;

"NON-COMPETITION AGREEMENTS": the agreements in the agreed terms to be entered into at Completion between the Purchaser and the Sellers relating to the protection of the goodwill of the Business;

"PATENTS": the patents listed in SCHEDULE 4;

"PATENT LICENCE": the licence in the agreed terms to be entered into at Completion between the CooperVision Inc. and the Patent Owners relating to the Patents;

"PATENT OWNERS": Anthony Galley, Geoffrey Galley, Albert Morland, Ivor Atkinson and Barrie Bevis;

"PATENT RIGHTS": patent applications or patents, author certificates, inventor certificates, utility certificates, improvement patents and models and certificates of addition including any divisions, renewals, continuations, refilings, confirmations-in-part, substitutions, registrations, confirmations, additions, extensions or reissues thereof and any similar or analogous rights to any of the foregoing whether arising or granted under the law of England or any other jurisdiction;

"PENSION SCHEMES": agreements or arrangements (whether legally enforceable or not) for the payment of any pensions, allowances, lump sums or other like benefits on retirement or on death or during periods of sickness or disablement for the benefit of any present or former director, officer or employee of any of the Group Companies or for the benefit of the dependants of any such persons;

"PERMITS": any and all licences, consents, permits, authorisations or the like, made or issued pursuant to or under, or required by, Environmental Laws in relation to the carrying on of the Business at the Property;

"PROCEEDINGS": any proceeding, suit or action arising out of or in connection with this Agreement or the Deed of Tax Covenant;

"PROPERTIES": the properties of which short particulars are set out in SCHEDULE 3 and the expression "Property" shall mean, where the context so admits, any one or more of such properties and any part or parts thereof;

"PURCHASE AGREEMENTS": together the NFHC Agreement, the AVC Agreement, the CLT Agreement and the AVI Agreement;

"PURCHASE NOTES": the loan notes in the agreed terms to be issued to the Sellers at Completion by the Purchaser and guaranteed by TCC;

"PURCHASER'S GROUP": the Purchaser and its Affiliates;

"PURCHASER'S SOLICITORS": Cameron McKenna of Mitre House, 160 Aldersgate Street, London EC1A 4DD;

"REGISTERED INTELLECTUAL PROPERTY": such of the Intellectual Property used or exploited by any Group Company as is (a) licenced to or (b) registered in any public registry as being owned by a Group Company;

"REMEDIAL ACTION": (a) preventing, limiting, removing, remedying, cleaning-up, abating, containing or ameliorating the presence or effect of any Hazardous Matter in the Environment (including without limitation the Environment at the Property and/or at the Further Property) or (b) carrying out investigative work and obtaining legal and other professional advice as is reasonably required in relation to (a);

"RTPA": Restrictive Trade Practices Act 1976;

"SCHEME": the unapproved share option scheme to be adopted by the Purchaser, as exhibited to the Earn-Out Agreement;

"SELLERS": the persons whose names and details are set out in COLUMN (1) of SCHEDULE 1;

"SERVICE AGREEMENTS": the service agreements to be entered into between Aspect Vision Care Limited and each of the Vendor, R. Poole, I. Atkinson, B. Bevis, M. Kelly, W. Brooker, I. McDermott, F. Lambertini and G. Grassi;

"SERVICE DOCUMENT": a writ, summons, order, judgment or other document relating to or in connection with any Proceedings;

"SHARE CHARGE": the charge over the shares in the Purchaser held by TCC to be granted by TCC to the Vendor in the agreed terms;

"SHARES": the shares or, in respect of Aspect Vision Italia s.r.l., the quotas in the capitals of each of the Companies set out in COLUMN (2) of SCHEDULE 1;

"SOFTWARE": any and all computer programs in both source and object code form, including all modules, routines and sub-routines thereof and all source and other preparatory materials, relating thereto including user requirements, functional specifications and programming specifications, ideas, principles, programming languages, algorithms, flow charts, logic, logic diagrams, orthographic representations, file structures, coding sheets, coding and including any manuals or other documentation relating thereto and computer generated works;

"SSAP": a statement of standard accounting practice or financial reporting standard in force at the date hereof as issued by the Institute of Chartered Accountants in England and Wales and adopted by the ASB as an Accounting Standard;

"STOCK EXCHANGE": London Stock Exchange Limited;

"SUBORDINATION AGREEMENT": the subordination agreement in the agreed terms to be entered into at Completion between TCC, Keybank National Association and the holders of the Purchase Notes;

"SUBSIDIARY": a subsidiary within the meaning ascribed to such expression by sections 736 and 736A, CA 85;

"SUBSIDIARY UNDERTAKING": a subsidiary undertaking within the meaning ascribed to such expression by section 258, CA 85;

"SUBSIDIARIES": the subsidiaries of Aspect Vision Care Limited details of which are set out in PART 2 of SCHEDULE 2;

"TA 88": the Income and Corporation Taxes Act 1988;

"TAXATION": (a) all forms of taxation excluding business rates but including and without any limitation any charge, tax, duty, levy, impost, withholding or liability wherever chargeable imposed for support of national, state, federal, municipal or local government or any other person and whether of the UK or any other jurisdiction; and
(b) any penalty, fine, surcharge, interest, charges or costs payable in connection with any taxation within (a) above;

"TAXATION AUTHORITY": the Inland Revenue, Customs & Excise, Department of Social Security and any other, governmental, or other authority whatsoever competent to impose any Taxation whether in the United Kingdom or elsewhere;

"TAXATION STATUTE": any directive, statute, enactment, law or regulation wheresoever enacted or issued, coming into force or entered into providing for or imposing any Taxation and shall include orders, regulations, instruments, bye-laws or other subordinate

legislation made under the relevant statute or statutory provision and any directive, statute, enactment, law, order, regulation or provision which amends, extends, consolidates or replaces the same or which has been amended, extended, consolidated or replaced by the same;

- "TAX WARRANTIES": the warranties set out in PART 2 of SCHEDULE 5;
- "TCC STOCK OPTIONS": the options over shares of TCC common stock to be issued by TCC to those persons listed in SCHEDULE 10 in accordance with CLAUSE 10;
- "TCGA": the Taxation of Chargeable Gains Act 1992;
- "TMA": the Taxes Management Act 1970;
- "TRADE MARKS": trade or service mark applications or registered trade or service marks, registered protected designations of origin, registered protected geographic origins, refilings, renewals or reissues thereof, unregistered trade or service marks, get up and company names in each case with any and all associated goodwill and all rights or forms of protection of a similar or analogous nature including rights which protect goodwill whether arising or granted under the law of England or of any other jurisdiction;
- "TRADE UNION": as defined in section 1, TULRCA;
- "TULRCA": the Trade Union and Labour Relations (Consolidation) Act 1992;
- "TUPE": the Transfer of Undertakings (Protection of Employment) Regulations 1981;
- "UNREGISTERED INTELLECTUAL PROPERTY": Intellectual Property owned, licensed, used or exploited by any Group Company other than Registered Intellectual Property;
- "VAT": value added tax;
- "VATA": the Value Added Tax Act 1994;
- "VENDOR'S SOLICITORS": Travers Smith Braithwaite of 10, Snow Hill, London EC1A 2AL;
- "WARRANTIES": the warranties set out in CLAUSE 7 and SCHEDULE 5; and
- "IN THE AGREED TERMS": in the form agreed between the Vendor and the Purchaser and signed for the purposes of identification by or on behalf of each party.

- 1.2 The table of contents and headings in this Agreement are inserted for convenience only and shall not affect its construction.
- 1.3 Unless the context otherwise requires words denoting the singular shall include the plural and vice versa, references to any gender shall include all other genders and references to persons shall include bodies corporate, unincorporated associations and partnerships in each case whether or not having a separate legal personality. References to the word "include" or "including" are to be construed without limitation.
- 1.4 References to recitals, schedules and clauses are to recitals and schedules to and clauses of this Agreement unless otherwise specified and references within a schedule to paragraphs are to paragraphs of that schedule unless otherwise specified.
- 1.5 References in this Agreement to any statute, statutory provision or EC Directive include a reference to that statute, statutory provision or EC Directive as amended, extended, consolidated or replaced from time to time (whether before or after the date of this Agreement) and include any order, regulation, instrument or other subordinate legislation made under the relevant statute, statutory provision or EC Directive and any such references in the Warranties shall be deemed to include, as regards Aspect Vision Italia s.r.l., that which most approximates them in Italy.
- 1.6 References to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include that which most approximates in that jurisdiction to the English legal term.
- 1.7 Any reference to "writing" or "written" includes faxes and any non-transitory form of visible reproduction of words.
- 1.8 References to times of the day are to London time and references to a day are to a period of 24 hours running from midnight to midnight.

2. CONDITION

2.1 Condition precedent

Subject to CLAUSE 2.3, this Agreement is subject to and conditional upon the Vendor receiving from the Board of Inland Revenue clearances under section 138 TCGA and under section 707 TA on terms reasonably satisfactory to him.

2.2 Time limit for satisfaction of Condition

2.2.1 If the condition in CLAUSE 2.1 has not been fulfilled or waived (by mutual agreement of the parties) by 31 December 1997 (or by such later date as may be agreed in writing between the parties) this Agreement shall thereupon become null and void at initio and none of the parties shall have any rights against any other party hereunder.

2.2.2 The Vendor shall notify the Purchaser, TCC and the Purchaser's Solicitor in writing forthwith upon satisfaction of the Condition.

2.3 Operations provisions

Notwithstanding CLAUSE 2.1, CLAUSES 14 - 17 (inclusive), 18 (other than CLAUSE 18.2) and 19 - 25 (inclusive) shall come into force on the execution and exchange of this Agreement and the remainder of the Agreement shall come into force on the fulfilment and/or waiver of the Condition.

3. SALE AND PURCHASE

3.1 Obligation to sell and purchase

Subject to the terms of this Agreement the Vendor shall use all reasonable endeavours to procure that each of the Sellers shall, with effect from 1 November 1997, sell those Shares set opposite his name in COLUMN (2) of SCHEDULE 1 and the Purchaser shall purchase such interests in the same together with all rights attaching thereto with effect from 1 November 1997.

3.2 Dividends and distributions

From Completion the Purchaser shall be entitled to receive all dividends and distributions declared, paid or made by any of the Companies in respect of the Shares on or after 1 November 1997.

3.3 Sale of all Shares

The Purchaser shall not be obliged to complete the purchase of any of the Shares unless the purchase of all the Shares is completed simultaneously.

4. CONSIDERATION

4.1 Consideration

The consideration for the Shares shall be as set out in the Purchase Agreements and shall be:

4.1.1 in part payable in cash;

4.1.2 in part satisfied by the issue of the Purchase Notes but subject to adjustment as provided in CLAUSE 6.2; and

4.1.3 the right for the Vendor to be issued the EOLN in accordance with the terms of the Earn Out Agreement.

4.2 Entitlement to consideration

The consideration, other than the right to the EOLN which shall be for the Vendor, shall be allocated such that the Cash Consideration and the Purchase Notes shall belong or, as the case may be, be issued to the Sellers in the proportions set out in the Purchase Agreements.

4.3 Reduction in consideration

Any payment made by the Vendor in respect of a breach of any Warranties or payment made under the Indemnities or the Deed of Tax Covenant, or any other payment made pursuant to this Agreement, shall be and shall be deemed to be pro tanto a reduction in the price paid for the Shares under this Agreement.

4.4 Guarantee of Purchase Notes

TCC agrees to guarantee the obligations of the Purchaser in respect of the Purchase Notes on the terms set out in the Purchase Notes.

5. COMPLETION

5.1 Time and location

Subject as provided in CLAUSE 5.5, Completion shall take place at the offices of the Purchaser's Solicitors on the fifth Business Day following satisfaction or waiver of the condition or such other date as may be agreed in writing between the Purchaser and the Vendor.

5.2 Vendor's obligations

At Completion:-

5.2.1 the Vendor shall deliver to the Purchaser each of the documents listed in PART 1 of SCHEDULE 7;

5.2.2 the Vendor shall use all reasonable endeavours to procure that all necessary steps are taken properly to effect the matters listed in PART 2 of SCHEDULE 7.

5.3 Purchaser's obligations

Subject to the Vendor complying with his obligations under CLAUSE 5.2, the Purchaser shall at Completion deliver the documents and effect the actions listed in PART 3 of SCHEDULE 7.

5.4 TCC's obligations

Subject to the Vendor complying with his obligations under CLAUSE 5.2, TCC shall at Completion deliver the documents and effect the actions listed in PART 4 of SCHEDULE 7.

5.5 Failure to comply

If in any respect material to the Purchaser the provisions of CLAUSE 5.2 and PARTS 1 and 2 of SCHEDULE 7 or if in any respect material to the Vendor the provisions of CLAUSES 5.3 and 5.4 and PARTS 3 and 4 of SCHEDULE 7 are not complied with on the date of Completion referred to under CLAUSE 5.1, the Purchaser or, as the case may be, the Vendor shall not be obliged to complete this Agreement and may:-

- 5.5.1 defer Completion to a date not more than twenty-eight days after the date set by CLAUSE 5.1 (and so that the provisions of this CLAUSE 5.5 shall apply to Completion as so deferred); or
- 5.5.2 proceed to Completion so far as practicable and without prejudice to their rights under this Agreement; or
- 5.5.3 rescind this Agreement without prejudice to their rights and remedies under this Agreement; or
- 5.5.4 waive all or any of the requirements contained in CLAUSE 5.2 or, as the case may be, CLAUSES 5.3 and 5.4, at their discretion.

6. COMPLETION ACCOUNTS

6.1 Preparation of Completion Accounts

- 6.1.1 The Vendor shall procure that accounts are prepared by the Auditors for the Group as at the close of business on 31 October 1997 and that a draft of such accounts is submitted to the Purchaser for review within 75 days after Completion. The Vendor shall be entitled to submit amendments to the draft accounts to the Purchaser at any time prior to the later of 150 days from Completion and the agreement of such accounts with the Purchaser. The Purchaser shall be entitled to not less than 30 days to consider any amendments to the draft accounts submitted by the Vendor.
- 6.1.2 If the Vendor shall fail to procure the preparation of Completion Accounts in accordance with CLAUSE 6.1.1 the Purchaser may procure the same at the Vendor's expense.
- 6.1.3 The Completion Accounts shall be prepared in accordance with the principles set out in SCHEDULE 6.
- 6.1.4 Unless within 60 days after receipt of the Completion Accounts pursuant to CLAUSE 6.1.1 the Purchaser notifies the Vendor in writing of any disagreement or difference of opinion relating to the Completion Accounts, the parties shall be deemed to have accepted such accounts as accurate but without prejudice to any claim which the Purchaser may have against the Vendor in respect of any breach of the Warranties or any other provisions of this Agreement.
- 6.1.5 If within the period of 60 days referred to in CLAUSE 6.1.4 the Purchaser notifies the Vendor of any disagreement or difference of opinion relating to the Completion Accounts ("Notice of Disagreement") and if they are able to resolve such disagreement or difference of opinion within 30 days of the date of the Notice of Disagreement, the parties shall be deemed to have accepted the Completion Accounts as accurate but without prejudice to any claim which the Purchaser may have against the Vendor in respect of any breach of the Warranties or any other provision of this Agreement.

- 6.1.6 If the Vendor and the Purchaser are unable to reach agreement within 30 days of the date of the Notice of Disagreement, the matter in dispute shall be referred to the decision of an independent chartered accountant (the "Independent Accountant") to be appointed (in default of nomination by agreement between the Vendor and the Purchaser) by the President for the time being of the Institute of Chartered Accountants in England and Wales.
- 6.1.7 The Independent Accountant shall act as an expert and not as an arbitrator, the Arbitration Acts 1950 and 1979 shall not apply and his decision on the matter in dispute shall (in the absence of manifest error) be final and binding on the Vendor and the Purchaser. The costs of the Independent Accountant shall be apportioned between the Vendor and the Purchaser as the Independent Accountant shall decide but each party shall be responsible for its own costs of presenting its case to the Independent Accountant.

6.2 Adjustment of consideration

The consideration payable by the Purchaser to each Seller shall be adjusted after Completion in accordance with the following provisions of this CLAUSE 6.2 such that:

- 6.2.1 subject to CLAUSE 6.2.2, if the Net Assets are less than 'L'6 million but more than 'L'5.5 million the Vendor shall, subject to CLAUSE 10, pay to the Purchaser the amount of the deficiency below 'L'6 million; but
- 6.2.2 if the Net Assets are less than 'L'5.5 million the Vendor shall, subject to CLAUSE 10, pay to the Purchaser the sum of 'L'500,000 plus an amount ascertained by multiplying the deficiency below 'L'5.5 million by two and the provisions of CLAUSE 6.2.1 shall not apply.

- 6.3 Any amount due to the Purchaser from the Vendor pursuant to CLAUSE 6.2 shall be paid in accordance with CLAUSE 10.

7. WARRANTIES

7.1 Extent of Warranties

In consideration of the Purchaser agreeing to purchase the Shares on the terms contained in this Agreement, the Vendor hereby:-

- 7.1.1 in relation to each Group Company warrants, represents and undertakes to the Purchaser, in the terms set out in SCHEDULE 5; and
- 7.1.2 undertakes to the Purchaser that upon becoming aware of the occurrence or the impending or threatened occurrence or non-occurrence of any matter, event or circumstance (including any omission to act) which he knows would or might reasonably be expected to cause or constitute a breach of any of the Warranties or which he knows would or might give rise to a claim under the Deed of Tax Covenant he will promptly give written notice of such matter, event or circumstance to the Purchaser.

7.2 Obligation to make enquiries

Where any of the Warranties referred to in COLUMN (2) of SCHEDULE 12 are made or given "so far as the Vendor is aware", such Warranties shall be deemed to be given to the best of the knowledge, information and belief of the Vendor after making due and careful enquiries of the Sellers and Glen Carroll.

7.3 Investigation by Purchaser

None of the Warranties or the Indemnities or the Deed of Tax Covenant shall be deemed in any way modified or discharged by reason of any investigation or inquiry made by or on behalf of the Purchaser, and no information relating to any Group Company of which the Purchaser has knowledge (actual or constructive) other than by reason of its being Disclosed shall prejudice any claim which the Purchaser shall be entitled to bring or shall operate to reduce any amount recoverable by the Purchaser under this Agreement.

7.4 Information supplied by the Group Companies

7.4.1 Subject to CLAUSES 7.4.2, any information supplied by or on behalf of any Group Company (or by any officer, employee or agent of any of them) to the Vendor or his advisers in connection with the Warranties, the Indemnities, the Deed of Tax Covenant or the information Disclosed shall not constitute a warranty, representation or guarantee as to the accuracy of such information in favour of the Vendor and the Vendor hereby undertakes to the Purchaser to waive any and all claims which he might otherwise have against any Group Company or against any officer, employee or agent of any of them in respect of such claims but so that this shall not preclude the Vendor from claiming against any Seller under any right of contribution or indemnity to which he may be entitled.

7.4.2 Nothing contained in CLAUSE 7.4.1 shall preclude any action against any adviser to any Group Company to the extent that such action shall not result in any liability for any Group Company.

7.5 Separate and independent warranties

Each of the Warranties set out in the separate paragraphs of SCHEDULE 5 shall be separate and independent and save as expressly otherwise provided shall not be limited by reference to any other such Warranty.

7.6 Reliance

The Purchaser has entered into this Agreement and the Purchase Agreements upon the basis of and in reliance upon the Warranties and the Indemnities and the same together with any provision of this Agreement or the Deed of Tax Covenant which shall not have been fully performed at Completion shall remain in force notwithstanding that Completion shall have taken place.

8. LIMITATION OF VENDOR'S LIABILITY

8.1 Limitations on liability

The liability of the Vendor in respect of any claim under the Warranties, the Indemnities and the Deed of Tax Covenant shall be limited as provided in SCHEDULE 8 but so that the limitations on the liability of the Vendor under this CLAUSE 8.1 and SCHEDULE 8 shall not apply in relation to the Warranties set out in PARAGRAPH 2.4.1 of SCHEDULE 5.

8.2 Exclusions from CLAUSE 8

Notwithstanding any other provision of this Agreement, the provisions of this CLAUSE 8 and SCHEDULE 8 shall not apply to any claim made against the Vendor in the case of any fraudulent misrepresentation or dishonest act or omission by or on behalf of the Vendor as against the Purchaser.

8.3 Other operative provisions

The provisions of SCHEDULE 8 shall have immediate effect.

9. INDEMNITIES

9.1 The Vendor undertakes to indemnify and keep the Purchaser indemnified from and against and in respect of and to pay on demand to the Purchaser an amount equivalent to:-

9.1.1 all Losses incurred by the Purchaser or any Group Company prior to the fifth anniversary of Completion in relation to or arising from any breach or alleged breach prior to Completion by any Group Company of the patents held by Allergan, Inc. (such Losses not to include any Losses resulting from any decision to continue any process after Completion);

9.1.2 all Losses incurred by any Group Company or the Purchaser prior to the second anniversary of Completion in relation to claims by any employees of any Group Company in respect of their cessation of employment prior to Completion but only to the extent such Losses exceed (pound)25,000; and

9.1.3 all Losses incurred by or arising from any Group Company or the Purchaser prior to the second anniversary of Completion, including any revenues lost by any Group Company, as a result of or arising from any material breach or alleged material breach prior to Completion by a Group Company of any OEM Agreement.

9.2 Any sum payable by the Vendor pursuant to this CLAUSE 9 shall be paid free and clear of any deduction or withholding whatsoever, save only as may be required by law.

9.3 If any deduction or withholding is required by law to be made from any payment by the Vendor pursuant to this CLAUSE 9 or if the Purchaser is subject to Taxation in respect of such payment the Vendor shall increase the amount of the payment by such additional amount as is necessary to ensure that the net amount received and retained by the Purchaser (after taking account of all deductions or withholdings or Taxation) is equal to the amount which it would have received and retained had the payment in question not been subject to any deductions or withholdings or Taxation.

10. SET OFF

10.1 In the event that the Purchaser has any claim against the Vendor pursuant to the Net Asset adjustment mechanism in CLAUSE 6.2 ("Net Asset Claim"), the Warranties, the Indemnities or the Deed of Tax Covenant (a "Claim"), all or part of the Claim Amount shall be divided amongst the Sellers in the Agreed Proportions or, in respect of a Net Asset Claim, pro rata to the aggregate of the Cash Consideration and the Purchase Notes received by each Seller for the Shares, and shall be satisfied in the following order:-

10.1.1 firstly, the Claim Amount shall be set off against the Purchase Notes in the Agreed Proportions or, in respect of a Net Asset Claim, pro rata to the aggregate of the Cash Consideration and the Purchase Notes received by each Seller for the Shares, and the amounts (whether of principal, interest or otherwise) outstanding under the Purchase Notes shall reduce and be cancelled accordingly and in accordance with the terms of the Purchase Notes;

10.1.2 secondly, if a Purchase Note held by any Seller has been repaid or has been reduced to zero by operation of CLAUSE 10.1.1, the balance of that Seller's Agreed Proportion of the Claim Amount shall be deducted from that Seller's share of the First Option Price or, if that has already been paid or reduced to zero, the Second Option Price (as each such term is defined in the Earn Out Agreement), or, in the case of the Vendor, from the EOLN and retained by the Purchaser; and

10.1.3 to the extent set-off is not available for any reason, the balance of any Seller's Agreed Proportion of the Claim Amount shall be payable in cash by the Vendor.

10.2 For the purposes of CLAUSE 10.1, a "Claim Amount" shall mean, in relation to any Claim:-

10.2.1 the amount which is agreed by the Vendor; or

10.2.2 the amount which shall have been adjudged at first instance by a court of competent jurisdiction to be payable by the Vendor to the Purchaser.

11. TCC STOCK OPTIONS, THE SCHEME AND A TCC UNDERTAKING

11.1 Subject to CLAUSE 11.2, TCC agree to use all reasonable endeavours following Completion to procure that The Cooper Companies, Inc. 1988 Long Term Incentive Plan (the "TCC Plan") is amended so as to enable United Kingdom employees and full time directors of the Group to be granted options over TCC common stock which have been approved under Schedule 9 to the Income and Corporation Taxes Act 1988 ("ICTA"), by the United Kingdom Board of Inland Revenue ("Approved Options").

11.2 The parties agree that:

11.2.1 if the amendments required to the TCC Plan referred to in CLAUSE 11.1 require the approval of the holders of TCC common stock then TCC shall not be obliged to seek such approval of such stockholders and CLAUSE 11.1 shall not apply; and

11.2.2 all costs of TCC (up to a maximum of 'L'3,000) in seeking to make and in effecting any amendment of the TCC Plan pursuant to CLAUSE 11.1 shall be borne by the

Vendor and the Vendor hereby agrees to fully indemnify TCC and keep TCC fully indemnified against all such costs.

- 11.3 TCC agrees that on the execution and exchange of this Agreement it shall procure the grant to each of the persons listed in COLUMN 1 of PART A of SCHEDULE 10 of such number of options over TCC common stock as are set against their respective names in COLUMN 2 of PART A of SCHEDULE 10. The exercise of any such options shall be conditional on Completion.
- 11.4 TCC agrees that within 30 days of approval being given (if given) by the Board of Inland Revenue to the TCC Plan pursuant to CLAUSE 11.1 it shall procure the grant to each of the persons listed in COLUMN 1 of PART B of SCHEDULE 10 of such number of options over TCC common stock as are set against their respective names in COLUMN 2 of PART B of SCHEDULE 10 of which the maximum number permissible under paragraph 28 of schedule 9 to ICTA shall be Approved Options.
- 11.5 If the TCC Plan shall not be amended pursuant to CLAUSE 11.1, whether because approval of TCC stockholders would be required or because the United Kingdom Inland Revenue refuses to grant approval of the amendments or otherwise, then TCC shall, as soon as reasonably practicable, grant to each of the persons listed in COLUMN 1 of PART B of SCHEDULE 10 such number of options over TCC common stock as are set against their respective names in COLUMN 2 of PART B of SCHEDULE 10.
- 11.6 Subject always to the rules of the TCC Plan, all options granted pursuant to CLAUSES 11.3 to 11.5 shall have an exercise price per share of TCC common stock equivalent to the average of the high and low selling price of TCC common stock on the New York Stock Exchange ("Market Price") on the last trading day prior to the execution and exchange of this Agreement or in the case of the Approved Options, an exercise price per share determined by reference to such other method of calculating the Market Value of TCC common stock at their date of grant as the Board of Inland Revenue may allow.
- TCC agrees that, following Completion, it shall grant options over TCC common stock, up to the maximum number of options set out in PART C of SCHEDULE 11, to such employees of the Group as the Vendor may direct in writing. The options granted pursuant to this CLAUSE 11.7 shall have an exercise price which is the Market Price on the last trading day prior to the date of grant. The options shall be granted by TCC within 30 days of a written request from the Vendor.
- 11.7 The Purchaser agrees to grant, as soon as reasonably practicable following Completion, options over the Earn-Out Shares pursuant to the Scheme to such of the employees of the Group and in such numbers as the Vendor shall, at any time within the three month period following Completion, direct.
- 11.8 The Purchaser and TCC agree to use all reasonable endeavours to procure that any Sellers who have given personal guarantees in respect of the Group Companies shall be released from such personal guarantees and, pending the obtaining of such releases, the Purchaser and TCC agree to indemnify and keep indemnified such Sellers from and against all liabilities in respect of such guarantees.

12. ENVIRONMENTAL INDEMNITY

12.1 The Vendor undertakes to indemnify the Purchaser, for and on behalf of itself and as trustee for each of the Beneficiaries, and keep the Beneficiaries indemnified from and against and in respect of and to pay on demand to the Purchaser (acting as aforesaid) an amount equal to:-

- 12.1.1 half of any Environmental Loss to the extent that such Environmental Loss arises under any Environmental Law which is enacted after the date hereof (in respect of which the parties hereby acknowledge that the Contaminated Land Provisions were enacted before the date of this Agreement);
- 12.1.2 half of any cost incurred by the Purchaser or any Group Company in relation to the Purchaser or any Group Company complying with a direction from a Competent Authority to undertake Remedial Action in relation to the land adjacent to the temporary car park at the Hamble Properties identified in the Dames & Moore reports to the Purchaser as being contaminated. Provided that no such claim shall be made in circumstances where the said direction of the Competent Authority arises out of any proposed change of use of the said land;
- 12.1.3 the costs of removing asbestos and/or asbestos containing materials from any buildings at or on the Thermoking Property;
- 12.1.4 any Losses which result from a failure by the Purchaser or any Group Company to obtain a Permit in respect of the discharge of wastewater from the Properties at Hamble referred to in the Dames & Moore reports to the Purchaser; and
- 12.1.5 any Environmental Losses incurred by any Group Company or the Purchaser where the Environmental Matter has arisen as a result of ground contamination of gravels by hydrocarbons leaking from the storage tank at the Thermoking Property that has been identified by Dames & Moore in a report to the Purchaser PROVIDED ALWAYS THAT the Purchaser shall not voluntarily notify any environmental authority (save where it is legally obliged to do so or is acting in the ordinary course of business) of any matter which could give rise to a claim against the Vendor under this CLAUSE 12.1.4.

12.2 Any sum payable by the Vendor pursuant to this CLAUSE 12 shall be paid free and clear of any deduction or withholding whatsoever, save only as may be required by law.

12.3 If any deduction or withholding is required by law to be made from any payment by the Vendor pursuant to this CLAUSE 12 or if the Purchaser is subject to Taxation in respect of such payment the Vendor shall increase the amount of the payment by such additional amount as is necessary to ensure that the net amount received and retained by the Purchaser (after taking account of all deductions or withholdings or Taxation) is equal to the amount which it would have received and retained had the payment in question not been subject to any deductions or withholdings or Taxation.

13. RTPA

13.1 If there is any provision of this Agreement, or of any agreement or arrangement of which this Agreement forms part, which causes or would cause this Agreement or that agreement or

arrangement to be subject to registration under the RTPA, then that provision shall not take effect until the day after particulars of this Agreement or of that agreement or arrangement (as the case may be) have been furnished to the Director General of Fair Trading pursuant to section 24, RTPA.

13.2 The Purchaser shall furnish such particulars as are referred to in CLAUSE 13.1 as soon as is reasonably practicable after the date of this Agreement and within the time limits specified in the RTPA and the Vendor undertakes to provide such information and assistance as the Purchaser may reasonably require in connection therewith.

14. ANNOUNCEMENTS

14.1 Restrictions on announcements

No announcement shall be made in relation to the subject matter of this Agreement or a matter ancillary to this Agreement without the prior written consent of the other party save as may be required by any:-

14.1.1 law;

14.1.2 existing contractual arrangements; or

14.1.3 the Stock Exchange or the Panel on Takeovers and Mergers or any other applicable regulatory authority to which the Sellers are subject where such requirement has the force of law,

provided such communication shall be made only after consultation with the Purchaser.

14.2 Continuing effect

The restrictions contained in this clause shall continue to apply after Completion without limit in time.

14.3 Legal and regulatory requirements

The Purchaser and the Vendor undertake to provide all such information known to him or it as may reasonably be required by the Vendor or the Purchaser, as the case may be, for the purpose of complying with the requirements of law or of any applicable regulatory authority to which either party is subject where such requirement has the force of law.

15. ASSIGNMENT

15.1 No party may assign the benefit of this Agreement whether absolutely or by way of security except in the case of an absolute assignment of all or part by the Purchaser to an Affiliate of the Purchaser and provided and so long as it remains an Affiliate (failing which the benefit of this Agreement shall no longer be available to such assignee nor to any assignor) save that the Purchaser may assign such benefit absolutely or by way of security to a person other than an Affiliate of the Purchaser with the prior consent in writing of the Vendor such consent not to

be unreasonably withheld or delayed and any purported assignment in contravention of this clause shall be ineffective.

15.2 Subject to CLAUSE 15.1, this Agreement shall be binding upon and enure for the benefit of the personal representatives and assigns and successors in title of each of the parties.

16. REMEDIES CUMULATIVE

16.1 The rights, powers and remedies provided in this Agreement or expressly referred to herein are cumulative and do not exclude any rights, powers or remedies provided by law or by any other document other than this Agreement.

16.2 Nothing in this Agreement, the Deed of Tax Covenant, the Disclosure Documents or in any document in the agreed terms shall be read or construed as excluding any liability or remedy as a result of fraud.

16.3 Nothing in this Agreement shall entitle the Purchaser to rescind this Agreement.

17. WAIVER, VARIATION AND RELEASE

17.1 No omission to exercise or delay in exercising on the part of any party to this Agreement any right, power or remedy provided by law or under this Agreement shall constitute a waiver of such right, power or remedy or any other right, power or remedy or impair such right, power or remedy. No single or partial exercise of any such right, power or remedy shall preclude or impair any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under this Agreement.

17.2 Any waiver of any right, power or remedy under this Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated any waiver shall be effective only in the instance and only for the purpose for which it is given.

17.3 No variation to this Agreement shall be of any effect unless it is agreed in writing and signed by or on behalf of each party.

18. COSTS AND EXPENSE

18.1 General

Save as otherwise stated in this Agreement, each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and other agreements forming part of the transaction.

18.2 TCC's contribution

TCC shall contribute 'L'50,000, including VAT, towards the legal costs and expenses of the Vendor.

18.3 Group Companies to pay no costs

For the avoidance of doubt, no Group Company shall pay any legal or other professional charges and expenses in connection with any investigation of the affairs of the Group or the negotiation, preparation, execution and carrying into effect of this Agreement or any other agreement forming part of the transaction.

19. NOTICES

19.1 Any communication to be given in connection with the matters contemplated by this Agreement shall except where expressly provided otherwise be in writing and shall either be delivered by hand or sent by first class pre-paid post or sent by air mail. Delivery by courier shall be regarded as delivery by hand.

19.2 Such communication shall be sent to the address of the relevant party referred to in this Agreement or to such other address as may previously have been communicated to the other party in accordance with this clause. Each communication shall be marked for the attention of the relevant person.

19.3 A communication shall be deemed to have been served:-

19.3.1 if delivered by hand at the address referred to in CLAUSE 19.2, at the time of delivery;

19.3.2 if sent by first class pre-paid post to the address referred to in CLAUSE 19.2, at the expiration of two clear days after the time of posting; and

19.3.3 if sent by air mail to the address referred to in CLAUSE 19.2, at the expiration of five clear days after posting.

If a communication would otherwise be deemed to have been delivered outside of normal business hours (being 9:30 a.m. to 5:30 p.m. on a Business Day) in the time zone of the territory of the recipient under the preceding provisions of this clause, it shall be deemed to have been delivered at the opening of business on the next Business Day.

19.4 In proving service of the communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a first class pre-paid letter or air mail letter.

19.5 A party may notify the other parties to this Agreement of a change to its name, relevant person or address for the purposes of CLAUSE 19.1 PROVIDED THAT such notification shall only be effective on:-

19.5.1 the date specified in the notification as the date on which the change is to take place; or

19.5.2 if no date is specified or the date specified is less than five clear Business Days after the date on which notice is deemed to have been served, the date falling five clear Business Days after notice of any such change is deemed to have been given.

19.6 For the avoidance of doubt, the parties agree that the provisions of this clause shall not apply in relation to the service of Service Documents.

20. COUNTERPARTS

20.1 This Agreement may be executed in any number of counterparts and by the parties on different counterparts, but shall not be effective until each party has executed at least one counterpart.

20.2 Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same Agreement.

21. LANGUAGE

21.1 This Agreement is drawn up in the English language and if this Agreement is translated into any language other than English, the English language text shall prevail.

21.2 Each notice, instrument, certificate or other communication to be given by one party to another hereunder or in connection with this Agreement shall be in the English language (being the language of negotiation of this Agreement) and in the event that such notice, instrument, certificate or other communication or this Agreement is translated into any other language, the English language text shall prevail.

22. INVALIDITY

Each of the provisions of this Agreement is severable. If any such provision is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability in that jurisdiction of the remaining provisions of this Agreement of that provision or any other provision of this Agreement, shall not in any way be affected or impaired thereby.

23. AGREEMENT TO CONTINUE IN FULL FORCE AND EFFECT

This Agreement shall, to the extent that it remains to be performed, continue in full force and effect notwithstanding Completion.

24. CONFIDENTIALITY

24.1 The Vendor hereby undertakes with the Purchaser that it shall both during and after the term of this Agreement keep confidential and not directly or indirectly reveal, report, publish, disclose or transfer or use for his own or any other purposes Confidential Information except:-

24.1.1 in the circumstances set out in CLAUSE 24.2; or

24.1.2 to the extent otherwise expressly permitted by this Agreement; or

24.1.3 with the prior consent in writing of the party to whose affairs such Confidential Information relates. The circumstances referred to in CLAUSE 24.1.1 above are:-

24.2.1 where the Confidential Information, before it is furnished to or comes into the knowledge or possession of the Vendor, is in the public domain; or

24.2.2 where the Confidential Information, after it is furnished to or comes into the knowledge or possession of the Vendor enters the public domain otherwise than as a result of (a) a breach by the Vendor of its obligations in this CLAUSE 24 or (b) a breach by the person who disclosed that Confidential Information of his confidentiality obligation and the Vendor is aware of such breach; or

24.2.3 if and to the extent the Vendor makes disclosure of the Confidential Information to any person:

(a) in compliance with any requirement of law; or

(b) in response to a requirement of the Stock Exchange or the Panel on Take-overs and Mergers or any other applicable Competent Authority to which the Vendor is subject where such requirement has the force of law; or

(c) in order to obtain tax or other clearances or consents from the Inland Revenue or other relevant taxing or regulatory authorities; or

24.2.4 to the consultants and professional advisers of the Vendor, in each case on the basis that they will comply with the Vendor's obligations of confidence hereunder,

PROVIDED THAT any such information disclosable pursuant to CLAUSES 24.2.3 (A), (B) OR (C) shall be disclosed to the extent permitted by law and only after consultation with the other party.

24.3 The restrictions contained in this clause shall continue to apply after the Completion without limit in time.

25. GOVERNING LAW AND JURISDICTION

25.1 English law

This Agreement shall be governed by and construed in accordance with English law.

25.2 Courts of England and Wales

The parties to this Agreement irrevocably agree that the courts of England shall have the non-exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement and that accordingly any Proceedings may be brought in such courts.

25.3 Acceptance by Vendor and Purchaser

For the avoidance of doubt, the Vendor and the Purchaser expressly and specifically agree and accept the terms of this clause and signs below in recognition of this fact.

AS WITNESS the hands of the parties or their duly authorised representatives on the date first appearing at the head of this Agreement.

SCHEDULE 1
THE SELLERS

PART 1 - ASPECT VISION CARE LIMITED

(1) Name address and fax number (if any)	(2) Number of Shares
John De Carle	200,899
Clive De Carle	66,966
Ian McDermott	105,233
Ron Poole	105,233
Barrie Bevis	60,421
Ivor Atkinson	15,105

PART 2 - NEW FOCUS HEALTH CARE LIMITED

(1) Name address and fax number (if any)	(2) Number of Shares
Geoffrey Galley	221,303
Anthony Galley	261,302
Trevor Brooker	208,303
Brooker Family Trust	33,000

PART 3 - CONTACT LENS TECHNOLOGIES LIMITED

(1)

(2)

Name address and fax number (if any)	Number of Shares
Geoffrey Galley	200
Norma Galley	200
Anthony Galley	350
Barrie Bevis	200
Ivor Atkinson	25
Mike Kelly	25

PART 4 - ASPECT VISION ITALIA s.r.l.

(1)

(2)

Name address and fax number (if any)	Value of Quotas (Lire)
Giacomi Grassi	177,687,000
Fabrizio Lambertini	11,464,000

SCHEDULE 2
PART 1 - THE COMPANIES

Name: NEW FOCUS HEALTHCARE LIMITED
Date and place of incorporation: 12 September 1984
England and Wales
Registered number: 1847802
Registered office: Unit 2, South Point, Hamble, Southampton,
Hampshire, SO31 4RF
Authorised share capital: 'L'30,000 divided into 500,000 ordinary shares of
1p each, 900,000 convertible redeemable preferred
ordinary shares of 1p each 1,600,000 preferred
ordinary shares of 1p each
Issued share capital: 'L'7,239.08

Registered and beneficial owner -----	Number and Class -----
Geoffrey Harrison Galley	221,303 Ordinary
Anthony David Galley	261,302 Ordinary
Wilfred Trevor Brooker	208,303 Ordinary
Wilfred Trevor Brooker and Barbara Joan Brooker as trustees for the WT Brooker Family Trust.	33,000 Ordinary

Directors: Wilfred Trevor Brooker
Anthony David Galley
Geoffrey Harrison Galley

Secretary: Ian Robert Bussey

Auditor: Leonard Gold Chartered Accountants

Bank: National Westminster Bank plc

Accounting reference date: 31 March

Name: CONTACT LENS TECHNOLOGIES LIMITED
Date and place of incorporation: 14 March 1994
England and Wales
Registered number: 02908056
Registered office: Unit 2, South Point, Hamble, Southampton,
Hampshire, S031 4RF
Authorised share capital: 'L'5,000,000 divided into 5,000,000 ordinary shares
of 'L'1 each
Issued share capital: 'L'1,000

Registered and beneficial owner	Number and class
-----	-----
Geoffrey Harrison Galley	200 Ordinary
Anthony David Galley	350 Ordinary
Barrie Bebis	200 Ordinary
Ivor Atkinson	25 Ordinary
Michael J Kelley	25 Ordinary
Norma Galley	200 Ordinary

Directors: Geoffrey Harrison Galley
Anthony David Galley
Barrie Bevis

Secretary: Ian Robert Bussey

Auditor: Leonard Gold Chartered Accountants

Bank: National Westminster Bank plc

Accounting reference date: 31 March

Name: ASPECT VISION CARE LIMITED
Date and place of incorporation: 17 September 1973
England and Wales
Registered number: 01134463
Registered office: Unit 2, South Point, Hamble, Southampton,
Hampshire, S031 4RF
Authorised share capital: 'L'5,000,000 divided into 5,000,000 ordinary shares
of 'L'1 each
Issued share capital: 'L'1,510,522

Registered and beneficial owner	Number and class
New Focus Healthcare Limited	994,428 Ordinary
J T De Carle	183,048 Ordinary
I A McDermott	97,680 Ordinary
R B Poole	97,680 Ordinary
C T De Carle	62,160 Ordinary
B Bevis	60,421 Ordinary
I Atkinson	15,105 Ordinary

Directors: Barrie Bevis
Wilfred Trevor Brooker
John Trevor De Carle
Anthony David Galley
Geoffrey Harrison Galley
Ian Arthur McDermott

Secretary: Ian Robert Bussey

Auditor: Leonard Gold Chartered Accountants

Bank: National Westminster Bank plc

Accounting reference date: 31 March

Name: ASPECT VISION ITALIA s.r.l.
Date of incorporation: 15 April 1992
Registered number: 325566
Taxpayer number: 10653750157
Registered office: 27 Via P. Lomazzo, Milan
Capital: Lire 590 million (registered, subscribed and paid)

Capital holders:

Name	Value of capital (Lire)
Giacomo Grassi	177,687,000
Fabrizio Lambertini	11,464,000
Aspect Vision Care Limited	400,849,000

Directors: Giacorno Grassi
Anthony D Galley
Wilfrid T Brooker

PART 2 - THE SUBSIDIARIES

Name: FOCUS SOLUTIONS LIMITED

Date and place of incorporation: 7 May 1987
England and Wales

Registered number: 02128972

Registered office: Unit 2, South Point, Hamble, Southampton,
Hampshire, S031 4RF

Authorised share capital: 'L'100 divided into 100 ordinary shares of 'L'1 each

Issued share capital: 'L'100

Registered and beneficial owner	Number and class
-----	-----
Aspect Vision Care Limited	99 Ordinary
Geoffrey Harrison Galley	1 Ordinary

Directors: Wilfred Trevor Brooker
Anthony David Galley
Geoffrey Harrison Galley

Secretary: Ian Robert Bussey

Auditor: Leonard Gold Chartered Accountants

Bank: N/A

Accounting reference date: 31 March

Name: ASPECT SPECIALITY LIMITED
Date and place of incorporation: 2 March 1988
England and Wales
Registered number: 02226443
Registered office: Unit 2, South Point, Hamble, Southampton,
Hampshire, S031 4RF
Authorised share capital: 'L'5,000,000 divided into 5,000,000 ordinary shares
of 'L'1 each
Issued share capital: 'L'10,000

Registered and beneficial owner -----	Number and class -----
Aspect Vision Care Limited	10,000 Ordinary

Directors: Wilfred Trevor Brooker
Anthony David Galley
Geoffrey Harrison Galley

Secretary: Ian Robert Bussey

Auditor: Leonard Gold Chartered Accountants

Bank:

Accounting reference date: 31 March

Name: AVERLAN COMPANY LIMITED
Date and place of incorporation: 22 October 1971
England and Wales
Registered number: 01028262
Registered office: Unit 5, Eastern Road, Aldershot, Hampshire
Authorised share capital: 'L'62,065 divided into 40,000 A ordinary shares of
'L'1 each and 22,065 B ordinary shares of 'L'1 each
Issued share capital: 'L'57,143 divided into 40,000 A ordinary shares of
'L'1 each and 17,143 B ordinary shares of 'L'1 each

Registered and beneficial owner	Number and class
-----	-----
Aspect Vision Care Limited	40,000 A Ordinary Shares
Aspect Vision Care Limited	17,143 B Ordinary Shares

Directors: Wilfrid Trevor Brooker
Anthony David Galley
Secretary: Anthony David Galley
Auditor: Leonard Gold Chartered Accountants
Bank:
Accounting reference date: 31 March

Name: ASPECT CONTACT LENSES LIMITED
Date and place of incorporation: 24th September 1986
England and Wales
Registered number: 2057962
Registered office: Unit 2, South Point, Hamble, Southampton,
Hampshire, S031 4RF
Authorised share capital: 'L'100 divided into 100 ordinary shares of 'L'1 each
Issued share capital: 'L'100

Registered and beneficial owner	Number and class
Aspect Vision Care Limited	99
John De Carle (as nominee for Aspect Vision Care Limited)	1

Directors: Ian McDermott
Ron Poole
J de Carle
C de Carle

Secretary: Ian Robert Bussey

Auditor: Leonard Gold Chartered Accountants

Bank: N/A

Accounting reference date: 31 March

SCHEDULE 3
 PROPERTIES

PART 1 - GENERAL DESCRIPTION

(1) Description of Property -----	(2) Tenure -----	(3) Registered or unregistered -----	(4) Title number and grade of title (if registered) -----
Former Thermo King Building Hamble	Freehold	Registered	HP 359537
Unit 1, Southpoint Industrial Park, Hamble	Freehold	Registered	HP 513392
Unit 2, Southpoint Industrial Park, Hamble	Freehold	Registered	HP 525215

PART 2 - LEASES

(1) Property -----	(2) Date -----	(3) Term -----	(4) Parties -----	(5) Current yearly rent -----
Unit 5, Eastern Road Trading Estate, Aldershott	12th January 1983	25 years	Gibbswood Builders Limited(1) Averlan Company Limited (2)	No details of current rent
Unit B, Northbridge Road Berkhamsted	18th June 1992	3 years	Hillgate Industrial Estates Ltd(1) New Focus Health Care Ltd(2)	No details of current rent
Unit 1, River Park Industrial Estate, Billitt Lane Berkhamstead	31st August 1995	3 years	Jarvis Intercom Limited(1) Aspect Vision Care Ltd(2)	'L'40,000 (exclusive of VAT)
Via L. Pentimali 46 Roma, Italy	2 July 1995	1 year	Aspect Vision Italia s.r.l. Critina Grassi	
Via Borgogna 5 Milano Italy	7 July 1995	6 years	Aspect Vision Italia s.r.l. Ralari, Spa	

SCHEDULE 4

A: Granted Patents

NO.	COUNTRY	PATENT NO.	STATUS
1.	Australia	629280	Granted Patent
2.	Great Britain	2,226,977 A	Lapsed and replaced by European Patent
3.	Singapore	1137/93	Registered European Patent
4.	Europe	0,383,425	Granted Patent Austria, Belgium, Switzerland, Liechtenstein, Germany, Denmark, Spain, France, Greece, Italy, Luxembourg, Netherlands, Sweden
5.	Taiwan	39682	Granted Patent
6.	USA	5,087,015	Granted Patent

B: Patent Applications

	COUNTRY	APPLICATION NO.	STATUS
7.	Canada	2,007,536	Pending
8.	Japan	3697/90	Pending
9.	S Korea	90355	Pending

SCHEDULE 5
THE WARRANTIES
PART 1

1. PRELIMINARY

1.1 Power to contract

The Vendor has full power to enter into and perform this Agreement, the Deed of Tax Covenant and such other of the documents in the agreed terms as he is a party to respectively and all such agreements and deeds constitute binding obligations on the Vendor in accordance with their terms.

2. THE COMPANY

2 The particulars of each Group Company set out in schedule 2 are true and complete.

2.2 Memorandum and articles of association

The copies of the memorandum and articles of association of each Group Company which are comprised in the EXHIBIT C are true and complete in all respects and have embodied in them or annexed to them a copy of every such resolution and agreement as is referred to in section 380(4), CA 85 and each Group Company has at all times carried on its business and affairs in all respects in accordance with its memorandum and articles of association and all such resolutions and agreements.

2.3 Statutory returns

Each Group Company has complied with the provisions of the Companies Acts and all returns, particulars, resolutions and other documents required to be filed with or delivered to the Registrar of Companies or to any other authority whatsoever by a Group Company have been correctly and properly prepared and so filed or delivered.

2.4 Share capital

2.4.1 There is no Encumbrance or any form of agreement (including conversion rights and rights of pre-emption) on, over or affecting the Shares being transferred by the Vendor or any unissued shares, debentures or other securities of any Group Company and there is no agreement or commitment to give or create any of the foregoing. No claim has been made by any person to be entitled to any of the foregoing and no person has the right (exercisable now or in the future and whether contingent or not) to call for the issue of any share or loan capital of any Group Company under any of the foregoing.

2.4.2 No Group Company has at any time:-

- (a) repaid, redeemed or purchased (or agreed to repay, redeem or purchase) any of its shares, or otherwise reduced (or agreed to reduce) its issued share capital or any class of it or capitalised (or agreed to capitalise) in the form of shares, debentures or other securities or in paying up any amounts unpaid on any shares, debentures or other securities, any profits or reserves of any class or description or passed (or agreed to pass) any resolution to do so; or
- (b) directly or indirectly provided any financial assistance for the purpose of the acquisition of shares in the Company or any holding company of the Company or for the purpose of reducing or discharging any liability incurred in such an acquisition whether pursuant to sections 155 and 156, CA 85 or otherwise.

2.5 Solvency

2.5.1 No Group Company is insolvent or unable to pay its debts according to section 123, Insolvency Act 1986.

2.5.2 No order has been made or petition presented or resolution passed for the winding up of any Group Company and no distress, execution or other process has been levied on any of their assets. No administrative or other receiver has been appointed by any person over the business or assets of any Group Company or any part thereof, nor has any order been made or petition presented for the appointment of an administrator in respect of any Group Company.

3. CONNECTED BUSINESS

3.1 Subsidiaries

The particulars of the Subsidiaries set out in PART 2 of SCHEDULE 2 are true and complete and the shares of the Subsidiaries are held and owned as shown in PART 2 of SCHEDULE 2 free from all Encumbrances and with all rights now or hereafter attaching thereto.

3.2 Connected transactions

No Group Company:-

3.2.1 is or has agreed to become the holder or other owner of any class of any shares, debentures or other securities of any other company (whether incorporated in the United Kingdom or elsewhere) other than the Subsidiaries;

3.2.2 has agreed to become a subsidiary of any other company or under the control of any group of companies or consortium;

- 3.2.3 is or has agreed to become a member of any partnership, joint venture, consortium or other unincorporated association other than a recognised trade association or agreement or arrangement for sharing commissions or other income;
- 3.2.4 has a branch, place of business or substantial assets outside England and Wales or any permanent establishment (as that expression is defined in any relevant Order in Council made pursuant to section 788, Taxes Act) in any country outside the United Kingdom; and
- 3.2.5 save as otherwise Disclosed pursuant to PARAGRAPHS 3.2.1 TO 3.2.4, has any interest, legal or beneficial, in any shares or other capital or securities or otherwise howsoever in any other firm, company, association, venture or legal person or entity.

4. ACCOUNTS

4.1 General

The Accounts:-

4.1.1 were prepared in accordance with the requirements of all relevant statutes, with good accounting principles and practices generally accepted at the date hereof in the United Kingdom (including the Accounting Standards) for companies carrying on a similar business to that of the Group Companies and on a basis consistent with preceding accounting periods of the Group Company concerned and with the books of account of the Group Company concerned and are true and accurate in all material respects; and

4.1.2 show a true and fair view of the assets and liabilities of the relevant Group Company at the Balance Sheet Date and of its profits for the financial year ended on such date.

4.2 Stock-in-trade and work-in-progress

The basis of valuation for stock-in-trade and work-in-progress has remained in all material respects consistent with that adopted for the purpose of the Group's audited accounts of the Group Company concerned in respect of the beginning and end of each of the accounting periods of the Group Company for the last three financial years.

4.3 Profits

The profits of the Group Companies for the three years ended on the Balance Sheet Date as shown by the Accounts and by the audited accounts of the Company for previous periods delivered to the Purchaser and the trend of profits shown by them have not (except as disclosed in them) been affected to a material extent by inconsistencies of accounting practices, by the inclusion of non-recurring items of income or expenditure, by transactions entered into otherwise than on normal commercial terms or so far as the Vendor is aware by any other factors rendering such profits for all or any of such periods exceptionally high or low.

4.4 Management Accounts

The Management Accounts:-

4.4.1 have been prepared on a proper and consistent basis in accordance with applicable standards, principles and practices generally accepted in the United Kingdom and on a basis consistent with the Accounts; and

4.4.2 without prejudice to the generality of the foregoing, do not reflect the turnover and the cost of sales of the Group for the period they cover in a materially inaccurate way.

5. POST-BALANCE SHEET DATE EVENTS

5.1 Since the Balance Sheet Date each Group Company:-

5.1.1 has carried on its business in the ordinary and usual course and without entering into any transaction, assuming any liability or making any payment not provided for in the Accounts which is not in the ordinary course of business and without any interruption or alteration in the nature, scope or manner of its business;

5.1.2 has not experienced any material deterioration in its financial position or, so far as the Vendor is aware, in its prospects or turnover or, so far as the Vendor is aware, suffered any diminution of its assets by the wrongful act of any person and no Group Company has had its business, profitability or prospects materially and adversely affected by the loss of any important customer or source of supply or, so far as the Vendor is aware, by any other factor and, so far as the Vendor is aware, there are no facts which are likely to give rise to any such effects;

5.1.3 has not acquired or disposed of or agreed to acquire or dispose of any assets or assumed or incurred or agreed to assume or incur any material liabilities (actual or contingent) otherwise than in the ordinary course of business;

5.1.4 has not declared, made or paid any dividend, bonus or other distribution of capital or income (whether a qualifying distribution or otherwise) and (excluding fluctuations in overdrawn current accounts with bankers) no loan or loan capital of any Group Company has been repaid in whole or in part or has become due or is liable to be declared due by reason of either service of a notice or lapse of time or otherwise howsoever;

5.1.5 has not made any change to the remuneration, terms of employment, emoluments or pension benefits of any present or former director, officer or employee of any Group Company who on the Balance Sheet Date was entitled to remuneration in excess of 'L'30,000 per annum and has not appointed or employed any additional director, officer or employee entitled as aforesaid;

5.1.6 has not entered into contracts involving capital expenditure in an amount exceeding 'L'100,000 in the aggregate;

- 5.1.7 has not become aware that any event has occurred which would entitle any third party to terminate any contract or any benefit enjoyed by it or call in any money before the normal due date therefor;
- 5.1.8 has not purchased stocks in quantities or at prices materially greater than was the practice of the relevant Group Company prior to the Balance Sheet Date;
- 5.1.9 where applicable, has paid its creditors within the times agreed with such creditors and does not have any debts outstanding which are overdue for payment by more than four weeks;
- 5.1.10 has not borrowed or raised any money or taken any financial facility (except such short term borrowings from bankers as are within the amount of any overdraft facility which was available to the relevant Group Company at the Balance Sheet Date) or since the Balance Sheet Date renegotiated or received any notice from any banker that such banker wishes to renegotiate any overdraft facility available to the relevant Group Company at the Balance Sheet Date;
- 5.1.11 has not made any change to its accounting reference date and no accounting period of a Group Company has ended since the Balance Sheet Date;
- 5.1.12 (including any class of its members) has not passed any resolution whether in general meeting or otherwise.

6. TRANSACTIONS WITH THE SELLERS, DIRECTORS AND CONNECTED PERSONS

6.1 Loans and debts

There is not outstanding:-

- 6.1.1 any indebtedness or other liability (actual or contingent) owing by any Group Company to any Seller or Director or any Connected Person or owing to any Group Company by any Seller, or Director or any Connected Person; or
- 6.1.2 any guarantee or security for any such indebtedness or liability as aforesaid.

6.2 Arrangements with Connected Persons

There is not outstanding any agreement, arrangement or understanding (whether legally enforceable or not) to which any Group Company is a party and in which any Seller, Director or former director of any Group Company or any Connected Person is or has been interested whether directly or indirectly (other than any form of service agreement).

6.3 Competitive interests

6.3.1 Neither the Vendor nor, so far as the Vendor is aware, any Seller, Director, former director of any Group Company nor any Connected Person, either individually, collectively or with any other person or persons, has any estate, right or interest, directly or indirectly, in any business (including, without prejudice to the generality of the foregoing, Ocular Sciences, Inc.) other than that now carried on by the Group Company which is or is likely to be or become competitive with the Business save as registered holder or other owner of any class of securities of any company if such class of securities is listed on any recognised investment exchange (as defined in the Financial Services Act 1986) and if such person (together with Connected Persons and Affiliates) holds or is otherwise interested in less than five per cent of such class.

6.3.2 Neither the Vendor nor, so far as the Vendor is aware, the other Sellers either individually, collectively or with any other person or persons are interested in any way whatsoever in any Intellectual Property used and not wholly owned by the Company.

7. FINANCE

7.1 Borrowings

The total amount borrowed by any Group Company from any source does not exceed any limitation on its borrowing contained in the articles of association of any Group Company concerned or in any debenture or loan stock trust deed or instrument or any other document executed by any Group Company concerned and the amount borrowed by each Group Company from each of its bankers does not exceed the overdraft facility agreed with such banker. No Group Company has outstanding loan capital.

7.2 Financial facilities

EXHIBIT D contains full details and true and correct copies of all documents relating to all debentures, acceptance lines, overdrafts, loans or other financial facilities outstanding or available to each Group Company and all Encumbrances to which any asset of any Group Company is subject. Neither the Seller nor any Group Company has done anything whereby the continuance of any such facility or Encumbrance in full force and effect might be affected or prejudiced.

7.3 Grants

Full details of all material grants made to any Group Company in the last three years have been disclosed. So far as the Vendor is aware no act or transaction has been effected in consequence whereof any Group Company is or may be held liable to refund in whole or in part any grant or loan received by virtue of any statute or in consequence whereof any such grant or loan for which application has been made by it will not or may not be paid or will or may be reduced.

7.4 Options and guarantees

7.4.1 No Group Company is responsible for the indebtedness of any other person nor party to any option or pre-emption right or any guarantee, suretyship or any other obligation (whatever called) to pay, purchase or provide funds (whether by the advance of money, the purchase of or subscription for shares or other securities or the purchase of assets or services or otherwise) for the payment of, or as an indemnity against the consequence of default in the payment of, any indebtedness of any other person.

7.4.2 So far as the Vendor is aware no person other than a Group Company has given any guarantee of or security for any overdraft, loan or loan facility granted to any other Group Company.

7.5 Payment of obligations

There has been no material delay by any Group Company in the payment of any material obligation due for payment.

8. THE PROPERTIES

For the purposes of this paragraph 8 the term "Freehold Properties" shall mean the freehold properties listed at schedule 3.

8.1 General

8.1.1 The Properties comprise all the land and premises owned, controlled, used or occupied by the Group and all the rights or interests vested in the Group relating to any land and premises at the date hereof and the particulars set out in SCHEDULE 3 are true and accurate and not misleading.

8.1.2 The relevant Group Company has disposed of all its rights, title and interest in and to any properties (other than the Properties) and has carried out its obligations in relation to those properties and the disposal of the rights, title and interest therein in such a manner as to ensure it has no liability (whether actual, contingent or otherwise) in relation thereto.

8.1.3 Each Group Company has in its possession or unconditionally held to its order all the documents of title and other documents and papers relating to each of the Properties.

8.1.4 So far as the Vendor is aware, the Freehold Properties, the title deeds and documentation relating thereto, and all fixtures and fittings and plant, equipment and other chattels on the Freehold Properties, are not subject to any Encumbrance or overriding interest (as defined in section 70, Land Registration Act 1925) nor is there any person in possession or occupation of or who has or claims any right of any kind in respect of any of the Freehold Properties adversely to the estate, interest, right or title therein of any Group Company.

8.1.5 The Leasehold Properties, the title deeds and documentation relating thereto, and all fixtures and fittings and plant, equipment and other chattels on the Leasehold Properties, are not subject to any Encumbrance or

overriding interest (as defined in section 70, Land Registration Act 1925) nor is there any person in possession or occupation of or who has or claims any right of any kind in respect of any of the Leasehold Properties adversely to the estate, interest, right or title therein of any Group Company.

- 8.1.6 So far as the Vendor is aware, there are no rights, interests, covenants, restrictions, reservations, licences or easements nor any disputes or outstanding notices (whether given by a landlord, a local authority or any other person) nor (without prejudice to the generality of the foregoing) any other matters or things which adversely affect the value of any of the Leasehold Properties or the proper use and enjoyment of any of the Leasehold Properties.
- 8.1.7 None of the Properties is subject to the payment of any outgoings other than the usual rates and taxes and all sums due to date in respect thereof have been paid.
- 8.1.8 No proposal relating to the rateable value of any of the Properties has been determined by the Valuation and Community Charge Tribunal or Land Tribunal and there is no subsisting proposal to challenge the rateable value of any of the Properties.
- 8.1.9 Each of the Leasehold Properties:-
- (a) enjoys access and egress over roads and footpaths which have been adopted by the appropriate highway authority and are maintainable at the public expense;
 - (b) drains foul sewage and surface water to public sewers, is served by water, electricity, gas and telephone utilities and either the pipes, sewers, wires, cables, conduits and other conducting media serving the Properties connect directly to the mains without passing through land in the occupation or ownership of any third party; and
 - (c) has the benefit of all other easements and rights necessary for its proper use and enjoyment and such easements and rights are held on terms which do not entitle any person to terminate or curtail the same.
- 8.1.10 No Group Company has entered into any commitment (whether legally binding or not) and no Group Company is a party to any subsisting agreement with any person or company whereby a fee (including but not limited to an abort fee) will be paid to such person or company in respect of the management, use, development, letting or sale of any of the Leasehold Properties.
- 8.1.11 There are no unpaid charges for the construction or adoption of any road or sewer or other service serving the Leasehold Property.

8.2 Planning

- 8.2.1 There are no lawfully enforceable restrictions or prohibitions which restrict or prohibit the existing use of any of the Leasehold Properties.
- 8.2.2 The existing use of each of the Leasehold Properties is the permitted use under the Town and Country Planning legislation (which term includes the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990 and the Planning (Consequential Provisions) Act 1990) and is not a temporary or personal use.
- 8.2.3 All development carried out in relation to each of the Properties has been lawful and all necessary consents and permissions have been obtained for such development and the aforesaid do not contain any onerous or unusual conditions.
- 8.2.4 No Group Company is aware of any resolution, proposal, order or act made or contemplated for the compulsory acquisition of any of the Leasehold Properties by the local or any other authority nor any outstanding order, notice or other requirement of any such authority that affects the existing use of any of the Leasehold Properties or involves expenditure in compliance with it nor any other circumstances which may result in any such order or notice being made or served or which may otherwise affect any of the Leasehold Properties.
- 8.2.5 None of the buildings or other structures or erections on any of the Leasehold Properties have been listed under section 1, Planning (Listed Buildings and Conservation Areas) Act 1990 ("PLBCA") nor has the relevant local authority authorised the service of any building preservation notice under section 3, PLBCA or any repairs notice under section 48, PLBCA in respect of any of the Leasehold Properties or any building structure or erection thereon nor has the relevant local authority made or resolved to make any noise abatement zone order under section 63, Control of Pollution Act 1974 for any of the areas in which any of the Leasehold Properties are included.
- 8.2.6 None of the Leasehold Properties is within an area of archaeological importance nor is any building or erection on any of the Leasehold Properties a scheduled monument within the meaning set out in the Ancient Monuments and Archaeological Areas Act 1979.

8.3 Leasehold Properties

- 8.3.1 Where any of the Properties is leasehold, particulars of each lease vested in a Group Company are set out in PART 2 of SCHEDULE 3 and in relation to each such lease:-
- (a) the landlord and all superior landlords had good title to grant the lease and any superior leases respectively and all abstracts and epitomes of all superior titles have been placed with the title deeds to the Property to which the lease relates;

- (b) any consent necessary for the grant of the lease has been obtained and a copy of the consent is with the title deeds to the Property to which the lease relates;
- (c) where the current annual rent is not the same as the annual rent originally reserved in the lease, evidence of its agreement or determination has been placed with the documents of title and no rent reviews are or should be currently under negotiation or the subject of a reference to an expert or arbitrator or the Courts;
- (d) the receipt for the payment of rent which fell due immediately prior to the date hereof is unqualified;
- (e) no notices of breaches of any covenants or conditions contained in the lease have been given or received on the part of either the landlord or the relevant Group Company and the landlord has not refused to accept rent or made any complaint of breach of covenant;
- (f) no alterations, improvements or additions have been made to the Property to which the lease relates since the grant of the lease or in respect of all such alterations, improvements or additions made all necessary consents and approvals have first been obtained where required;
- (g) sections 24 to 28, Landlord and Tenant Act 1954 have not been excluded; and
- (h) no surety has been released either expressly or by implication.

8.4 Condition and Repair

8.4.1 There are (and there have been) no structural or other defects in respect of the buildings and structures on or comprising any of the Properties and all such buildings and structures are in good and substantial repair and condition.

8.4.2 So far as the Vendor is aware, in respect of the Freehold Properties there are no latent or patent defects in the buildings and structures on or comprising the Properties and in the construction of the buildings and its structures on or comprising the Properties or any alterations thereto none of the following materials were used:-

- (a) high alumina cement in structural elements;
- (b) wood wool slabs in permanent formwork to concrete or in structural elements;
- (c) calcium chloride in admixtures for use in reinforced concrete;

- (d) asbestos or asbestos containing products as defined in the Asbestos Regulations 1969 and 1987;
- (e) naturally occurring aggregates for use in reinforced concrete which do not comply with British Standard Specification 882:1983 and naturally occurring aggregates for use in concrete which do not comply with the provisions of British Standard Specification 8110:1985;
- (f) urea formaldehyde foam or materials which may release formaldehyde in quantities which may be hazardous with reference to the limits set from time to time by the Health and Safety Executive;
- (g) materials which are generally comprised of mineral fibres either man-made or naturally occurring which have a diameter of 3 microns or less or which contain fibre not sealed or otherwise stabilised to ensure that fibre migration is prevented; or
- (h) any other materials not in accordance with good design standards and good building practice at the time of construction of any such buildings.

9. ENVIRONMENTAL

9.1 Compliance with Environmental Law

The Property and the Further Property has been used, and the Business has been conducted, at all times in compliance with Environmental Law and with the terms and conditions relating to the Environment under leases and other agreements applicable to the Properties.

9.2 Permits

9.2.1 All Permits have been obtained and have been disclosed to the Purchaser and are in full force and effect and their terms and conditions have been complied with. No Permits are limited in duration or subject to onerous conditions.

9.2.2 No circumstance exists which may or is liable to result to the detriment of any Group Company in modification, suspension, or revocation of any Permit or may or is likely to result in any such Permit not being extended, renewed, granted or (where necessary) transferred and no Environmental Law currently adversely affects the use of any of the Properties or the conduct of the Business.

9.2.3 No work, repairs, remedy, construction, or capital expenditure is or may be required under any Environmental Law or in order to carry on lawfully the Business at the Property.

9.3 Hazardous Matter

No Hazardous Matter has been generated, used, kept, treated, transported, spilled, deposited, disposed of, discharged, emitted or otherwise dealt with or managed at, on, under or from any of the Properties.

9.4 No requirement for Remedial Action

There are no events, states of affairs, conditions, circumstances, activities, practices, incidents, or actions (including without limitation the generation, use, treatment, storage, transport, deposit, disposal, discharge or management of Hazardous Matter) which have occurred or are occurring or have been or are in existence at, in, under or about the Property or the Further Property or in or about the conduct of the Business which may or are liable to give rise to Environmental Liability including, for the avoidance of doubt, under the Contaminated Land Provisions.

9.5 No storage tanks

No storage tanks of any kind, including related pipework, are or have been located at any time whatsoever on or under any of the Properties.

9.6 Notice of claims

At no time has the any member of the Group had knowledge of and/or received any notice claim or other communication alleging any actual or potential Environmental Liability.

10. OTHER ASSETS

10.1 Title

10.1.1 Each Group Company has legal and beneficial title to all assets of relevant Group Company which are included in the Accounts or have otherwise been represented as being the property of relevant Group Company and (except for assets disposed of or realised by the relevant Group Company in the ordinary course of business) each Group Company retains such title to all such assets free from any Encumbrance, hire or hire purchase agreement or leasing agreement or agreement for payment on deferred terms and all such assets are in the possession and control of relevant Group Company and are sited within the United Kingdom.

10.1.2 No Group Company has acquired or agreed to acquire any material asset on terms that title to such asset does not pass to the relevant Group Company until full payment is made.

10.2 Encumbrances

Each Group Company has legal and beneficial title to all assets which have been acquired by the relevant Group Company since the Balance Sheet Date and the same are in the possession and control of the relevant Group Company and none is the subject of any Encumbrance nor has any Group Company created or agreed to create any Encumbrance or entered into any factoring arrangement, hire-purchase, conditional sale or credit sale agreement and in respect of any such Encumbrance, arrangement or

agreement disclosed there has been no default by the relevant Group Company in the performance or observance of any of the provisions thereof.

10.3 Condition of assets

The plant and machinery (including fixed plant and machinery) and all vehicles and office and other equipment shown in the Accounts or acquired since the Balance Sheet Date or otherwise used in connection with the Business which have not been disposed of in the ordinary course of business:-

10.3.1 so far as the Vendor is aware, do not contravene any requirement or restriction having the force of law;

10.3.2 are in satisfactory repair and condition, fully serviceable and in satisfactory working order;

10.3.3 are each capable of doing the work for which they were designed and/or purchased; and

10.3.4 are not surplus to the Group's requirements.

11. INSURANCE

11.1 Extent of insurance

All the assets of each Group Company which are of an insurable nature are and have at all material times been fully insured to their full replacement value with a well established and reputable insurer against fire and all other risks normally insured against by companies carrying on similar businesses or owning property of a similar nature to those of the relevant Group Company and each Group Company is and has at all material times been adequately covered against all legal liability and risks normally insured against by such companies (including liability to employees or third parties for personal injury or loss or damage to property, product liability and loss of profit).

11.2 Premiums and claims

Particulars of all policies of insurance of each Group Company now in force are set out in EXHIBIT E and such particulars are true and correct and all premiums due on such policies have been duly paid and so far as the Vendor is aware all such policies are valid and in force. So far as the Vendor is aware there are no circumstances which might lead to any liability under such insurance being avoided by the insurers or the premiums being increased. There is no claim outstanding under any such policies and so far as the Vendor is aware there are no circumstances likely to give rise to a claim.

12. LITIGATION

12.1 Litigation and arbitration proceedings

12.1.1 Save as plaintiff in the collection of debts (not exceeding 'L'50,000 in the aggregate) arising in the ordinary course of business, no Group Company is now engaged in any litigation or arbitration proceedings and there are no lawsuits or arbitration proceedings pending or threatened by or, so far as the Vendor is aware, against any Group Company or any person for whose acts or defaults any Group Company may be vicariously liable.

12.1.2 No Group Company has, in the three years prior to the date of this Agreement been involved in any material litigation, arbitration or material dispute with any person who is or was a supplier or customer of importance to the Group or the Business, or where such litigation, arbitration or dispute resulted so far as the Vendor is aware in adverse publicity or loss of goodwill.

12.1.3 So far as the Vendor is aware there is no matter or fact in existence which might give rise to any legal proceedings or arbitration involving any Group Company including any which might form the basis of any criminal prosecution against any Group Company.

12.2 Injunctions, etc

No injunction or order for specific performance has been granted against any Group Company within the last three years.

12.3 Orders and judgements

No Group Company is subject to any order or judgment given by any court or governmental agency which is still in force and has not given any undertaking to any court or to any third party arising out of any legal proceedings.

13. LICENCES

13.1 General

So far as the Vendor is aware, each Group Company has all necessary licences (including statutory licences), permits, consents and authorities (public and private) for the proper carrying on of the Business (including for the sale of products into the countries in which they are sold) and in the manner in which the Business is now carried on and, so far as the Vendor is aware, all such licences, permits, consents and authorities are valid and subsisting and the Vendor knows of no reason why any of them should be suspended, cancelled or revoked whether in connection with the sale to the Purchaser or otherwise and so far as the Vendor is aware there are no factors that might in any way prejudice the continuance or renewal of any of those licences, permits, consents or authorities and no Group Company is restricted by contract from carrying on any activity in any part of the world.

13.2 Financial Services Act

No Group Company carries on, or purports to carry on, nor have any of them at any time since 28th April, 1988 carried on, or purported to carry on, investment business in the United Kingdom within the meaning of section 3, Financial Services Act 1986 nor has it contravened any provision of such Act.

13.3 Data Protection Act 1984

Each Group Company has registered or applied to register all registrable personal data held by it and all due and requisite fees in respect of the registrations under the Data Protection Act 1984 have been paid. The details contained in such registrations or applications to register are correct, proper and suitable for the purpose(s) for which the relevant Group Company holds or uses the personal data which are the subject of such registrations or applications to register, and the contents of all such registrations or applications to register have been made available to the Purchaser. All personal data held by each Group Company has been held in accordance with the data protection principles and there has been no unauthorised disclosure of personal data held by any Group Company. There are no outstanding enforcement, deregistration or transfer prohibition notices or any other nature of notice under the Data Protection Act 1984 currently outstanding against any Group Company, nor is there any outstanding appeal against such notices nor is any Group Company aware of any circumstances which may give rise to the giving of any such notices to any Group Company. There are no unsatisfied requests to any Group Company made by data subjects in respect of personal data held by any Group Company, nor any outstanding applications for rectification or erasure of personal data. There are no outstanding claims for compensation for inaccuracy, loss or unauthorised disclosure of personal data nor is any personal data held by any Group Company inaccurate nor has any Group Company lost or made any unauthorised disclosure of any such data. Without prejudice to the specific provisions above, each Group Company and its employees have complied in all respects with the requirements of the Data Protection Act 1984. The Company has/has not registered or applied for a registration as a computer bureau.

14. TRADING

14.1 Tenders, etc

No offer, tender or the like is outstanding (the value of which to any Group Company could exceed 'L'50,000 in any year) which is capable of being converted into an obligation of any Group Company by an acceptance or other act of some other person.

14.2 Delegation of powers

There are in force no powers of attorney given by any Group Company other than to the holder of an encumbrance solely to facilitate its enforcement nor any other authority (express, implied or ostensible) given by any Group Company to any person to enter into any contract or commitment or do anything on its behalf other than any authority of employees to enter into routine trading contracts in the normal course of their duties.

14.3 Consequence of acquisition of Shares by Purchaser

The acquisition of the Shares by the Purchaser or compliance with the terms of this Agreement will not:-

- 14.3.1 so far as the Vendor is aware, cause any Group Company to lose the benefit of any right or privilege it presently enjoys or cause any person who normally does business with the Group not to continue to do so on the same basis as previously;
- 14.3.2 so far as the Vendor is aware, relieve any person of any obligation to any Group Company (whether contractual or otherwise) or legally entitle any person to determine any such obligation or any right or benefit enjoyed by any Group Company or to exercise any right whether under an agreement with or otherwise in respect of any Group Company;
- 14.3.3 conflict with or result in the breach of or constitute a default under any of the terms, conditions or provisions of any material agreement or instrument to which any Group Company is now a party or any loan to or mortgage created by any Group Company or of its memorandum or articles of association;
- 14.3.4 result in any present or future indebtedness of any Group Company becoming due and payable or capable of being declared due and payable prior to its stated maturity;
- 14.3.5 so far as the Vendor is aware, cause any director, officer or senior employee of any Group Company to leave employment;
- 14.3.6 so far as the Vendor is aware, conflict with, violate or result in a breach of any law, regulation, order, decree or writ applicable to any Group Company, or entitle any person to receive from any Group Company any finder's fee, brokerage or other commission; or
- 14.3.7 cause the payment of or give rise to any liability to pay any commission, royalty, success fee, procurement fee or any similar remuneration by any Group Company to any director, employee or shareholder of any Group Company or to any Connected Person;

and so far as the Vendor is aware (without having made any enquiry of them) the attitude or actions of clients, customers and suppliers with regard to each Group Company will not be prejudicially affected thereby.

14.4 Guarantees and warranties

No Group Company has given any guarantee or warranty or made any representation in respect of articles or trading stock, sold or contracted to be sold by it, save for any warranty or guarantee implied by law and (save as aforesaid) has not accepted any liability or obligation to service, maintain, repair, take back or otherwise do or not do anything in respect of any articles or stock that would apply after any such article or stock has been delivered by it.

14.5 Fair trading, etc.

So far as the Vendor is aware, no Group Company is or has been party to or directly or indirectly concerned in any agreement, arrangement, understanding or practice (whether or not legally binding) or in the pursuit of any course of conduct which is:-

14.5.1 registrable under the RTPA or capable of giving rise to an investigation by the Director-General of Fair Trading or a reference to the Monopolies and Mergers Commission;

14.5.2 in contravention or breach of The Treaty of Rome 1957, the Fair Trading Act 1973, the Consumer Credit Act 1974, the Resale Prices Act 1976, the Trade Descriptions Acts 1968, the RTPA, the Competition Act 1980, the Consumer Protection Act 1988, or any regulations, orders, notices or directions made thereunder; or

14.5.3 is otherwise registrable, unenforceable or void or renders the relevant Group Company or any of its officers liable to administrative, civil or criminal proceedings under any anti-trust, trade regulation or similar legislation in any jurisdiction where the relevant Group Company carries on business.

14.6 Restrictions on trading

No Group Company is or has been a party to any agreement, arrangement, understanding or practice restricting the freedom of the relevant Group Company to provide and take goods and services by such means and from and to such persons and into or from such place as it may from time to time think fit.

14.7 Possession of records

14.7.1 All title deeds and agreements to which each Group Company is a party and all other documents owned by, or which ought to be in the possession of, or held unconditionally to the order, of each Group Company are in the possession of the relevant Group Company.

14.7.2 No Group Company has any of its records, systems, controls, data or information recorded, stored, maintained, operated or otherwise wholly or partly dependent on or held by any means (including any electronic, mechanical or photographic process whether computerised or not) which (including all means of access thereto and therefrom) are not under the exclusive ownership and direct control of the relevant Group Company.

14.8 Business names

No Group Company uses on its letterhead, books or vehicles or otherwise carry on the Business under any name other than its corporate name.

14.9 Unlawful acts

No Group Company nor, so far as the Vendor is aware, any of their officers have been prosecuted for any criminal, illegal or unlawful act connected with the relevant Group Company.

14.10 Sensitive payments

So far as the Vendor is aware, no officer or employee of any Group Company has made or received any Sensitive Payment in connection with any contract or otherwise. For the purposes of this clause the expression "Sensitive Payments" (whether or not illegal) shall include (i) commercial bribes, bribes or kickbacks paid to any person, firm or company including central or local government officials or employees or (ii) amounts received with an understanding that rebates or refunds will be made in contravention of the laws of any jurisdiction either directly or through a third party or (iii) political contributions or (iv) payments or commitments (whether made in the form of commissions, payments or fees for goods received or otherwise) made with the understanding or under circumstances that would indicate that all or part thereof is to be paid by the recipient to central or local government officials or as a commercial bribe influence payment or kickback.

15. CONTRACTS

15.1 Onerous contracts

There are no long term contracts (i.e. contracts not terminable by the relevant Group Company without penalty on six months' notice or less) or onerous or unusual or abnormal contracts (i.e. contracts for capital commitments or contracts outside the ordinary course of business) binding upon any Group Company.

15.2 Material contracts

Lists of all contracts to which each Group Company is a party with a value in excess of 'L'100,000 are set out in EXHIBIT F and no Group Company is a party to or subject to any agreement, transaction, obligation, commitment, understanding, arrangement or liability which:-

- 15.2.1 so far as the Vendor is aware, is incapable of complete performance in accordance with its terms within six months after the date on which it was entered into or undertaken;
- 15.2.2 is known by the Vendor or by the relevant Group Company to be likely to result in a loss to the relevant Group Company on completion of performance;
- 15.2.3 so far as the Vendor is aware, cannot readily be fulfilled or performed by the relevant Group Company on time and without undue or unusual expenditure of money and effort;
- 15.2.4 requires an aggregate consideration payable by the relevant Group Company in excess of 'L'25,000;

- 15.2.5 involves or is likely to involve the supply of goods by or to the relevant Group Company the aggregate sales value of which will represent in excess of five per cent of the turnover of the relevant Group Company for the year ended on the Balance Sheet Date;
- 15.2.6 so far as the Vendor is aware, requires the relevant Group Company to pay any commission, finder's fee, royalty or the like;
- 15.2.7 is in any way otherwise than in the ordinary and proper course of the relevant Group Company's business.

15.3 Performance of contracts

- 15.3.1 The terms of all material contracts of each Group Company have been complied with by each Group Company and so far as the Vendor is aware by the other parties to the contracts in all material respects and, so far as the Vendor is aware, there are no circumstances likely to give rise to a default by any Group Company or by the other parties under any such contract.
- 15.3.2 There are no outstanding claims, separately or in the aggregate, of material amounts, against any Group Company on the part of customers or other parties in respect of defects in quality or delays in delivery or completion of contracts or deficiencies of design or performance or otherwise relating to liability for goods or services sold or supplied by any Group Company and, so far as the Vendor is aware, no such claims are threatened or anticipated and, so far as the Vendor is aware, there is no matter or fact in existence in relation to goods or services currently sold or supplied by any Group Company which might give rise to the same.
- 15.3.4 No Group Company has any knowledge of the invalidity of or grounds for rescission, avoidance or repudiation of any agreement or other transaction to which the relevant Group Company is a party and has received no notice of any intention to terminate, repudiate or disclaim any such agreement or other transaction.

15.4 Agreements as to pricing

- 15.4.1 All agreements or arrangements between any Group Company and any customer as regards the pricing of products sold by a Group Company are set out in writing and there have been no variations or changes to such agreements or arrangements other than as evidenced in writing.
- 15.4.2 There are no agreements or arrangements pursuant to which any Group Company has agreed to provide finished contact lenses to a customer at a price payable by the customer to the Group Company of less than 'L'1.15 per lens.

15.5 Agency and distribution agreements

No Group Company is a party to any subsisting agency or distributorship agreement.

16. EMPLOYEES

16.1 Particulars of employees

The particulars shown in the schedule of employees comprised in EXHIBIT G are true and complete and show in respect of each Director, officer and employee of each Group Company his date of birth, the date on which he commenced continuous employment with the relevant Group Company for the purposes of the EPCA and all remuneration payable and other benefits provided or which the relevant Group Company is bound to provide (whether now or in the future) to each such person and include full particulars of all remuneration arrangements (particularly profit sharing, incentive and bonus arrangements to which the relevant Group Company is a party whether binding or not) and each Director, officer and employee of each Group Company is listed therein.

16.2 Service contracts

There is no contract of service in force between any Group Company and any of its Directors, officers or employees which is not terminable by the relevant Group Company without compensation (other than any compensation payable pursuant to statute) on three month's notice given at any time. There are no consultancy or management services agreements in existence between any Group Company and any other person, firm or company, and no Trade Union is recognised by any Group Company.

16.3 Benefits

There are no amounts owing by any Group Company to any of its present or former directors, officers or employees other than not more than one month's arrears of remuneration accrued or due or for reimbursement of business expenses incurred within a period of three months preceding the date hereof.

16.4 Liabilities and payments

Save to the extent (if any) to which provision or allowance has been made in the Accounts:-

16.4.1 no liability has been incurred or is anticipated by any Group Company for breach of any contract of employment or for services or for severance payments or for redundancy payments or protective awards or for compensation for unfair dismissal or for failure to comply with any order for the reinstatement or re-engagement of any employee or for sex or race discrimination or for any other liability accruing from the termination or variation of any contract of employment or for services;

16.4.2 no gratuitous payment has been made or promised by any Group Company in connection with the actual or proposed termination,

suspension or variation of any contract of employment or for services of any present or former director, officer or any dependent of any present or former director, officer or employee of any Group Company; and

16.4.3 no Group Company has made or agreed to make any payment to or provided or agreed to provide any benefit for any present or former director, officer or employee of the relevant Group Company or any of their dependants.

16.5 Relevant legislation

So far as the Vendor is aware, each Group Company has in relation to each of its employees (and so far as relevant to each of its former employees) complied in all material respects with all obligations imposed on it by all relevant statutes, regulations and all relevant orders and awards made thereunder and has maintained adequate records regarding the service, terms and conditions of employment of each of its employees.

16.6 Termination of employment

No present director, officer or employee of any Group Company has given or received notice terminating his employment except as expressly contemplated under this Agreement and Completion of this Agreement will not entitle any employee to terminate his employment and/or trigger any entitlement to a severance payment or liquidated damages.

16.7 Share and other schemes

No Group Company has in existence nor has it promised to introduce any employee share trust, share incentive scheme, share option scheme or profit sharing scheme, other than the Scheme, for the benefit of all or any of its present or former directors, officers or employees or any of such persons dependants or any scheme whereunder any present or former director, officer or employee of any Group Company is entitled to a commission or remuneration of any other sort calculated by reference to the whole or part of the turnover, profits or sales of any Group Company or any other person, firm or company including (without limitation) any profit related pay scheme established under Chapter III, Part V, Taxes Act.

16.8 Disputes and claims

16.8.1 No dispute exists between any Group Company and a material number of its employees.

16.8.2 No Group Company has had during the last three year any strike, work stoppages or work-to-rule by its employees or lock-out, nor, so far as the Vendor is aware, is any anticipated, which has caused, or is likely to cause, any Group Company to be materially incapable of carrying on its business in the normal and ordinary course.

16.9 Transfer of undertakings

No Group Company has within the period of 1 year immediately preceding the date hereof been a party to relevant transfer as defined in TUPE.

17. PENSION SCHEMES

17.1 Personal pension schemes

There are set out in EXHIBIT H a list of members of the Aspect Vision Care Limited group personal pension scheme together with the rate of employer contribution payable in respect of each member, a note of the eligibility criteria for membership and a sample copy invitation to employees to join. Other than as set out in EXHIBIT H, no Group Company has any obligation to contribute to any personal pension scheme (as defined in section 630 of the Taxes Act). All employer contributions have been paid by their due date and there are no contributions payable but outstanding.

17.2 Other pension schemes

Other than as referred to in WARRANTY 17.1, the Aspect Pension Scheme No. 2 and the Averlan Pension Fund (the "Pension Schemes") (full particulars of which are contained in EXHIBIT I), no Group Company is or has been a party to any agreement or arrangement for the provision of pensions, allowances, lump sums or other like benefits on retirement, death or long-term ill health for the benefit of any current or former employee (or the dependants of such persons) nor has any Group Company provided or promised to provide any ex-gratia pensions, lump sums or like benefits for any current or former employee or their dependants. In respect of any employee who is covered for lump sum death benefits under any disclosed life assurance arrangement, that benefit is fully insured with an insurance company of good repute on normal terms and all premiums payable have been paid.

17.3 Statutory compliance

So far as the Vendor is aware, the Pension Schemes have at all times and in all respects complied with the provisions of all relevant UK statutes, regulations and requirements, all benefits under the Scheme are provided on a money purchase basis and there is no obligation upon any Group Company to make any further payments to the Pension Schemes other than as disclosed.

17.4 Proceedings

So far as the Vendors is aware, there are no claims or actions in progress or pending, nor any reason for such claims or actions, in respect of any pension arrangement.

18. INTELLECTUAL PROPERTY

18.1 Ownership and rights

18.1.1 EXHIBIT J lists all Registered Intellectual Property.

- 18.1.2 Each Group Company is the sole beneficial owner of such Intellectual Property as is attributed to it in EXHIBIT J save where it is expressed in EXHIBIT J that such is not the case.
- 18.1.3 Each Group Company owns all such Intellectual Property as is necessary for the development, manufacture, marketing and sale of its products or services or in relation to any of the processes employed in the Business at the date of this Agreement.
- 18.1.4 None of the Intellectual Property owned, used or exploited by any Group Company has been charged, mortgaged, licensed or otherwise encumbered.

18.2 Enforcement

- 18.2.1 The Intellectual Property owned, used or otherwise exploited by each Group Company is valid and subsisting and, so far as the Vendor is aware, none of the Registered Intellectual Property is the subject of outstanding or threatened disputes, claims or proceedings for cancellation, revocation, opposition, interference, rectification or contested ownership.
- 18.2.2 Registered Intellectual Property has been maintained and all renewal fees have been paid on time.
- 18.2.3 The Know-How owned, used or exploited by each Group Company has been kept secret and confidential and has not been disclosed to third parties except in the ordinary course of business.
- 18.2.4 No Group Company has taken any action likely to diminish the reputation of unregistered Trade Marks, owned, used or otherwise exploited by any Group Company.

18.3 Intellectual Property Agreements

- 18.3.1 EXHIBIT K lists all Intellectual Property Agreements.
- 18.3.2 So far as the Vendor is aware, all Intellectual Property Agreements are valid and binding and none has been the subject of any breach or default by any party or of any event which with notice or lapse of time or both would constitute a default.
- 18.3.3 So far as the Vendor is aware, there are no disputes, claims or proceedings arising out of or relating to the Intellectual Property Agreements.
- 18.3.4 No Group Company has authorised or otherwise permitted, expressly or by implication, any use whatsoever of the Intellectual Property nor granted to any third party any right or interest in respect of the Intellectual Property other than under the Intellectual Property Agreements.
- 18.3.5 All Intellectual Property Agreements have been duly recorded or registered with the proper authorities whenever a requirement to do so exists.

18.4 Infringement

18.4.1 No Group Company has infringed and nor do any infringe any Intellectual Property of a third party as a result of any Group Company's use or exploitation of the Intellectual Property owned, used or exploited by any Group Company nor, so far as the Vendor is aware, will such use or exploitation give rise to any such dispute claims or proceedings against any Group Company.

18.4.2 There are not and have not been any disputes, claims or proceedings threatened or in existence in any court or tribunal in respect of any of the Intellectual Property as such owned, used or exploited by any Group Company or in respect of any use or exploitation of the Intellectual Property owned, used or exploited by any Group Company.

18.4.3 So far as the Vendor is aware, there has been and is no current infringement by any third party of any of the Intellectual Property owned, used or exploited by any Group Company.

18.5 Trade Marks

All registered Trade Marks owned by any Group Company have been, and are being, used by the relevant Group Company in the course of its business in relation to the goods or services in respect of which they are registered and no Group Company has any reason to believe that any such Trade Mark may be struck off the register of trade marks as a result of non-use.

19. LEGISLATION

So far as the Vendor is aware, no Group Company is in breach of or has received notice of or is aware of any allegation of breach of the requirements of any legislation which is applicable to it.

PART 2

20. TAXATION

20.1 General

20.1.1 Notices and returns

All notices, returns, computations and registrations of each Group Company for the purposes of Taxation have been made punctually on a proper basis and are correct and none of them is, or, so far as the Vendor is aware, is likely to be, the subject of any dispute with any Taxation Authority.

20.1.2 Payment of Tax due

All Taxation which each Group Company is liable to pay prior to Completion has been or will be so paid prior to Completion.

20.1.3 Penalties or interest on Tax

No Group Company has within the period of six years ending on the date of this Agreement paid or since the Balance Sheet Date become liable to pay any material penalty, fine or surcharge charged by virtue of the provisions of the TMA or any other Taxation Statute.

20.1.4 Compliance with PAYE, national insurance contribution and Tax collection obligations

- (a) All income tax deductible and payable under the PAYE system and/or any other Taxation Statute has, so far as is required to be deducted, been deducted from all payments made by each Group Company and all amounts due to be paid to the Inland Revenue prior to the date of this Agreement have been so paid, including all Tax chargeable on benefits provided for directors, employees or former employees of each Group Company or any persons required to be treated as such.
- (b) All deductions and payments required to be made under any Taxation Statute in respect of national insurance and social security contributions (including employer's contributions) have been so made.
- (c) All payments by each Group Company to any person which ought to have been made under deduction of Tax have been so made and each Group Company (if required by law to do so) has accounted to the Inland Revenue for the Tax so deducted.
- (d) Proper records have been maintained in respect of all such deductions and payments and all applicable regulations have been complied with.

- (e) The Disclosure Documents contain details so far as they affect each Group Company of all current dispensations agreed with the Inland Revenue in relation to PAYE and all notifications given by the Inland Revenue under section 166, TA 88.

20.1.5 Investigations

No Group Company has in the period of four years ending on the date of this Agreement been subject to any visit, audit, investigation, discovery or access order by any Taxation Authority and, so far as the Vendor is aware, there are no circumstances existing which make it likely that a discovery or access order will be made.

20.1.6 No liability under section 23, TA 88

No Group Company has received a notice from the Collector of Taxes under the provisions of section 23, TA 88 which has not been complied with.

20.1.7 Tax provision

Proper provision or reserve has been made in the Accounts for all Taxation assessed or liable to be assessed on each Group Company or for which it is accountable in respect of income, profits or gains earned, accrued or received or deemed to be earned, accrued or received on or before the Balance Sheet Date, including distributions made down to such date or provided for in the Accounts.

20.1.8 Concessions and arrangements

The amount of Taxation chargeable on each Group Company during any accounting period ending on or within the six years before the Balance Sheet Date has not depended on any concessions, agreements or other formal or informal arrangements with any Taxation Authority.

20.1.9 Anti avoidance provisions

No Group Company has entered into or been a party to any scheme or arrangement of which the sole purpose was the avoidance of or the reduction in liability to Taxation.

20.1.10 Section 765, TA 88

No Group Company has without the prior consent of the Treasury carried out or agreed to carry out any transaction under section 765, TA 88 which would be unlawful in the absence of such consent and has, where relevant, complied with the requirements of section 765A(2), TA 88 (supply of information on movement of capital within the EU) and any regulations made or notice given thereunder.

20.1.11 Transactions requiring clearance or consent

All particulars furnished to any Taxation Authority in connection with an application for clearance or consent under any statutory provision by any Group Company or on its behalf or affecting any Group Company has been made and obtained on the basis of full and accurate disclosure to the relevant Taxation Authority of all relevant material facts and considerations; and any transaction for which clearance or consent was obtained, has been carried into effect only in accordance with the terms of the relevant clearance or consent.

20.1.12 Calculation of tax liability

Each Group Company has sufficient records relating to past events to permit accurate calculation of the Taxation liability or relief which would arise upon a disposal or realisation on completion of each asset owned by each Group Company at the Balance Sheet Date or acquired by each Group Company since that date but before Completion.

20.1.13 Claims and disclaimers

All Group Companies have duly submitted all claims and disclaimers the making of which have been assumed for the purposes of the Accounts.

20.1.14 Outstanding claims, elections and appeals

The Disclosure Documents contain full particulars of all matters relating to Taxation in respect of which the Company is or at Completion will be entitled:

- (a) to appeal against any assessment or determination relating to Taxation;
- (b) to apply for a postponement of Taxation.

20.1.15 Business Rates

All Business Rates which each Group Company is liable to pay prior to Completion have been or will be so paid prior to Completion.

20.2 Corporation tax, including corporation tax on chargeable gains

20.2.1 Base values and acquisition costs

If each of the capital assets of each Group Company was disposed of on the date hereof for a consideration equal to the book value of that asset in, or adopted for the purposes of, the Accounts or, in the case of assets acquired since the Balance Sheet Date, equal to the consideration given upon its acquisition, no liability to corporation tax on chargeable gains or balancing charges under the CAA would arise and for the purpose of determining the liability to corporation tax on chargeable gains there shall be disregarded any relief and allowances available to any Group Company other than amounts falling to be deducted under section 38, TCGA.

20.2.2 Capital allowances

All expenditure which any Group Company has incurred or may incur under any subsisting commitment on the provision of machinery or plant or buildings has qualified or will qualify (if not deductible as a trading expense for trade carried on by a Group Company) for writing-down allowances or industrial building allowances (as the case may be) under the CAA and where appropriate notices have been given to the Inland Revenue under section 118, Finance Act 1994.

20.2.3 Leased assets

No Group Company has made any claim for capital allowances in respect of any asset which is leased to or from or hired to or from any such Group Company and no election affecting a Group Company has been made or agreed to be under sections 53 or 55, CAA in respect of such assets.

20.2.4 Short life assets

No Group Company has made any election under section 37, CAA nor is any Group Company taken to have made such an election under section 37(8)(c), CAA.

20.2.5 Industrial buildings

None of the assets of any Group Company expenditure on which has qualified for a capital allowance under Part I, CAA has at any time whilst it has been in the ownership of any Group Company been used otherwise than as an industrial building or structure.

20.2.6 Distributions

- (a) No distribution within the meaning of sections 209, 210 and 211, TA 88 has been made by any Group Company after 5 April 1965 except dividends shown in its audited accounts and no Group Company is bound to make any such distribution.
- (b) No elections have been made pursuant to Section 246A, TA 88 in respect of any dividends.

20.2.7 Repayments of share capital

No Group Company has at any time after 6 April 1965 repaid, redeemed or repurchased or agreed to repay, redeem or repurchase or granted an option under which it may become liable to purchase any shares of any class of its issued share capital nor has any Group Company after that date capitalised or agreed to capitalise in the form of shares or debentures any profits or reserves of any class or description or otherwise issued or agreed to issue any share capital other than for the receipt of new consideration (within the meaning of Part VI, TA 88) or passed or agreed to pass any resolution to do so.

20.2.8 Demergers

No Group Company has been engaged in or been a party to any of the transactions set out in sections 213 to 218 inclusive, TA 88 nor has it made or received a chargeable payment as defined in section 218(1), TA 88.

20.2.9 Issues of securities

No securities (within the meaning of section 254(1), TA 88) issued by any Group Company and remaining in issue at the date of this Agreement were issued in such circumstances that the interest payable on them falls to be treated as a distribution under either sections 209(2)(d), 209(2)(da) or 209(2)(e), TA 88.

20.2.10 Land sold and leased back

No Group Company has entered into any transaction to which the provisions of section 779 or 780, TA 88 have been or is reasonably likely to be applied.

20.2.11 Foreign loan interest

No Group Company has, within the six years prior to the date of Completion received any foreign loan interest in respect of which double taxation relief will or may be restricted under section 798, TA 88.

20.2.12 Non-deductible payments

No rents, interest, annual payments or other sums of an income nature paid or payable by any Group or which any Group Company is under an existing obligation to pay in the future are or may be wholly or partially disallowable as deductions, management expenses or charges in computing profits for the purposes of corporation tax by reason of the provisions of sections 74, 79, 125, 338, 339, 779 to 784 inclusive, 787 or 788, TA 88.

20.2.13 Rent payable to connected persons

No rent is or has been payable by any Group Company to which the provisions of sections 33A and 33B, TA 88 have applied.

20.2.14 No unremittable income or gains

No claim has been made by any Group Company under sections 584 or 585, TA 88 or under section 279, TCGA.

20.2.15 Payments to directors, officers or employees

So far as the Vendor is aware, no Group Company has made or agreed to make any payment to or provided or agreed to provide any benefit for any Director or former director, officer or employee of a Group Company, whether as compensation for loss of office, termination of employment or

otherwise, which is not allowable as a deduction in calculating the profits of a Group Company for Taxation purposes whether up to or after the Balance Sheet Date.

20.2.16 Transfer pricing

No Group Company is a party to any transaction or arrangement under which it has paid or, so far as the Vendor is aware, will be obliged to pay in the future for any asset or any services or facilities of any kind an amount which is in excess of the market value of that asset or those services or facilities nor has any Group Company received nor, so far as the Vendor is aware, will it in the future receive any payment for an asset or any services or facilities of any kind that it has supplied or provided or is liable to supply or provide which is less than the market value of that asset or those services or facilities.

20.2.17 Transactions not at arm's length

No Group Company has disposed of or acquired any asset in circumstances falling within section 17, TCGA nor given any consideration to which section 128(1)(2), TCGA applies.

20.2.18 Chargeable debts

No Group Company is owed a debt, other than a debt on a security, on the disposal or satisfaction of which a liability to corporation tax on chargeable gains will arise by reason of section 251, TCGA.

20.2.19 Relief for loans to traders and qualifying corporate bonds

No claim for relief has been allowed to any Group Company pursuant to sections 253 and 254, TCGA in respect of any loan and no chargeable gain has arisen pursuant to section 253 (5), (6), (7) or (8) or section 254 (9) or (10), TCGA.

20.2.20 Chargeable policies

No Group Company has acquired benefits under any policy of assurance otherwise than as the original holder of legal and beneficial title.

20.2.21 Transfer of overseas trade

No Group Company has transferred a trade carried on by it outside the United Kingdom through a branch or agency to a company not resident in the United Kingdom in such circumstances that a chargeable gain has arisen under section 140, TCGA.

20.2.22 Restriction of straightline growth

No asset owned by any Group Company is subject to a deemed disposal and re-acquisition under schedule 2, TCGA so as to restrict the extent to which the gain or loss over the period of ownership may be apportioned by reference to straightline growth.

20.2.23 Other claims made by Group Companies

No Group Company has made a claim under any of the following:-

- (a) section 280, TCGA (tax on chargeable gains payable by instalments);
- (b) section 24(2), TCGA (assets of negligible value); or
- (c) section 242(2), TCGA (small part disposals of land).
- (d) section 139, Finance Act 1993 (deferral of unrealised exchange gains).

20.2.24 Gifts

No Group Company has received any assets by way of gift as mentioned in section 282, TCGA and no Group Company holds shares in a company to which section 125, TCGA could apply.

20.2.25 Non-resident companies

- (a) There has not accrued or arisen any income, profit or gain in respect of which any Group Company is liable to corporation tax by virtue of the provisions of section 13, TCGA or Chapter IV of Part XVII, TA 88.
- (b) No Group Company has been served with a notice in respect of the unpaid corporation tax liability of any company pursuant to section 191, TCGA.

20.2.26 Controlled foreign companies

No notice of the making of a direction under section 747, TA 88 has been received by any Group Company and, so far as the Vendor is aware, no circumstances exist which would entitle the Inland Revenue to make such a direction or to apportion any profits of a controlled foreign company to any Group Company pursuant to section 752, TA 88 .

20.2.27 Charges on non-residents

No Group Company has been a party to any transaction or arrangement whereby it is liable for Taxation under or by virtue of Part VIII, TMA.

20.2.28 Profit related pay

No scheme registered under Chapter III of Part V, TA 88 applies to any Group Company or any of its employees and no application for registration of a scheme so applying has been made.

20.2.29 Payment from pension funds

No Group Company has received a payment out of funds held for the purposes of an exempt approved scheme in respect of which an amount is recoverable by the Inland Revenue under section 601, TA 88.

20.2.30 Claims and elections

- (a) The Disclosure Documents contain full particulars of all claims and elections made (or assumed to be made) under sections 23, 152-162 or 165, 175, 247, 248, TCGA insofar as they could affect the chargeable gain or allowable loss which would arise in the event of a disposal by any Group Company of any of its assets, and indicates which assets (if any) so affected would not on a disposal give rise to relief under Schedule 4, TCGA.
- (b) The Disclosure Documents contain full particulars of elections made under
 - (i) Regulation 10 of The Exchange Gains and Losses (Alternative Method of Calculating of Gain or Loss) Regulations 1994 and whether or not such elections have been varied
 - (ii) Regulation 10 of the Local Currency Elections Regulations 1994 and such election is still valid.

20.3 Corporation tax - groups of companies

20.3.1 Group relief

The Disclosure Documents contain full particulars of all arrangements and agreements relating to group relief (as defined by section 402, TA 88) within the last six years to which any Group Company is or has been a party and:-

- (a) all claims by a Group Company for group relief were when made and are now valid and have been or will be allowed by way of relief from corporation tax;
- (b) no Group Company has made nor is liable to make any payment under any such arrangement or agreement save in consideration for the surrender of group relief; and
- (c) there are no outstanding payments due to any Group Company under any arrangement or agreement for any surrender of group

relief made by it and the payments are not liable to be refunded in whole or in part.

20.3.2 Surrender of advance corporation tax

The Disclosure Documents contain full particulars of all arrangements and agreements made within the six years prior to the date of Completion to which any Group Company is or has been a party relating to the surrender of advance corporation tax made or received by any Group Company under section 240, TA 88 and:-

- (a) no Group Company has paid nor is liable to pay for the benefit of any advance corporation tax which has become incapable of set-off against any Group Company's liability to corporation tax; and
- (b) there are no outstanding payments due to any Group Company under any arrangement or agreement for any surrender of advance corporation tax made by it and the payments are not liable to be refunded in whole or in part.

20.3.3 Acquisitions from group members

No tax has been or is reasonably likely to be assessed on any Group Company pursuant to section 190, TCGA in respect of any chargeable gain accrued prior to the date of this Agreement and no Group Company has at any time within the period of six years ending with the date of this Agreement transferred any asset other than trading stock including without limitation any transfer by way of share exchange within section 135, TCGA to any company which at the time of disposal was a member of the same group as defined in section 170, TCGA.

20.3.4 Leaving the group

The execution or completion of this Agreement or any other event since the Balance Sheet Date will not result in any chargeable asset being deemed to have been disposed of and re-acquired by any Group Company for Taxation purposes pursuant to section 178 or 179, TCGA or as a result of any other Event since the Balance Sheet Date.

20.3.5 Group income

The Disclosure Documents contain full particulars of all current elections made by each Group Company under section 247, TA 88 and all such elections are now in force and no Group Company has in the six years prior to the date of Completion paid any dividend without advance corporation tax or made any payment without deduction of income tax in the circumstances specified in section 247(6), TA 88 and no assessment has been made on any Group Company in respect of advance corporation tax which ought to have been paid or income tax which ought to have been deducted.

20.4 Close companies

20.4.1 Close company status

Each Group Company has at all times, in the six years prior to the date of Completion been a close company within the meaning of sections 414 and 415, TA 88.

20.4.2 Close investment-holding company status

No Group Company has, in the six years prior to the date of Completion been a close investment-holding company as defined in section 13A, TA 88.

20.4.3 Distributions

No distribution within section 418, TA 88 has ever been made by any Group Company.

20.4.4 Loans to participators

Any loans or advances made or agreed to be made by any Group Company within sections 419 and 420 or 422, TA 88 have been disclosed and no Group Company has released or written off or agreed to release or write off the whole or any part of any such loans or advances.

20.5 Inheritance tax

20.5.1 No transfers of value and associated operations

No Group Company has, in the six years prior to the date of Completion made any transfers of value within sections 94 and 202, ITA nor has any Group Company received a transfer of value such that liability has arisen under section 199, ITA nor has any Group Company knowingly been party to associated operations in relation to a transfer of value as defined by section 268, ITA.

20.5.2 Inland Revenue charge

There is no unsatisfied liability to inheritance tax attached to or attributable to the Shares or any asset of any Group Company and none of them are subject to an Inland Revenue charge as mentioned in section 237 and 238, ITA.

20.5.3 Power of sale, mortgage or charge

So far as the Vendor is aware, no asset owned by any Group Company nor the Shares are liable to be subject to any sale, mortgage or charge by virtue of section 212, ITA.

20.6 VAT

20.6.1 Returns and payments

- (a) Each Group Company is a taxable person duly registered for the purposes of VAT.
- (b) Each Group Company has complied with all statutory provisions, rules, regulations, orders and directions in respect of VAT, has promptly submitted accurate returns, and each Group Company maintains full and accurate VAT records, has never been subject to any interest, forfeiture, surcharge or penalty nor been given any notice under sections 59 or 64, VATA nor been given a warning within section 76(2), VATA nor has any Group Company been required to give security under paragraph 4 of Schedule 11, VATA.
- (c) VAT has been duly paid or provision has been made in the Accounts for all amounts of VAT for which each Group Company is liable.

20.6.2 Taxable supplies and input tax credit

No supplies made by any Group Company are exempt supplies and no Group Company has been denied full credit for all input tax by reason of the operation of sections 25 and 26, VATA and regulations made thereunder or for any other reasons and no VAT paid by any Group Company is not input tax as defined in section 24, VATA and regulations made thereunder.

20.6.3 VAT groups

No Group Company is or has been for VAT purposes a member of any group of companies other than the Group and no act or transaction has been effected in consequence whereof any Group Company is or may be held liable for any VAT arising from supplies made by another company.

20.6.4 Transactions between connected persons

No Group Company has been or, so far as the Vendor is aware, agreed to be party to any transaction or arrangement in relation to which a direction has been or could be made under paragraph 1 of Schedule 6, VATA or to which paragraph 2(3A) or 2(3AA) of Schedule 10, VATA applies.

20.6.5 Charge to VAT as agent or representative

No Group Company is or has agreed to become liable for VAT by virtue of section 47 and 48, VATA.

20.6.6 VAT and Properties

Each Group Company or its relevant associate for the purposes of paragraph 3(7) of Schedule 10, VATA has exercised the election to waive exemption from VAT (pursuant to paragraph 2 of schedule 10, VATA) only in respect of those Properties listed (as having been the subject of such an election) in the Disclosure Documents and no Group Company nor a

relevant associate of any Group Company has any obligation to exercise such an election in respect of any other of the Properties.

20.6.7 Capital goods scheme

No Group Company owns or has at any time within the period of ten years preceding the date hereof owned any assets which are capital items subject to the Capital Goods Scheme under Part XV of the VAT Regulations 1995.

20.6.9 Self billing

No Group Company has entered into any self billing arrangement in respect of supplies made by any other person nor has any Group Company at any time agreed to allow any such person to make out VAT invoices in respect of supplies made by such Group Company.

20.7 Stamp duty

20.7.1 Stamp duty

All stampable documents wheresoever executed (other than those which have ceased to have any legal effect) to which any Group Company is a party have been duly stamped in respect of Stamp Duty. Since the Balance Sheet Date no Group Company is or has been a party to any instrument in respect of which any penalty in respect of such duty will arise on any Group Company.

SCHEDULE 6

BASIS FOR PREPARATION OF THE COMPLETION ACCOUNTS

1. General Requirements

Subject to the provisions of PARAGRAPHS 2 to 4 hereof, the Completion Accounts shall be prepared under the historical cost convention and in accordance with accounting principles generally accepted in the United Kingdom (including Accounting Standards) and, subject as aforesaid, on a basis consistent with the balance sheets and profit and loss account of each Group Company made up to the Balance Sheet Date. PARAGRAPHS 2 and 3 shall have priority over PARAGRAPH 4.

2. Balance Sheet

2.1 A balance sheet shall be prepared for the Group setting out the value of the Net Assets.

2.2 For the purpose of preparing the balance sheet and calculating the Net Assets the following principles shall be applied:-

2.2.1 subject to PARAGRAPH 2.2.2, sums receivable in respect of debtors shall not be included at sums higher than the amounts collectable, making appropriate provision for doubtful debts;

2.2.2 debtors shall be given a zero value to the extent that gross aggregate debtors exceed 88 times the average daily sales in the period 1 August 1997 to 31 October 1997 (inclusive);

2.2.3 subject to PARAGRAPH 2.2.4, stocks and work-in-progress shall be valued at the lower of cost and net realisable value;

2.2.4 stocks and work-in-progress shall be given a zero value to the extent that gross aggregate stocks and work-in-progress exceed 123 times the average daily cost of sales in the period 1 August 1997 to 31 October 1997 (inclusive);

2.2.5 liabilities shall include accruals at the close of business on 31 October 1997;

2.2.6 no value shall be attributable to goodwill or any other intangible asset;

2.2.7 real and immovable property and other fixed assets shall be included at their net book value as at the Balance Sheet Date (or at cost if purchased after the Balance Sheet Date) less depreciation at rates calculated to write off the cost of the assets over the following periods:

(a) plant and machinery 3-7 years;

- (b) fixtures and fittings 3-7 years;
- (c) motor vehicles 4 years;
- (d) short leasehold properties the term of the lease;
consistent with previous accounting policies of the Group;

2.2.8 the amount of licence revenue due to Group Companies from Johnson & Johnson, Inc. in November 1997 shall be added for the purpose of calculating the Net Assets;

2.2.9 appropriate provision shall be included for employee redundancies and the costs of relocating the Berkhamsted facility, estimated at 'L'240,000;

2.2.10 the sum of 'L'100,000 shall be added for the purpose of calculating the Net Assets;

2.2.11 appropriate provision shall be included for the costs of removing the oil storage tanks, however one storage tank may be left in place provided that provision is included for the cost of bringing the oil storage tank up to a standard of best practice in accordance with relevant guidance issued by the Environment Agency or its predecessors to ensure, so far as possible, that the tank is not capable of leaking or discharging into the Environment;

2.2.12 appropriate provision shall be included for the removal of hydrocarbons from the shallow trench located on the Thermoking Property;

2.2.13 a provision of 'L'50,000 shall be included in respect of a termination payment due to Keith Preston;

2.2.14 the payment due from the Group to Keith Preston on Completion in the sum of 'L'200,000 shall not be included in calculation of the Net Assets;

2.2.15 a provision of 'L'90,000 shall be included in respect of the payment due to Hydron;

2.2.16 full provision shall be included in respect of bonuses payable to managers of the Group, estimated at 'L'30,000; and

2.2.17 adequate provision shall be made for all Taxation, including deferred taxation.

For the avoidance of doubt it is acknowledged by the parties hereto that certain of the matters referred to above (and, in particular but without detracting from the generality of the foregoing the item referred to in paragraph 2.2.8) will have occurred/will occur subsequently to 31st October 1997 but, solely for the purposes of the calculation of the Net Assets, it has been agreed between the parties that they will be taken into account.

3. Profit and loss account

Unless already taken into account, the following principles shall be observed in drawing up the profit and loss account of the Group which is to form part of the Completion Accounts:-

- 3.1 there shall be excluded any profits, gains or losses arising from any disposal of any immovable property or from any revaluation of immovable property or surpluses or deficits arising on currency transactions, whether or not such profits, gains, losses, surpluses or deficits are treated in the said accounts as items of an extraordinary or exceptional nature;
- 3.2 depreciation shall be deducted on the basis and by reference to the rates mentioned in PARAGRAPH 2.2.7 above;
- 3.3 any Taxation on profits and any subvention or other payment to any other company in lieu of payment of any such tax or in consideration of a surrender of group relief by the other company shall be deducted; and
- 3.4 the profits or losses shall be computed before paying any dividend or making appropriations of profit or allocations to or from reserves and before deducting any extraordinary item or making any prior year adjustment, as defined in SSAP 6.

4. True and fair view

The Completion Accounts shall show a true and fair view of the state of affairs of the Group at the close of business on 31 October 1997 and of the profits of the Group for the period beginning on the day immediately following the Balance Sheet Date and ending on 31 October 1997.

5. Changes in Accounting Standards

Unless otherwise taken into account in accordance with the preceding provisions of this schedule the Completion Accounts shall be prepared without regard to any changes in Accounting Standards from those applied in the preparation of the Accounts.

SCHEDULE 7
COMPLETION
PART 1 - DELIVERY OF DOCUMENTS BY VENDOR

On Completion, the Vendor shall deliver to the Purchaser:-

1. certificates of non-crystallisation from all persons holding security over the assets of the Group;
2. the Deed of Tax Covenant duly executed as a deed by the Vendor;
3. the Earn Out Agreement duly executed by the Vendor;
4. the Share Charge duly executed by the Vendor;
5. certificates in respect of all issued shares in the capital of each of the Subsidiaries; and
6. the written resignations in the agreed terms of all the Directors (except Anthony David Galley) of each Group Company (other than Aspect Vision Italia s.r.l. in respect of which the resignation of G. Grassi shall not be required) from their respective offices such resignations to take effect from Completion.

PART 2 - ACTIONS BY VENDOR

On Completion:

1. each of the Purchase Agreements shall be executed by the Sellers and completed in accordance with their terms;
2. a board meeting of each Group Company shall be held at which:
 - 2.1. in the case of the Companies, the transfers of the relevant Shares shall be passed for registration and registered (subject only to the same being duly stamped which shall be at the cost of the Purchaser);
 - 2.2. it shall be resolved to repay any loans made to the relevant Group Company by a director;
 - 2.3. it shall be resolved, in the case of Aspect Vision Care Limited and Contact Lens Technologies Limited, to make payments not exceeding (pound)1,500,000 in aggregate for the two companies, to the Patent Owners on account of royalties due to the Patent Owners;
 - 2.4. in the case of Aspect Vision Care Limited, the Service Agreements shall be approved and entered into;

2.5. the resignations referred to PARAGRAPHS 7 OF PART 1 shall be tendered and accepted so as to take effect at the close of the relevant meetings which they are tabled;

2.6. in the case of:

2.6.1. Aspect Vision Italia s.r.l., Gregory Fryling and the Vendor; and

2.6.2. Aspect Vision Care Limited, New Focus Health Care Limited, Contact Lens Technologies Limited, Focus Solution Limited, Aspect Speciality Limited, Averlan Company Limited, Aspect Contact Lens Limited, Gregory Fryling and Ian Bussey;

shall be appointed as additional directors; and

2.7. the accounting reference date shall be changed to 31 October.

PART 3 - DELIVERY OF DOCUMENTS AND ACTIONS BY THE PURCHASER

Subject as provided in CLAUSE 5.3, on Completion the Purchaser shall:-

1. enter into and complete the Purchase Agreements in accordance with their terms;
2. deliver to the Vendor a copy of the minutes of a meeting of the directors of the Purchaser:
 - 2.1 authorising the execution of this Agreement and related documents (such copy minutes being certified as correct by an officer of the Purchaser); and
 - 2.2 resolving to create and issue the Purchase Notes;
3. deliver to the Vendor a counterpart Deed of Tax Covenant duly executed as a deed by the Purchaser; and
4. deliver to the Vendor a counterpart of the Earn Out Agreement duly executed by the Purchaser.

PART 4 - DELIVERY OF DOCUMENTS AND ACTIONS BY TCC

Subject as provided in CLAUSE 5.3, on Completion TCC shall:

1. procure that CooperVision, Inc. delivers to the Vendor a counterpart of the Patent Licence duly executed by TCC;
2. deliver to the Vendor a copy of the minutes of a meeting of the directors of TCC:
 - 2.1 authorising the execution of this Agreement and related documents (such copy minutes being certified as correct by an officer of TCC); and
 - 2.2 authorising the execution of the instrument constituting the Purchase Notes.

SCHEDULE 8
LIMITATION OF VENDOR'S LIABILITY

PART 1 - GENERAL LIMITATIONS

1. Notwithstanding the provisions of CLAUSE 7, the Vendor shall not be liable in respect of a breach of any of the Warranties if and to the extent that the loss occasioned thereby has been recovered under the Indemnities or the Deed of Tax Covenant.
2. The Purchaser shall be obliged to take and shall procure that each Group Company shall take all reasonable steps to mitigate any loss in relation to circumstances which may give rise or have given rise to action against the Vendor under the Warranties and the Vendor shall not be liable for any loss or increased loss arising from any failure by the Purchaser to take such reasonable steps.
3. The Vendor shall not be liable in respect of any claim:-
 - 3.1 under the Warranties to the extent that the facts which might result in a claim or possible claim were Disclosed;
 - 3.2 under the Warranties or the Indemnities to the extent that the subject of the claim is specifically allowed or provided for or reserved in the Completion Accounts or has been included in calculating creditors or deducted in calculating debtors in the Completion Accounts or in the case of creditors or debtors is specifically referred to in the notes to the Completion Accounts;
 - 3.3 under the Warranties or, subject to the proviso in PARAGRAPH 3.3.4, the Indemnities to the extent that a claim arises or is increased:-
 - 3.3.1 wholly or partly from an act or omission, being outside of the ordinary course of the Business, occurring at the request of or with the written consent of the Purchaser or (on or after the date hereof) any Group Company or any of their directors, other officers, employees or agents;
 - 3.3.2 wholly or partly from an act or omission compelled by law;
 - 3.3.3 as a result of any increase in rates of Taxation since the Balance Sheet Date or as a result of the retrospective imposition of Taxation as a consequence of a change in the law enacted after the date of this Agreement;
 - 3.3.4 wholly or partly as a result of the passing or coming into force (other than in respect of the Contaminated Land Provisions) of or any change in any enactment, law, regulation, directive,

requirement or any published practice of any government, government department or agency or regulatory body (including but not limited to extra-statutory concessions of the Inland Revenue) after the date hereof whether or not having retrospective effect PROVIDED THAT the limitation in this PARAGRAPH 3.3.4 shall not apply so as to limit the liability of the Vendor under the Environmental Indemnity;

3.3.5 wholly or partly as a result of a change of accounting policy or practice of the Purchaser or any Group Company introduced after the date of this Agreement;

3.4 under the Warranties or the Indemnities to the extent that the Purchaser or any Group Company makes recovery under the terms of any insurance policy against any loss or damage it may suffer.

4. For the avoidance of doubt, the liability of the Vendor under the Warranties or the Indemnities shall not be limited by any contingent liability noted in the Completion Accounts unless a specific provision or reserve is also included in such accounts in which event PARAGRAPH 3.2 above shall apply.
5. The Purchaser shall reimburse to the Vendor an amount equal to any sum paid by the Vendor in respect of any breach of any of the Warranties or pursuant to the Indemnities which is subsequently recovered by the Purchaser or any Group Company from any third party, after deducting from such sum its reasonable costs received in connection with such recovery and any Taxation thereon.
6. If a claim is made by a third party against the Purchaser or any Group Company in respect of a matter in respect of which it appears that the Vendor is or may become liable under the Warranties, then the Purchaser shall as soon as reasonably practicable give notice thereof to the Vendor and, at the written request of the Vendor and subject to the Purchaser being indemnified and kept indemnified to its reasonable satisfaction against any claims, costs, expenses and other liabilities, the Purchaser shall take such action as the Vendor may reasonably require to avoid, dispute or compromise such claim and the Purchaser shall render to the Vendor all such assistance as the Vendor require in disputing such claim. Nothing in this PARAGRAPH 6 shall oblige the Purchaser to take any action where, in the opinion of the Purchaser, such action would cause damage to the goodwill of the Business of any part thereof. No claim by the Purchaser under the Warranties shall be prejudiced by:-
 - 6.1 any failure to give notice to the Vendor as aforesaid; or
 - 6.2 any decision by the Purchaser not to take any action requested by the Vendor in order to protect the goodwill of the Business or any part thereof.
7. If any claim is made by the Purchaser for breach of any of the Warranties or the Indemnities then, for the purpose of determining the amounts for which the

Vendor is liable as a result of such breach, there shall be taken into account and credit given for the amount by which at the date of such a claim any liability of the Group Companies provided for in the Completion Accounts has been discharged or satisfied below the amount provided therefore in the Completion Accounts.

8. The Tax Warranties shall not apply to Aspect Vision Italia s.r.l.

PART 2 - FINANCIAL LIMITATIONS UNDER THE WARRANTIES, INDEMNITIES AND THE DEED OF TAX COVENANT

9. The liability of the Vendor in respect of any claim:-

9.1 under the Warranties, the Indemnities or the Deed of Tax Covenant shall not arise unless and until the amount of such claim, when aggregated with the amount of any other such claim made against the Vendor under this Agreement or under the Deed of Tax Covenant (or which would have been made but for the operation of this PARAGRAPH 8) exceeds 'L'150,000 in which event all of such claim or claims shall be recoverable hereunder;

9.2 under the Warranties, the Indemnities or the Deed of Tax Covenant shall not (when aggregated with the amount of all other claims made against the Vendor under the Warranties, the Indemnities or the Deed of Tax Covenant) exceed twenty per cent (20%) of the Total Consideration (the "Cap"). For the purposes of this PARAGRAPH 9.2, the Total Consideration shall be calculated at the time the liability for the claim is due to be satisfied and shall be the aggregate of:-

9.2.1 the Cash Consideration;

9.2.2 the nominal value of the Purchase Notes;

9.2.3 the nominal value of the EOLN; and

9.2.4 the aggregate consideration paid by the Purchaser for such of the Earn Out Shares, or for the options over the Earn-Out shares, as have been purchased by the Purchaser pursuant to the Earn-Out Agreement at that date;

SO THAT where a claim is to be satisfied before the EOLN has been issued and/or the Earn Out Shares have been purchased and as a result of the calculation of the Cap at that time the claim is not satisfied in full, the balance of the amount payable in respect of the claim shall not be extinguished but shall remain outstanding and shall be paid by the Vendor at the time the EOLN is issued and/or Earn Out Shares are purchased to the extent that the Cap, recalculated at that time, increases.

PART 3 - TIME LIMITATIONS UNDER THE WARRANTIES
(OTHER THAN TAX WARRANTIES AND ENVIRONMENTAL WARRANTIES)

10. The liability of the Vendor in respect of any claim under the Warranties other than a claim in respect of the Tax Warranties or the Environmental Warranties shall cease on the second anniversary of Completion except in respect of matters which have been the subject of a bona fide written claim which is made before that date by or on behalf of the Purchaser to the Vendor which gives such reasonable details of all material aspects of the claim as are then available including the Purchaser's bona fide estimate of the amount thereof.

PART 4 - TIME LIMITATIONS UNDER THE TAX WARRANTIES

11. The liability of the Vendor in respect of any claim under the Tax Warranties shall cease on the sixth anniversary of Completion except in respect of matters which have been the subject of a bona fide written claim which is made before that date by or on behalf of the Purchaser to the Vendor which gives such reasonable details of all material aspects of the claim as are then available including the Purchaser's bona fide estimate of the amount thereof.

PART 5 - ENVIRONMENTAL WARRANTIES AND ENVIRONMENTAL INDEMNITY

12. The liability of the Vendor in respect of any claim under the Environmental Warranties or the Environmental Indemnity shall cease on the sixth anniversary of Completion, except in respect of matters which have been the subject of a bona fide written claim which is made before that date by or on behalf of the Purchaser to the Vendor which gives such reasonable details of all material aspects of the claim as are then available including the Purchaser's bona fide estimate of the amount thereof.

PART 6 - OTHER PROVISIONS

13. Any claim which may be made in respect of the Warranties shall be deemed to be withdrawn (if it has not been previously satisfied, settled or withdrawn) unless legal proceedings in respect of such claim shall have been commenced by the Purchaser against the Vendor within 12 months of the date of notification of the claim save that where notification is made by the Purchaser of a claim which is contingent such claim shall be deemed to be withdrawn unless legal proceedings in respect of such claim have been commenced within 6 months of the claim crystallising.
14. The rights of the Purchaser in respect of a breach of any of the Warranties shall not be affected by Completion.
15. This SCHEDULE 8 which, inter alia, regulates or otherwise affects the liability of the Vendor shall remain in full force and be fully applicable in all circumstances and, in particular (but without limitation), shall not be discharged in whole or in part by any breach of any of the Warranties or any claim against the Vendor in respect of the Warranties, the Indemnities or the Deed of Tax Covenant, whatever its nature or consequences, nor by any other matter whatsoever.

SCHEDULE 9
PART 1 - EXHIBITS

- Exhibit A - Accounts
- Exhibit B - Management Accounts
- Exhibit C - Memorandum and Articles of Association (Warranty 2.2)
- Exhibit D - Financial facilities (Warranty 7.2)
- Exhibit E - Insurance policies (Warranty 11.2)
- Exhibit F - Material contracts (Warranty 15.2)
- Exhibit G - Particulars of employees (Warranty 16.1)
- Exhibit H - List of members of group personal pension scheme (Warranty 17.1)
- Exhibit I - Particulars of Pension Schemes (Warranty 17.2)
- Exhibit J - Particulars of Intellectual Property (Warranty 18.1.1)
- Exhibit K - Intellectual Property Agreements (Warranty 18.3.1)

PART 2 - DOCUMENTS IN THE AGREED TERMS

AVC Agreement
AVI Agreement
CLT Agreement
Deed of Contribution
Deed of Tax Covenant
Directors resignation letters
Earn Out Agreement
NFHC Agreement
Non-Competition Agreements
Patent Licence
Purchase Notes
Service Agreements
Share Charge
Subordination Agreement

SCHEDULE 10
TCC STOCK OPTIONS

PART A - OPTIONS TO BE GRANTED AT EXCHANGE OF THIS AGREEMENT

(1) Name	(2) Entitlement to options
-------------	-------------------------------

B Bevis	13,800
I Atkinson	13,800
R Poole	13,800
I McDermott	13,800
G Grassi	13,800
F Lambertini	13,800
D Cooper	8,800
G Carroll	8,800
M Kelly	8,800
I Bussey	8,800
R Hilliard	3,800
K Edwards	3,800
G Cheater	3,800
B Ford	3,800
G Breslin	3,800
M May	3,800
K Askew	1,300
D Garrett	1,300
M Wade	1,300
C Vokes	1,300
M Lush	1,300

PART B - OPTIONS TO BE GRANTED AFTER THE DATE HEREOF

(1) Name	(2) Entitlement to options
-------------	-------------------------------

B Bevis	1,200
I Atkinson	1,200
R Poole	1,200
I McDermott	1,200
G Grassi	1,200
F Lambertini	1,200
D Cooper	1,200
G Carroll	1,200
M Kelly	1,200
I Bussey	1,200
R Hilliard	1,200
K Edwards	1,200
G Cheater	1,200
B Ford	1,200
G Breslin	1,200

M May	1,200
K Askew	1,200
D Garrett	1,200
M Wade	1,200
C Vokes	1,200
M Lush	1,200

PART C - OPTIONS TO BE GRANTED AT THE VENDOR'S DIRECTION

(1)	(2)
Name	Entitlement to options

Such persons as the Vendor may direct	Up to 62,500 in aggregate
---------------------------------------	---------------------------

Total	235,000

SIGNED by ANTHONY DAVID GALLEY)
in the presence of:-)
)

SIGNED by)
for and on behalf of)
ASPECT VISION HOLDINGS LIMITED)
in the presence of:-)

SIGNED by)
for and on behalf of)
THE COOPER COMPANIES, INC.)
in the presence of:-)

Dated November 1997

ANTHONY DAVID GALLEY (and Others) (1)

ASPECT VISION HOLDINGS LIMITED (2)

and

THE COOPER COMPANIES, INC. (3)

Agreement
for the sale and purchase
of the entire issued share capital
of NEW FOCUS HEALTH CARE LIMITED

Cameron McKenna
Mitre House
160 Aldersgate Street
London EC1A 4DD

T+44(0)171367 3000
F+44(0)171367 2000

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THIS AGREEMENT is made the day of November 1997

BETWEEN:-

- (1) The persons whose names and addresses are set out in column 1 of schedule 1 (the "Vendors"); and
- (2) ASPECT VISION HOLDINGS LIMITED (registered in England with number 3448379) whose registered office is at Mitre House, 160 Aldersgate Street, London, EC1A 4DD (the "Purchaser"); and
- (3) THE COOPER COMPANIES, INC. a company incorporated in Delaware whose principal office is at 6140 Stoneridge Mall Road, Suite 590, Pleasanton CA 94588 USA ("TCC").

WHEREAS:-

- (A) The Vendors are each shareholders in the Company.
- (B) The Purchaser wishes to purchase the entire issued share capital of the Company from the Vendors and the Vendors have each agreed to sell their respective shareholdings in the Company in each case upon and subject to the terms and conditions of this Agreement.

WHEREBY IT IS AGREED as follows:-

1. Definitions and interpretation

1.1 In this Agreement the following words and expressions have the meanings set opposite them:

- "Affiliate": in relation to any body corporate, any Holding Company or subsidiary undertaking of such body corporate or any subsidiary undertaking of a Holding Company of such body corporate;
- "Agreement": this Agreement including its recitals and the schedules hereto;
- "Business Day": a weekday (other than a Saturday) when banks are open for business in London;
- "CA 85": Companies Act 1985;
- "Cash Consideration": the cash consideration payable for the Shares as specified in clause 4.1;
- "Company": means New Focus Health Care Limited, a company registered in England and Wales under number 1847802 whose registered office is at Unit 2, South Point, Hamble, Southampton, Hampshire, S031 4RF;
- "Completion": completion of the sale and purchase of the Shares pursuant to this Agreement;

"Condition" the condition referred to in clause 2.1;

"Confidential Information": all information received or obtained by the Vendors or supplied to the Vendors in the negotiations leading to this Agreement and which relates to TCC or any of its subsidiaries;

"Deed of Contribution": the deed of contribution in the agreed terms to be entered into at Completion between the Purchaser, the Vendors and others;

"Earn Out Agreement" the agreement described as the Earn Out Agreement to be entered into, at completion of the Umbrella Agreement, between TCC, the Purchaser and Anthony David Galley;

"Encumbrance": any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement;

"EOLN": the loan note to be issued by the Purchaser to Anthony David Galley by way of further consideration for the Shares purchased from Anthony David Galley, in accordance with the terms of the Earn Out Agreement;

"Holding Company": a holding company within the meaning ascribed to such expression by sections 736 and 736A, CA 85;

"Non Competition Agreements": the agreements in the agreed terms to be entered into at Completion between the Purchaser and the Vendors relating to the protection of the goodwill of the business of the Company;

"OSI Indemnity": the indemnity agreement in the agreed terms to be entered into at Completion between TCC, A Galley, G Galley, B Bevis, I Atkinson, A Morland and W Brooker;

"Proceedings": any proceeding, suit or action arising out of or in connection with this Agreement;

"Purchase Notes": the loan notes in the agreed terms to be issued to the Vendors at Completion by the Purchaser and guaranteed by TCC;

"Purchaser's Solicitors": Cameron McKenna of Mitre House, 160 Aldersgate Street, London EC1A 4DD;

"RTPA": Restrictive Trade Practices Act 1976;

"Service Agreements": the service agreements in the agreed terms to be entered into between Aspect Vision Care Limited and

each of Anthony David Galley and Wilfred Trevor Brooker;

"Service Document": a writ, summons, order, judgment or other document relating to or in connection with any Proceedings;

"Shares": the shares in the capital of the Company set out in column (2) of schedule 1;

"Stock Exchange": London Stock Exchange Limited;

"Subordination Agreement": the subordination agreement in the agreed terms to be entered into at Completion between TCC, Keybank National Association and the holders of the Purchase Notes;

"subsidiary": a subsidiary within the meaning ascribed to such expression by sections 736 and 736A, CA 85;

"subsidiary undertaking": a subsidiary undertaking within the meaning ascribed to such expression by section 258, CA 85;

"Umbrella Agreement": the umbrella agreement of even date herewith relating to, inter alia, the sale and purchase of the Shares and entered into between the Purchaser, Anthony David Galley and TCC;

"VAT": value added tax;

"Vendors' Solicitors": Travers Smith Braithwaite of 10 Snow Hill, London, EC1A 2AL; and

"in the agreed terms": in the form agreed between the Vendors and the Purchasers and signed for the purposes of identification by or on behalf of each party.

- 1.2 The table of contents and headings in this Agreement are inserted for convenience only and shall not affect its construction.
- 1.3 Unless the context otherwise requires words denoting the singular shall include the plural and vice versa, references to any gender shall include all other genders and references to persons shall include bodies corporate, unincorporated associations and partnerships in each case whether or not having a separate legal personality. References to the word "include" or "including" are to be construed without limitation.
- 1.4 References to recitals, schedules and clauses are to recitals and schedules to and clauses of this Agreement unless otherwise specified and references within a schedule to paragraphs are to paragraphs of that schedule unless otherwise specified.
- 1.5 References in this Agreement to any statute, statutory provision or EC Directive include a reference to that statute, statutory provision or EC Directive as amended, extended, consolidated or replaced from time to time (whether before or after the date of this Agreement) and include any order, regulation, instrument or other subordinate legislation made under the relevant statute, statutory provision or EC Directive.

1.6 References to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include that which most approximates in that jurisdiction to the English legal term.

1.7 Any reference to "writing" or "written" includes faxes and any non-transitory form of visible reproduction of words.

1.8 References to times of the day are to London time and references to a day are to a period of 24 hours running from midnight to midnight.

2. Condition

2.1 Condition precedent

Subject to clause 2.3, this Agreement is subject to and conditional upon satisfaction of the condition in the Umbrella Agreement.

2.2 Time limit for satisfaction of Condition

If the condition in clause 2.1 has not been fulfilled or waived (by mutual agreement of the parties) by 31 December 1997 (or by such later date as may be agreed in writing between the parties) this Agreement shall thereupon become null and void ab initio and none of the parties shall have any rights against any other party hereunder.

2.3 Operative provisions

Notwithstanding clause 2.1, clauses 8, 10-16 (inclusive), 19 and 20 shall come into force on the execution and exchange of this Agreement and the remainder of this Agreement shall come into force on the fulfilment and/or waiver of the Condition.

2.4 Conduct of business pending Completion

Each of the Vendors hereby undertakes to the Purchaser to procure, to the extent that they are able, that the Company is run as set out in schedule 4 in respect of the period prior to Completion.

3. Sale and purchase

3.1 Obligation to sell and purchase and free from Encumbrances

Subject to the terms of this Agreement each of the Vendors shall sell, with effect from 1 November 1997, with full title guarantee and free from Encumbrances those Shares set opposite his name in column (2) of schedule 1 and the Purchaser shall purchase such Shares together with all rights attaching thereto with effect from 1 November 1997.

3.2 Dividends and distributions

From Completion the Purchaser shall be entitled to receive all dividends and distributions declared, paid or made by the Company in respect of the Shares on or after 1 November 1997.

3.3 Sale of all Shares

The Purchaser shall not be obliged to complete the purchase of any of the Shares hereunder unless the purchase of all the Shares is completed simultaneously.

4. Consideration

4.1 Consideration

The consideration for the Shares shall be:

4.1.1 the sum of 'L'5,361,051 payable in cash; and

4.1.2 the sum of 'L'8,931,614 to be satisfied by the issue of the Purchase Notes.

4.2 Entitlement to consideration

The consideration shall be allocated such that:

4.2.1 the Cash Consideration shall belong to the Vendors in the proportions set opposite their respective names in column (3) of schedule 1; and

4.2.2 the Purchase Notes shall be issued to the Vendors in the proportions set opposite their respective names in column (4) of schedule 1.

4.3 Further consideration

As further consideration for the Shares purchased from Anthony David Galley, the Purchaser hereby undertakes to issue to Anthony David Galley the EOLN at the time and in respect of the amount referred to in clause 4 of the Earn Out Agreement.

4.4 Reduction in consideration

Any payment made by the Vendors pursuant to the operation of the Deed of Contribution and clause 10 of the Umbrella Agreement, or any other payment made pursuant to this Agreement, shall be deemed to be pro tanto a reduction in the price paid for the Shares under this Agreement.

4.5 Guarantee of Purchase Notes

TCC agrees to guarantee the obligations of the Purchaser in respect of the Purchase Notes on the terms set out in the Purchase Notes.

5. Completion

5.1 Time and location

Subject as provided in clause 5.4, Completion shall take place at the offices of the Purchaser's Solicitors on the fifth day following satisfaction or waiver of the Condition or at such other place and/or on such other date as may be agreed in writing between the Purchaser and each of the Vendors.

5.2 Vendors' obligations

At Completion the Vendors shall deliver to the Purchaser each of the documents listed in part 1 of schedule 2.

5.3 Purchaser's obligations

Subject to the Vendors complying with their obligations under clause 5.2, the Purchaser shall at Completion deliver the documents and effect the actions listed in part 2 of schedule 2.

5.4 TCC's obligations

Subject to the Vendors complying with their obligations under clause 5.2, TCC shall at Completion deliver the documents and effect the transactions listed in part 3 of schedule 2.

5.5 Failure to comply

If in any respect material to the Purchaser the provisions of clause 5.2 and part 1 of schedule 2 or if in any respect material to the Vendors the provisions of clauses 5.3 and 5.4 and parts 2 and 3 of schedule 2 are not complied with on the date of Completion applicable under clause 5.1, the Purchaser or, as the case may be, the Vendors shall not be obliged to complete this Agreement and may:-

5.5.1 defer Completion to a date not more than twenty-eight days after the date set by clause 5.1 (and so that the provisions of this clause 5.4 shall apply to Completion as so deferred); or

5.5.2 proceed to Completion so far as practicable and without prejudice to their rights under this Agreement; or

5.5.3 rescind this Agreement without prejudice to their rights and remedies under this Agreement; or

5.5.4 waive all or any of the requirements contained in clause 5.2 or, as the case may be, clauses 5.3 and 5.4, at their discretion.

6. Waiver of pre-emption rights

The Vendors by their execution of this Agreement hereby waive any pre-emption rights in respect of the Shares conferred on them under the articles of association of the Company or otherwise.

7. RTPA

7.1 If there is any provision of this Agreement, or of any agreement or arrangement of which this Agreement forms part, which causes or would cause this Agreement or that agreement or arrangement to be subject to registration under the RTPA, then that provision shall not take effect until the day after particulars of this Agreement or of that agreement or arrangement (as the case may be) have been furnished to the Director General of Fair Trading pursuant to section 24, RTPA.

7.2 The Purchaser shall furnish such particulars as are referred to in clause 7.1 as soon as is reasonably practicable after the date of this Agreement and within the time limits specified in the RTPA and the Vendors undertake to provide such information and assistance as the Purchaser may reasonably require in connection therewith.

8. Announcements

8.1 Restrictions on announcements

No announcement shall be made in relation to the subject matter of this Agreement or a matter ancillary to this Agreement without the prior written consent of the other party save as may be required by any:-

8.1.1 law;

8.1.2 existing contractual arrangements; or

8.1.3 the Stock Exchange or the Panel on Takeovers and Mergers or any other applicable regulatory authority to which the Vendors are subject where such requirement has the force of law,

provided such communication shall be made only after consultation with the Purchaser.

8.2 Continuing effect

The restrictions contained in this clause shall continue to apply after Completion without limit in time.

8.3 Legal and regulatory requirements

The Purchaser and the Vendors undertake to provide all such information known to them or which on reasonable enquiry ought to be known to them as may reasonably be required by the Vendors or the Purchaser for the purpose of complying with the requirements of law or of any applicable regulatory authority to which either party is subject where such requirement has the force of law.

9. Implied covenants for title and further assurance

9.1 The Law of Property (Miscellaneous Provisions) Act 1994 ("LPMPA") applies to all dispositions of property made under or pursuant to this Agreement save that the word "reasonably" shall be deleted from the covenant set out in section 2(1)(b), LPMPA, and the covenant set out in section 3(1), LPMPA shall not be qualified by the words "other than any charges, incumbrances or rights which that person does not and could not reasonably be expected to know about."

10. Assignment

10.1 No party may assign the benefit of this Agreement whether absolutely or by way of security except in the case of an absolute assignment of all or part by the Purchaser to an Affiliate of the Purchaser and provided and so long as it remains an Affiliate (failing which the benefit of this Agreement shall no longer be available to such assignee nor to any assignor) save that the Purchaser may assign such benefit absolutely or by way of security to a person other than an Affiliate of the Purchaser with the prior consent in writing of the Vendors such consent not to be unreasonably withheld or delayed and any purported assignment in contravention of this clause shall be ineffective.

10.2 Subject to clause 10.1, this Agreement shall be binding upon and ensure for the benefit of the personal representatives and assigns and successors in title of each of the parties.

11. Remedies cumulative

11.1 The rights, powers and remedies provided in this Agreement or expressly referred to herein are cumulative and do not exclude any rights, powers or remedies provided by law or by any other document other than this Agreement.

11.2 Nothing in this Agreement or in any document in the agreed terms shall be read or construed as excluding any liability or remedy as a result of fraud.

12. Waiver, variation and release

12.1 No omission to exercise or delay in exercising on the part of any party to this Agreement any right, power or remedy provided by law or under this Agreement shall constitute a waiver of such right, power or remedy or any other right, power or remedy or impair such right, power or remedy. No single or partial exercise of any such right, power or remedy shall preclude or impair any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under this Agreement.

12.2 Any waiver of any right, power or remedy under this Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated any waiver shall be effective only in the instance and only for the purpose for which it is given.

12.3 No variation to this Agreement shall be of any effect unless it is agreed in writing and signed by or on behalf of each party.

13. Costs and expense

13.1 General

Save as otherwise stated in this Agreement or in the Umbrella Agreement, each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and other agreements forming part of the transaction.

13.2 Group companies to pay no costs

For the avoidance of doubt, neither the Company nor any of its subsidiaries shall pay any legal or other professional charges and expenses in connection with any investigation of the affairs of the Company or the negotiation, preparation, execution and carrying into effect of this Agreement or any other agreement forming part of the transaction.

14. Notices

14.1 Any communication to be given in connection with the matters contemplated by this Agreement shall except where expressly provided otherwise be in writing and shall either be delivered by hand or sent by first class pre-paid post or sent by air mail. Delivery by courier shall be regarded as delivery by hand.

14.2 Such communication shall be sent to the address of the relevant party referred to in this Agreement or to such other address as may previously have been communicated to the other party in accordance with this clause. Each communication shall be marked for the attention of the relevant person.

14.3 A communication shall be deemed to have been served:-

14.3.1 if delivered by hand at the address referred to in clause 14.2, at the time of delivery;

14.3.2 if sent by first class pre-paid post to the address referred to in clause 14.2, at the expiration of two clear days after the time of posting; and

14.3.3 if sent by air mail to the address referred to in clause 14.2, at the expiration of five clear days after posting.

If a communication would otherwise be deemed to have been delivered outside of normal business hours (being 9:30 a.m. to 5:30 p.m. on a Business Day) in the time zone of the territory of the recipient under the preceding provisions of this clause, it shall be deemed to have been delivered at the opening of business on the next Business Day.

14.4 In proving service of the communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a first class pre-paid letter or air mail letter.

14.5 A party may notify the other parties to this Agreement of a change to its name, relevant person or address for the purposes of clause 14.2 PROVIDED THAT such notification shall only be effective on:-

14.5.1 the date specified in the notification as the date on which the change is to take place; or

14.5.2 if no date is specified or the date specified is less than five clear Business Days after the date on which notice is deemed to have been served, the date falling five clear Business Days after notice of any such change is deemed to have been given.

14.6 For the avoidance of doubt, the parties agree that the provisions of this clause shall not apply in relation to the service of Service Documents.

15. Counterparts

15.1 This Agreement may be executed in any number of counterparts and by the parties on different counterparts, but shall not be effective until each party has executed at least one counterpart.

15.2 Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same Agreement.

16. Language

16.1 This Agreement is drawn up in the English language and if this Agreement is translated into any language other than English, the English language text shall prevail.

16.2 Each notice, instrument, certificate or other communication to be given by one party to another hereunder or in connection with this Agreement shall be in the English language (being the language of negotiation of this Agreement) and in the event that

such notice, instrument, certificate or other communication or this Agreement is translated into any other language, the English language text shall prevail.

17. Invalidity

Each of the provisions of this Agreement is severable. If any such provision is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability in that jurisdiction of the remaining provisions of this Agreement of that provision or any other provision of this Agreement, shall not in any way be affected or impaired thereby.

18. Agreement to continue in full force and effect

This Agreement shall, to the extent that it remains to be performed, continue in full force and effect notwithstanding Completion.

19. Confidentiality

19.1 The Vendors hereby undertake with the Purchaser that they shall both during and after the term of this Agreement keep confidential and not directly or indirectly reveal, report, publish, disclose or transfer or use for their own or any other purposes Confidential Information except:-

19.1.1 in the circumstances set out in clause 19.2; or

19.1.2 to the extent otherwise expressly permitted by this Agreement; or

19.1.3 with the prior consent in writing of the party to whose affairs such Confidential Information relates.

19.2 The circumstances referred to in clause 19.1.1 above are:-

19.2.1 where the Confidential Information, before it is furnished to or comes into the knowledge or possession of any of the Vendors, is in the public domain; or

19.2.2 where the Confidential Information, after it is furnished to or comes into the knowledge or possession of the Vendors enters the public domain otherwise than as a result of (a) a breach by any of the Vendors of their obligations in this clause 19 or (b) a breach by the person who disclosed that Confidential Information of his confidentiality obligation and the relevant Vendor is aware of such breach; or

19.2.3 if and to the extent that any of the Vendors make disclosure of the Confidential Information to any person:-

(a) in compliance with any requirement of law; or

(b) in response to a requirement of the Stock Exchange or the Panel on Take-overs and Mergers or any other applicable regulatory authority to which any of the Vendors are subject where such requirement has the force of law; or

(c) in order to obtain tax or other clearances or consents from the Inland Revenue or other relevant taxing or regulatory authorities; or

19.2.4 to the consultants and professional advisers of the Vendors, in each case on the basis that they will comply with the Vendors' obligations of confidence hereunder,

PROVIDED THAT any such information disclosable pursuant to clauses 19.2.3 (a), (b) or (c) shall be disclosed to the extent permitted by law and only after consultation with the other party.

19.3 The restrictions contained in this clause shall continue to apply after the Completion without limit in time.

20. Governing law and jurisdiction

20.1 English law

This Agreement shall be governed by and construed in accordance with English law.

20.2 Courts of England and Wales

The parties to this Agreement irrevocably agree that the courts of England shall have non-exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement and that accordingly any Proceedings may be brought in such courts.

20.3 Acceptance by Vendors

For the avoidance of doubt, the Vendors expressly and specifically agree and accept the terms of this clause and sign below in recognition of this fact.

AS WITNESS the hands of the parties or their duly authorised representatives on the date first appearing at the head of this Agreement.

Schedule 1
The Vendors

(1) Name and address and facsimile number (if any)	(2) Number of Shares	(3) Entitlement to Cash Consideration ('L')	(4) Entitlement to Purchase Notes ('L')
Geoffrey Harrison Galley Red Lodge, The Close, Totteridge, London N20 8PJ	221,303	3,080,171	2,053,447
Anthony David Galley Beacon Wey, The Hangers, Bishops Waltham, S032 1FZ	261,302	1,515,371	2,046,113
Wilfred Trevor Brooker Grimbles Barn, Buckland Village, Aston Clinton, Buckinghamshire HP22 5HY	208,303	Nil	4,832,054
Brooker Family Trust Grimbles Barn, Buckland Village, Aston Clinton, Buckinghamshire HP22 5HY	33,000	765,509	Nil
Totals	----- 723,908 -----	----- 5,361,051 -----	----- 8,931,614 -----

Schedule 2
Completion
Part 1 - Delivery of documents by Vendors

On Completion, the Vendors shall deliver to the Purchaser:-

1. transfers of such of the Shares as are held by each of the Vendors duly executed by the registered holder in favour of the Purchaser or its nominee(s) together with the relevant share certificates in the name of the registered holder;
2. a counterpart of the Deed of Contribution duly executed by the Vendors;
3. a counterpart of the Subordination Agreement duly executed by those Vendors who receive Purchase Notes;
4. the Service Agreements duly executed by A. Galley and T. Brooker;
5. the Non Competition Agreements duly executed by the Vendors;
6. the OSI Indemnity duly executed by those Vendors who are to be a party to it;
7. such waivers, consents or other documents (including any power of attorney under which any document required to be delivered under part 1 of this schedule 2 has been executed) in the agreed terms to enable the Purchaser and its nominee(s) to be registered as the holders of the Shares sold by the Vendors; and
8. an irrevocable power of attorney in the agreed terms executed by each of the Vendors in favour of the Purchaser or its nominee(s) to enable the beneficiary (pending registration of the transfers of the Shares sold by the Vendors) to exercise all voting and other rights attaching to the Shares sold by the Vendors and to appoint proxies for this purpose.

Part 2 - Delivery of documents and actions by the Purchaser

Subject as provided in clause 5.3, on Completion the Purchaser shall:-

1. pay the Cash Consideration by way of electronic transfer for same day value to the Vendors' Solicitors who are irrevocably authorised to receive the same and whose receipt shall be an effective discharge of the Purchaser's obligation to pay such sum and the Purchaser shall not be concerned to see to the application or be answerable for the loss or misapplication of such sums;
2. deliver certificates in respect of the Purchase Notes, duly issued, to such of the Vendors as are to receive the same;
3. deliver a counterpart of the Deed of Contribution, duly executed by the Purchaser;
4. counterparts of the Non Competition Agreements duly executed by the Purchaser;
5. deliver to each of the Vendors a copy of the minutes of a meeting of the directors of the Purchaser:
 - 5.1 authorising the execution of this Agreement and related documents (such copy minutes being certified as correct by an officer of the Purchaser); and

5.2 resolving to create and issue the Purchase Notes.

Part 3 - Delivery of documents and actions by TCC

Subject as provided in clause 5.4, on Completion TCC shall:

1. execute the instrument constituting the Purchase Notes by way of guaranteeing the obligations of the Purchaser thereunder;
2. deliver a counterpart of the Deed of Contribution duly executed by TCC;
3. deliver a counterpart of the Subordination Agreement duly executed by TCC;
4. deliver a counterpart of the OSI Indemnity duly executed by TCC;
5. deliver to the Vendors a copy of the minutes of a meeting of the directors of TCC authorising the execution of:
 - 5.1 the instrument constituting the Purchase Notes; and
 - 5.2 this Agreement.

Schedule 3
Documents in the agreed terms

Consents, waivers and powers of attorney re: sale of Shares
Deed of Contribution
Non Competition Agreements
OSI Indemnity
Powers of Attorney
Purchase Notes
Service Agreements
Subordination Agreement

Schedule 4
Conduct of business pending Completion

- (i) The business of the Company will be carried on as a going concern and in the normal course.
- (ii) No physical assets of the Company shall be removed from any property of the Company save in the ordinary course of normal day to day trading.
- (iii) The Vendors will use all reasonable endeavours to maintain the trade and trade connections of the Company.
- (iv) All debts which the Company incurs in the normal course of the business will be settled within the applicable periods of credit.
- (v) The Company will not enter into modify or agree to terminate any material contract (other than in the ordinary course of business) or incur any capital expenditure on any individual item for an amount in excess of 'L'100,000.
- (vi) The Company will not appoint or employ any new employees or consultants at an annual salary or rate of remuneration in excess of 'L'30,000.
- (vii) The Company will not alter materially or agree to alter materially the terms and conditions of employment (including benefits) of any of its employees and no Vendor will induce or endeavour to induce any of such employees to terminate their employment prior to Completion other than for a justifiable reason.
- (viii) The Company will not dispose of any material assets used or required for the operation of the business of the Company (otherwise than in the ordinary course of business) or enter into any other transaction otherwise than in the ordinary course of business.
- (ix) The Company will not create any mortgages, charges, or other encumbrances over its assets or undertakings nor give any guarantees or indemnities in respect of any third party otherwise than in the ordinary course of businesses.
- (x) Save for debt collection in the ordinary course of business, the Company will not institute, settle or agree to settle any legal proceedings relating to the business of the Company.
- (xi) The Company will not grant or modify or agree to terminate any rights or enter into any agreement relating to intellectual property or otherwise permit any of its rights relating to the intellectual property to lapse.
- (xii) The Purchaser will be given full details of any material changes in the business, financial position and/or assets of the Company from the date hereof prior to Completion.
- (xvi) All the insurance policies of the Company shall be continued for at least the same amount and on no less favourable terms than as before.

SIGNED by Geoffrey Harrison Galley)
in the presence of:-)

SIGNED by Anthony David Galley)
in the presence of:-)
)

SIGNED by Wilfred Trevor Brooker)
in the presence of:-)

SIGNED by)
)
for and on behalf of)
THE BROOKER FAMILY TRUST)
in the presence of:-)

SIGNED by)
)
for and on behalf of)
ASPECT VISION HOLDINGS LIMITED)
in the presence of:-)

SIGNED by)
)
for and on behalf of)
THE COOPER COMPANIES, INC.)
in the presence of:-)

Dated November 1997

IAN ARTHUR MCDERMOTT (AND OTHERS) (1)

ASPECT VISION HOLDINGS LIMITED (2)

AND

THE COOPER COMPANIES, INC. (3)

Agreement
for the sale and purchase
of 34.17% of the issued share capital
of ASPECT VISION CARE LIMITED

CAMERON MCKENNA
MITRE HOUSE
160 ALDERSGATE STREET
LONDON EC1A 4DD

T + 44(0)171-367 3000
F + 44(0)171-367 2000

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THIS AGREEMENT is made the day of November 1997

BETWEEN:-

- (1) The persons whose names and addresses are set out in COLUMN 1 of SCHEDULE 1 (the "Vendors"); and
- (2) ASPECT VISION HOLDINGS LIMITED (registered in England with number 3448379) whose registered office is at Mitre House, 160 Aldersgate Street, London EC1A 4DD (the "Purchaser"); and
- (3) THE COOPER COMPANIES, INC. a company incorporated in Delaware whose principal office is at 6140 Stoneridge Mall Road, Suite 590, Pleasanton CA 94588 USA ("TCC").

WHEREAS:-

- (A) The Vendors are each shareholders in the Company.
- (B) The Purchaser wishes to purchase 34.17% of the issued share capital of the Company from the Vendors and the Vendors have each agreed to sell their respective shareholdings in the Company in each case upon and subject to the terms and conditions of this Agreement.

WHEREBY IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement the following words and expressions have the meanings set opposite them:

- "AFFILIATE": in relation to any body corporate, any Holding Company or subsidiary undertaking of such body corporate or any subsidiary undertaking of a Holding Company of such body corporate;
- "AGREEMENT": this Agreement including its recitals and the schedules hereto;
- "BUSINESS DAY": a weekday (other than a Saturday) when banks are open for business in London;
- "CA 85": Companies Act 1985;
- "CASH CONSIDERATION": the cash consideration payable for the Shares as specified in CLAUSE 4.1;
- "COMPANY": means Aspect Vision Care Limited, a company registered in England and Wales under number 01134463 whose registered office is at Unit 2, South Point, Hamble, Southampton, Hampshire, SO31 4RF;
- "COMPLETION": completion of the sale and purchase of the Shares pursuant to this Agreement;

"CONDITION" the condition referred to in CLAUSE 2.1;

"CONFIDENTIAL INFORMATION": all information received or obtained by the Vendors or supplied to the Vendors in the negotiations leading to this Agreement and which relates to TCC or any of its subsidiaries;

"DEED OF CONTRIBUTION": the deed of contribution in the agreed terms to be entered into at Completion between the Purchaser, the Vendors and others;

"ENCUMBRANCE": any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement;

"HOLDING COMPANY": a holding company within the meaning ascribed to such expression by sections 736 and 736A, CA 85;

"NON COMPETITION AGREEMENTS": the agreements in the agreed terms to be entered into at Completion between the Purchaser and the Vendors relating to the protection of the goodwill of the business of the Company;

"PROCEEDINGS": any proceeding, suit or action arising out of or in connection with this Agreement;

"OSI INDEMNITY": the indemnity agreement in the agreed terms to be entered into at Completion between TCC, A Galley, G Galley, B Bevis, I Atkinson, A Morland and W Brooker;

"PURCHASE NOTES": the loan notes in the agreed terms to be issued to the Vendors at Completion by the Purchaser and guaranteed by TCC;

"PURCHASER'S SOLICITORS": Cameron McKenna of Mitre House, 160 Aldersgate Street, London EC1A 4DD;

"RTPA": Restrictive Trade Practices Act 1976;

"SHARES": the shares in the capital of the Company set out in COLUMN (2) of SCHEDULE 1;

"SERVICE AGREEMENTS": the service agreements in the agreed terms to be entered into between Aspect Vision Care Limited and each of I. McDermott, R. Poole, B. Bevis and I. Atkinson;

"SERVICE DOCUMENT": a writ, summons, order, judgment or other document relating to or in connection with any Proceedings;

"STOCK EXCHANGE": London Stock Exchange Limited;

"SUBORDINATION AGREEMENT": the subordination agreement in the agreed terms to be entered into at Completion between TCC, Keybank National Association and the holders of the Purchase Notes;

"SUBSIDIARY": a subsidiary within the meaning ascribed to such expression by sections 736 and 736A, CA 85;

"SUBSIDIARY UNDERTAKING": a subsidiary undertaking within the meaning ascribed to such expression by section 258, CA 85;

"UMBRELLA AGREEMENT": the umbrella agreement of even date herewith relating to, inter alia, the sale and purchase of the Shares and entered into between the Purchaser, Mr Anthony D. Galley and TCC;

"VAT": value added tax;

"VENDORS' SOLICITORS": Travers Smith Braithwaite of 10 Snow Hill, London, EC1A 2AL; and

"IN THE AGREED TERMS": in the form agreed between the Vendors and the Purchasers and signed for the purposes of identification by or on behalf of each party.

- 1.2 The table of contents and headings in this Agreement are inserted for convenience only and shall not affect its construction.
- 1.3 Unless the context otherwise requires words denoting the singular shall include the plural and vice versa, references to any gender shall include all other genders and references to persons shall include bodies corporate, unincorporated associations and partnerships in each case whether or not having a separate legal personality. References to the word "include" or "including" are to be construed without limitation.
- 1.4 References to recitals, schedules and clauses are to recitals and schedules to and clauses of this Agreement unless otherwise specified and references within a schedule to paragraphs are to paragraphs of that schedule unless otherwise specified.
- 1.5 References in this Agreement to any statute, statutory provision or EC Directive include a reference to that statute, statutory provision or EC Directive as amended, extended, consolidated or replaced from time to time (whether before or after the date of this Agreement) and include any order, regulation, instrument or other subordinate legislation made under the relevant statute, statutory provision or EC Directive.
- 1.6 References to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include that which most approximates in that jurisdiction to the English legal term.
- 1.7 Any reference to "writing" or "written" includes faxes and any non-transitory form of visible reproduction of words.
- 1.8 References to times of the day are to London time and references to a day are to a period of 24 hours running from midnight to midnight.

2. CONDITION

2.1 Condition precedent

Subject to CLAUSE 2.3, this Agreement is subject to and conditional upon satisfaction of the condition in the Umbrella Agreement.

2.2 Time limit for satisfaction of Condition

If the condition in CLAUSE 2.1 has not been fulfilled or waived (by mutual agreement of the parties) by 31 December 1997 (or by such later date as may be agreed in writing between the parties) this Agreement shall thereupon become null and void ab initio and none of the parties shall have any rights against any other party hereunder.

2.3 Operative provisions

Notwithstanding CLAUSE 2.1, CLAUSES 8, 10-16 (inclusive), 19 and 20 shall come into force on the execution and exchange of this Agreement and the remainder of this Agreement shall come into force on the fulfilment and/or waiver of the Condition.

2.4 Conduct of business pending Completion

Each of the Vendors hereby undertakes to the Purchaser to procure, to the extent that they are able, that the Company is run as set out in SCHEDULE 4 in respect of the period prior to Completion.

3. SALE AND PURCHASE

3.1 Obligation to sell and purchase and free from Encumbrances

Subject to the terms of this Agreement each of the Vendors shall sell, with effect from 1 November 1997, with full title guarantee and free from Encumbrances those Shares set opposite his name in COLUMN (2) of SCHEDULE 1 and the Purchaser shall purchase such Shares together with all rights attaching thereto with effect from 1 November 1997.

3.2 Dividends and distributions

From Completion the Purchaser shall be entitled to receive all dividends and distributions declared, paid or made by the Company in respect of the Shares on or after 1 November 1997.

3.3 Sale of all Shares

The Purchaser shall not be obliged to complete the purchase of any of the Shares hereunder unless the purchase of all the Shares is completed simultaneously.

4. CONSIDERATION

4.1 Consideration

The consideration for the Shares shall be:

4.1.1 the sum of 'L'4,370,070 payable in cash; and

4.1.2 the sum of 'L'5,352,000 to be satisfied by the issue of the Purchase Notes.

4.2 Entitlement to consideration

The consideration shall be allocated such that:

4.2.1 the Cash Consideration shall belong to the Vendors in the proportions set opposite their respective names in COLUMN (3) of SCHEDULE 1; and

4.2.2 the Purchase Notes shall be issued to the Vendors in the proportions set opposite their respective names in COLUMN (4) of SCHEDULE 1.

4.3 Reduction in consideration

Any payment made by the Vendors pursuant to the operation of the Deed of Contribution and clause 10 of the Umbrella Agreement, or any other payment made pursuant to this Agreement, shall be deemed to be pro tanto a reduction in the price paid for the Shares under this Agreement.

4.4 Guarantee of Purchase Notes

TCC agrees to guarantee the obligations of the Purchaser in respect of the Purchase Notes on the terms set out in the Purchase Notes.

5. COMPLETION

5.1 Time and location

Subject as provided in CLAUSE 5.4, Completion shall take place at the offices of the Purchaser's Solicitors on the fifth day following satisfaction or waiver of the Condition or at such other place and/or on such other date as may be agreed in writing between the Purchaser and each of the Vendors.

5.2 Vendors' obligations

At Completion the Vendors shall deliver to the Purchaser each of the documents listed in PART 1 of SCHEDULE 2.

5.3 Purchaser's obligations

Subject to the Vendors complying with their obligations under CLAUSE 5.2, the Purchaser shall at Completion deliver the documents and effect the actions listed in PART 2 of SCHEDULE 2.

5.4 TCC's obligations

Subject to the Vendors complying with their obligations under CLAUSE 5.2, TCC shall at Completion deliver the documents and effect the transactions listed in PART 3 of SCHEDULE 2.

5.5 Failure to comply

If in any respect material to the Purchaser the provisions of CLAUSE 5.2 and PART 1 of SCHEDULE 2 or if in any respect material to the Vendors the provisions of CLAUSES 5.3 and 5.4 and PARTS 2 and 3 of SCHEDULE 2 are not complied with on the date of

Completion applicable under CLAUSE 5.1, the Purchaser or, as the case may be, the Vendors shall not be obliged to complete this Agreement and may:-

- 5.5.1 defer Completion to a date not more than twenty-eight days after the date set by CLAUSE 5.1 (and so that the provisions of this CLAUSE 5.4 shall apply to Completion as so deferred); or
- 5.5.2 proceed to Completion so far as practicable and without prejudice to their rights under this Agreement; or
- 5.5.3 rescind this Agreement without prejudice to their rights and remedies under this Agreement; or
- 5.5.4 waive all or any of the requirements contained in CLAUSE 5.2 or, as the case may be, CLAUSES 5.3 and 5.4, at their discretion.

6. WAIVER OF PRE-EMPTION RIGHTS

The Vendors by their execution of this Agreement hereby waive any pre-emption rights in respect of the Shares conferred on them under the articles of association of the Company or otherwise.

7. RTPA

- 7.1 If there is any provision of this Agreement, or of any agreement or arrangement of which this Agreement forms part, which causes or would cause this Agreement or that agreement or arrangement to be subject to registration under the RTPA, then that provision shall not take effect until the day after particulars of this Agreement or of that agreement or arrangement (as the case may be) have been furnished to the Director General of Fair Trading pursuant to section 24, RTPA.
- 7.2 The Purchaser shall furnish such particulars as are referred to in CLAUSE 7.1 as soon as is reasonably practicable after the date of this Agreement and within the time limits specified in the RTPA and the Vendors undertake to provide such information and assistance as the Purchaser may reasonably require in connection therewith.

8. ANNOUNCEMENTS

8.1 Restrictions on announcements

No announcement shall be made in relation to the subject matter of this Agreement or a matter ancillary to this Agreement without the prior written consent of the other party save as may be required by any:-

- 8.1.1 law;
- 8.1.2 existing contractual arrangements; or
- 8.1.3 the Stock Exchange or the Panel on Takeovers and Mergers or any other applicable regulatory authority to which the Vendors are subject where such requirement has the force of law,

provided such communication shall be made only after consultation with the Purchaser.

8.2 Continuing effect

The restrictions contained in this clause shall continue to apply after Completion without limit in time.

8.3 Legal and regulatory requirements

The Purchaser and the Vendors undertake to provide all such information known to them or which on reasonable enquiry ought to be known to them as may reasonably be required by the Vendors or the Purchaser for the purpose of complying with the requirements of law or of any applicable regulatory authority to which either party is subject where such requirement has the force of law.

9. IMPLIED COVENANTS FOR TITLE AND FURTHER ASSURANCE

9.1 The Law of Property (Miscellaneous Provisions) Act 1994 ("LPMPA") applies to all dispositions of property made under or pursuant to this Agreement save that the word "reasonably" shall be deleted from the covenant set out in section 2(1)(b), LPMPA, and the covenant set out in section 3(1), LPMPA shall not be qualified by the words "other than any charges, incumbrances or rights which that person does not and could not reasonably be expected to know about."

10. ASSIGNMENT

10.1 No party may assign the benefit of this Agreement whether absolutely or by way of security except in the case of an absolute assignment of all or part by the Purchaser to an Affiliate of the Purchaser and provided and so long as it remains an Affiliate (failing which the benefit of this Agreement shall no longer be available to such assignee nor to any assignor) save that the Purchaser may assign such benefit absolutely or by way of security to a person other than an Affiliate of the Purchaser with the prior consent in writing of the Vendors such consent not to be unreasonably withheld or delayed and any purported assignment in contravention of this clause shall be ineffective.

10.2 Subject to CLAUSE 10.1, this Agreement shall be binding upon and ensure for the benefit of the personal representatives and assigns and successors in title of each of the parties.

11. REMEDIES CUMULATIVE

11.1 The rights, powers and remedies provided in this Agreement or expressly referred to herein are cumulative and do not exclude any rights, powers or remedies provided by law or by any other document other than this Agreement.

11.2 Nothing in this Agreement or in any document in the agreed terms shall be read or construed as excluding any liability or remedy as a result of fraud.

12. WAIVER, VARIATION AND RELEASE

12.1 No omission to exercise or delay in exercising on the part of any party to this Agreement any right, power or remedy provided by law or under this Agreement shall

constitute a waiver of such right, power or remedy or any other right, power or remedy or impair such right, power or remedy. No single or partial exercise of any such right, power or remedy shall preclude or impair any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under this Agreement.

- 12.2 Any waiver of any right, power or remedy under this Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated any waiver shall be effective only in the instance and only for the purpose for which it is given.
- 12.3 No variation to this Agreement shall be of any effect unless it is agreed in writing and signed by or on behalf of each party.

13. COSTS AND EXPENSE

13.1 General

Save as otherwise stated in this Agreement or in the Umbrella Agreement, each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and other agreements forming part of the transaction.

13.2 Group companies to pay no costs

For the avoidance of doubt, neither the Company nor any of its subsidiaries shall pay any legal or other professional charges and expenses in connection with any investigation of the affairs of the Company or the negotiation, preparation, execution and carrying into effect of this Agreement or any other agreement forming part of the transaction.

14. NOTICES

- 14.1 Any communication to be given in connection with the matters contemplated by this Agreement shall except where expressly provided otherwise be in writing and shall either be delivered by hand or sent by first class pre-paid post or sent by air mail. Delivery by courier shall be regarded as delivery by hand.

- 14.2 Such communication shall be sent to the address of the relevant party referred to in this Agreement or to such other address as may previously have been communicated to the other party in accordance with this clause. Each communication shall be marked for the attention of the relevant person.

- 14.3 A communication shall be deemed to have been served:-

14.3.1 if delivered by hand at the address referred to in CLAUSE 14.2, at the time of delivery;

14.3.2 if sent by first class pre-paid post to the address referred to in CLAUSE 14.2, at the expiration of two clear days after the time of posting; and

14.3.3 if sent by air mail to the address referred to in CLAUSE 14.2, at the expiration of five clear days after posting.

If a communication would otherwise be deemed to have been delivered outside of normal business hours (being 9:30 a.m. to 5:30 p.m. on a Business Day) in the time

zone of the territory of the recipient under the preceding provisions of this clause, it shall be deemed to have been delivered at the opening of business on the next Business Day.

14.4 In proving service of the communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a first class pre-paid letter or air mail letter.

14.5 A party may notify the other parties to this Agreement of a change to its name, relevant person or address for the purposes of CLAUSE 14.2 PROVIDED THAT such notification shall only be effective on:-

14.5.1 the date specified in the notification as the date on which the change is to take place; or

14.5.2 if no date is specified or the date specified is less than five clear Business Days after the date on which notice is deemed to have been served, the date falling five clear Business Days after notice of any such change is deemed to have been given.

14.6 For the avoidance of doubt, the parties agree that the provisions of this clause shall not apply in relation to the service of Service Documents.

15. COUNTERPARTS

15.1 This Agreement may be executed in any number of counterparts and by the parties on different counterparts, but shall not be effective until each party has executed at least one counterpart.

15.2 Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same Agreement.

16. LANGUAGE

16.1 This Agreement is drawn up in the English language and if this Agreement is translated into any language other than English, the English language text shall prevail.

16.2 Each notice, instrument, certificate or other communication to be given by one party to another hereunder or in connection with this Agreement shall be in the English language (being the language of negotiation of this Agreement) and in the event that such notice, instrument, certificate or other communication or this Agreement is translated into any other language, the English language text shall prevail.

17. INVALIDITY

Each of the provisions of this Agreement is severable. If any such provision is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability in that jurisdiction of the remaining provisions of this Agreement of that provision or any other provision of this Agreement, shall not in any way be affected or impaired thereby.

18. AGREEMENT TO CONTINUE IN FULL FORCE AND EFFECT

This Agreement shall, to the extent that it remains to be performed, continue in full force and effect notwithstanding Completion.

19. CONFIDENTIALITY

19.1 The Vendors hereby undertake with the Purchaser that they shall both during and after the term of this Agreement keep confidential and not directly or indirectly reveal, report, publish, disclose or transfer or use for their own or any other purposes Confidential Information except:-

19.1.1 in the circumstances set out in CLAUSE 19.2; or

19.1.2 to the extent otherwise expressly permitted by this Agreement; or

19.1.3 with the prior consent in writing of the party to whose affairs such Confidential Information relates.

19.2 The circumstances referred to in CLAUSE 19.1.1 above are:-

19.2.1 where the Confidential Information, before it is furnished to or comes into the knowledge or possession of any of the Vendors, is in the public domain; or

19.2.2 where the Confidential Information, after it is furnished to or comes into the knowledge or possession of the Vendors enters the public domain otherwise than as a result of (a) a breach by any of the Vendors of their obligations in this CLAUSE 19 or (b) a breach by the person who disclosed that Confidential Information of his confidentiality obligation and the relevant Vendor is aware of such breach; or

19.2.3 if and to the extent that any of the Vendors make disclosure of the Confidential Information to any person:

(a) in compliance with any requirement of law; or

(b) in response to a requirement of the Stock Exchange or the Panel on Take-overs and Mergers or any other applicable regulatory authority to which any of the Vendors are subject where such requirement has the force of law; or

(c) in order to obtain tax or other clearances or consents from the Inland Revenue or other relevant taxing or regulatory authorities; or

19.2.4 to the consultants and professional advisers of the Vendors, in each case on the basis that they will comply with the Vendors' obligations of confidence hereunder,

PROVIDED THAT any such information disclosable pursuant to CLAUSES 19.2.3 (A), (B) OR (C) shall be disclosed to the extent permitted by law and only after consultation with the other party.

19.3 The restrictions contained in this clause shall continue to apply after the Completion without limit in time.

20. GOVERNING LAW AND JURISDICTION

20.1 English law

This Agreement shall be governed by and construed in accordance with English law.

20.2 Courts of England and Wales

The parties to this Agreement irrevocably agree that the courts of England shall have non-exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement and that accordingly any Proceedings may be brought in such courts.

20.3 Acceptance by Vendors

For the avoidance of doubt, the Vendors expressly and specifically agree and accept the terms of this clause and sign below in recognition of this fact.

AS WITNESS the hands of the parties or their duly authorised representatives on the date first appearing at the head of this Agreement.

SCHEDULE 1
THE VENDORS

(1) Name and address and facsimile number (if any)	(2) Number of Shares	(3) Entitlement to Cash Consideration ('L')	(4) Entitlement to Purchase Notes ('L')
JOHN TREVOR DE CARLE Lowicks House Sandy Lane Tilford Farnham Surrey GU10 2BX	183,048	2,115,876	1,410,584
CLIVE DE CARLE Finca Alcazar Conchar PO Box 34 Durcal Granada Spain	62,160	999,164	176,323
IAN ARTHUR MCDERMOTT 75 Upper Barn Copse Fair Oak Eastleigh Hampshire SO50 8DB	97,680	461,798	1,385,395
R. B. POOLE 61 Deans Way Tarvin	97,680	461,798	1,385,395

Chester
Cheshire CH3 8LX

BARRIE BEVIS	60,421	265,147	795,442
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53 Wilderness Heights
West End
Southampton
Hampshire SO18 3PS

IVOR ATKINSON	15,105	66,287	198,861
90 Queens Drive Surbiton Surrey KT5 8PP			

Totals	----- 516,094 -----	----- 4,370,070 -----	----- 5,352,000 -----
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SCHEDULE 2
COMPLETION
PART 1 - DELIVERY OF DOCUMENTS BY VENDORS

On Completion, the Vendors shall deliver to the Purchaser:-

1. transfers of such of the Shares as are held by each of the Vendors duly executed by the registered holder in favour of the Purchaser or its nominee(s) together with the relevant share certificates in the name of the registered holder;
2. a counterpart of the Deed of Contribution duly executed by the Vendors;
3. a counterpart of the Subordination Agreement duly executed by those Vendors who receive Purchase Notes;
4. the Service Agreements duly executed by I. Atkinson, R. Poole, B. Bevis and I. McDermott;
5. the Non Competition Agreements duly executed by the Vendors;
6. the OSI Indemnity duly executed by those Vendors who are to be a party to it;
7. such waivers, consents or other documents (including any power of attorney under which any document required to be delivered under PART 1 of this SCHEDULE 2 has been executed) in the agreed terms to enable the Purchaser and its nominee(s) to be registered as the holders of the Shares sold by the Vendors; and
8. an irrevocable power of attorney in the agreed terms executed by each of the Vendors in favour of the Purchaser or its nominee(s) to enable the beneficiary (pending registration of the transfers of the Shares sold by the Vendors) to exercise all voting and other rights attaching to the Shares sold by the Vendors and to appoint proxies for this purpose.

PART 2 - DELIVERY OF DOCUMENTS AND ACTIONS BY THE PURCHASER

Subject as provided in CLAUSE 5.3, on Completion the Purchaser shall:-

1. pay the Cash Consideration by way of electronic transfer for same day value to the Vendors' Solicitors who are irrevocably authorised to receive the same and whose receipt shall be an effective discharge of the Purchaser's obligation to pay such sum and the Purchaser shall not be concerned to see to the application or be answerable for the loss or misapplication of such sums;
2. deliver certificates in respect of the Purchase Notes, duly issued, to such of the Vendors as are to receive the same;
3. counterparts of the Non Competition Agreements duly executed by the Purchaser;
4. deliver a counterpart of the Deed of Contribution duly executed by the Purchaser;
5. deliver to each of the Vendors a copy of the minutes of a meeting of the directors of the Purchaser:
 - 5.1 authorising the execution of this Agreement and related documents; and

5.2 resolving to create and issue the Purchase Notes.

PART 3 - DELIVERY OF DOCUMENTS AND ACTIONS BY TCC

Subject as provided in CLAUSE 5.4, on Completion TCC shall:

1. execute the instrument constituting the Purchase Notes by way of guaranteeing the obligations of the Purchaser thereunder;
2. deliver a counterpart of the Subordination Agreement duly executed by TCC;
3. deliver a counterpart of the Deed of Contribution duly executed by TCC;
4. deliver a counterpart of the OSI Indemnity duly executed by TCC;
5. deliver to the Vendors a copy of the minutes of a meeting of the directors of TCC authorising the execution of:
 - 5.1 the instrument constituting the Purchase Notes; and
 - 5.2 this Agreement.

SCHEDULE 3
DOCUMENTS IN THE AGREED TERMS

Consents, waivers and powers of attorney re: sale of Shares
Deed of Contribution
Non Competition Agreements
OSI Indemnity
Powers of Attorney
Purchase Notes
Service Agreements
Subordination Agreement

SCHEDULE 4
CONDUCT OF BUSINESS PENDING COMPLETION

- (i) The business of the Company will be carried on as a going concern and in the normal course.
- (ii) No physical assets of the Company shall be removed from any property of the Company save in the ordinary course of normal day to day trading.
- (iii) The Vendors will use all reasonable endeavours to maintain the trade and trade connections of the Company.
- (iv) All debts which the Company incurs in the normal course of the business will be settled within the applicable periods of credit.
- (v) The Company will not enter into modify or agree to terminate any material contract (other than in the ordinary course of business) or incur any capital expenditure on any individual item for an amount in excess of (pound)100,000.
- (vi) The Company will not appoint or employ any new employees or consultants at an annual salary or rate of remuneration in excess of (pound)30,000.
- (vii) The Company will not alter materially or agree to alter materially the terms and conditions of employment (including benefits) of any of its employees and no Vendor will induce or endeavour to induce any of such employees to terminate their employment prior to Completion other than for a justifiable reason.
- (viii) The Company will not dispose of any material assets used or required for the operation of the business of the Company (otherwise than in the ordinary course of business) or enter into any other transaction otherwise than in the ordinary course of business.
- (ix) The Company will not create any mortgages, charges, or other encumbrances over its assets or undertakings nor give any guarantees or indemnities in respect of any third party otherwise than in the ordinary course of businesses.
- (x) Save for debt collection in the ordinary course of business, the Company will not institute, settle or agree to settle any legal proceedings relating to the business of the Company.
- (xi) The Company will not grant or modify or agree to terminate any rights or enter into any agreement relating to intellectual property or otherwise permit any of its rights relating to the intellectual property to lapse.
- (xii) The Purchaser will be given full details of any material changes in the business, financial position and/or assets of the Company from the date hereof prior to Completion.
- (xvi) All the insurance policies of the Company shall be continued for at least the same amount and on no less favourable terms than as before.

SIGNED by JOHN TREVOR DE CARLE)
in the presence of:-)

SIGNED by CLIVE DE CARLE)
in the presence of:-)

SIGNED by IAN ARTHUR MCDERMOTT)
in the presence of:-)

SIGNED by R. B. POOLE)
in the presence of:-)

SIGNED by BARRIE BEVIS)
in the presence of:-)

SIGNED by IVOR ATKINSON)
in the presence of:-)

SIGNED by)
for and on behalf of)
ASPECT VISION HOLDINGS LIMITED)
in the presence of:-)

SIGNED by)
for and on behalf of)
THE COOPER COMPANIES, INC.)
in the presence of:-)

Dated November 1997

ANTHONY DAVID GALLEY (AND OTHERS) (1)

ASPECT VISION HOLDINGS LIMITED (2)

AND

THE COOPER COMPANIES, INC. (3)

Agreement
for the sale and purchase
of the entire issued share capital
of CONTACT LENS TECHNOLOGIES LIMITED

CAMERON MCKENNA
MITRE HOUSE
160 ALDERSGATE STREET
LONDON EC1A 4DD

T + 44(0)171-367 3000
F + 44(0)171-367 2000

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THIS AGREEMENT is made the day of November 1997

BETWEEN:-

- (1) The persons whose names and addresses are set out in COLUMN 1 of SCHEDULE 1 (the "Vendors"); and
- (2) ASPECT VISION HOLDINGS LIMITED (registered in England with number 3448379) whose registered office is at Mitre House, 160 Aldersgate Street, London EC1A 4DD (the "Purchaser"); and
- (3) THE COOPER COMPANIES, INC. a company incorporated in Delaware whose principal office is at 6140 Stoneridge Mall Road, Suite 590, Pleasanton CA 94588 USA ("TCC").

WHEREAS:-

- (A) The Vendors are each shareholders in the Company.
- (B) The Purchaser wishes to purchase the entire issued share capital of the Company from the Vendors and the Vendors have each agreed to sell their respective shareholdings in the Company in each case upon and subject to the terms and conditions of this Agreement.

WHEREBY IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement the following words and expressions have the meanings set opposite them:

- "AFFILIATE": in relation to any body corporate, any Holding Company or subsidiary undertaking of such body corporate or any subsidiary undertaking of a Holding Company of such body corporate;
- "AGREEMENT": this Agreement including its recitals and the schedules hereto;
- "BUSINESS DAY": a weekday (other than a Saturday) when banks are open for business in London;
- "CA 85": Companies Act 1985;
- "CASH CONSIDERATION": the cash consideration payable for the Shares as specified in CLAUSE 4.1;
- "COMPANY": means Contact Lens Technologies Limited, a company registered in England and Wales under number 02908056 whose registered office is at Unit 2, South Point, Hamble, Southampton, Hampshire, S031 4RF;
- "COMPLETION": completion of the sale and purchase of the Shares pursuant to this Agreement;

"CONDITION" the condition referred to in CLAUSE 2.1;

"CONFIDENTIAL INFORMATION": all information received or obtained by the Vendors or supplied to the Vendors in the negotiations leading to this Agreement and which relates to TCC or any of its subsidiaries;

"DEED OF CONTRIBUTION": the deed of contribution in the agreed terms to be entered into at Completion between the Purchaser, the Vendors and others;

"EARN OUT AGREEMENT" the agreement described as the Earn Out Agreement to be entered into, at completion of the Umbrella Agreement, between TCC, the Purchaser and Anthony David Galley;

"ENCUMBRANCE": any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement;

"EOLN": the loan note to be issued by the Purchaser to Anthony David Galley by way of further consideration for the Shares purchased from Anthony David Galley, in accordance with the terms of the Earn Out Agreement;

"HOLDING COMPANY": a holding company within the meaning ascribed to such expression by sections 736 and 736A, CA 85;

"NON COMPETITION AGREEMENTS": the agreements in the agreed terms to be entered into at Completion between the Purchaser and the Vendors relating to the protection of the goodwill of the business of the Company;

"OSI INDEMNITY": the indemnity agreement in the agreed terms to be entered into at Completion between TCC, A Galley, G Galley, B Bevis, I Atkinson, A Morland and W Brooker;

"PATENT LICENCE": the licence in the agreed terms to be entered into at Completion between the CooperVision, Inc. and the Patent Owners relating to the Patents;

"PATENT OWNERS": Anthony David Galley, Geoffrey Harrison Galley, Albert Morland, Ivor Atkinson and Barrie Bevis;

"PATENTS": the patents listed in SCHEDULE 4;

"PROCEEDINGS": any proceeding, suit or action arising out of or in connection with this Agreement;

"PURCHASE NOTES": the loan notes in the agreed terms to be issued to the Vendors at Completion by the Purchaser and guaranteed by TCC;

"PURCHASER'S SOLICITORS": Cameron McKenna of Mitre House, 160 Aldersgate Street, London EC1A 4DD;

"RTPA": Restrictive Trade Practices Act 1976;

"SERVICE AGREEMENTS": the service agreements in the agreed terms to be entered into between Aspect Vision Care Limited and each of A. Galley, B. Bevis and I. Atkinson;

"SERVICE DOCUMENT": a writ, summons, order, judgment or other document relating to or in connection with any Proceedings;

"SHARES": the shares in the capital of the Company set out in COLUMN (2) of SCHEDULE 1;

"STOCK EXCHANGE": London Stock Exchange Limited;

"SUBORDINATION AGREEMENT": the subordination agreement in the agreed terms to be entered into at Completion between TCC, Keybank National Association and the holders of the Purchase Notes;

"SUBSIDIARY": a subsidiary within the meaning ascribed to such expression by sections 736 and 736A, CA 85;

"SUBSIDIARY UNDERTAKING": a subsidiary undertaking within the meaning ascribed to such expression by section 258, CA 85;

"UMBRELLA AGREEMENT": the umbrella agreement of even date herewith relating to, inter alia, the sale and purchase of the Shares and entered into between the Purchaser, Mr Anthony David Galley and TCC;

"VAT": value added tax;

"VENDORS' SOLICITORS": Travers Smith Braithwaite of 10 Snow Hill, London, EC1A 2AL; and

"IN THE AGREED TERMS": in the form agreed between the Vendors and the Purchasers and signed for the purposes of identification by or on behalf of each party.

- 1.2 The table of contents and headings in this Agreement are inserted for convenience only and shall not affect its construction.
- 1.3 Unless the context otherwise requires words denoting the singular shall include the plural and vice versa, references to any gender shall include all other genders and references to persons shall include bodies corporate, unincorporated associations and partnerships in each case whether or not having a separate legal personality. References to the word "include" or "including" are to be construed without limitation.
- 1.4 References to recitals, schedules and clauses are to recitals and schedules to and clauses of this Agreement unless otherwise specified and references within a schedule to paragraphs are to paragraphs of that schedule unless otherwise specified.

- 1.5 References in this Agreement to any statute, statutory provision or EC Directive include a reference to that statute, statutory provision or EC Directive as amended, extended, consolidated or replaced from time to time (whether before or after the date of this Agreement) and include any order, regulation, instrument or other subordinate legislation made under the relevant statute, statutory provision or EC Directive.
- 1.6 References to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include that which most approximates in that jurisdiction to the English legal term.
- 1.7 Any reference to "writing" or "written" includes faxes and any non-transitory form of visible reproduction of words.
- 1.8 References to times of the day are to London time and references to a day are to a period of 24 hours running from midnight to midnight.

2. CONDITION

2.1 Condition precedent

Subject to CLAUSE 2.3, this Agreement is subject to and conditional upon satisfaction of the condition in the Umbrella Agreement.

2.2 Time limit for satisfaction of Condition

If the condition in CLAUSE 2.1 has not been fulfilled or waived (by mutual agreement of the parties) by 31 December 1997 (or by such later date as may be agreed in writing between the parties) this Agreement shall thereupon become null and void ab initio and none of the parties shall have any rights against any other party hereunder.

2.3 Operative provisions

Notwithstanding CLAUSE 2.1, CLAUSES 8, 10-16 (inclusive), 19 and 20 shall come into force on the execution and exchange of this Agreement and the remainder of this Agreement shall come into force on the fulfillment and/or waiver of the Condition.

2.4 Conduct of business pending Completion

Each of the Vendors hereby undertakes to the Purchaser to procure, to the extent that they are able, that the Company is run as set out in SCHEDULE 4 in respect of the period prior to Completion.

3. SALE AND PURCHASE

3.1 Obligation to sell and purchase and free from Encumbrances

Subject to the terms of this Agreement each of the Vendors shall sell, with effect from 1 November 1997, with full title guarantee and free from Encumbrances those Shares set opposite his name in COLUMN (2) of SCHEDULE 1 and the Purchaser shall purchase such Shares together with all rights attaching thereto with effect from 1 November 1997.

3.2 Dividends and distributions

From Completion the Purchaser shall be entitled to receive all dividends and distributions declared, paid or made by the Company in respect of the Shares on or after 1 November 1997.

3.3 Sale of all Shares

The Purchaser shall not be obliged to complete the purchase of any of the Shares hereunder unless the purchase of all the Shares is completed simultaneously.

4. CONSIDERATION

4.1 Consideration

The consideration for the Shares shall be:

4.1.1 the sum of 'L'2,092,403, payable in cash; and

4.1.2 the sum of 'L'2,889,509 to be satisfied by the issue of the Purchase Notes.

4.2 Entitlement to consideration

The consideration shall be allocated such that:

4.2.1 the Cash Consideration shall belong to the Vendors in the proportions set opposite their respective names in COLUMN (3) of SCHEDULE 1; and

4.2.2 the Purchase Notes shall be issued to the Vendors in the proportions set opposite their respective names in COLUMN (4) of SCHEDULE 1.

4.3 Further consideration

As further consideration for the Shares purchased from Anthony David Galley, the Purchaser hereby undertakes to issue to Anthony David Galley the EOLN at the time and in respect of the amount set out in CLAUSE 4 of the Earn Out Agreement.

4.4 Reduction in consideration

Any payment made by the Vendors pursuant to the operation of the Deed of Contribution and clause 10 of the Umbrella Agreement, or any other payment made pursuant to this Agreement, shall be deemed to be pro tanto a reduction in the price paid for the Shares under this Agreement.

4.5 Guarantee of Purchase Notes

TCC agrees to guarantee the obligations of the Purchaser in respect of the Purchase Notes on the terms set out in the Purchase Notes.

5. COMPLETION

5.1 Time and location

Subject as provided in CLAUSE 5.4, Completion shall take place at the offices of the Purchaser's Solicitors on the fifth day following satisfaction or waiver of the Condition

or at such other place and/or on such other date as may be agreed in writing between the Purchaser and each of the Vendors.

5.2 Vendors' obligations

At Completion the Vendors shall deliver to the Purchaser each of the documents listed in PART 1 of SCHEDULE 2.

5.3 Purchaser's obligations

Subject to the Vendors complying with their obligations under CLAUSE 5.2, the Purchaser shall at Completion deliver the documents and effect the actions listed in PART 2 of SCHEDULE 2.

5.4 TCC's obligations

Subject to the Vendors complying with their obligations under CLAUSE 5.2, TCC shall at Completion deliver the documents and effect the transactions listed in PART 3 of SCHEDULE 2.

5.5 Failure to comply

If in any respect material to the Purchaser the provisions of CLAUSE 5.2 and PART 1 of SCHEDULE 2 or if in any respect material to the Vendors the provisions of CLAUSES 5.3 and 5.4 and PARTS 2 and 3 of SCHEDULE 2 are not complied with on the date of Completion applicable under CLAUSE 5.1, the Purchaser or, as the case may be, the Vendors shall not be obliged to complete this Agreement and may:-

5.5.1 defer Completion to a date not more than twenty-eight days after the date set by CLAUSE 5.1 (and so that the provisions of this CLAUSE 5.4 shall apply to Completion as so deferred); or

5.5.2 proceed to Completion so far as practicable and without prejudice to their rights under this Agreement; or

5.5.3 rescind this Agreement without prejudice to their rights and remedies under this Agreement; or

5.5.4 waive all or any of the requirements contained in CLAUSE 5.2 or, as the case may be, CLAUSES 5.3 and 5.4, at their discretion.

6. WAIVER OF PRE-EMPTION RIGHTS

The Vendors by their execution of this Agreement hereby waive any pre-emption rights in respect of the Shares conferred on them under the articles of association of the Company or otherwise.

7. RTPA

7.1 If there is any provision of this Agreement, or of any agreement or arrangement of which this Agreement forms part, which causes or would cause this Agreement or that agreement or arrangement to be subject to registration under the RTPA, then that provision shall not take effect until the day after particulars of this Agreement or of

that agreement or arrangement (as the case may be) have been furnished to the Director General of Fair Trading pursuant to section 24, RTPA.

7.2 The Purchaser shall furnish such particulars as are referred to in CLAUSE 7.1 as soon as is reasonably practicable after the date of this Agreement and within the time limits specified in the RTPA and the Vendors undertake to provide such information and assistance as the Purchaser may reasonably require in connection therewith.

8. ANNOUNCEMENTS

8.1 Restrictions on announcements

No announcement shall be made in relation to the subject matter of this Agreement or a matter ancillary to this Agreement without the prior written consent of the other party save as may be required by any:-

8.1.1 law;

8.1.2 existing contractual arrangements; or

8.1.3 the Stock Exchange or the Panel on Takeovers and Mergers or any other applicable regulatory authority to which the Vendors are subject where such requirement has the force of law,

provided such communication shall be made only after consultation with the Purchaser.

8.2 Continuing effect

The restrictions contained in this clause shall continue to apply after Completion without limit in time.

8.3 Legal and regulatory requirements

The Purchaser and the Vendors undertake to provide all such information known to them or which on reasonable enquiry ought to be known to them as may reasonably be required by the Vendors or the Purchaser for the purpose of complying with the requirements of law or of any applicable regulatory authority to which either party is subject where such requirement has the force of law.

9. IMPLIED COVENANTS FOR TITLE AND FURTHER ASSURANCE

9.1 The Law of Property (Miscellaneous Provisions) Act 1994 ("LPMPA") applies to all dispositions of property made under or pursuant to this Agreement save that the word "reasonably" shall be deleted from the covenant set out in section 2(1)(b), LPMPA, and the covenant set out in section 3(1), LPMPA shall not be qualified by the words "other than any charges, incumbrances or rights which that person does not and could not reasonably be expected to know about."

10. ASSIGNMENT

10.1 No party may assign the benefit of this Agreement whether absolutely or by way of security except in the case of an absolute assignment of all or part by the Purchaser to

an Affiliate of the Purchaser and provided and so long as it remains an Affiliate (failing which the benefit of this Agreement shall no longer be available to such assignee nor to any assignor) save that the Purchaser may assign such benefit absolutely or by way of security to a person other than an Affiliate of the Purchaser with the prior consent in writing of the Vendors such consent not to be unreasonably withheld or delayed and any purported assignment in contravention of this clause shall be ineffective.

10.2 Subject to CLAUSE 10.1, this Agreement shall be binding upon and enure for the benefit of the personal representatives and assigns and successors in title of each of the parties.

11. REMEDIES CUMULATIVE

11.1 The rights, powers and remedies provided in this Agreement or expressly referred to herein are cumulative and do not exclude any rights, powers or remedies provided by law or by any other document other than this Agreement.

11.2 Nothing in this Agreement or in any document in the agreed terms shall be read or construed as excluding any liability or remedy as a result of fraud.

12. WAIVER, VARIATION AND RELEASE

12.1 No omission to exercise or delay in exercising on the part of any party to this Agreement any right, power or remedy provided by law or under this Agreement shall constitute a waiver of such right, power or remedy or any other right, power or remedy or impair such right, power or remedy. No single or partial exercise of any such right, power or remedy shall preclude or impair any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under this Agreement.

12.2 Any waiver of any right, power or remedy under this Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated any waiver shall be effective only in the instance and only for the purpose for which it is given.

12.3 No variation to this Agreement shall be of any effect unless it is agreed in writing and signed by or on behalf of each party.

13. COSTS AND EXPENSE

13.1 General

Save as otherwise stated in this Agreement or in the Umbrella Agreement, each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and other agreements forming part of the transaction.

13.2 Group companies to pay no costs

For the avoidance of doubt, neither the Company nor any of its subsidiaries shall pay any legal or other professional charges and expenses in connection with any investigation of the affairs of the Company or the negotiation, preparation, execution and carrying into effect of this Agreement or any other agreement forming part of the transaction.

14. NOTICES

14.1 Any communication to be given in connection with the matters contemplated by this Agreement shall except where expressly provided otherwise be in writing and shall either be delivered by hand or sent by first class pre-paid post or sent by air mail. Delivery by courier shall be regarded as delivery by hand.

14.2 Such communication shall be sent to the address of the relevant party referred to in this Agreement or to such other address as may previously have been communicated to the other party in accordance with this clause. Each communication shall be marked for the attention of the relevant person.

14.3 A communication shall be deemed to have been served:-

14.3.1 if delivered by hand at the address referred to in CLAUSE 14.2, at the time of delivery;

14.3.2 if sent by first class pre-paid post to the address referred to in CLAUSE 14.2, at the expiration of two clear days after the time of posting; and

14.3.3 if sent by air mail to the address referred to in CLAUSE 14.2, at the expiration of five clear days after posting.

If a communication would otherwise be deemed to have been delivered outside of normal business hours (being 9:30 a.m. to 5:30 p.m. on a Business Day) in the time zone of the territory of the recipient under the preceding provisions of this clause, it shall be deemed to have been delivered at the opening of business on the next Business Day.

14.4 In proving service of the communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a first class pre-paid letter or air mail letter.

14.5 A party may notify the other parties to this Agreement of a change to its name, relevant person or address for the purposes of CLAUSE 14.2 PROVIDED THAT such notification shall only be effective on:-

14.5.1 the date specified in the notification as the date on which the change is to take place; or

14.5.2 if no date is specified or the date specified is less than five clear Business Days after the date on which notice is deemed to have been served, the date falling five clear Business Days after notice of any such change is deemed to have been given.

14.6 For the avoidance of doubt, the parties agree that the provisions of this clause shall not apply in relation to the service of Service Documents.

15. COUNTERPARTS

15.1 This Agreement may be executed in any number of counterparts and by the parties on different counterparts, but shall not be effective until each party has executed at least one counterpart.

15.2 Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same Agreement.

16. LANGUAGE

16.1 This Agreement is drawn up in the English language and if this Agreement is translated into any language other than English, the English language text shall prevail.

16.2 Each notice, instrument, certificate or other communication to be given by one party to another hereunder or in connection with this Agreement shall be in the English language (being the language of negotiation of this Agreement) and in the event that such notice, instrument, certificate or other communication or this Agreement is translated into any other language, the English language text shall prevail.

17. INVALIDITY

Each of the provisions of this Agreement is severable. If any such provision is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability in that jurisdiction of the remaining provisions of this Agreement of that provision or any other provision of this Agreement, shall not in any way be affected or impaired thereby.

18. AGREEMENT TO CONTINUE IN FULL FORCE AND EFFECT

This Agreement shall, to the extent that it remains to be performed, continue in full force and effect notwithstanding Completion.

19. CONFIDENTIALITY

19.1 The Vendors hereby undertake with the Purchaser that they shall both during and after the term of this Agreement keep confidential and not directly or indirectly reveal, report, publish, disclose or transfer or use for their own or any other purposes Confidential Information except:-

19.1.1 in the circumstances set out in CLAUSE 19.2; or

19.1.2 to the extent otherwise expressly permitted by this Agreement; or

19.1.3 with the prior consent in writing of the party to whose affairs such Confidential Information relates.

19.2 The circumstances referred to in CLAUSE 19.1.1 above are:-

19.2.1 where the Confidential Information, before it is furnished to or comes into the knowledge or possession of any of the Vendors, is in the public domain; or

19.2.2 where the Confidential Information, after it is furnished to or comes into the knowledge or possession of the Vendors enters the public domain otherwise than as a result of (a) a breach by any of the Vendors of their obligations in this CLAUSE 19 or (b) a breach by the person who disclosed that Confidential

Information of his confidentiality obligation and the relevant Vendor is aware of such breach; or

19.2.3 if and to the extent that any of the Vendors make disclosure of the Confidential Information to any person:

- (a) in compliance with any requirement of law; or
- (b) in response to a requirement of the Stock Exchange or the Panel on Take-overs and Mergers or any other applicable regulatory authority to which any of the Vendors are subject where such requirement has the force of law; or
- (c) in order to obtain tax or other clearances or consents from the Inland Revenue or other relevant taxing or regulatory authorities; or

19.2.4 to the consultants and professional advisers of the Vendors, in each case on the basis that they will comply with the Vendors' obligations of confidence hereunder,

PROVIDED THAT any such information disclosable pursuant to CLAUSES 19.2.3 (a), (b) OR (c) shall be disclosed to the extent permitted by law and only after consultation with the other party.

19.3 The restrictions contained in this clause shall continue to apply after the Completion without limit in time.

20. GOVERNING LAW AND JURISDICTION

20.1 English law

This Agreement shall be governed by and construed in accordance with English law.

20.2 Courts of England and Wales

The parties to this Agreement irrevocably agree that the courts of England shall have non exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement and that accordingly any Proceedings may be brought in such courts.

20.3 Acceptance by Vendors

For the avoidance of doubt, the Vendors expressly and specifically agree and accept the terms of this clause and sign below in recognition of this fact.

AS WITNESS the hands of the parties or their duly authorised representatives on the date first appearing at the head of this Agreement.

SCHEDULE 1
THE VENDORS

(1) Name and address and facsimile number (if any)	(2) Number of Shares	(3) Entitlement to Cash Consideration	(4) Entitlement to Purchase Notes
GEOFFREY HARRISON GALLEY Red Lodge The Close Totteridge London N20 8PT	200	597,829	398,553
NORMA GALLEY Red Lodge The Close Totteridge London N20 8PT	200	597,829	398,553
ANTHONY DAVID GALLEY Beacon Way The Hangars Bishops Waltham SO32 1FZ	350	435,917	1,307,752
BARRIE BEVIS 53 Wilderness Heights West End Southampton Hampshire SO18 3PS	200	249,096	747,287
IVOR ATKINSON 90 Queens Drive Surbiton Surrey KT5 8PP	25	105,866	18,682
MICHAEL J KELLY 8 The Vineyards North Baddesley Southampton Hampshire SO52 9PP	25	105,866	18,682
Total	1,000	2,092,403	2,889,509

SCHEDULE 2
COMPLETION
PART 1 - DELIVERY OF DOCUMENTS BY VENDORS

On Completion, the Vendors shall deliver to the Purchaser:-

1. transfers of such of the Shares as are held by each of the Vendors duly executed by the registered holder in favour of the Purchaser or its nominee(s) together with the relevant share certificates in the name of the registered holder;
2. the Patent Licence duly executed by the Patent Owners;
3. a counterpart of the Deed of Contribution duly executed by the Vendors;
4. a counterpart of the Subordination Agreement duly executed by those Vendors who receive Purchase Notes;
5. the Non Competition Agreements duly executed by the Vendors;
6. the Service Agreements duly executed by A. Galley, B. Bevis and I. Atkinson;
7. the OSI Indemnity duly executed by those Vendors who are to be a party to it;
8. such waivers, consents or other documents (including any power of attorney under which any document required to be delivered under PART 1 of this SCHEDULE 2 has been executed) in the agreed terms to enable the Purchaser and its nominee(s) to be registered as the holders of the Shares sold by the Vendors; and
9. an irrevocable power of attorney in the agreed terms executed by each of the Vendors in favour of the Purchaser or its nominee(s) to enable the beneficiary (pending registration of the transfers of the Shares sold by the Vendors) to exercise all voting and other rights attaching to the Shares sold by the Vendors and to appoint proxies for this purpose.

PART 2 - DELIVERY OF DOCUMENTS AND ACTIONS BY THE PURCHASER

Subject as provided in CLAUSE 5.3, on Completion the Purchaser shall:-

1. pay the Cash Consideration by way of electronic transfer for same day value to the Vendors' Solicitors who are irrevocably authorised to receive the same and whose receipt shall be an effective discharge of the Purchaser's obligation to pay such sum and the Purchaser shall not be concerned to see to the application or be answerable for the loss or misapplication of such sums;
2. deliver certificates in respect of the Purchase Notes, duly issued, to such of the Vendors as are to receive the same;
3. deliver a counterpart of the Deed of Contribution duly executed by the Purchaser;
4. counterparts of the Non Competition Agreements duly executed by the Purchaser;
5. deliver to each of the Vendors a copy of the minutes of a meeting of the directors of the Purchaser:

5.1. authorising the execution of this Agreement and related documents;
and

5.2. resolving to create and issue the Purchase Notes.

PART 3 - DELIVERY OF DOCUMENTS AND ACTIONS BY TCC

Subject as provided in CLAUSE 5.4, on Completion TCC shall:

1. execute the instrument constituting the Purchase Notes by way of guaranteeing the obligations of the Purchaser thereunder;
2. procure that CooperVision, Inc. shall duly execute the Patent Licence;
3. deliver a counterpart of the Deed of Contribution duly executed by TCC;
4. deliver a counterpart of the Subordination Agreement duly executed by TCC;
5. deliver a counterpart of the OSI Indemnity duly executed by TCC;
6. deliver to the Vendors a copy of the minutes of a meeting of the directors of TCC authorising the execution of:
 - 6.1 the instrument constituting the Purchase Notes; and
 - 6.2 this Agreement.

SCHEDULE 3
DOCUMENTS IN THE AGREED TERMS

Consents, waivers and powers of attorney re: sale of Shares
Deed of Contribution
Non Competition Agreements
OSI Indemnity
Patent Licence
Powers of Attorney
Purchase Notes
Service Agreements
Subordination Agreement

SCHEDULE 4
CONDUCT OF BUSINESS PENDING COMPLETION

- (i) The business of the Company will be carried on as a going concern and in the normal course.
- (ii) No physical assets of the Company shall be removed from any property of the Company save in the ordinary course of normal day to day trading.
- (iii) The Vendors will use all reasonable endeavours to maintain the trade and trade connections of the Company.
- (iv) All debts which the Company incurs in the normal course of the business will be settled within the applicable periods of credit.
- (v) The Company will not enter into modify or agree to terminate any material contract (other than in the ordinary course of business) or incur any capital expenditure on any individual item for an amount in excess of 'L'100,000.
- (vi) The Company will not appoint or employ any new employees or consultants at an annual salary or rate of remuneration in excess of 'L'30,000.
- (vii) The Company will not alter materially or agree to alter materially the terms and conditions of employment (including benefits) of any of its employees and no Vendor will induce or endeavour to induce any of such employees to terminate their employment prior to Completion other than for a justifiable reason.
- (viii) The Company will not dispose of any material assets used or required for the operation of the business of the Company (otherwise than in the ordinary course of business) or enter into any other transaction otherwise than in the ordinary course of business.
- (ix) The Company will not create any mortgages, charges, or other encumbrances over its assets or undertakings nor give any guarantees or indemnities in respect of any third party otherwise than in the ordinary course of businesses.
- (x) Save for debt collection in the ordinary course of business, the Company will not institute, settle or agree to settle any legal proceedings relating to the business of the Company.
- (xi) The Company will not grant or modify or agree to terminate any rights or enter into any agreement relating to intellectual property or otherwise permit any of its rights relating to the intellectual property to lapse.
- (xii) The Purchaser will be given full details of any material changes in the business, financial position and/or assets of the Company from the date hereof prior to Completion.
- (xvi) All the insurance policies of the Company shall be continued for at least the same amount and on no less favourable terms than as before.

SIGNED by GEOFFREY HARRISON GALLEY)
in the presence of:-)

SIGNED by NORMA GALLEY)
in the presence of:-)

SIGNED by ANTHONY DAVID GALLEY)
in the presence of:-)

SIGNED by BARRIE BEVIS)
in the presence of:-)

SIGNED by IVOR ATKINSON)
in the presence of:-)

SIGNED by MICHAEL J KELLY)
in the presence of:-)

SIGNED by)
for and on behalf of)
ASPECT VISION HOLDINGS LIMITED)
in the presence of:-)

SIGNED by)
for and on behalf of)
THE COOPER COMPANIES, INC.)
in the presence of:-)

Dated

November 1997

GIACOMO GRASSI
FABRIZIO LAMBERTINI (1)

ASPECT VISION HOLDINGS LIMITED (2)

AND

THE COOPER COMPANIES, INC. (3)

Agreement
for the sale and purchase
of 32.06% of the issued capital
of ASPECT VISION ITALIA S.R.L.

CAMERON MCKENNA
MITRE HOUSE
160 ALDERSGATE STREET
LONDON EC1A 4DD

T+44(0)171 367 3000
F+44(0)171 367 2000

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THIS AGREEMENT is made the day of November 1997

BETWEEN:-

- (1) The persons whose names and addresses are set out in COLUMN 1 of SCHEDULE 1 (the "Vendors"); and
- (2) ASPECT VISION HOLDINGS LIMITED (registered in England with number 3448379) whose registered office is at Mitre House, 160 Aldersgate Street, London, EC1A 4DD (the "Purchaser"); and
- (3) THE COOPER COMPANIES, INC. a company incorporated in Delaware whose principal office is at 6140 Stoneridge Mall Road, Suite 590, Pleasanton CA 94588 ("TCC").

WHEREAS:-

- (A) The Vendors are each quotaholders in the Company.
- (B) The Purchaser wishes to purchase 32.06% of the issued capital of the Company from the Vendors and the Vendors have each agreed to sell their respective quotaholdings in the Company in each case upon and subject to the terms and conditions of this Agreement.

WHEREBY IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement the following words and expressions have the meanings set opposite them:

- "AFFILIATE": in relation to any body corporate, any Holding Company or subsidiary undertaking of such body corporate or any subsidiary undertaking of a Holding Company of such body corporate;
- "AGREEMENT": this Agreement including its recitals and the schedules hereto;
- "BUSINESS DAY": a weekday (other than a Saturday) when banks are open for business in London;
- "CA 85": Companies Act 1985;
- "CALL OPTION": the call option over the Purchase Quotas granted by Mr. Grassi to the Purchaser pursuant to CLAUSE 7.1.2 below;
- "CASH CONSIDERATION": the cash consideration payable for the Quotas as specified in CLAUSE 4.1;

"COMPANY": means Aspect Vision Italia S.r.l., a company registered in Italy under number 325566 whose registered office is at 27 Via P. Lomazzo, Milan, Italy;

"COMPLETION": completion of the sale and purchase of the Quotas pursuant to this Agreement;

"CONDITION": the condition referred to in CLAUSE 2.1;

"CONFIDENTIAL INFORMATION": all information received or obtained by the Vendors or supplied to the Vendors in the negotiations leading to this Agreement and which relates to TCC or any of its subsidiaries;

"DEED OF CONTRIBUTION": the deed of contribution in the agreed terms to be entered into at Completion between the Purchaser, the Vendors and others;

"DEED OF SALE AND TRANSFER": the deed of sale and transfer, the form of which is set out in SCHEDULE 4, transferring the Quotas held by the Vendors to the Purchaser or its nominee(s)

"ENCUMBRANCE": any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement;

"EXERCISE NOTICE": a written notice served upon Mr. Grassi by the Purchaser exercising the Call Option and/or a written notice served upon the Purchaser by Mr. Grassi exercising the Put Option;

"GRASSI COVENANTS": the covenants set out in CLAUSE 8 below;

"HOLDING COMPANY": a holding company within the meaning ascribed to such expression by sections 736 and 736A, CA 85;

"MR GRASSI": Giacomo Grassi, one of the Vendors;

"NON-COMPETITION AGREEMENTS": the agreements in the agreed terms to be entered into at Completion between the Purchaser and the Vendors relating to the protection of, inter alia, the goodwill of the business of the Company;

"OPTION PERIOD": the period commencing on the date hereof and terminating on the date of the third anniversary of this Agreement;

"OPTIONS": the Call Option and the Put Option;

"PROCEEDINGS": any proceeding, suit or action arising out of or in connection with this Agreement;

"PURCHASE NOTES": the loan notes in the agreed terms to be issued to the Vendors at Completion by the Purchaser and guaranteed by TCC;

"PURCHASE QUOTAS" quotas having a nominal value of Lire 143,295,000;

"PURCHASER'S ITALIAN LAWYERS": Gianni Origoni & Partners of Piazza Belgiolso 2, 20121 Milan, Italy (whose London address is 40 Basinghall Street, London EC2V 5DE);

"PUT OPTION": the put option over the Purchase Quotas granted by the Purchaser to Mr. Grassi pursuant to CLAUSE 7.1.1 below;

"QUOTAS": the quotas in the capital of the Company set out in COLUMN (2) of SCHEDULE 1;

"RTPA": Restrictive Trade Practices Act 1976;

"SERVICE AGREEMENTS": the service agreements in the agreed terms to be entered into between Aspect Vision Care Limited and each of the Vendors;

"SERVICE DOCUMENT": a writ, summons, order, judgement or other document relating to or in connection with any Proceedings;

"STOCK EXCHANGE": London Stock Exchange Limited;

"SUBORDINATION AGREEMENT": the subordination agreement in the agreed terms to be entered into at Completion between TCC, Keybank National Association and the holders of the Purchase Notes;

"SUBSIDIARY": a subsidiary within the meaning ascribed to such expression by sections 736 and 736A, CA 85;

"SUBSIDIARY UNDERTAKING": a subsidiary undertaking within the meaning ascribed to such expression by section 258, CA 85;

"UMBRELLA AGREEMENT": the umbrella agreement of even date herewith relating to, inter alia, the sale and purchase of the Quotas entered into between the Purchaser, Mr Anthony D. Galley and TCC;

"VAT": value added tax;

"VENDORS' SOLICITORS": Travers Smith Braithwaite of 10 Snow Hill,
London, EC1A 2AL; and

"IN THE AGREED TERMS": in the form agreed between the Vendors and
the Purchasers and signed for the purposes
of identification by or on behalf of each
party.

- 1.2 The table of contents and headings in this Agreement are inserted for convenience only and shall not affect its construction.
- 1.3 Unless the context otherwise requires words denoting the singular shall include the plural and vice versa, references to any gender shall include all other genders and references to persons shall include bodies corporate, unincorporated associations and partnerships in each case whether or not having a separate legal personality. References to the word "include" or "including" are to be construed without limitation.
- 1.4 References to recitals, schedules and clauses are to recitals and schedules to and clauses of this Agreement unless otherwise specified and references within a schedule to paragraphs are to paragraphs of that schedule unless otherwise specified.
- 1.5 References in this Agreement to any statute, statutory provision or EC Directive include a reference to that statute, statutory provision or EC Directive as amended, extended, consolidated or replaced from time to time (whether before or after the date of this Agreement) and include any order, regulation, instrument or other subordinate legislation made under the relevant statute, statutory provision or EC Directive.
- 1.6 References to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include that which most approximates in that jurisdiction to the English legal term.
- 1.7 Any reference to "writing" or "written" includes faxes and any non-transitory form of visible reproduction of words.
- 1.8 References to times of the day are to London time and references to a day are to a period of 24 hours running from midnight to midnight.

2. CONDITION

2.1 Condition precedent

Subject to CLAUSE 2.3, this Agreement is subject to and conditional upon satisfaction of the condition in clause 2.1 of the Umbrella Agreement.

2.2 Time limit for satisfaction of Condition

If the condition in CLAUSE 2.1 has not been fulfilled or waived (by mutual agreement of the parties) by 31 December 1997 (or by such later date as may be agreed in writing between the parties) this Agreement shall thereupon become

null and void ab initio and none of the parties shall have any rights against any other party hereunder.

2.3 Operative provisions

Notwithstanding CLAUSE 2.1, CLAUSES 10, 12-18 (inclusive), 21 and 22 shall come into force on the execution and exchange of this Agreement and the remainder of this Agreement shall come into force on the fulfilment and/or waiver of the Condition.

2.4 Conduct of business pending Completion

Each of the Vendors hereby undertakes to the Purchaser, to the extent that they are able, to procure that the Company is run as set out in SCHEDULE 5 in respect of the period prior to Completion.

3. SALE AND PURCHASE

3.1 Obligation to sell and purchase and free from Encumbrances

Subject to the terms of this Agreement each of the Vendors shall sell, with effect from 1 November 1997, with full title guarantee and free from Encumbrances those Quotas set opposite his name in COLUMN (2) of SCHEDULE 1 and the Purchaser shall purchase such Quotas together with all rights attaching thereto with effect from 1 November 1997.

3.2 Dividends and distributions

From Completion the Vendors shall transfer to the Purchaser all dividends and distributions declared, paid or made by the Company to the Vendors in respect of the Quotas on or after 1 November 1997.

3.3 Sale of all Quotas

The Purchaser shall not be obliged to complete the purchase of any of the Quotas hereunder unless the purchase of all the Quotas is completed simultaneously.

4. CONSIDERATION

4.1 Consideration

The consideration for the Quotas shall be:

4.1.1 the sum of 'L'173,705 payable in cash; and

4.1.2 the sum of 'L'377,239 to be satisfied by the issue of the Purchase Notes.

4.2 Entitlement to consideration

The consideration shall be allocated such that:

4.2.1 the Cash Consideration shall belong to the Vendors in the proportions set opposite their respective names in COLUMN (3) of SCHEDULE 1; and

4.2.2 the Purchase Notes shall be issued to the Vendors in the proportions set opposite their respective names in COLUMN (4) of SCHEDULE 1.

4.3 Reduction in consideration

Any payment made by the Vendors pursuant to the operation of the Deed of Contribution and clause 10 of the Umbrella Agreement, or any other payment made pursuant to this Agreement, shall be deemed to be pro tanto a reduction in the price paid for the Quotas under this Agreement.

4.4 Guarantee of Purchase Notes

TCC agrees to guarantee the obligations of the Purchaser in respect of the Purchase Notes on the terms set out in the Purchase Notes.

5. COMPLETION

5.1 Time and location

Subject as provided in CLAUSE 5.4, Completion shall take place at the Milan offices of the Purchaser's Italian Lawyers on the fifth day following satisfaction or waiver of the Condition or at such other place and/or on such other date as may be agreed in writing between the Purchaser and each of the Vendors.

5.2 Vendors' obligations

At Completion the Vendors shall deliver to the Purchaser each of the documents listed in PART 1 of SCHEDULE 2.

5.3 Purchaser's obligations

Subject to the Vendors complying with their obligations under CLAUSE 5.2, the Purchaser shall at Completion deliver the documents and effect the actions listed in PART 2 of SCHEDULE 2.

5.4 TCC's obligations

Subject to the Vendors complying with their obligations under CLAUSE 5.2, TCC shall at Completion deliver the documents and effect the transactions listed in PART 3 of SCHEDULE 2.

5.5 Failure to comply

If in any respect material to the Purchaser the provisions of CLAUSE 5.2 and PART 1 of SCHEDULE 2 or if in any respect material to the Vendors the provisions of CLAUSES 5.3 and 5.4 and PARTS 2 and 3 of SCHEDULE 2 are not complied with on the date of Completion applicable under CLAUSE 5.1, the Purchaser or, as the case may be, the Vendors shall not be obliged to complete this Agreement and may:-

- 5.5.1 defer Completion to a date not more than twenty-eight days after the date set by CLAUSE 5.1 (and so that the provisions of this CLAUSE 5.5 shall apply to Completion as so deferred); or
- 5.5.2 proceed to Completion so far as practicable and without prejudice to their rights under this Agreement; or
- 5.5.3 rescind this Agreement without prejudice to their rights and remedies under this Agreement; or
- 5.5.4 waive all or any of the requirements contained in CLAUSE 5.2 or, as the case may be, CLAUSES 5.3 and 5.4, at their discretion.

6. WAIVER OF PRE-EMPTION RIGHTS

The Vendors by their execution of this Agreement hereby waive any pre-emption rights in respect of the Quotas conferred on them under the articles of association of the Company or otherwise.

7. PUT AND CALL OPTIONS

7.1 Grant of Options

- 7.1.1 The Purchaser hereby grants to Mr Grassi an option exercisable during the Option Period to require the Purchaser to purchase the Purchase Quotas.
- 7.1.2 Mr Grassi hereby grants to the Purchaser an option exercisable during the Option Period to require Mr Grassi to sell to the Purchaser the Purchase Quotas.
- 7.1.3 The Options shall only be exercisable in respect of all of the Purchase Quotas and shall not be capable of being exercised in respect of part of the Purchase Quotas.

7.2 Exercise of Options

- 7.2.1 Completion of the exercise of either the Put Option or the Call Option shall determine all rights in connection with the other.
- 7.2.2 The Put Option shall be exercisable by Mr Grassi serving upon the Purchaser an Exercise Notice which shall thereupon become binding upon the Purchaser and Mr Grassi.
- 7.2.3 The Call Option shall be exercisable by the Purchaser serving upon Mr Grassi an Exercise Notice which shall thereupon become binding upon Mr Grassi and the Purchaser.
- 7.2.4 An Exercise Notice when served (whether upon the Purchaser or Mr Grassi) shall be irrevocable.

7.2.5 Completion of the exercise of either Option shall be held within 5 Business Days of receipt of an Exercise Notice at such time and place as Mr Grassi and the Purchaser may agree or, if the parties fail to agree, at the offices in Milan of the Purchaser's Italian Lawyers at 2 p.m. (Italian time) on the fifth Business Day following receipt of the Exercise Notice.

7.2.6 At completion of the exercise of either Option, Mr Grassi shall execute a deed of sale and transfer (in substantially the same form as the Deed of Sale and Transfer) in respect of the Purchase Quotas in favour of the Purchaser (or as it may direct).

7.2.7 Upon execution by Mr Grassi of the deed of sale and transfer as aforesaid in CLAUSE 7.2.6 above in respect of the Purchase Quotas, the Purchaser shall pay consideration (which is to be agreed between the Purchaser and Mr Grassi) by way of cash and/or an issue of loan notes (such loan notes to be in substantially the same form as the Purchase Notes). The proportion of the consideration to be paid in cash and, if any, loan notes is to be agreed between the Purchaser and Mr Grassi.

7.2.8 If Mr Grassi shall fail to execute a deed of sale and transfer of the Purchase Quotas at completion then Mr Grassi shall forthwith execute, before a duly appointed notary public in Italy, a power of attorney irrevocably authorising and appointing the Purchaser (acting by any director of the Purchaser or any person duly authorised by the directors of the Purchaser) as his attorney to execute on his behalf any such deed of sale and transfer of the Purchase Quotas and any indemnity for any document of title not so delivered.

8. GRASSI COVENANTS

8.1 Mr Grassi hereby covenants that after Completion he will not at any time sell, transfer, assign, pledge or undertake to sell, transfer, assign or pledge, or otherwise dispose of any quotas he holds in the issued capital of the Company to any person other than to the Purchaser.

8.2 Mr Grassi further covenants that for so long as he is a quotaholder in AVI he will be not be concerned or engaged in any business within any country in the European Union which competes (directly or indirectly) with any business in which the Company is engaged.

8.3 Mr Grassi hereby undertakes to indemnify and keep the Purchaser indemnified from and against and in respect of and to pay on demand to the Purchaser an amount equivalent to any cost, expense, liability or risk of a fiscal nature that the Purchaser may incur following any claim of a fiscal nature in connection with the transfer by Mr Grassi of the Quotas and the Purchase Quotas.

9. RTPA

9.1 If there is any provision of this Agreement, or of any agreement or arrangement of which this Agreement forms part, which causes or would cause this Agreement or that agreement or arrangement to be subject to registration under the RTPA,

then that provision shall not take effect until the day after particulars of this Agreement or of that agreement or arrangement (as the case may be) have been furnished to the Director General of Fair Trading pursuant to section 24, RTPA.

9.2 The Purchaser shall furnish such particulars as are referred to in CLAUSE 9.1 as soon as is reasonably practicable after the date of this Agreement and within the time limits specified in the RTPA and the Vendors undertake to provide such information and assistance as the Purchaser may reasonably require in connection therewith.

10. ANNOUNCEMENTS

10.1 Restrictions on announcements

No announcement shall be made in relation to the subject matter of this Agreement or a matter ancillary to this Agreement without the prior written consent of the other party save as may be required by any:-

10.1.1 law;

10.1.2 existing contractual arrangements; or

10.1.3 the Stock Exchange or the Panel on Takeovers and Mergers or any other applicable regulatory authority to which the Vendors are subject where such requirement has the force of law,

provided such communication shall be made only after consultation with the other party.

10.2 Continuing effect

The restrictions contained in this clause shall continue to apply after Completion without limit in time.

10.3 Legal and regulatory requirements

The Purchaser and the Vendors undertake to provide all such information known to them or which on reasonable enquiry ought to be known to them as may reasonably be required by the Vendors or the Purchaser for the purpose of complying with the requirements of law or of any applicable regulatory authority to which either party is subject where such requirement has the force of law.

11. ASSIGNMENT

11.1 No party may assign the benefit of this Agreement whether absolutely or by way of security except in the case of an absolute assignment of all or part by the Purchaser to an Affiliate of the Purchaser and provided and so long as it remains an Affiliate (failing which the benefit of this Agreement shall no longer be available to such assignee nor to any assignor) save that the Purchaser may assign such benefit absolutely or by way of security to a person other than an Affiliate of the Purchaser with the prior consent in writing of the Vendors such consent

not to be unreasonably withheld or delayed and any purported assignment in contravention of this clause shall be ineffective.

11.2 Subject to CLAUSE 11.1, this Agreement shall be binding upon and enure for the benefit of the personal representatives and assigns and successors in title of each of the parties.

12. REMEDIES CUMULATIVE

12.1 The rights, powers and remedies provided in this Agreement or expressly referred to herein are cumulative and do not exclude any rights, powers or remedies provided by law or by any other document other than this Agreement.

12.2 Nothing in this Agreement or in any document in the agreed terms shall be read or construed as excluding any liability or remedy as a result of fraud.

13. WAIVER, VARIATION AND RELEASE

13.1 No omission to exercise or delay in exercising on the part of any party to this Agreement any right, power or remedy provided by law or under this Agreement shall constitute a waiver of such right, power or remedy or any other right, power or remedy or impair such right, power or remedy. No single or partial exercise of any such right, power or remedy shall preclude or impair any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under this Agreement.

13.2 Any waiver of any right, power or remedy under this Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated any waiver shall be effective only in the instance and only for the purpose for which it is given.

13.3 No variation to this Agreement shall be of any effect unless it is agreed in writing and signed by or on behalf of each party.

14. COSTS AND EXPENSE

14.1 General

Save as otherwise stated in this Agreement or in the Umbrella Agreement, each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and other agreements forming part of the transaction.

14.2 Group companies to pay no costs

For the avoidance of doubt, neither the Company nor any of its subsidiaries shall pay any legal or other professional charges and expenses in connection with any investigation of the affairs of the Company or the negotiation, preparation, execution and carrying into effect of this Agreement or any other agreement forming part of the transaction.

15. NOTICES

15.1 Any communication to be given in connection with the matters contemplated by this Agreement shall except where expressly provided otherwise be in writing and shall either be delivered by hand or sent by pre-paid registered post or sent by air mail. Delivery by courier shall be regarded as delivery by hand.

15.2 Such communication shall be sent to the address of the relevant party referred to in this Agreement or to such other address as may previously have been communicated to the other party in accordance with this clause. Each communication shall be marked for the attention of the relevant person.

15.3 A communication shall be deemed to have been served:-

15.3.1 if delivered by hand at the address referred to in CLAUSE 15.2, at the time of delivery;

15.3.2 if sent by pre-paid registered post to the address referred to in CLAUSE 15.2, at the expiration of four clear days after the time of posting; and

15.3.3 if sent by air mail to the address referred to in CLAUSE 15.2, at the expiration of five clear days after posting.

If a communication would otherwise be deemed to have been delivered outside of normal business hours (being 9:30 a.m. to 5:30 p.m. on a Business Day) in the time zone of the territory of the recipient under the preceding provisions of this clause, it shall be deemed to have been delivered at the opening of business on the next Business Day.

15.4 In proving service of the communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a pre-paid registered letter or air mail letter.

15.5 A party may notify the other parties to this Agreement of a change to its name, relevant person or address for the purposes of CLAUSE 15.2 PROVIDED THAT such notification shall only be effective on:-

15.5.1 the date specified in the notification as the date on which the change is to take place; or

15.5.2 if no date is specified or the date specified is less than five clear Business Days after the date on which notice is deemed to have been served, the date falling five clear Business Days after notice of any such change is deemed to have been given.

15.6 For the avoidance of doubt, the parties agree that the provisions of this clause shall not apply in relation to the service of Service Documents.

16. COUNTERPARTS

16.1 This Agreement may be executed in any number of counterparts and by the parties on different counterparts, but shall not be effective until each party has executed at least one counterpart.

16.2 Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same Agreement.

17. LANGUAGE

17.1 This Agreement is drawn up in the English language and if this Agreement is translated into any language other than English, the English language text shall prevail.

17.2 Each notice, instrument, certificate or other communication to be given by one party to another hereunder or in connection with this Agreement shall be in the English language (being the language of negotiation of this Agreement) and in the event that such notice, instrument, certificate or other communication or this Agreement is translated into any other language, the English language text shall prevail.

18. INVALIDITY

Each of the provisions of this Agreement is severable. If any such provision is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability in that jurisdiction of the remaining provisions of this Agreement of that provision or any other provision of this Agreement, shall not in any way be affected or impaired thereby.

19. AGREEMENT TO CONTINUE IN FULL FORCE AND EFFECT

This Agreement shall, to the extent that it remains to be performed, continue in full force and effect notwithstanding Completion.

20. CONFIDENTIALITY

20.1 The Vendors hereby undertake with the Purchaser that they shall both during and after the term of this Agreement keep confidential and not directly or indirectly reveal, report, publish, disclose or transfer or use for their own or any other purposes Confidential Information except:-

20.1.1 in the circumstances set out in CLAUSE 20.2; or

20.1.2 to the extent otherwise expressly permitted by this Agreement; or

20.1.3 with the prior consent in writing of the party to whose affairs such Confidential Information relates.

20.2 The circumstances referred to in CLAUSE 20.1.1 above are:-

20.2.1 where the Confidential Information, before it is furnished to or comes into the knowledge or possession of any of the Vendors, is in the public domain; or

20.2.2 where the Confidential Information, after it is furnished to or comes into the knowledge or possession of the Vendors enters the public domain otherwise than as a result of (a) a breach by any of the Vendors of their obligations in this CLAUSE 20 or (b) a breach by the person who disclosed that Confidential Information of his confidentiality obligation and the relevant Vendor is aware of such breach; or

20.2.3 if and to the extent that any of the Vendors make disclosure of the Confidential Information to any person:

(a) in compliance with any requirement of law; or

(b) in response to a requirement of the Stock Exchange or the Panel on Take-overs and Mergers or any other applicable regulatory authority to which any of the Vendors are subject where such requirement has the force of law; or

(c) in order to obtain tax or other clearances or consents from the Inland Revenue or other relevant taxing or regulatory authorities; or

20.2.4 to the consultants and professional advisers of the Vendors, in each case on the basis that they will comply with the Vendors' obligations of confidence hereunder,

PROVIDED THAT any such information disclosable pursuant to CLAUSES 20.2.3 (a), (b) OR (c) shall be disclosed to the extent permitted by law and only after consultation with the other party.

20.3 The restrictions contained in this clause shall continue to apply after the Completion without limit in time.

21. GOVERNING LAW AND JURISDICTION

21.1 English law

This Agreement shall be governed by and construed in accordance with English law.

21.2 Courts of England and Wales

The parties to this Agreement irrevocably agree that the courts of England shall have the non-exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement and that accordingly any Proceedings may be brought in such courts.

21.3 Acceptance by Vendors

For the avoidance of doubt, the Vendors expressly and specifically agree and accept the terms of this clause and sign below in recognition of this fact.

AS WITNESS the hands of the parties or their duly authorised representatives on the date first appearing at the head of this Agreement.

SCHEDULE 1
THE VENDORS

(1) Name and address and facsimile number (if any)	(2) Value of Quotas (Lire)	(3) Entitlement to Cash Consideration ('L'Sterling)	(4) Entitlement to Purchase Notes ('L'Sterling)
Giacomo Grassi of Via Losanna 29, 20124 Milan	34,392,000	139,271	273,937
Fabrizio Lambertini of Via Livio Pentimalli 46, 236 Rome	11,464,000	34,434	103,302
Totals	----- 45,856,000 -----	----- 173,705 -----	----- 377,239 -----

SCHEDULE 2
COMPLETION

PART 1 - DELIVERY OF DOCUMENTS BY VENDORS

On Completion, the Vendors shall:-

1. execute the Deed of Sale and Transfer before an Italian notary public;
2. deliver to the Purchaser the Service Agreements duly executed by the Vendors;
3. deliver to the Purchaser the Non Competition Agreements duly executed by the Vendors;
4. deliver to the Purchaser a counterpart Subordination Agreement duly executed by the Vendors;
5. deliver to the Purchaser a counterpart of the Deed of Contribution duly executed by the Vendors; and
6. deliver to the Purchaser such waivers, consents or other documents (including any power of attorney under which any document required to be delivered under PART 1 of this SCHEDULE 2 has been executed) in the agreed terms to enable the Purchaser and its nominee(s) to be registered as the holders of the Quotas sold by the Vendors.

PART 2 - DELIVERY OF DOCUMENTS AND ACTIONS BY THE PURCHASER

Subject as provided in CLAUSE 5.3, on Completion the Purchaser shall:-

1. pay the Cash Consideration by way of electronic transfer for same day value to the Vendors' Solicitors who are irrevocably authorised to receive the same and whose receipt shall be an effective discharge of the Purchaser's obligation to pay such sum and the Purchaser shall not be concerned to see to the application or be answerable for the loss or misapplication of such sums;
2. execute the Deed of Sale and Transfer before an Italian notary public;
3. deliver a counterpart of the Deed of Contribution duly executed by the Purchaser;
4. counterparts of the Non Competition Agreements duly executed by the Purchaser;
5. deliver certificates in respect of the Purchase Notes, duly issued, to such of the Vendors as are to receive the same;
6. deliver to each of the Vendors a copy of the minutes of a meeting of the directors of the Purchaser:
 - 6.1 authorising the execution of this Agreement and related documents (such copy minutes being certified as correct by an officer of the Purchaser); and

6.2 resolving to create and issue the Purchase Notes.

PART 3 - DELIVERY OF DOCUMENTS AND ACTIONS BY TCC

Subject as provided in CLAUSE 5.4, on Completion TCC shall:

1. execute the instrument constituting the Purchase Notes by way of guaranteeing the obligations of the Purchaser thereunder;
2. deliver a counterpart of the Deed of Contribution duly executed by TCC;
3. deliver a counterpart of the Subordination Agreement duly executed by TCC;
4. deliver to the Vendors a copy of the minutes of a meeting of the directors of TCC authorising the execution of:
 - 4.1 the instrument constituting the Purchase Notes; and
 - 4.2 this Agreement.

SCHEDULE 3
DOCUMENTS IN THE AGREED TERMS

Consents, waivers and powers of attorney re: sale of Quotas
Deed of Contribution
Non Competition Agreements
Purchase Notes
Service Agreements
Subordination Agreement

SCHEDULE 4
DEED OF SALE AND TRANSFER

SCHEDULE 5
CONDUCT OF BUSINESS PENDING COMPLETION

- (i) The business of the Company will be carried on as a going concern and in the normal course.
- (ii) No physical assets of the Company shall be removed from any property of the Company save in the ordinary course of normal day to day trading.
- (iii) The Vendors will use all reasonable endeavours to maintain the trade and trade connections of the Company.
- (iv) All debts which the Company incurs in the normal course of the business will be settled within the applicable periods of credit.
- (v) The Company will not enter into modify or agree to terminate any material contract (other than in the ordinary course of business) or incur any capital expenditure on any individual item for an amount in excess of 'L'100,000.
- (vi) The Company will not appoint or employ any new employees or consultants at an annual salary or rate of remuneration in excess of 'L'30,000.
- (vii) The Company will not alter materially or agree to alter materially the terms and conditions of employment (including benefits) of any of its employees and no Vendor will induce or endeavour to induce any of such employees to terminate their employment prior to Completion other than for a justifiable reason.
- (viii) The Company will not dispose of any material assets used or required for the operation of the business of the Company (otherwise than in the ordinary course of business) or enter into any other transaction otherwise than in the ordinary course of business.
- (ix) The Company will not create any mortgages, charges, or other encumbrances over its assets or undertakings nor give any guarantees or indemnities in respect of any third party otherwise than in the ordinary course of businesses.
- (x) Save for debt collection in the ordinary course of business, the Company will not institute, settle or agree to settle any legal proceedings relating to the business of the Company.
- (xi) The Company will not grant or modify or agree to terminate any rights or enter into any agreement relating to intellectual property or otherwise permit any of its rights relating to the intellectual property to lapse.
- (xii) The Purchaser will be given full details of any material changes in the business, financial position and/or assets of the Company from the date hereof prior to Completion.
- (xvi) All the insurance policies of the Company shall be continued for at least the same amount and on no less favourable terms than as before.

SIGNED by GIACOMO GRASSI)
in the presence of:-)
)

SIGNED by FABRIZIO LAMBERTINI)
in the presence of:-)

SIGNED by)
for and on behalf of)
ASPECT VISION HOLDINGS LIMITED)
in the presence of:-)

SIGNED by)
for and on behalf of)
THE COOPER COMPANIES, INC.)
in the presence of:-)

DATED

1997

ASPECT VISION HOLDINGS LIMITED (1)

AND

THE COOPER COMPANIES, INC. (2)

INSTRUMENT
CONSTITUTING UP TO 'L'15,000,000 OF
8 PER CENT FIXED RATE
GUARANTEED SECURED LOAN NOTES

CAMERON MCKENNA
MITRE HOUSE
160 ALDERSGATE STREET
LONDON EC1A 4DD

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"CONDITIONS" means the Conditions set out in the annex to the Certificate in Schedule 1 hereto and the word "Condition" followed by a number refers to that one of the Conditions so numbered;

"EARN OUT AGREEMENT" means the earn out agreement dated the same date as this Instrument and made between Anthony David Galley (1), the Company (2) and the Guarantor (3);

"GALLEY" means Anthony Galley or his appointee, if any, for the purposes of consent under Condition 6.1(xii);

"GUARANTEE" means the guarantee contained in Clause 10 given by the Guarantor upon and with the benefit of the terms and conditions contained in Schedule 2;

"INSTRUMENT" means this Instrument (including the Conditions);

"MARGIN" means eight per cent (8%) per annum;

"NOTES" means all the Notes of the same series constituted by this Instrument for the time being outstanding (including the Conditions annexed to each of them);

"NOTEHOLDER" means the persons whose names are for the time being entered in the Register as the holders of the Notes;

"OBLIGORS" means the Company and the Guarantor;

"PRINCIPAL AMOUNT" has the meaning given to it in Clause 3;

"PRINCIPAL SUM" means the principal amount outstanding under each of the Notes from time to time;

"REGISTER" means the register to be maintained under paragraph 1 of Schedule 3;

"REPAYMENT DATE" means any of the dates referred to in Conditions 1 or 2;

"SECURITY TRUSTEE" means Anthony Galley of Beacon Wey, The Hangers, Bishops Waltham, SO32 1FZ;

"SHAREHOLDER" means The Cooper Companies, Inc, being the holder of 100% of the issued share capital of the Company;

"SHARES CHARGE" means the third party shares charge dated on or about the date of this Instrument made between the Shareholder (1) and the Security Trustee (2);

"SUBORDINATION AGREEMENT" means the subordination agreement dated on or about the date of this Instrument made between the Guarantor (1), the Shareholder (2), the Noteholders (3) and KeyBank National Association (4);

"SUBSIDIARY" bears the same meaning in this Note as is given to the word "subsidiary" in section 736 Companies Act 1985 or any statutory modification or re-enactment thereof;

"UMBRELLA AGREEMENT" means the agreement dated on or about the date of this Instrument made between Anthony Galley, the Company and the Shareholder relating to the sale and purchase of shares in Aspect Vision Care Limited and other companies; and

"WARRANTOR" means the Vendor as defined under the Umbrella Agreement.

2.2 Unless the content otherwise requires, words denoting persons shall include corporations; words denoting the masculine gender shall include the feminine; and words denoting the singular shall include the plural and vice versa.

2.3 The headings are for convenience only and shall not affect the interpretation hereof.

2.4 References to Schedules, Clauses, sub-Clauses, paragraphs and sub-paragraphs are to Schedules, Clauses, sub-Clauses, paragraphs and sub-paragraphs herein.

2.5 References to defined parties shall also be deemed to include references to their respective successors, assigns and transferees.

3. PRINCIPAL AMOUNT

3.1. The Company shall pay to the Noteholders the sum of 'L'15,000,000 pounds sterling (such sum or such LESSER principal amount as is outstanding hereunder from time to time is hereinafter referred to as the "PRINCIPAL AMOUNT") in accordance with the Conditions.

4. INTEREST

4.1 The Company shall pay to the Noteholders until payment of the Principal Amount in full interest thereon in accordance with the Conditions.

5. PAYMENTS

5.1 The payments to be made under Clause 3 and 4 above or under the Guarantee shall be made in accordance with paragraph 5 of Schedule 3.

6. CERTIFICATES

6.1 The Company shall issue to each Noteholder a certificate for the Notes held by that Noteholder. Each certificate shall bear a denoting number and shall be issued to a Noteholder executed by the Company as a deed in the manner provided in the Company's Articles of Association from time to time or in accordance with Statute or both. Every such certificate shall be substantially in the form set out in Schedule 1 and shall have endorsed thereon the Conditions.

7. CONDITIONS

7.1 The Notes shall be held subject to the Conditions and the provisions of this Instrument which shall be binding on the Company and the Noteholders and all persons claiming through or under them.

8. NOTICE OF EVENT OF DEFAULT

8.1 The Company shall give notice to the Guarantor and the Noteholders upon it becoming aware of the occurrence of any of the events specified in Condition 6 and upon the occurrence of any event which with the passing of time, giving of notice, determination of materiality or satisfaction of any other condition would become such an event.

9. CONDITIONS AND SCHEDULES

9.1 The Company shall at all times observe and perform the Conditions and the provisions set out in Schedule 3 and Schedule 4 as if the same were set out herein.

10. GUARANTEE

10.1 Subject to the terms of the Subordination Agreement, the Guarantor hereby unconditionally and irrevocably guarantees the payment of principal and interest owing in respect of the Notes subject to and with the benefit of the terms and conditions contained in Schedule 2 which shall be deemed to be a part of this Instrument.

11. SHARES CHARGE

11.1 The Shareholder has created security in favour of the Security Trustee on the terms set out in the Shares Charge in order to secure the obligations of the Company under this Instrument.

12. STOCK EXCHANGE

12.1 No application shall be made to any stock exchange for permission to deal in or for an official or other listing or quotation in respect of the Notes.

13. NOTICES

- 13.1 Any notice or demand under the Notes to or upon the Company shall be deemed to have been properly served upon it if the same shall have been delivered or sent by letter post to it at its registered office, with a copy to the Guarantor marked for the attention of Robert S. Weiss, Chief Financial Officer at 6140 Stoneridge Mall Road, Suite 590, Pleasanton, CA 94588, USA.
- 13.2 A notice or demand (or copy thereof) sent by first-class letter post shall if the same shall have been posted before the last scheduled collection of letters from the letter box in which the same is posted on any day be deemed to have been served upon the addressee at 10.00 am on the day 2 clear days after posting, or in the case of air mail 5 clear days after posting (or if the next succeeding day be a Sunday or any other day upon which no delivery of letters is made at 10.00 am on the next succeeding day but one).

14. DISTINCT PROVISIONS

- 14.1 Each of the provisions of this Instrument shall be severable and distinct from one another and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable the validity, legality and enforceability of the remaining provisions of this Note shall not in any way be affected or impaired thereby.

15. GOVERNING LAW AND JURISDICTION

- 15.1 This Instrument and the Schedules hereto shall be governed by and construed in accordance with English law.
- 15.2 Each of the Company and the Guarantor agrees for the benefit of the Noteholders that the courts of England shall have jurisdiction to hear and determine, any suit, action or proceeding, and to settle any dispute, which may arise out of or in connection with this Instrument and the Guarantee and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- 15.3 Each of the Company and the Guarantor irrevocably waives any objection which it might now or hereafter have to the courts referred to in Clause 15.2 being nominated as the forum to hear and determine any suit, action or proceeding, and to settle any dispute, which may arise out of or in connection with this Instrument and the Guarantee and agrees not to claim that any such court is not a convenient or appropriate forum.
- 15.4 The Guarantor agrees that the process by which any suit, action or proceeding is begun may be served on it by being delivered in connection with any suit, action or proceeding in England, to the registered office for the time being of the Company, with a copy to the Guarantor marked for

the attention of Robert S. Weiss, Chief Financial Officer at 6140 Stoneridge Mall Road, Suite 590, Pleasanton, CA 94588, USA.

15.5 The submission to the jurisdiction of the courts referred to in Clause 15.2 shall not (and shall not be construed so as to) limit the right of the Noteholders to take proceedings against the Company or the Guarantor in any other court of competent jurisdiction nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

16. DELIVERY

16.1 This Deed shall be treated as delivered upon being dated.

IN WITNESS of which the Company has executed this Deed as a deed and the Guarantor has executed this instrument as a deed in the manner permitted by the laws of the territory in which the Guarantor is incorporated for the execution of documents by such a company in accordance with the Foreign Companies (Execution of Documents) Regulations 1994 and each of the Company and the Guarantor has delivered this Deed upon dating it.

SCHEDULE 1

CERTIFICATE

'L'[]

Note No []

Aspect Vision Holdings Limited
(Registered No. 3448379)

Incorporated under the Companies Act 1985

Created and issued pursuant to the Memorandum and Articles of Association of the Company and to a resolution of the Board of Directors passed on []1997

THIS IS TO CERTIFY THAT the undermentioned is the registered holder of the amount set out below of the 8 per cent Fixed Rate Guaranteed Secured Loan Notes [19 /] constituted by an instrument created by the Company (1) and The Cooper Companies, Inc (the "GUARANTOR") (2) on [] 1997 (the "INSTRUMENT") and issued with the benefit of and subject to the provisions contained in the Instrument and the Conditions and the Guarantee.

Name and Address of Holder -----	Amount of Notes -----
[]	[]

1. The Notes are payable in accordance with the Conditions.
2. The payment by the Company of the principal amount of the Notes (and interest thereon) is guaranteed by the Guarantor on the terms of the "Guarantee" a copy of which is annexed hereto.
3. This Certificate must be surrendered before any transfer whether of the whole or any part of the Notes comprised in it can be registered or any new certificate issued in exchange.
4. The Notes are transferable in amounts and multiples of 'L'1.
5. Any change of address of the Noteholder must be notified in writing signed by the Noteholder to the Company at its registered office from time to time.
6. A copy of the Instrument constituting the Notes is available for inspection at such registered office.
7. Words and expressions defined in the Instrument shall have the same meanings when used herein.
8. The Guarantee is subject to the terms and conditions of a subordination and priorities agreement dated on the same date as the Instrument and

made between the Guarantor (1), The Cooper Companies, Inc as share chargor (2), the Noteholders (3) and KeyBank National Association as agent (4).

Dated: [] 1997
EXECUTED AS A DEED by)
ASPECT VISION HOLDINGS LIMITED was)
hereunto affixed in the)
presence of:)

Director

Director/Secretary

Annex to the Certificate

Conditions to the 8 per cent Fixed Rate
Guaranteed Secured Loan Notes 'L'15,000,000
issued by Aspect Vision Holdings Limited

Payment and Purchase

17. PAYMENT DATE

17.1 Unless previously purchased or paid off under the following Conditions the Principal Sum shall be paid off on the date 5 years after the date of issue of the Notes (or if that day is not a Business Day, the next succeeding Business Day) together with interest accrued down to the date of repayment.

18. PREPAYMENT

18.1 The Company may, at any time 2 years after the date of this Instrument, upon not less than 3 months' prior written notice to the Noteholder (which shall be irrevocable and shall oblige the Company to repay the relevant amount on the Repayment Date specified) prepay the Principal Sum in whole or in part (but if in part in an amount of 'L'100,000 or AN integral multiple thereof) without penalty but together with accrued interest and on the last day of any Interest Period (as hereinafter defined). Prepayments of less than the whole of the Principal Sum shall be paid to each Noteholder in the proportion that the Principal Sum of all the Notes held by that Noteholder bears to the Principal Amount.

19. CANCELLATION

19.1 Once paid off or purchased by the Company the Notes shall be cancelled and shall not be kept alive for the purposes of reissue or be reissued.

20. INTEREST

20.1 Until such time as the Principal Sum is repaid in full in accordance with the provisions of this Note the Company will pay interest to the Noteholder on the Principal Sum annually in arrear on the last Business Day of October (each an "INTEREST DATE") in each year in respect of the twelve months beginning on and including an Interest Date (each an "INTEREST PERIOD") calculated on the basis and at the rate provided in Conditions 4.2 to 4.6 below. The first payment of such interest shall be made on 31st October 1998 in respect of the period to that date and shall be calculated from and including the date of issue of this Note up to (but excluding) such Interest Date.

- 20.2 Interest on the Note will be calculated by the Noteholder at the rate of eight per cent (8%) per annum.
- 20.3 Interest on the Note will be calculated on the basis of a 365 day year by reference to the number of days in the relevant Interest Period or in any broken period.
- 20.4 The Company shall deliver up to the Noteholders in respect of the interest paid to each Noteholder within 7 days after payment of such interest, a certificate as to the gross amount of such payment and the amount of tax deducted or withheld.
- 20.5 All payments due in relation to the Notes shall be paid free of any set-off or counterclaim, other than pursuant to Condition 7 and, save as required by law, without any withholding or deduction.
- 20.6 If the Company does not pay any sum payable under the Instrument (including payment of interest under Condition 4.2) on its due date it shall pay interest on such sum for the period beginning on such due date until full discharge at the rate of nine per cent (9%) per annum.

21. DETERMINATIONS

- 21.1 All determinations made by the Company of interest or other amounts due by the Company shall be conclusive and binding upon the Noteholder save for manifest error.

22. EVENTS OF DEFAULT

- 22.1 On the occurrence of any of the following events:

- (i) if the Company makes default for more than five days in the payment of any principal or interest payable under the Note; or
- (ii) if an order is made or effective resolution is passed for winding up any Obligor (other than in the case of such reconstruction or amalgamation as is referred to in Condition 6.1(iv) below); or
- (iii) if any incumbrancer takes possession or a receiver is appointed of all or a material part of the undertaking property and assets of any Obligor; or
- (iv) if any Obligor shall stop or cease payment or cease to carry on its business otherwise than in connection with a reconstruction or amalgamation previously approved in writing by the Noteholder; or
- (v) if any Obligor is unable to pay its debts within the meaning of section 123(1) Insolvency Act 1986 (or any statutory re-enactment thereof); or

- (vi) if the Company shall default in the observance or performance of any material provision of the Notes or these Conditions (other than a provision relating to the payment of principal money or interest) and, if such default shall be capable of remedy, fail to remedy the same within 20 Business Days of written notice given by the Noteholder requiring the same to be remedied or if any representation made by the Company in Condition 9 is incorrect when made in a material respect; or
- (vii) if the Guarantor shall default in the observance or performance of any material provision of this Instrument or the Guarantee and, if such default shall be capable of remedy, fail to remedy the same within 20 Business Days of written notice given by the Noteholder requiring the same to be remedied or if any representation made by the Guarantor in paragraph 13 of Schedule 2 of the Instrument is incorrect in any material respect; or
- (viii) if the Shareholder shall default in the observance or performance of any material provision of the Shares Charge and, if such default shall be capable of remedy, fail to remedy the same within 20 Business Days of written notice given by the Noteholder requiring the same to be remedied or if any representation made by the Shareholder in Clause 7 of the Shares Charge is incorrect in any material respect; or
- (ix) if a proposal for a voluntary arrangement is made by any Obligor with its creditors pursuant to section 1 Insolvency Act 1986 (or any statutory modification or re-enactment thereof); or
- (x) if a petition is presented for an administration order to be made in respect of any Obligor under the Insolvency Act 1986 (or any statutory modification or re-enactment thereof); or
- (xi) anything analogous to or having substantially the same effect to any of the events set out in Conditions 6.1 (ii), (iii), (v), (ix) or (x) occurs in any applicable jurisdiction of any Obligor;
- (xii) if any Account Adjustment Event shall occur without the prior written consent of Galley and the annual sales or the net income targets have not fallen below the levels referred to in Clause 5.2 of the Earn Out Agreement, or if any Board Decision Event shall occur without the prior written consent of Galley; or
- (xiii) if any indebtedness in respect of borrowed monies of any Obligor in excess of 'L'2,000,000 is not paid when due or is declared to be or otherwise becomes due and payable prior to its specified maturity or any creditor of any Obligor becomes entitled to declare any such indebtedness due and payable prior to its specified maturity,

then such event shall constitute a default and at any time whilst such default remains unremedied if the Noteholders shall so resolve by ordinary resolution (which resolution shall be deemed to be binding on all the Noteholders) the Principal Amount together with all accrued interest and other monies payable under the Note shall become immediately repayable forthwith upon demand by the Security Trustee (on behalf of all the Noteholders) or by all the Noteholders and the Company shall repay such sums, provided always that in the event of the occurrence of an event referred to in Condition 6.1(xii) (Account Adjustment Event) the amount repayable by the Company shall be the Principal Amount less six million pounds sterling ('L'6,000,000) (the "Net Amount") together with All accrued interest on the Net Amount.

23. SET-OFF

- 23.1 The Company shall be entitled (without prejudice to any other rights it may have) to set off and retain absolutely against any liability which it may have to pay monies pursuant to any provision of the Instrument (including but not limited to Clauses 3 and 4 and whether or not such liability be to the original or to any subsequent Noteholder), any sums or sums which the Warrantor or his legal or personal representatives is or are liable to pay, or which have been agreed to be paid, to the Company in connection with a Claim or pursuant to the provisions of Clause 10 (Set Off) of the Umbrella Agreement.
- 23.2 The Principal Amount (and the relevant Principal Sum of each Note) shall be deemed to be reduced with effect from the date of this Instrument by the amount which the Company is entitled to set off pursuant to this Condition 7 and Clause 10 (Set Off) of the Umbrella Agreement and appropriate interest adjustment calculations shall be made in respect of any interest already paid so that interest shall only accrue and be payable in respect of the reduced Principal Amount. Any interest paid on the amount by which the Principal Amount is reduced shall be deducted from the next and subsequent interest payments and, if the amount of future interest payments is insufficient to permit such deductions in full, shall be deducted from the Principal Amount (but in that case without any further adjustment of interest payable) (and the relevant Principal Sum of each Note), in each case in the proportion that the Principal Sum of all the Notes held by that Noteholder bears to the Principal Amount.
- 23.3 The right of set off conferred on the Company shall apply whether or not such right is exercised before or after the transfer of the Notes or any part thereof by any Noteholder or any subsequent transfer and whether or not the events giving rise to the exercise of such right arise before or after such transfer or any subsequent transfer.
- 23.4 Every person to whom the Notes (or any part thereof) is transferred, or who becomes entitled to the Notes (or any part thereof) in consequence of

the death or bankruptcy of any Noteholder, shall take such Notes subject to the right of set off conferred on the Company and any application by or on behalf of such person to have his name entered as holder of such Notes on the Register shall be deemed to include an acknowledgement by such person that he takes such Notes subject to such right of set off.

- 23.5 Where the Company is entitled to exercise any right of set off in respect of any Notes, the Company shall be under no obligation to exercise its right of set off against the Notes held by any particular Noteholder before exercising or seeking to exercise such right against the other Noteholders.
- 23.6 The Company shall notify the Guarantor of any right of set off in respect of any Notes that it has exercised (specifying in such notice the amount by which the Principal Sum of each of the Notes is to be reduced pursuant to such right of set off) and the amount recoverable under the Guarantee shall be deemed for all purposes to have been reduced with effect from such time of set off.
- 23.7 Where the Company is entitled to any right of set off under the Umbrella Agreement or this Condition 7 and has exercised such right, the Noteholder shall forthwith deliver the Certificate or Certificates relating to the Notes over which the right of set off is exercised to the Company and the Company shall either:-
- (i) enface on such Certificate or Certificates a memorandum of the amount and date of the set off; or
 - (ii) cancel the said Certificate or Certificates and without charge issue to the Noteholder a fresh Certificate for the balance of the Notes (if any).

24. ADDITIONAL NOTES

- 24.1 The Noteholder shall have the right to acquire (by subscription at nominal value of an amount equal to up to one tenth of the Noteholder's holding of Notes) additional loan notes to be issued by the Company (the "ADDITIONAL NOTES") on terms and conditions substantially the same as applicable to the Notes, subject as follows:-
- (i) the right shall be exercisable on the second anniversary of the date of the Instrument and on the first Business Day of each month thereafter until redemption by giving not less than 30 days' prior written notice to the Company and shall be exercisable only once in relation to each Note;
 - (ii) the rate of interest on the Additional Notes shall be 4 per cent per annum; and

(iii) the Additional Notes shall not include any right to acquire additional securities.

25. REPRESENTATIONS AND WARRANTIES

The Company represents and warrants to and for the benefit of the Noteholders that:-

- 25.1 it is a corporation duly organised and validly existing under the laws of England and Wales;
- 25.2 it has fully power and authority to enter into and perform the Instrument and has taken all necessary corporate or other action to authorise the execution, delivery and performance of the Instrument;
- 25.3 all action, conditions and things required by all applicable laws and regulations to be taken, fulfilled, obtained or done in order to enable it lawfully to enter into, exercise its rights under and perform and comply with its obligations under the Instrument have been taken, fulfilled, obtained or done;
- 25.4 the execution by it of the Instrument and the exercise by it of its rights and performance of or compliance with its obligations under the Instrument do not and will not violate (i) its constitutional documents or any law or regulation to which it or any of its assets is subject or (ii) to an extent or in a manner which has or could have a material adverse effect on its duty to perform its payment obligations under the Instrument, any agreement which is binding upon it;
- 25.5 its obligations under the Instrument are legal, valid and binding.

SCHEDULE 2

THE GUARANTEE

26. GUARANTEE

26.1 Subject to the terms of the Subordination Agreement, the Guarantor hereby irrevocably and unconditionally undertakes to each Noteholder that:

- (i) if the Notes shall become repayable pursuant to the terms of Condition 6 of the Instrument and are not redeemed or repaid by the Company in accordance with its obligations, then the Guarantor will pay to the Noteholders subject to and in accordance with the provisions of the Instrument the principal amount of the Notes together with any interest payable in respect of the Notes up to the date of payment by the Guarantor provided that, for the avoidance of doubt, if the Guarantor is required to make any deductions in respect of tax on interest unpaid on the relevant Note(s), the Guarantor will not be required to make any additional payment to the relevant Noteholder; and
- (ii) payments made by the Guarantor under sub-paragraph 1.1(i) above shall be made within seven (7) days after receipt of the documents specified in paragraph 2.1 below in relation to such Noteholder by the Guarantor's agent for service of process at its registered office which at the date hereof is at Aspect Vision Holdings Limited, Unit 2, South Point, Hamble, Southampton, SO31 4RF, marked for the attention of Gregory Fryling, with a copy to the Guarantor marked for the attention of Robert S. Weiss, Chief Financial Officer at 6140 Stoneridge Mall Road, Suite 590, Pleasanton, CA 94588, USA.

27. DEMAND

27.1 A Noteholder claiming payment under paragraph 1 above must deliver to the Guarantor's agent for service of process (with a copy to the Guarantor) at its registered office:

- (i) a demand in writing in the form set out in the Appendix to the Guarantee signed by or on behalf of the Noteholder or in the case of joint Noteholders by or on behalf of at least two of such joint Noteholders showing the full name(s) and registered address(es) of the Noteholder(s) concerned; and
- (ii) the Certificate(s) for the Notes in respect of which the claim is made or if the Certificate(s) shall be lost or shall have been sent to the Company for re-payment and shall not have been returned to the Noteholder such indemnity in lieu as the Guarantor may reasonably require.

- 27.2 The Guarantor shall not be under any duty to establish whether a claim by a Noteholder has been validly made but shall be entitled to assume that any such claim has been so validly made.
- 27.3 No demand under this Guarantee shall be valid or result in any liability on the part of the Guarantor hereunder unless the demand pursuant to paragraph 2.1 above is made, and received by the Guarantor's agent for service of process (with a copy to the Guarantor), in accordance with the provisions of this Guarantee, on or before the first Business Day falling six months after the date on which the Notes become repayable.
28. MAXIMUM AGGREGATE LIABILITY
- 28.1 The maximum aggregate liability of the Guarantor in respect of the principal amount of the Notes shall be limited to fifteen million pounds sterling ('L'15,000,000) or such lesser amount as shall be The Principal Amount of the Notes from time to time.
29. FAILURE TO EXERCISE
- 29.1 Subject to the provisions of paragraph 2 of this Guarantee, no failure or delay by any Noteholder in exercising any right, power or privilege hereunder shall operate as a waiver thereof.
30. CONTINUING UNDERTAKINGS
- 30.1 The undertakings contained in this Guarantee are continuing undertakings and shall remain in force notwithstanding:
- (i) that any obligation of the Company in respect of the Notes may be void or unenforceable; or
 - (ii) the liquidation or dissolution of the Company or the appointment of a Receiver or Administrator of all or any part of the assets of the Company; or
 - (iii) that any action has been taken or not taken against the Company to enforce the Noteholders' rights under the Instrument (including the Conditions) or any judgment in respect thereof is obtained against the Company.
31. LIABILITY NOT IMPAIRED
- 31.1 Subject to the provisions of paragraphs 2.3, 4 and 8 of this Guarantee, the liability of the Guarantor hereunder shall not be impaired or discharged to any extent by reason of any time or other compounding, indulgence or relief which a Noteholder may grant to the Company or by any forbearance whether as to payment or time or otherwise or any variation compromise or release of the obligations of the Company or by any dealings or

transactions between the Noteholders and the Company or by any other dealing or thing including, without limitation, circumstances affecting or preventing the recovery of any amount under the Notes which, but for this provision, might operate to exonerate or discharge the Guarantor from its obligations under this Guarantee except that if any Noteholder shall release the Company from any liability for the payment of principal or interest hereunder then the Guarantor shall not be liable to pay such amount in respect of which the Company has been released.

32. GUARANTOR CONSENT

32.1 Unless the Guarantor has otherwise consented thereto, it shall not be bound by any such other matter or thing which would operate either to increase its actual or contingent liabilities hereunder or extend any due date for the payment of principal or interest.

33. CONTINUING GUARANTEE

33.1 This Guarantee is a continuing guarantee and subject to paragraph 2.3 above shall remain in full force and effect until all monies payable by the Company under or in connection with the Notes have been discharged, provided that, for the avoidance of doubt, this Guarantee shall cease immediately in respect of any Notes purchased, redeemed or cancelled by the Company or redeemed by the Company in accordance with the Instrument.

34. ADDITION

34.1 This Guarantee shall be in addition to and shall not be affected by any other security or rights now or hereafter held or exercisable by any Noteholder on account of or in respect of any of the monies the payment of which is hereby guaranteed by the Guarantor, and this Guarantee may be enforced without first having recourse to any such security or rights and without any Noteholder first having to take any steps or proceedings against the Company.

35. PRINCIPAL OBLIGOR

35.1 As a separate and independent stipulation the Guarantor agrees that any monies expressed to be payable under the Notes which may not be recoverable from the Company or the Guarantor by reason of any legal limitation, disability or incapacity of the Company or the Guarantor or any other fact or circumstances shall nevertheless be recoverable from the Guarantor as sole and principal obligor.

36. IRREVOCABLE

36.1 This Guarantee is irrevocable in respect of the Note(s) held by each Noteholder save where a Noteholder gives to the Guarantor a specific

written release of the Guarantor's liability in relation to the whole or any part of the Note(s) of such Noteholder.

37. VARIATION

37.1 Any variation of the terms of the Guarantee in relation to a Note shall be considered valid and constituting part of this Guarantee provided such variation shall be made in writing and signed on behalf of the Company, by the relevant Noteholder or if such holder is a company on its behalf by any director or the secretary of such company, and by or on behalf of the Guarantor.

38. REPRESENTATIONS AND WARRANTIES

The Guarantor represents and warrants to and for the benefit of the Noteholders that:-

38.1 it is a corporation duly organised and validly existing under the laws of its jurisdiction of incorporation;

38.2 it has full power and authority to enter into and perform this Guarantee and has taken all necessary corporate or other action to authorise the execution, delivery and performance of this Guarantee;

38.3 it has taken, fulfilled, or done all action, conditions and things required by all applicable laws and regulations order to enable it lawfully to enter into, exercise its rights under and perform and comply with its obligations under this Guarantee and make this Guarantee admissible in evidence in England and Wales and its jurisdiction of incorporation have been taken, fulfilled, obtained or done;

38.4 the execution by it of this Guarantee and the exercise by it of its rights and performance of or compliance with its obligations under this Guarantee do not and will not violate (i) its constitutional documents or any law or regulation to which it or any of its assets is subject or (ii) to an extent or in a manner which has or could have material adverse effect on its ability to perform its payment obligations under the Instrument, any agreement which is binding upon it; and

38.5 its obligations under this Guarantee are legal, valid and binding;

39. PAYMENT

39.1 All payments due under this Guarantee shall be paid free of any set-off or counterclaim, other than pursuant to Condition 7 and, save as required by law, without any withholding or deduction. If the Guarantor is required by law to make any withholding or deduction from any payment under this

Guarantee the Guarantor shall, within 21 days after such payment, deliver up to each Noteholder a certificate as to the gross amount of such payment and the amount of tax deducted or withheld.

40. NOTICE

40.1 Any notice (including a written demand for repayment referred to in paragraph 2.1 above) to the Guarantor may be hand delivered or sent by post in a pre-paid letter addressed to the Guarantor at the registered office of the Guarantor's agent for service of process (with a copy to the Guarantor) but notwithstanding anything to the contrary herein, no notice shall be effective unless and until actually received by the Guarantor's agent for service of process (with a copy to the Guarantor).

41. SUBROGATION

41.1 Until all principal and interest and all other sums owing or payable in respect of the Notes and all other sums payable under this Guarantee or the Instrument have been irrevocably paid, discharged or satisfied in full the Guarantor waives all rights of subrogation and indemnity in respect of any amounts paid by the Guarantor pursuant to the provisions of this Guarantee.

42. NON-COMPETITION

42.1 Until all principal and interest and all other sums owing or payable in respect of the Notes and all other sums payable under this Guarantee or the Instrument have been irrevocably paid, discharged or satisfied in full the Guarantor shall not:-

- (i) exercise any right of subrogation, indemnity, set-off or counterclaim against the Company, or any other person party to any encumbrance, guarantee, indemnity or other assurance held or to be held as security for the payment, performance or discharge of the obligations guaranteed by this Guarantee (any such encumbrance, guarantee, indemnity or other assurance together referred to in this paragraph 17 as "related security") by reason of the performance by the Guarantor of its obligations under this Guarantee;
- (ii) claim payment of any other monies for the time being due to it by the Company, or any person party to any related security by reason of the performance by it of its obligations under this Guarantee;
- (iii) claim or prove in a winding-up or dissolution of the Company, or any other person party to any related security in competition with the Noteholders in respect of any amounts paid by the Guarantor pursuant to the provisions of this Guarantee; and

if the Guarantor receives any sums in contravention of this paragraph 17 it shall hold them on trust to be applied promptly in or towards the satisfaction of obligations guaranteed by this Guarantee.

42.2 The Guarantor warrants that it has not taken, and agrees that it will not take, from the Company, or any person party to any related security any encumbrance, guarantee or other assurance in respect of or in connection with its obligations under this Guarantee.

APPENDIX TO THE GUARANTEE - FORM OF DEMAND

To: Aspect Vision Holdings Limited

Address: [Registered Office of agent for service of process]

Copy to: The Cooper Companies Inc.

Address: 6140 Stoneridge Mall Road, Suite 590, Pleasanton, CA 94588, USA.

For the Attention of: Robert S. Weiss, Chief Financial Officer.

Dated [19]

1. This Demand is sent pursuant to the terms of an Instrument (the "INSTRUMENT") entered into on [] 1997 by Aspect Vision Holdings Limited (the "COMPANY") and The Cooper Companies, Inc.
2. I/We the undernamed is/are the registered holder(s) of the relevant Notes issued under the terms of the Instrument.
Name
Registered Address
3. I/We enclose the Certificate(s) relating to the Note(s) in respect of which the Demand is made.
4. I/We claim 'L' for principal and/or interest of 'L' together with interest from today's date to the date of payment.
5. I/We confirm that:
(i) none of the Notes in respect of which such claim is made has [not] been cancelled, redeemed or re-purchased by the Company; and
(ii) the sum demanded is due and payable and the Company has failed to pay the sum demanded.
6. Payments under this demand should be made to the registered holder's bank account at . Bank plc of to the account numbered .

7. Please acknowledge receipt of this demand and the enclosed Certificate(s) by returning the enclosed copy of this demand to the registered holder whose name and address [first] appear in paragraph 2 above.

Signed

By or on behalf of the Registered Noteholder

Above signature confirmed to the signature of Mr/Mrs []

.....
Noteholder's Banker's/Solicitor's

Bank/Firm/[]/Officer/Partner []

Date [19]

SCHEDULE 3

REGISTER AND TRANSFERS

43. REGISTER

43.1 A register of the Notes shall be kept by the Company at its registered office and there shall be entered in such register:

- (i) the name(s) and address(es) of the holder(s) of each of the Notes;
- (ii) the principal amount of each of the Notes and the dates on which any parts of such principal amount are repaid; and
- (iii) the date on which the name of each holder was first entered therein in respect of each of the Notes of which he is the holder.

43.2 Upon any change of address of the holder of any of the Notes being notified to the Company the said register shall be altered accordingly. The Noteholders or any of them and any person authorised by any of the Noteholders and the Guarantor shall be at liberty at all reasonable times to inspect, copy and take extracts from such register.

44. ABSOLUTE OWNER

44.1 Except as required by law the Company and the Guarantor will recognise the registered holder of any of the Notes as the absolute owner thereof and shall not be bound to take notice or see to the execution of any trust whether express implied or constructive to which any of the Notes may be subject and the receipt of such holder or in the case of joint holders the receipt of any of them for the interest from time to time accruing due in respect thereof or for any other moneys payable in respect thereof shall be a good discharge to the Company or the Guarantor notwithstanding any notice it may have whether express or otherwise of the right title interest or claim of any other person to or in such Notes interest or moneys. No notice of any trust express implied or constructive shall be entered on the register in respect of any of the Notes.

45. TRANSFER

45.1 Each of the Noteholders will be entitled to transfer any of the Notes held by him in whole or in part in amounts of 'L'1 of Principal Sum or intEgral multiples thereof by instrument in writing in the form prescribed by the Stock Transfer Act 1963 or in any form usual or common prior to the coming into operation of that Act or such other form as may be appropriate and the Directors of the Company shall approve.

45.2 Every instrument of transfer must be signed by the transferor and the transferor shall be deemed to remain the owner of the Notes registered in

his name until the name of the transferee is entered in the register in respect thereof.

- 45.3 Every instrument of transfer must be sent to or left for registration at the registered office for the time being of the Company accompanied by the certificate in respect of the Notes to be transferred and such other evidence as the Directors of the Company may require to prove the title of the transferor or his right to transfer such Notes.
- 45.4 All instruments of transfer which shall be registered will be retained by the Company.
- 45.5 No fee shall be charged by the Company in respect of the registration of any probate letters of administration certificate of marriage or death power of attorney or other document relating to or affecting the title to any of the Notes or for making any entry in the register affecting the title to any of the Notes.
- 45.6 The registration of transfers may be suspended at such times and for such period as the Company may determine provided always that such registration shall not be suspended for more than 30 days in any one year.
- 45.7 Every Noteholder shall hold the Notes subject to the rights of set-off conferred by the Umbrella Agreement or the Instrument.

46. DEATH/BANKRUPTCY

- 46.1 In the case of the death of a Noteholder the survivors or survivor where the deceased was a joint holder and the executors or administrators of the deceased where he was a sole or only surviving holder shall be the only persons recognised by the Company and the Guarantor as having any title to such Notes.
- 46.2 Any person becoming entitled to any of the Notes in consequence of the death or bankruptcy of any holder may upon producing such evidence that he sustains the character in respect of which he proposes to act under this paragraph or of his title as the Directors of the Company shall think sufficient be registered himself as the holder of such Notes or subject to the preceding paragraphs as to transfer may transfer such Notes. The Directors of the Company shall be at liberty to retain the interest payable upon any Notes which any person under this and the last preceding paragraph is entitled to transfer until such person shall be registered or duly transfer the same as aforesaid.

47. PAYMENTS

- 47.1 Any interest or other moneys payable on or in respect of any of the Notes shall be paid in such manner and in such place within the United Kingdom as the Noteholder shall reasonably direct and, if no such direction is given

to the Company in writing at least 20 Business Days prior to the relevant payment, may be paid by crossed cheque or warrant sent through the post to the registered address of the holder or person entitled thereto or in the case of joint holders to the registered address of that one of the joint holders who is first named on the Register in respect of such Notes or to such person and to such address as to the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person or persons as the holder or joint holders may in writing direct and payment of the cheque or warrant shall be satisfaction of the moneys represented thereby. Every such cheque or warrant shall be sent at the risk of the person entitled to the moneys represented thereby.

48. DEFACED NOTE

48.1 If any of the Notes be worn out or defaced then upon surrender thereof to the Directors of the Company they shall cancel the same and issue a replacement Note in lieu thereof and if any of the Notes be lost or destroyed then upon proof thereof to the satisfaction of the Directors of the Company and on such terms as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in investigating evidence as the Directors of the Company may deem adequate being given a new certificate in lieu thereof may be issued to the persons entitled to such lost or destroyed Note. An entry as to the issue of the new certificate and indemnity (if any) shall be made in the Register. There shall be paid to the Company in respect of any replaced Note issued under this paragraph such sum as the Directors of the Company shall determine not exceeding the sum of Fifty pounds ('L'50).

49. NOTICES

49.1 Any notice or other document may be given or sent to any holder of any of the Notes by sending the same by first or second class post in a prepaid letter addressed to such holder (if he has a registered address in the United Kingdom) at his registered address or (if he has no registered address within the United Kingdom) at the address (if any) within the United Kingdom supplied by him to the Company for the giving of notice to him or to his registered address.

49.2 Any notice given by post in accordance with the preceding paragraph shall be deemed to have been served 48 hours after the time when it is posted and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed stamped and posted.

SCHEDULE 4

MEETINGS OF THE NOTEHOLDERS

50. CONVENE

50.1 The Company may at any time and shall either upon a request in writing signed by the registered holders of more than 50% of the Principal Amount or upon a request in writing from the Guarantor convene a meeting of the Noteholders. All such meetings shall be held at the premises of the Company.

51. NOTICE

51.1 At least 14 days' notice, or when the meeting is being convened for the purpose of passing an Extraordinary Resolution, at least 21 days' notice (exclusive in each case of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting, shall be given to the Guarantor and the Noteholders in manner provided by the provisions in that behalf contained in the Second and Third Schedules of the Instrument. The notice shall specify the place day and hour of meeting and the general nature of the business to be transacted but it shall not be necessary except in the case of an Extraordinary Resolution to specify in the notice the terms of the resolutions to be proposed.

52. QUORUM

52.1 At any such meeting two of the Noteholders present in person or by proxy shall form a quorum for the transaction of business save, if at any time there is a sole Noteholder, then such Noteholder shall during such time, constitute a quorum. The quorum for passing an Extraordinary Resolution shall be two or more of the Noteholders present in person or by proxy save, if at any time there is a sole Noteholder, then such Noteholder shall during such time, constitute a quorum. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business. For the purposes of this paragraph and of the following paragraphs where the representative of a corporate Noteholder authorised as provided by section 375 Companies Act 1985 is present at a meeting of holders of the Notes, such corporate Noteholder shall be deemed present in person.

52.2 If within a quarter of an hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of any of the Noteholders shall be dissolved. In any other case it shall stand adjourned to such day and time not being less than 14 days thereafter and to such place as may be appointed by the Chairman and at such adjourned meeting the holders of Notes present in person or by proxy and entitled to vote whatever the amount of the Notes held by them shall be a quorum for the transaction of any business including the passing of extraordinary

resolutions and to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place. Notice of any adjourned such meeting at which an Extraordinary Resolution is to be submitted shall be given in the same manner as of an original meeting and such notice shall state that the holders of Notes present in person or by proxy at the adjourned meeting whatever their number and the amount of Notes held by them will form a quorum.

53. CHAIRMAN

53.1 Some person nominated in writing by the Company shall preside at every meeting and if no such person is nominated or if at any meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting the holders present shall choose one of their number to be Chairman. Any Director and the Secretary and the solicitors of the Company and the Guarantor and any other person authorised in that behalf by the Company or the Guarantor may attend and speak at any meeting, as may solicitors or other advisers of any of the Noteholders.

54. ADJOURNMENT

54.1 The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

55. VOTING

55.1 At any meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by one or more Noteholders present in person or by proxy and holding or representing not less than one-twentieth of the nominal amount of the Notes for the time being outstanding. Unless a poll is so demanded a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

55.2 On a show of hands every one of the Noteholders who (being an individual) is present in person or (being a corporation) is present by its authorised representative shall have one vote. On a poll every one of the Noteholders who is present in person or by proxy shall have one vote for every 'L'1 in nominal amount of the Notes of which he is the registered holder.

55.3 In the case of joint Noteholders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be

determined by the order in which the names stand in the Register in respect of joint holdings.

56. POLL

- 56.1 If a poll is duly demanded it shall be taken in such manner and either at once or after an adjournment as the Chairman may direct and the result of such a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 56.2 A poll demanded on the election of a Chairman or on a question of adjournment shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken either immediately or at such time (not being more than 30 days from the date of the meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.
- 56.3 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- 56.4 On a poll votes may be given either personally or by proxy and any of the Noteholders entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 56.5 Appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under its common seal or under the hand of an officer or attorney thereof, but need not be witnessed.
- 56.6 A person appointed to act as a proxy need not be one of the Noteholders.
- 56.7 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a copy certified by a solicitor of such power or authority shall be deposited at such place as the Company may in the notice convening the meeting direct, or if no such place is appointed then at the registered office of the Company not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or the poll at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution.
- 56.8 An instrument of proxy may be in the usual common form or in such other form as the Directors of the Company may prescribe. The proxy shall be deemed to include the right to demand or join in demanding a poll and shall (except and to the extent to which the proxy is specially directed to vote for or against any proposal) include power generally to act at the meeting for the Noteholder giving the proxy. A proxy whether in the usual common

form or not shall unless the contrary is stated thereon be valid as well for any adjournment of the meeting as for the meeting to which it relates and need not be witnessed. Any form of proxy issued by the Company shall be so worded that a registered holder of any of the Notes may direct his proxy to cast his votes either for or against each resolution. It shall be competent for any of the Noteholders to appoint the Chairman of the meeting (without naming him) as his proxy.

- 56.9 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death insanity or bankruptcy of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Note or Notes in respect of which the proxy is given. Provided that no intimation in writing of such death insanity bankruptcy revocation or transfer shall have been received by the Company at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- 56.10 In the case of an equality of votes whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to the votes (if any) to which he may be entitled as a Noteholder.

57. POWERS OF MEETING

- 57.1 A meeting of the Noteholders shall in addition to all other powers have the following powers exercisable by Extraordinary Resolution only:-
- (i) Power to sanction any scheme for the reconstruction of the Company or for the amalgamation of the Company with any other company and/or the Guarantor;
 - (ii) Power to sanction the exchange of the Notes for or the conversion of the Notes into shares stock debentures debenture stock or other obligations or securities of the Company or any other company formed or to be formed;
 - (iii) Power to sanction the release of the Company from the payment of all or any part of the principal moneys and interest owing upon the Notes;
 - (iv) Power to sanction any modification or compromise or any arrangement in respect of the rights of the Noteholders against the Company or against its properties or against the Guarantor; and
 - (v) Power to assent to any modification of the provisions contained in the Instrument proposed or agreed to by the Company and/or the Guarantor and to authorise some person on behalf of the

Noteholders to concur in and execute any supplemental trust deed embodying any such modification.

58. EXTRAORDINARY RESOLUTION

- 58.1 Subject as provided in paragraph 9.3 below, an Extraordinary Resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions contained in this Fourth Schedule shall be binding upon all the Noteholders, whether present or not present at the meeting.
- 58.2 The expression "EXTRAORDINARY RESOLUTION" when used in this Note means a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions contained in this Fourth Schedule and carried by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than three-fourths of the votes given on such poll.
- 58.3 No resolution, whether an Extraordinary Resolution or otherwise shall be effective which would or might increase or change in any way any obligation of the Company or the Guarantor hereunder or postpone the due date for payment of any principal or interest in respect of any Note without the consent of the Company and the Guarantor.
- 58.4 A resolution in writing signed by or on behalf of any one or more of the Noteholders holding, or together holding, 75 per cent in nominal amount of the Notes shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions contained in this Fourth Schedule. Such resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such Noteholders.

59. MINUTES

- 59.1 Minutes of all resolutions and proceedings at each meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Company and any such minute as aforesaid if purporting to be signed by the Chairman of that meeting or by the Chairman of the next succeeding meeting of the Noteholders shall be conclusive evidence of the matters therein stated and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings held thereat to have been duly passed and held.

Executed as a Deed
by THE COOPER COMPANIES, INC
and signed by

)
)
)
)
).....
) (authorised signatory)
)
)
).....
) (authorised signatory)

and

acting with the authority of The Cooper Companies, Inc

DATED

1997

THE COOPER COMPANIES, INC. (1)

AND

ANTHONY GALLEY
AS TRUSTEE FOR EACH OF THE NOTEHOLDERS (2)

THIRD PARTY CHARGES OVER SHARES

CAMERON MCKENNA
MITRE HOUSE
160 ALDERSGATE STREET
LONDON EC1A 4DD

T +44(0)171 367 3000
F +44(0)171 367 2000

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"NOTEHOLDERS" has the meaning given to it in the Instrument, or any of them;

"NOTES" has the meaning given to it in the Instrument; and

"SECURITY INTEREST" means any mortgage, charge, hypothecation, pledge, lien, encumbrance, trust arrangement, contractual arrangement having the effect of security, conditional sale or other title retention agreement or other security interest whatsoever, howsoever created or arising.

- 1.2 In this Deed, the expressions "Security Trustee", "Noteholder", "Chargor" and "Debtor" where the context admits include their respective transferees, successors and assigns whether immediate or derivative.
- 1.3 In this Deed:
- (i) references to sub-clauses, Clauses and Schedules are unless otherwise stated to sub-clauses, clauses of and schedules to this Deed;
 - (ii) any liability or power which may be exercised or any determination which may be made hereunder by the Security Trustee may (save as otherwise provided herein) be exercised or made in its absolute and unfettered discretion and it shall not be obliged to give reasons therefor;
 - (iii) references to statutes and/or statutory provisions shall be construed as referring to such statutes or statutory provisions as respectively replaced, amended, extended, consolidated or re-enacted from time to time and shall include any order, regulation, instrument or other subordinate legislation made under the relevant statute or statutory provision;
 - (iv) the table of contents and headings to Clauses and Schedules are for convenience only and have no legal effect;
 - (v) statements referring to the Security Trustee's capacity as trustee for the Noteholders are by way of clarification and explanation only and shall not prejudice the meaning of the "Security Trustee" elsewhere in this Deed where such statements are not made and any statement referring to monies, obligations or liabilities owing to, or other rights, benefits or discretions granted to or created hereunder for, or covenants, undertakings, or other agreements made in favour of, the Security Trustee and/or the Noteholders, as the case may be, are similarly by way of clarification and explanation only and shall not prejudice the meaning of "Noteholders" elsewhere in this Deed where such statements are not made;

- (vi) references herein to any agreement or document shall be construed as referring to such agreement or document as the same may have been, or may from time to time be varied, amended, supplemented, substituted, novated or assigned;
- (vii) the expression "person" shall be construed to include reference to any person, firm, company, partnership, corporation or unincorporated body of persons or any state or government or any agency thereof; and
- (viii) unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa.

1.4 Both of the parties to this document intend it to be a deed and agree to execute and deliver it as a deed.

2. SECURITY

2.1 In consideration of the Noteholders making available the Principal Sum under each of the Notes to the Debtor under the Instrument, the Chargor with full title guarantee and without the benefit of Section 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 and to the intent that the security hereby created shall rank as a continuing security hereby charges to the Security Trustee by way of first fixed charge the shares in the Debtor listed in the Schedule and any proceeds of sale arising therefrom (the "SHARES") and, subject to Clause 5 (Dividends and Voting Rights), the Derivative Assets.

3. SECURED LIABILITIES

3.1 The security created pursuant to Clause 2 shall stand as continuing security for the payment to the Noteholders and the discharge on demand of all indebtedness of the Debtor to the Noteholders, or any of them, under the Notes.

4. COVENANTS BY THE CHARGOR

4.1 The Chargor covenants with the Security Trustee that during the continuance of this security the Chargor will:-

- (i) forthwith upon execution of this Deed deposit with the Security Trustee all the share certificates of the Shares and instruments of transfer (with the name of the transferee, the consideration and the date left blank but otherwise duly completed and executed) relating to the Shares;

- (ii) ensure so far as it is able that the Shares are at all times free from any restriction on transfer (whether under any relevant constitutive documents or otherwise) by the Security Trustee or its nominees to perfect or enforce the security constituted or intended to be constituted by this Deed;
- (iii) upon the accrual, offer or issue of any Derivative Assets (apart from dividends) which have not accrued or been issued to the Security Trustee or nominee as registered holder of the Shares to which those Derivative Assets relate, deliver to the Security Trustee all such Derivative Assets and any certificates or documents of title to the same together with instruments of transfer (with the name of the transferee, the consideration and the date left blank but otherwise duly completed and executed) relating to such Derivative Assets;
- (iv) notify the Security Trustee of the contents of any communication or document received by it from the Debtor in relation to any of the Shares or Derivative Assets;
- (v) not, otherwise than in accordance with this Deed (without the prior consent in writing of the Security Trustee):-
 - (a) permit any person other than the Chargor to be registered as holder of the Shares or any part thereof;
 - (b) create or purport to create or permit to subsist any Security Interest (other than in favour of the Security Trustee or a Security Interest governed by the Subordination Agreement (as defined in the Instrument)) on or over the Shares or the Derivative Assets or any part thereof or interest therein or right in respect thereof or enter into any agreement to grant or create such a Security Interest;
 - (c) sell, transfer or otherwise dispose of the Shares or the Derivative Assets or any part thereof or interest therein or right in respect thereof or attempt or agree so to do; or
 - (d) do or cause or permit to be done anything which will deliberately depreciate, jeopardise or prejudice the value to the Noteholders of the Shares or the Derivative Assets.

5. DIVIDENDS AND VOTING RIGHTS

- 5.1 The Security Trustee hereby agrees with the Chargor that unless an Event of Default (as set out in Condition 6 of the Instrument) has occurred and is continuing:-

- (i) any dividends of the Shares (if any) will be for the account of the Chargor; and
- (ii) the Security Trustee or its nominees will exercise all voting and other rights and powers attached to the Shares in such manner as the Chargor may from time to time in writing direct provided that the Security Trustee and its nominees (if any) shall be under no obligation to exercise such rights as directed if in its or their reasonable opinion the result would be a breach of Clause 4.1(v).

6. NON-COMPETITION

6.1 Until all secured obligations referred to in Clause 3 have been paid, discharged or satisfied in full the Chargor shall not:-

- (i) exercise any right of subrogation, indemnity, set-off or counterclaim against the Debtor or any other person party to any encumbrance, guarantee, indemnity or other assurance held or to be held as security for the payment, performance or discharge of the obligations secured by this Deed (any such encumbrance, guarantee, indemnity or other assurance together referred to in this Clause 6.1 as "related security") by reason of the performance by the Chargor of its obligations under this Deed;
- (ii) claim payment of any other monies for the time being due to it by the Debtor or any person party to any related security by reason of the performance by it of its obligations under this Deed;
- (iii) claim or prove in a winding-up or dissolution of the Debtor or any other person party to any related security in competition with the Security Trustee in respect of any amounts paid by the Chargor pursuant to the provisions of this Deed; and

if the Chargor receives any sums in contravention of this Clause 6.1 it shall hold them on trust to be applied promptly in or towards the satisfaction of obligations secured by this Deed.

6.2 The Chargor warrants that it has not taken, and agrees that it will not take, from the Debtor, or any person party to any related security any encumbrance, guarantee or other assurance in respect of or in connection with its obligations under this Deed.

7. REPRESENTATIONS AND WARRANTIES

The Chargor represents and warrants to and for the benefit of the Security Trustee that:-

- 7.1 it is a corporation duly organised and validly existing under the laws of its jurisdiction of incorporation;
- 7.2 it has fully power and authority to enter into and perform this Deed and has taken all necessary corporate or other action to authorise the execution, delivery and performance of this Deed;
- 7.3 it has taken all action, conditions and things required by all applicable laws and regulations in order to enable it lawfully to enter into, exercise its rights under and perform and comply with its obligations under this Deed and make this Deed admissible in evidence in England and Wales and its jurisdiction of incorporation have been taken, fulfilled, obtained or done;
- 7.4 the execution by it of this Deed and the exercise by it of its rights and performance of or compliance with its obligations under this Deed do not and will not violate (i) its constitutional documents or any law or regulation to which it or any of its assets is subject or (ii) to an extent or in a manner which has or could have a material adverse effect on its ability to perform its payment obligations under the Instrument, any agreement which is binding upon it; and
- 7.5 its obligations under this Deed are legal, valid and binding.

8. CONTINUING SECURITY

- 8.1 This security shall be an irrevocable continuing security and shall remain in full force and effect until all secured liabilities referred to in Clause 3 have been paid, discharged or satisfied in full.

9. NON-EXONERATION

- 9.1 If any purported obligation or liability of the Debtor to the Noteholders which if valid would have been secured by this Deed is not or ceases to be valid or enforceable against the Debtor on any ground whatsoever whether or not known to the Noteholders, the security constituted by this Deed shall nevertheless be enforceable against the Chargor.
- 9.2 The liability of the Chargor shall not be affected nor shall this Deed be discharged or dismissed by reason of:-
- (i) any security or right or remedy held by or available to the Security Trustee and the Noteholders being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by the Security Trustee or any of the Noteholders varying, releasing or failing to perfect or enforce any of the same;

- (ii) the Security Trustee or any of the Noteholders varying the liability of or granting any time, indulgence or concession to the Debtor or concurring in, accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment from the Debtor; or
- (iii) any act or omission which would not have discharged or affected the liability of the Chargor had it been principal debtor instead of surety or by anything done or omitted which but for this provision might operate to exonerate the Chargor.

10. FURTHER ASSURANCE

- 10.1 The Chargor shall if and when reasonably required by the Security Trustee execute such further documents and take such other steps as the Security Trustee may from time to time reasonably require for perfecting its Security in the Shares to secure the secured obligations referred to in Clause 3.
- 10.2 The Chargor, by way of security and in order more fully to secure the performance of the Chargor's obligations under this Deed, irrevocably appoints the Security Trustee and the persons deriving title under it to be its attorney for and in the name and on behalf and as the act and deed or otherwise of the Security Trustee, if the Chargor shall be in breach of its obligations under this Deed, to execute as a deed or under hand and deliver and do all such assurances, acts and things which the Chargor is required, but has failed, to execute and do under the covenants contained in this Deed (including without limitation, to execute as a deed or under hand and deliver any transfers or other documents which the Security Trustee may require to perfect its title to any of the Shares or Derivative Assets.

11. POWERS OF MORTGAGEES

- 11.1 At any time after the Notes shall have become due and payable, the Noteholders shall have demanded payment of any money hereby secured, or if requested by the Chargor, the Security Trustee and any nominee of the Security Trustee wheresoever situate may without further notice and without the restrictions contained in Sections 93 or 103 of the Law of Property Act 1925 in respect of all or any of the Shares exercise all the powers or rights which may be exercisable by the registered holder of the Shares and all other powers conferred on mortgagees by the Law of Property Act 1925 as hereby varied or extended.
- 11.2 In exercising the powers referred to in Clause 11.1, the Shares or any part thereof may be sold or disposed of at such times, in such manner and generally on such terms and conditions and for such consideration as the Security Trustee may think fit. Any such sale or disposition may be for cash,

debentures or other obligations, shares, stock, securities or other valuable consideration and be payable immediately or by instalments spread over such period as the Security Trustee shall think fit.

11.3 No purchaser or other person shall be bound or concerned to see or enquire whether the right of the Security Trustee to exercise any of the powers hereby conferred has arisen or not or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of any such powers.

11.4 The Security Trustee may place and keep (for such time as he shall consider prudent) any money recovered or realised pursuant to this Deed in a separate suspense account without any obligation to apply the same or any part thereof in or towards the discharge of the obligations secured by this Deed.

12. POWERS TO LEND, BORROWER AND CHARGE

12.1 The Security Trustee and/or any of the Noteholders may at any time after the Security Trustee's powers shall have become exercisable under Clause 11.1 advance, raise or borrow money on the security of the Shares or any part thereof on such terms and conditions as they shall reasonably think fit for the purpose of defraying any costs, charges, losses and expenses which shall be properly paid or incurred in the enforcement of the security over the Shares under this Deed.

13. APPLICATION BY THE SECURITY TRUSTEE

13.1 All money received by the Security Trustee in the exercise of any powers conferred by this Deed shall be applied after the discharge of all liabilities having priority thereto in or towards satisfaction of the moneys owing to the Noteholders, whether as to principal, interest or otherwise.

14. THE SECURITY TRUSTEE AS TRUSTEE AND INDEMNITY

14.1 The Security Trustee hereby declares itself trustee of the security and other rights (including but not limited to the benefit of the covenants contained herein), titles and interests constituted by this Deed and of all monies, property and assets paid to the Security Trustee or held by the Security Trustee or received or recovered by the Security Trustee pursuant to or in connection with this Deed with effect from the date hereof to hold the same on trust for each of the Noteholders absolutely pro rata to the monies, obligations and liabilities of the Chargor to all the Noteholders from time to time secured hereby.

14.2 All moneys received by the Security Trustee shall be held by it upon trust for itself and the Noteholders according to their respective interests to apply the same first in discharging any expenses incurred in enforcing the security under

this Deed and secondly in or towards satisfaction of the moneys, obligations and liabilities secured by this Deed.

14.3 The trusts herein shall remain in force until whichever is the earlier of:-

- (i) the expiration of a period of 80 years from the date hereof; or
- (ii) receipt by the Security Trustee of confirmation in writing from all of the Noteholders that there are no longer outstanding any monies under the Notes.

14.4 Without prejudice to any right to indemnity by law given to trustees generally, the Security Trustee shall be entitled to be indemnified and kept indemnified out of the Shares or Derivative Assets in respect of all liabilities, costs, charges, losses and expenses properly incurred or suffered by him in the execution or the purported execution of the trusts created by this Deed or of any powers, authorities or discretions vested in him pursuant to this Deed and against all actions, proceedings, claims and demands in respect of any matter or thing done or omitted or in any way relating to the Shares or the provisions of this Deed or occasioned by any breach by the Chargor of any of its covenants or other obligations to the Security Trustee or any Noteholder hereunder or under the Instrument and all sums necessary to effect and maintain such indemnity shall be an additional charge on the Shares and shall be satisfied before any payment is made thereout to any Noteholder.

15. LIABILITY

15.1 The Security Trustee shall not in any circumstances (either by reason of taking possession of the Shares or any part thereof or for any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever) be liable to account to the Chargor for anything except the Security Trustee's actual receipts or be liable to the Chargor for any loss or damage arising from any realisation by the Security Trustee of the Shares or any part thereof or from any act, default or omission of the Security Trustee in relation to the Shares or the Derivative Assets or any part thereof (including without limitation, any neglect or failure to present any interest coupon or any bond or stock drawn for repayment) or in relation to any such realisation or from any exercise or non-exercise by the Security Trustee of any power, authority or discretion conferred upon it in relation to the Shares or the Derivative Assets or any part thereof by or pursuant to this Deed or by the Law of Property Act 1925 or from any failure to pay any call or instalment or to accept any offer or to notify the Chargor of any such matter or for any negligence or default by its nominees, correspondents or Security Trustees or for any other loss of any nature whatsoever in connection with the Shares or the Derivative Assets.

16. AVOIDANCE OF PAYMENTS

16.1 Any settlement, discharge or release between the Chargor and the Security Trustee shall be conditional upon no security or payment to the Security Trustee or any of the Noteholders by the Chargor, the Debtor or any other person being avoided or reduced or ordered to be refunded by virtue of any provisions of any enactments relating to bankruptcy, liquidation or insolvency for the time being in force and notwithstanding any settlement, discharge or release:-

- (i) the Security Trustee shall forthwith release the certificates relating to any Shares to the Chargor upon the discharge of all secured obligations referred to in Clause 3; and
- (ii) the Security Trustee shall be entitled to recover from the Chargor subsequently (but not exceeding the value of the security hereby charged) the value or amount of such security or payment avoided or reduced as if such settlement, discharge or release had not occurred and the Chargor agrees with the Security Trustee accordingly and charges the Shares and the proceeds of sale thereof with any liability under this Clause, whether actual and/or contingent.

17. REMEDIES, WAIVERS AND CONSENTS

17.1 No failure on the part of the Security Trustee or any Noteholder to exercise, and no delay on its part in exercising, any right or remedy under this Deed will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

17.2 Any waiver and any consent by the Security Trustee under this Deed must be in writing and may be given subject to any conditions thought fit by the Security Trustee. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

18. NOTICES

18.1 Every notice, request, demand or other communication hereunder shall be in writing delivered personally or by first-class registered mail or facsimile transmission to the address or facsimile number, if any, of the addressee set out below and marked for the attention of the persons set out below:-

- (i) in the case of the Security Trustee if by letter to him at Beacon Wey, The Hangers, Bishops Waltham, S032 1FZ; and

(ii) in the case of the Chargor to its agent for service of notice if by letter to it at Aspect Vision Holdings Limited, Unit 2, South Point, Hamble, Southampton, Hampshire SO31 4RF, in each case marked for the attention of Greg Fryling with a copy to the Chargor marked for the attention of Robert S. Weiss, Chief Financial Officer at 6140 Stoneridge Mall Road, Suite 590, Pleasanton, CA 94588, USA;

or at such other addresses or numbers, or for the attention of such other persons, as the parties hereto may from time to time notify to each other.

18.2 Any notice, request, demand or other communication to be given or made under this Deed shall be deemed to have been delivered, in the case of any notice, request, demand or other communication given or made by personal delivery or facsimile when despatched or delivered unless despatched or delivered outside normal business hours when it shall be deemed to have been delivered on the next normal business day following the date on which it was despatched or, in the case of any notice, request, demand or other communication given or made by letter, two normal business days after having been posted by first class registered mail provided that each notice, request, demand or other communication given or made by facsimile shall, without prejudice to the validity or effectiveness of the same, be confirmed by letter.

18.3 In the case of the death of any person a party hereto and until receipt by the Security Trustee of notice in writing of the grant of representation to the estate of the deceased, any notice or demand by the Security Trustee sent by first class recorded delivery post or facsimile transmission as aforesaid addressed to the deceased or his/her personal representatives at the usual or last known place of abode or business of the deceased shall for all purposes be deemed a sufficient service of a notice or demand by the Security Trustee on the deceased and his/her personal representatives and shall be as effectual as if the deceased were still living.

19. MISCELLANEOUS

19.1 Each of the provisions of this Deed is severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable with respect to the Chargor the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

19.2 This Deed may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

20. GOVERNING LAW AND JURISDICTION

20.1 This Deed shall be governed by and interpreted and construed in accordance with the law of England and Wales.

20.2 The Chargor agrees for the benefit of the Security Trustee that the courts of England shall have jurisdiction to hear and determine, any suit, action or proceedings, and to settle any dispute, which may arise out of or in connection with this Deed and, for such purposes, irrevocably submits to the jurisdiction of such courts.

20.3 The Chargor irrevocably waives any objection which it might now or hereafter have to the courts referred to in Clause 20.2 being nominated as the forum to hear and determine any suit, action or proceeding, and to settle any dispute, which may arise out of or in connection with this Deed and agrees not to claim that any such court is not a convenient or appropriate forum.

20.4 The Chargor agrees that the process by which any suit, action or proceeding is begun may be served on it by being delivered in connection with any suit, action or proceeding in England, to the registered office for the time being of the Debtor, with a copy to the Guarantor marked for the attention of Robert S. Weiss, Chief Financial Officer at 6140 Stoneridge Mall Road, Suite 590, Pleasanton, CA 94588, USA.

20.5 The submission to the jurisdiction of the courts referred to in Clause 20.2 shall not (and shall not be construed so as to) limit the right of the Security Trustee to take proceedings against the Chargor in any other court of competent jurisdiction nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

IN WITNESS of which the Security Trustee has executed this instrument as a deed and has delivered it upon dating it and the Chargor has executed this instrument as a deed in the manner permitted by the laws of the territory in which the Chargor is incorporated for the execution of documents by such a Company in accordance with the Foreign Companies (Execution of Documents) Regulations 1994 and has delivered it upon dating it.

SCHEDULE 1

THE NOTEHOLDERS

No.	Noteholder	Address
-----	-----	-----
1.	Geoffrey Harrison Galley	Red Lodge The Close Totteridge London N20 8PT
2.	Anthony David Galley	Beacon Wey The Hangers Bishops Waltham S032 1FZ
3.	Wilfred Trevor Brooker	Grimbles Barn Buckland Village Aston Clinton Buckinghamshire HP22 5HY
4.	John Trevor De Carle	Lowicks House Sandy Lane Tilford Farnham Surrey GU10 2BX
5.	Clive De Carle	The Little Lodge The Prevue Bucklebury Berkshire
6.	Ian Arthur McDermott	75 Upper Barn Copse Fair Oak Eastleigh Hampshire S050 8DB
7.	R. B. Poole	7 Deans Way Tarvin Chester
8.	Barrie Bevis	53 Wilderness Heights West End Southampton Hampshire S018 3PS
9.	Ivor Atkinson	90 Queens Drive Surbiton Surrey KT5 8PP

10. Giacomo Grassi

11. Fabrizio Lambertini

12. Norma Galley

Red Lodge
The Close
Totteridge
London N20 8PT

13. Michael J Kelly

8 The Vineyards
North Baddesley
Southampton
Hampshire S052 9PP

SCHEDULE 2

SPECIFIC SHARES CHARGED

100,000 10p ordinary shares

Executed as a Deed
by THE COOPER COMPANIES, INC
and signed by

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)
)
)
)
)
) (authorised signatory)
)
)
)
) (authorised signatory)

and

acting with the authority of The Cooper Companies, Inc

Executed as a Deed
by ANTHONY GALLEY
as trustee for each of the Noteholders

)
)
)
)
)

Dated 1997

ANTHONY DAVID GALLEY (1)

ASPECT VISION HOLDINGS LIMITED (2)

AND

THE COOPER COMPANIES, INC. (3)

EARN OUT AGREEMENT

CAMERON MCKENNA
MITRE HOUSE
160 ALDERSGATE STREET
LONDON EC1A 4DD

T +44(0)171 367 3000
F +44(0)171 367 2000

THIS AGREEMENT is made the day of November 1997

BETWEEN:-

- (1) ANTHONY DAVID GALLEY of Beacon Way, The Hangars, Bishops Waltham, SO32 1FZ ("Mr. Galley");
- (2) ASPECT VISION HOLDINGS LIMITED (registered in England with number 3448379) whose registered office is at Mitre House, 160 Aldersgate Street, London EC1A 4DD ("AVH"); and
- (3) THE COOPER COMPANIES, INC. a company incorporated in Delaware whose principal office is at 6140 Stoneridge Mall Road, Suite 590, Pleasanton, CA 94588, USA ("TCC").

WHEREAS:

- (A) Immediately prior to the exchange and execution of this Agreement:
 - TCC was the beneficial owner of all the fully paid ordinary shares of 10p each in the capital of AVH;
 - AVH had undertaken to Mr. Galley to issue to him a loan note as part of the consideration for the sale of his shares in Contact Lens Technologies Limited and New Focus Health Care Limited entitling him to participate in an earn out payment by AVH, the terms of the instrument which will constitute the loan note are set out in EXHIBIT 1 to this Agreement;
 - AVH intends to adopt an unapproved share option scheme, the rules of which are attached as EXHIBIT 2 to this Agreement;
 - AVH intends to grant options over authorised but unissued ordinary shares in the capital of AVH to those persons (other than Mr. Galley) listed in SCHEDULE 1.
- (B) AVH may grant options pursuant to the rules of the share option scheme referred to in (A) above to additional persons after the date hereof.
- (C) The rules of the said share option scheme provide that on the grant of options pursuant to the said scheme the person accepting such a grant shall enter into a deed of adherence in the form set out in EXHIBIT 3 to this Agreement.
- (D) Mr. Galley and TCC are entering into this Agreement to define their relationship with one another regarding the future management of AVH, to agree the means of calculating the principal amount of the loan note referred to above and to set out the terms of options relating to holdings of shares in AVH which will result from the exercise of options granted pursuant to the share option scheme referred to above.

WHEREBY IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement the following words and expressions have the meaning set opposite them:

- "ACCOUNTING STANDARDS": statements of standard accounting practice (including financial reporting standards) issued pursuant to section 256, CA 85 by the ASB;
- "A DIRECTORS": from time to time those Directors appointed by TCC;
- "AFFILIATES": in relation to any body corporate, any holding company or subsidiary undertaking of such body corporate or any subsidiary undertaking of a holding company of such body corporate;
- "AGREEMENT": this agreement including its recitals and the schedules hereto;
- "ARTICLES": the articles of association of AVH;
- "ASB": Accounting Standards Board Limited (registered number 2526824) or such other body prescribed by the Secretary of State from time to time pursuant to Section 256, CA 85;
- "AVH'S ACCOUNTANTS": KPMG of 8 Salisbury Square, London EC4Y 8BB;
- "B DIRECTORS": from time to time those Directors appointed by Mr. Galley;
- "BALANCE SHEET DATE": 31 October;
- "BOARD": the board of Directors of AVH;
- "BUSINESS DAY": a week day (other than a Saturday) when banks are open for business in London;
- "CA85": Companies Act 1985;
- "CALL OPTIONS": the call options over the Remaining Shares granted by each of the Optionholders to TCC pursuant to CLAUSE 2.1;
- "COMPLETION": the performance by the parties of all their obligations under CLAUSE 2.7 in respect of the First Tranche and the Second Tranche;

"CONFIDENTIAL INFORMATION": all information supplied by or on behalf of a party in the negotiations leading to, this Agreement and which relates to;

(a) the provisions of this Agreement;

(b) the negotiations relating to this Agreement;

(c) TCC;

"COOPER VISION": Cooper Vision Inc, a wholly owned subsidiary of TCC;

"CLT": Contact Lens Technologies Limited;

"DEED OF ADHERENCE": the deed of adherence set out in EXHIBIT 3 to this Agreement which is referred to in recital (C) above the effect of which is to extend to those Managers who are not parties to this Agreement, the rights and obligations of the Managers which are described in this Agreement;

"DIRECTORS": the directors of AVH from time to time;

"EOLN": the loan note for the Principal Amount calculated in accordance with SCHEDULE 3 to be issued by AVH to Mr. Galley which will be constituted by the instrument, the terms of which are set out in EXHIBIT 1, which loan note will represent part of the consideration payable by AVH in respect of the purchase of Mr. Galley's holdings of shares in CLT and NFHC;

"EXERCISE NOTICE": a notice served upon the Optionholders (or any of them) by TCC exercising a Call Option and/or a notice served upon TCC by any of the Optionholders exercising a Put Option (whether in respect of the First Tranche or the Second Tranche, as the case may be);

"FINANCIAL YEAR": each accounting reference period of AVH and the Subsidiaries which will end on 31 October in each year subject to any longer or shorter period determined by the Board;

"FIRST CALL OPTION PERIOD" the period commencing on 1 May 2001 and terminating on 31 October 2001;

"FIRST PUT OPTION PERIOD": the period commencing on 1 December 2000 and terminating on 30 April 2001;

"FIRST OPTION PRICE": the price per Remaining Share comprised in the First Tranche calculated pursuant to SCHEDULE 3;

"FIRST TRANCHE": half of the total number of Remaining Shares held by the Optionholders;

"GROUP": AVH and its subsidiaries;

"LEVEL 1/LEVEL 2 EMPLOYEES": those employees of the Group who hold senior positions;

"MANAGERS": Mr. Galley and the Optionholders;

"MANAGERS' ACCOUNTANTS": any accountants appointed by Mr. Galley to act as such from time to time;

"MANAGERS' SOLICITORS": Travers Smith Braithwaite of 10 Snow Hill, London EC1A 2AL;

"NFHC": New Focus Health Care Limited;

"OPTION ACCOUNTS": the consolidated accounts of the Group referred to in CLAUSE 3, prepared in accordance with SCHEDULE 2;

"OPTIONHOLDERS": those persons who, as at today's date, hold options to subscribe for shares in the capital of AVH pursuant to the Scheme and whose names are set out in SCHEDULE 1 and such other persons who from time to time participate in the Scheme;

"OPTION PRICES": the First Option Price and the Second Option Price;

"PRINCIPAL AMOUNT": the principal amount of the EOLN calculated pursuant to SCHEDULE 3;

"PROCEEDINGS": any proceedings, suit or action arising out of or in connection with this Agreement;

"PUT OPTIONS": the put options over the Remaining Shares granted by TCC to each of the Optionholders pursuant to CLAUSE 2.1;

"REMAINING SHARES": up to 4,500 ordinary shares of 10p each in the share capital of AVH which result from the exercise of options granted under the terms of the Scheme;

"SCHEME": the unapproved share option scheme adopted by AVH, the rules of which are attached as EXHIBIT 2 to this Agreement;

"SECOND CALL OPTION PERIOD": the period commencing on 1 May 2002 and terminating on 31 October 2002;

"SECOND PUT OPTION PERIOD": the period commencing on 1 December 2001 and terminating on 30 April 2002;

"SECOND OPTION PRICE": the price per Remaining Share comprised in the Second Tranche calculated pursuant to SCHEDULE 3;

"SECOND TRANCHE": half of the total number of Remaining Shares held by the Optionholders;

"SUBSIDIARIES": those companies which are subsidiaries of AVH following completion of the Purchase Agreements as the same are defined in the Umbrella Agreement;

"UMBRELLA AGREEMENT": the agreement of the date hereof made between Mr. Galley, AVH and TCC relating to the sale and purchase of shares in AVC and other companies.

- 1.2 The table of contents and headings in this Agreement are inserted for convenience only and shall not affect its construction.
- 1.3 Unless the context otherwise requires words denoting the singular shall include the plural and vice versa, references to any gender shall include all other genders and references to persons shall include bodies corporate, unincorporated associations and partnerships in each case whether or not having a separate legal personality. References to the word "include" or "including" are to be construed without limitation.
- 1.4 References to recitals, schedules and clauses are to recitals and schedules to and clauses of this Agreement unless otherwise specified and references within a schedule to paragraphs are to paragraphs of that schedule unless otherwise specified.
- 1.5 References in this Agreement to any statute, statutory provision or EC Directive include a reference to that statute, statutory provision or EC Directive as amended, extended, consolidated or replaced from time to time (whether before or after the date of this Agreement) and include any order, regulation, instrument or other subordinate legislation made under the relevant statute, statutory provision or EC Directive.
- 1.6 Words and expressions defined in the Umbrella Agreement shall, to the extent not inconsistent, bear the same meanings in this Agreement.

- 1.7 References to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include that which most approximates in that jurisdiction to the English legal term.
- 1.8 Any reference to "writing" or "written" includes faxes and any non-transitory form of visible reproduction of words.
- 1.9 It is intended that the rights and obligations of Managers which are described in this Agreement shall apply to those Managers who are not parties to this Agreement by their entering into a Deed of Adherence with the parties to this Agreement as envisaged in CLAUSE 19.
- 1.10 References to times of the day are to London time and references to a day are to a period of 24 hours running from midnight to midnight.

2. GRANT OF OPTIONS

- 2.1 TCC grants to each of the Optionholders an option exercisable in respect of the First Tranche during the First Put Option Period and in respect of the Second Tranche during the Second Put Option Period to require TCC to purchase the Remaining Shares ("Put Options") and each of the Optionholders grants to TCC an option exercisable in respect of the First Tranche during the First Call Option Period and in respect of the Second Tranche during the Second Call Option Period to require the Optionholders to sell to TCC the Remaining Shares respectively held by them ("Call Options"), such Options to be exercised in respect of the First Tranche at the First Option Price and in respect of the Second Tranche at the Second Option Price.
- 2.2 The Options shall only be exercisable as regards the First Tranche and the Second Tranche in respect of all of the holdings of shares of the Optionholders in the respective tranches and shall not be capable of being exercised in respect of part of those holdings.
- 2.3 The completion of the exercise of either a Put Option or a Call Option in respect of the First Tranche or the Second Tranche (as the case may be) shall determine all rights in connection with the other in respect of that Tranche.
- 2.4 The Put Options shall be exercisable by the relevant Optionholders serving upon TCC an Exercise Notice which shall thereupon become binding upon TCC in respect of that Optionholders' Remaining Shares comprised in the First Tranche or the Second Tranche (as the case may be).
- 2.5 The Call Options shall be exercisable by TCC serving upon the Optionholders or any of them an Exercise Notice which shall thereupon become binding upon the Optionholder concerned in respect of that Optionholders' Remaining Shares comprised in the First Tranche or the Second Tranche (as the case may be).
- 2.6 An Exercise Notice when served (whether upon TCC or any of the Optionholders) shall be irrevocable.

2.7 Completion shall be held within 3 Business Days of the end of the relevant period at the registered office of AVH. At Completion the Optionholders in receipt of an Exercise Notice in respect of a Call Option and the Managers who have served an Exercise Notice in respect of a Put Option shall deliver to TCC definitive share certificates for the Remaining Shares the subject of the Call Option or the Put Option (as the case may be) together with duly executed transfers of shares in favour of TCC (or as it may direct) and TCC shall pay to the Managers' Solicitors by telegraphic transfer the aggregate of the consideration (calculated at the First Option Price or the Second Option Price, as the case may be) payable in respect of such of those Remaining Shares comprised in the First Tranche or the Second Tranche (as the case may be) as have been the subject of an Exercise Notice. The receipt by the Managers' Solicitors shall be binding upon each of the Optionholders and TCC shall not be concerned with the distribution of such consideration amongst the Optionholders (or any of them).

2.8 If any Optionholder shall fail to deliver duly executed transfers of the Remaining Shares the subject of an Exercise Notice at Completion (whether in respect of the First Tranche or the Second Tranche) and certificates of title thereto such Optionholder hereby irrevocably authorises and appoints TCC (acting by any director of TCC or any person duly authorised by the directors of TCC) as his attorney to execute on his behalf any such transfer of Remaining Shares and any indemnity for any documents of title not so delivered.

3. OPTION ACCOUNTS

3.1 Preparation of Option Accounts

3.1.1 Forthwith after approval by AVH of its statutory consolidated accounts for the Balance Sheet Date in each of the years ending 31 October 1998, 1999 and 2000, TCC shall procure that Option Accounts are prepared for the Group for the relevant year. TCC shall procure that the Option Accounts are submitted to the Managers for review within 60 days after the end of the financial year. TCC may involve AVH's Accountants in the preparation of the Option Accounts and the Managers may require the Managers' Accountants to review the same. TCC shall pay the charges of AVH's Accountants and the Managers shall pay the charges of the Managers' Accountants.

3.1.2 If TCC shall fail to procure the preparation of Option Accounts in accordance with CLAUSE 3.1.1 the Managers may procure the same at TCC's expense.

3.1.3 The Option Accounts shall comprise the statutory consolidated accounts of AVH for the financial years ending on the Balance Sheet Date in each of 1998, 1999 and 2000 adjusted in accordance with the provisions of SCHEDULE 2.

3.1.4 Unless within 21 days (or such longer period or shall be agreed between Mr. Galley on behalf of the Managers and TCC) after receipt of the version of the Option Accounts pursuant to CLAUSE 3.1.1 Mr Galley on behalf of the Managers notifies TCC in writing of any disagreement or

difference of opinion relating to the Option Accounts, the parties shall be deemed to have accepted such accounts as accurate.

- 3.1.5 If within the period of 21 days referred to in CLAUSE 3.1.4 or such longer period as shall have been agreed Mr Galley on behalf of the Managers notifies TCC of any disagreement or difference of opinion relating to the Option Accounts ("Notice of Disagreement") and if they are able to resolve such disagreement or difference of opinion within 21 days of the Notice of Disagreement (or such longer period as shall be agreed between Mr. Galley on behalf of the Managers and TCC), the parties shall be deemed to have accepted the Option Accounts as accurate.
- 3.1.6 If TCC and Mr Galley on behalf of the Managers is unable to reach agreement within 21 days of the Notice of Disagreement or such longer period as shall have been agreed, the matter in dispute shall be referred to the decision of an independent chartered accountant (the "Independent Accountant") to be appointed (in default of a nomination by agreement between TCC and Mr Galley on behalf of the Managers) by the President for the time being of the Institute of Chartered Accountants in England and Wales.
- 3.1.7 The Independent Accountant shall act as an expert and not as arbitrator, the Arbitration Acts 1950 and 1979 shall not apply and his decision on the matter in dispute shall (in the absence of manifest error) be final and binding on TCC and the Managers. The costs of the Independent Accountant shall be apportioned between TCC and the Managers as the Independent Accountant shall decide but each party shall be responsible for its own costs for presenting its case to the Independent Accountants.
- 3.1.8 TCC shall and shall procure that AVH's Accountants (if they have been involved) shall give the Managers and the Managers' Accountants unrestricted access to all working papers (with the right to take copies) during the planning, execution and finalisation of the Option Accounts and TCC agrees that the Managers' Accountants shall be at liberty to disclose to the Managers any information and copies of any documents which they receive by virtue of this clause.

4. PRINCIPAL AMOUNT AND OPTION PRICES

- 4.1 Within 3 Business Days of the agreement or determination of the Option Accounts for the financial year ending on the Balance Sheet Date in 2000 TCC shall notify the Managers of the Principal Amount and the Option Prices. Unless within 7 Business Days after receipt of such notification Mr Galley on behalf of the Managers notifies TCC in writing of any disagreement or difference of opinion relating to the Principal Amount and the Option Prices the parties shall be deemed to have accepted them.
- 4.2 If within the period of 7 Business Days referred to in CLAUSE 4.1 the Managers notify TCC of any disagreement or difference of opinion relating to the Principal Amount and the Option Prices ("Notice of Price Disagreement") and if TCC and Mr Galley on behalf of the Managers are able to resolve such disagreement or difference of

opinion within 7 Business Days of the Notice of Price Disagreement, the parties shall be deemed to have accepted the Principal Amount and the Option Prices.

- 4.3 If TCC and Mr Galley on behalf of the Managers are unable to reach agreement within 7 Business Days of the Notice of Price Disagreement, the matter in dispute shall be referred to the decision of an independent chartered accountant to be appointed in the same manner and upon the same terms as the Independent Accountant referred to in CLAUSES 3.1.6 and 3.1.7.
- 4.4 On or prior to the expiry of the period of seven Business Days from the date of the determination of the Principal Amount of the EOLN and the Option Prices AVH will enter into the instrument constituting the EOLN and issue the EOLN for the Principal Amount on the basis that the payment date for the Principal Amount pursuant to the terms of the EOLN is such date as is 6 months and 2 days after the date of issue of the EOLN.

5. DECISIONS BY THE BOARD

- 5.1 Subject as provided in CLAUSE 5.2 below and save as required by law, all decisions concerning AVH and any Subsidiary shall be taken by the Board. A simple majority of the Directors, which majority must include at least one A Director and one B Director, shall be required in respect of any decision by the Board to undertake any of the following:
- 5.1.1 any decision to issue, sell, pledge, dispose of or create any encumbrance over any of the shares in AVH or any of the Subsidiaries;
- 5.1.2 any split, combination or reclassification of the shares of any of AVH or the Subsidiaries;
- 5.1.3 any declaration or payment of any dividend or distribution by AVH;
- 5.1.4 the redemption, purchase or other acquisition by AVH or any of the Subsidiaries of any of their respective shares;
- 5.1.5 the transfer by any Subsidiary of any shares, assets or liabilities of any Subsidiary to any other Subsidiary except that this shall not prohibit the conduct of business between Subsidiaries pursuant to agreements currently in force at the date hereof;
- 5.1.6 the sale, pledge, disposition or creation of any encumbrance over any material asset of AVH or any of the Subsidiaries;
- 5.1.7 any amendment or proposal to amend the memorandum or articles of association of AVH or any of the Subsidiaries;
- 5.1.8 the adoption by AVH or any of the Subsidiaries of a plan of liquidation or the passing of any resolutions providing for the liquidation, dissolution, merger, consolidation or other reorganisation of AVH or the Subsidiaries;
- 5.1.9 the acquisition by AVH or any of the Subsidiaries of any corporation, partnership or other business organisation or division thereof or any

material investment by AVH or any of the Subsidiaries in any other individual or entity;

- 5.1.10 the release or relinquishment by AVH or any of the Subsidiaries of any material contractual rights;
- 5.1.11 engaging in any activities or entering into any agreements not related to the contact lens business; and
- 5.1.12 the offer of employment to, or dismissal of, a Level 1/Level 2 employee by AVH or any of the Subsidiaries save for the prospective offers to be made pursuant to the business plan in existence at the date hereof.

EXCEPT THAT the consent of one B Director shall not be required for the payment to AVH of dividends from any of the Subsidiaries nor the payment of dividends or interest by AVH to TCC provided that any such payment by AVH has been made pursuant to professional written advice received by TCC and/or AVH and a copy of such advice has been previously submitted to Mr. Galley and provided that the effect of any such payment by AVH shall be excluded for the purpose of preparing the Option Accounts.

- 5.2 In the event that either the annual sales or the net income of AVH and the Subsidiaries, calculated in accordance with the provisions of SCHEDULE 2 below, falls below 70% of the targets set out in SCHEDULE 4, then TCC may require the B Directors to resign as Directors but such persons as resign as B Directors shall retain the right to attend and be heard at board meetings as observers but not vote (without prejudice to any contracts of employment they may have) and TCC may appoint further Directors with the right to vote in their place.

6. DIRECTORS

- 6.1 The maximum number of Directors holding office at any time shall be five unless otherwise agreed in writing by TCC and Mr Galley.
- 6.2 TCC shall be entitled to appoint three Directors and at any time to require the removal or substitution of any Director so appointed. The Directors so appointed shall be designated as A Directors.
- 6.3 Subject to CLAUSE 6.4 below, Mr. Galley shall be entitled for a period of three years from the date hereof to appoint two Directors and at any time to require the removal or substitution of any Director so appointed. The Directors so appointed by Mr. Galley shall be designated as B Directors.
- 6.4 Mr. Galley may not exercise his right to appoint any B Director without obtaining the prior written approval of TCC as regards the identity of the Director proposed to be appointed.
- 6.5 By execution of this Agreement TCC hereby designates Messrs Thomas Bender, Gregory Fryling and, subject to a further notice being given to Mr. Galley, Guy Billington as A Directors.

- 6.6 By execution of this Agreement Mr. Galley hereby appoints himself and Mr. Barrie Bevis as B Directors.
- 6.7 If TCC or Mr. Galley shall, pursuant to the Articles of Association of AVH, determine the appointment of any Director, TCC or Mr. Galley (as the case may be) shall indemnify AVH against any claim which may be made by such a Director against AVH directly or indirectly arising from such determination.
7. TRANSFERS OF SHARES
- 7.1 Save as is mentioned in CLAUSE 7.2 below, neither TCC nor any of the Managers shall create or permit to subsist any pledge, lien or charge over, or grant any option or other rights or dispose of any interest (whether legal or equitable) in, any or all of the shares in the capital of AVH from time to time held by them respectively and any person in whose favour any such pledge, lien or charge is created or permitted to subsist or such option or rights are granted or such interest is disposed of shall be subject to and bound by the same limitations and provisions as embodied in this Agreement.
- 7.2 CLAUSE 7.1 above shall not apply to:
- 7.2.1 the charge over shares in the capital of AVH entered into on the date hereof by TCC in favour of Mr Galley as trustee for the Noteholders (as the same are therein defined);
- 7.2.2 any transfer of shares in the capital of AVH from TCC to any Affiliates of The Cooper Companies, Inc.
- PROVIDED THAT in the case of 7.2.2 the transferee previously agrees by deed to be bound by the provisions of this agreement
8. ASSIGNMENT
- 8.1 No party may assign the benefit of this Agreement whether absolutely or by way of security except in the case of an absolute assignment of all or part by TCC to an Affiliate of TCC and provided and so long as it remains an Affiliate (failing which the benefit of this Agreement shall no longer be available to such assignee nor to any assignor) save that TCC may assign such benefit absolutely or by way of security to a person other than an Affiliate of AVH with the prior consent in writing of the Vendor such consent not to be unreasonably withheld or delayed and any purported assignment in contravention of this clause shall be ineffective.
- 8.2 Subject to CLAUSE 8.1, this Agreement shall be binding upon and ensure for the benefit of the personal representatives and assigns and successors in title of each of the parties.

9. WAIVER, VARIATION AND RELEASE

- 9.1 No omission to exercise or delay in exercising on the part of any party to this Agreement any right, power or remedy provided by law or under this Agreement shall constitute a waiver of such right, power or remedy or any other right, power or remedy or impair such right, power or remedy. No single or partial exercise of any such right, power or remedy shall preclude or impair any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under this Agreement.
- 9.2 Any waiver of any right, power or remedy under this Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated any waiver shall be effective only in the instance and only for the purpose for which it is given.
- 9.3 No variation to this Agreement shall be of any effect unless it is agreed in writing and signed by or on behalf of each party.

10. COSTS AND EXPENSE

Save as otherwise stated in this Agreement, each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and other agreements forming part of the transaction.

11. NOTICES

- 11.1 Any communication to be given in connection with the matters contemplated by this Agreement shall except where expressly provided otherwise be in writing and shall either be delivered by hand or sent by first class pre-paid post or sent by air mail. Delivery by courier shall be regarded as delivery by hand.
- 11.2 Such communication shall be sent to the address of the relevant party referred to in this Agreement or to such other address as may previously have been communicated to the other parties in accordance with this clause. Each communication shall be marked for the attention of the relevant person.
- 11.3 A communication shall be deemed to have been served:-
- 11.3.1 if delivered by hand at the address referred to in CLAUSE 11.2, at the time of delivery;
- 11.3.2 if sent by first class pre-paid post to the address referred to in CLAUSE 11.2, at the expiration of two clear days after the time of posting; and
- 11.3.3 if sent by air mail to the address referred to in CLAUSE 11.2, at the expiration of five clear days after posting.

If a communication would otherwise be deemed to have been delivered outside of normal business hours (being 9:30 a.m. to 5:30 p.m. on a Business Day) in the time zone of the territory of the recipient under the preceding provisions of this clause,

it shall be deemed to have been delivered at the opening of business on the next Business Day.

11.4 In proving service of the communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a first class pre-paid letter or air mail letter.

11.5 A party may notify the other parties to this Agreement of a change to its name, relevant person, address or facsimile number for the purposes of CLAUSE 11.1 PROVIDED THAT such notification shall only be effective on:-

11.5.1 the date specified in the notification as the date on which the change is to take place; or

11.5.2 if no date is specified or the date specified is less than five clear Business Days after the date on which notice is deemed to have been served, the date falling five clear Business Days after notice of any such change is deemed to have been given.

12. COUNTERPARTS

12.1 This Agreement may be executed in any number of counterparts and by the parties on different counterparts, but shall not be effective until each party has executed at least one counterpart.

12.2 Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same Agreement.

13. LANGUAGE

13.1 This Agreement is drawn up in the English language and if this Agreement is translated into any language other than English, the English language text shall prevail.

13.2 Each notice, instrument, certificate or other communication to be given by one party to another hereunder or in connection with this Agreement shall be in the English language (being the language of negotiation of this Agreement) and in the event that such notice, instrument, certificate or other communication or this Agreement is translated into any other language, the English language text shall prevail.

14. INVALIDITY

Each of the provisions of this Agreement is severable. If any such provision is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability in that jurisdiction of the remaining provisions of this Agreement of that provision or any other provision of this Agreement, shall not in any way be affected or impaired thereby.

15. DURATION

This Agreement shall continue in full force and effect for so long as any of the Managers owns any of the Remaining Shares and/or has options outstanding over Shares under the terms of the Scheme and shall thereafter forthwith terminate without prejudice to any claims accrued to that date.

16. THE TERMS OF THIS AGREEMENT TO PREVAIL

In the event of ambiguity or conflict arising between the terms of this Agreement and those of AVH's memorandum of association or the Articles, the terms of this Agreement shall prevail as between TCC and the Managers and TCC and the Managers shall exercise such voting rights and other powers available to them to give full force and effect to this Agreement including, without limitation, to amend AVH's and any Subsidiary's memorandum and articles of association to the extent reasonably necessary to remove such ambiguity or conflict

17. THIS AGREEMENT NOT TO CONSTITUTE A PARTNERSHIP

The arrangements contained in this Agreement constitute a single joint venture between TCC and the Managers. None of the provisions of this Agreement shall be deemed to constitute a partnership between TCC and the Managers or any other party at any time or, save as expressly provided herein, to constitute any party the agent of the other or to have any authority to bind the others in anyway except as expressly provided.

18. CONFIDENTIALITY

18.1 The Managers each hereby undertake with AVH and TCC that they shall both during and after the term of this Agreement keep confidential, and not reveal, report, publish, disclose or transfer or use for their own or any other purposes Confidential Information except:-

18.1.1 in the circumstances set out in CLAUSE 18.2; or

18.1.2 to the extent otherwise expressly permitted by this Agreement; or

18.1.3 with the prior consent in writing of the party to whose affairs such Confidential Information relates.

18.2 The circumstances referred to in CLAUSE 18 above are:-

18.2.1 where the Confidential Information, before it is furnished to, or comes into the knowledge or possession of, the Manager, is in the public domain; or

18.2.2 where the Confidential Information, after it is furnished to or comes into the knowledge or possession of the Manager enters the public domain otherwise than as a result of (a) a breach by the Manager of its obligations in this CLAUSE 18 or (b) a breach by the person who disclosed that

Confidential Information of his confidentiality obligation and the Manager is aware of such breach; or

18.2.3 if and to the extent the Manager makes disclosure of the Confidential Information to any person:

- (a) in compliance with any requirement of law; or
- (b) in response to a requirement of the Stock Exchange or the Panel on Take-overs and Mergers or any other applicable competent authority to which the Manager is subject where such requirement has the force of law; or
- (c) in order to obtain tax or other clearances or consents from the Inland Revenue or other relevant taxing or regulatory authorities; or

18.2.4 to the consultants and professional advisers of the Vendor, in each case on the basis that they will comply with the Manager's obligations of confidence hereunder,

PROVIDED THAT any such information disclosable pursuant to CLAUSES 18.2.3 (a), (b) OR (c) shall be disclosed to the extent permitted by law and only after consultation with the other party.

18.3 The restrictions contained in this clause shall continue to apply after the Completion without limit in time.

19. DEED OF ADHERENCE

Each of the parties hereto undertakes to enter into a Deed of Adherence with a Manager who is not a party to this Agreement in the circumstances described in rule 3.5 of the Scheme.

20. GOVERNING LAW AND JURISDICTION

20.1 English law

This Agreement shall be governed by and construed in accordance with English law.

20.2 Courts of England and Wales

The parties to this Agreement irrevocably agree that the courts of England shall have the non-exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement and that accordingly any Proceedings may be brought in such courts.

20.3 Acceptance

20.4 For the avoidance of doubt, the Managers, AVH and TCC expressly and specifically agree and accept the terms of this clause and sign below in recognition of this fact.

IN WITNESS of which all of the parties hereto have executed this document as a deed and have delivered it upon dating it.

SCHEDULE 1

(1) ---	(2) ---
Name and address -----	Options over Remaining Shares -----
Trevor Brooker	800
Barrie Bevis	400
Ivor Atkinson	100
Ron Poole	200
Ian McDermott	200
Giacomo Grassi	200
Fabrizio Lambertini	200
David Cooper	100
Glenn Carroll	100
Michael Kelly	100
Ian Bussey	100
Ray Hilliard	75
Keith Edwards	75
Gary Cheater	75
Brian Ford	75
Gary Breslin	75
Marguerite May	75
Keith Askew	50
Deborah Garrett	50
Malcolm Wade	50
Colin Vokes	50
Martin Lush	50

SCHEDULE 2

Part 1 - Basis for preparation of Option Accounts

1. General Requirements

Subject to the provisions set out below, the Option Accounts shall be prepared under the historical cost convention and in accordance with accounting principles generally accepted in the United Kingdom (including Accounting Standards) and, subject as aforesaid, on a basis consistent with the balance sheets and profit and loss accounts of each company within the Group (other than AVH) made up to 31 March 1997.

2. Balance Sheet

2.1 For the purpose of preparing the balance sheet in the Option Accounts the following principles shall be applied:-

2.1.1 sums receivable in respect of debtors shall not be included at sums higher than the amounts collectable, making appropriate provision for doubtful debts;

2.1.2 stocks and work-in-progress shall be valued at the lower of cost and net realisable value;

2.1.3 liabilities shall include accruals at the close of business on the date of the Option Accounts;

2.1.4 immovable property and other fixed assets shall be included at their net book value as at the less depreciation at rates calculated to write off the cost of the assets over the following periods:

- (a) plant and machinery 3-7 years;
- (b) fixtures and fittings 3-7 years;
- (c) motor vehicles 4 years;
- (d) short leasehold properties the term of the lease;

2.1.5 adequate provision shall be made for all taxation, including deferred taxation.

3. Profit and loss account

Unless already taken into account, the following principles shall be observed in drawing up the profit and loss account of the Group which is to form part of the Option Accounts:-

- 3.1 there shall be excluded any profits, gains or losses arising from any disposal of any immovable property or from any revaluation of immovable property or surpluses or deficits arising on currency transactions, whether or not such profits, gains, losses, surpluses or deficits are treated in the said accounts as items of an extraordinary or exceptional nature;
 - 3.2 depreciation shall be deducted on the basis and by reference to the rates mentioned in PARAGRAPH 2.1.4 above;
 - 3.3 any taxation on profits and any subvention or other payment to any other company in lieu of payment of any such tax or in consideration of a surrender of group relief by the other company shall not be deducted; and
 - 3.4 the profits or losses shall be computed before paying any dividends by AVH or making appropriations of profit or allocations to or from reserves and before deducting any extraordinary item or making any prior year adjustment, as defined in SSAP 6.
4. Exclude interest costs on monies borrowed by AVH to effect the acquisition of the Subsidiaries and amortisation of good will.
 5. Exclude:
 - fees for technical services provided by TCC for the Group and which are not agreed by Mr. Galley;
 - the impact of any of the matters referred to in paragraph 4 Part 2 below and which have not been approved by the B Directors.
 6. The price of goods sold by AVC to Cooper shall be as follows:-
 - T60 and BP55 products as per current agreement;
 - T43 (spherical) at cost and 10% of gross margin (i.e. 10% of difference between TCC selling price and COGS e.g. if product sold at \$4.00 and COGS is \$1.00 transfer price is \$1.30);
 - Disposable toric transfer price is cost and 20% of gross margin (see above explanation);
 - Hybrid lenses at a transfer price to be agreed between TCC and Mr. Galley.
 7. Interest on funds provided by TCC to the Group for loan or working capital purposes shall be included and shall be deemed to accrue at 9% per annum up to 'L'5,000,000 and at 10% per annum for funds in excess of that amount.
 8. Changes in business activities in the form of the Group acquiring new business from TCC or third parties etc. to be included or excluded on terms to be agreed between TCC and Mr. Galley on behalf of the Managers.

Part 2 - Adjusting Events

1. If the A Directors determine that AVH or any of the Subsidiaries shall undertake any of the matters in CLAUSE 5.1 or in PARAGRAPH 4 below then:-
 - 1.1 subject to PARAGRAPH 1.2 below, if the B Directors (on behalf of the Managers) shall approve any such matters their effect shall be taken into account in the preparation of the Option Accounts and the calculation of the Principal Amount, the First Option Price and the Second Option Price; but
 - 1.2 if the B Directors (on behalf of the Managers) shall object to any such matters or shall agree to such matters but only on the condition that the effect of such matters be excluded from the Option Accounts their effect shall be excluded from the Option Accounts and the calculation of the First Option Price and the Second Option Price.
2. If the A Directors (on behalf of TCC) and the B Directors (on behalf of the Managers) are unable to agree on the method by which the effect of any of the matters in PARAGRAPH 4 below is to be taken into account or excluded from the Option Accounts points in dispute shall be referred to the decision of an independent chartered accountant (the "Independent Accountant") to be appointed (in default of nomination by agreement between the A Directors and the B Directors) by the President for the time being of the Institute of Chartered Accountants in England and Wales.
3. The Independent Accountant shall act as an expert and not as an arbitrator, the Arbitration Acts 1950 and 1979 shall not apply and his decision on the matter in dispute shall (in the absence of manifest error) be final and binding on TCC and the Managers. The costs of the Independent Accountant shall be apportioned between TCC and the Managers as the Independent Accountant shall decide but each party shall be responsible for its own costs of presenting its case to the Independent Accountant.
4. The matters which may lead to an adjustment to the preparation of the Option Accounts are those matters listed in CLAUSE 5.1 of the Agreement and in addition are:-
 - 4.1 AVH or any of the Subsidiaries incurring any lease obligations, indebtedness for borrowed money or issuing any debt securities or assuming, guaranteeing or endorsing the obligations of any other individual entity in an amount that, individually or in the aggregate, exceeds 'L'100,000;
 - 4.2 the taking of any action which is other than consistent with best practice with respect to the grant of any severance or termination pay to employees or with respect to any increase of benefits payable under any severance or termination pay policies or agreements of the Subsidiaries in effect at the date of this Agreement;
 - 4.3 the adoption of or amendment to any bonus, profit sharing, compensation, share option, pension, retirement, deferred compensation, employment or other employee benefit plan, agreement, trust, fund or other arrangement for the benefit

or welfare of any employee of AVH or any of the Subsidiaries, or any increase in any manner in the compensation or fringe benefits of any employee or payment of any benefit to any employee not required by any existing plan, arrangement or Agreement;

- 4.4 the making of any tax election or claim or settlement or compromise of any material tax liability of AVH or any of the Subsidiaries;
- 4.5 the hiring of any Level 1/ Level 2 employees by AVH or any of the Subsidiaries;
- 4.6 any purchase of equipment by AVH or any of the Subsidiaries in excess of 'L'75,000;
- 4.7 the making of any loans to any employees or officers of AVH or any of the Subsidiaries;
- 4.8 entering into any royalty or original equipment manufacturers agreements by AVH or any of the Subsidiaries that would have a significant impact on the sales activities of AVH or the Subsidiaries or Cooper Vision;
- 4.9 the termination by any of the Subsidiaries of any existing contractual obligations and relationships with customers and/or distributors;
- 4.10 any grant by AVH or any of the Subsidiaries of any original equipment manufacturing sub-contract arrangements;
- 4.11 the giving of assistance by AVH or any of the Subsidiaries to third party manufacturers and/or subcontract licensees;
- 4.12 the instigation of any legal action which is likely to result in AVH or any of the Subsidiaries incurring expenses in excess of 'L'30,000.

PROVIDED THAT any of the matters listed above may be undertaken by resolution of a simple majority of the Directors without the need for an A Director or a B Director to vote in favour of the resolution where such matters are provided for in the business plan provided by Mr. Galley at the date hereof.

SCHEDULE 3

1. Each of the First Option Price and the Second Option Price for each Remaining Share shall be calculated by reference to the following:-

$$\frac{(A + B + C)}{10,000}$$

where

A = Ten per cent. of the pre-tax profits (or losses) of the Group as shown by the Option Accounts for each of the financial years ending on the Balance Sheet Date in each of 1998, 1999 and 2000 multiplied by a factor of 2.07, 2.07 and 8.28 respectively. Net losses shall be treated as a negative number and deducted from net profits for the purpose of the calculation. In no circumstances can A itself be a negative number.

B = 'L'5,000,000.

C = half of the post tax savings realised by CooperVision from a manufacturing improvement introduced by the Group to CooperVision, such savings being the saving accruing to CooperVision in the first year of the use of such improvement.

PROVIDED ALWAYS THAT if the turnover for the Group falls below 'L'250,000,000, 'L'27,500,000, and 'L'30,250,000 in the years ending on 31 October in 1998, 1999 and 2000 respectively, the First Option Price and the Second Option Price for each Remaining Share shall be the nominal value (10p) of each such Share.

2. The Principal Amount of the EOLN shall be calculated by reference to the following:-

$$(A + B + C) - Z$$

where

A and B = are as defined above.

Z = the aggregate amount calculated pursuant to paragraph 1 above to acquire all the Remaining Shares.

SCHEDULE 4

1. Targets for annual sales and profit before taxes of the Group.

YEAR ENDING 31 OCT	1998	1999	2000
Sales targets ('L'000)	27,098	34,015	42,213
Profit before taxes ('L'000)	5,559	6,487	8,713

Signed by ANTONY DAVID GALLEY)
and delivered as a Deed in the)
presence of:)

Signed and delivered as a Deed)
by ASPECT VISION HOLDINGS LIMITED)
acting by:-)

Director

Director/Secretary

Signed and delivered as a Deed)
by THE COOPER COMPANIES, INC.)
acting by its duly authorised)
representative [] in)
accordance with the laws of the territory)
in which THE COOPER COMPANIES, INC)
is incorporated)

