



PARTICIPATION AGREEMENT

RELATING TO:

THE SIGHTCARE SCHEME

BETWEEN

SIGHTCARE SERVICES LTD

-AND-

THE PARTICIPANT

30 SightCare
YEARS Supporting Independents

SightCare Services Ltd
Unit 12 Bakers Business Park
Pardown
Oakley
Basingstoke
RG23 7DY
Tel: 01256 781522

AN AGREEMENT made on date of online application.

BETWEEN:

1) *SIGHTCARE SERVICES LIMITED* (Registered in England Number 2527610) whose registered office is at Bakers Business Park, Pardown, Oakley, Basingstoke, Hants RG23 7DY ("SightCare" or "the Company"); and

2) *THE PARTICIPANT* being the individual, partnership or company identified in the SightCare Membership Application Form ("the Participant").

CONDITIONS OF MEMBERSHIP

(1) This agreement and the documents referred to in it set out the terms of the participation by the Participant in the SightCare Scheme ("the Scheme") established and to be further developed by the Company.

(2) If the Participant is an individual, he/she must purchase a £100 Redeemable Ordinary Share in the Company ("a Share"); if the Participant is a partnership, at least one of the partners must purchase a Share; and if the Participant is a company, at least one of the directors must purchase a Share. A qualifying shareholder must hold a share during membership. All Optometrist/Dispensing Optician shareholders must be members of the Association of Optometrists ("the AOP") or the Association of Dispensing Opticians ("the ABDO").

(3) The Participant recognises that the strength of the Scheme and its advantages to all participants lie in the loyalty of the participants in utilising and maintaining wherever possible their combined power and in accepting and promoting business under the Scheme.

(4) The Scheme also relates to the supply of Practice services to participants and under the Scheme participants pay annual subscriptions to be fixed by the Board of Directors.

(5) The Participant shall, as a condition of and at the time of joining the Scheme, pay a subscription for the current year (each subscription year being from 1st of the month stated in the Membership Application Form conditional on receipt of a signed Membership direct debit instruction), according to the number of "Practices" (as defined below) run by the Participant and registered with the General Optical Council ("GOC") at the rate set out at the time of joining/renewing. Participation in the Scheme is for a minimum 12 months. Payment should be made as set out in the Membership Price List by direct debit. Payment can be made in equal monthly direct debit payments or annually in full.

(6) The Company will not provide refunds if the Participant decides to stop using the Membership Services during the Membership Subscription Term.

(6) The Participant shall pay subsequent annual subscriptions on renewal, the amount of which shall be set by the Board of Directors ("the Board"). Subscription will automatically renew for 12 months, unless the Participant provides at least thirty (30) days' notice of the renewal date. The Board will have the discretion to settle or alter the amount and/or the basis of such subsequent subscriptions depending on, for example, inflation, the services covered by the Scheme, the cost of administering the Scheme and the number of participating Practices.

(7) The Company will supply VAT invoices in respect of subscription payments.

(8) A "Practice" is a separate Practice for the purpose of calculating the number of Practices if it is conducted from a separate address regardless of the arrangement made for attendance by optometrists/dispensers at the Practice in terms of days or otherwise.

(9) The Participant shall, as a condition of joining the Scheme, may be asked to provide two satisfactory trade references and a current bank reference.

(10) The Company has the right to reject without reasons an application for membership and to return in full the monies which accompanied the Participant's original application.

KEY OBJECTIVES

The Company is owned by independent optical practice shareholders who, if an Optometrist/Dispensing Optician must be members/associate members of the AOP or ABDO respectively. The Company's objective is to provide business support and networking services to assist its members.

OPTIONAL BUYING GROUP (SPECS)

(1) Membership shall include an opt-in participation of the Company's Buying Group (SPECS).

(2) Participants wishing to join the Buying Group must sign the supplementary Agreement which governs the terms and conditions thereof, a signed SPECS direct debit instruction and, if a Limited Company or Limited Partnership, a signed Personal Guarantee Form.

(3) Details of discounts available from suppliers will be given upon request. This information is strictly confidential and may only be used by the participants to assess the viability of the Buying Group from their point of view

(3) Discounts will be applied at point of invoicing by suppliers and overrides and other retro payments paid by suppliers will be rebated to Participants in accordance with their purchases from those suppliers.

PROFESSIONAL STANDARDS

(1) The Participant shall maintain the highest possible standards of professional competence, practice, and behaviour as Optometrist/Dispensing Optician with such instruments and equipment as are necessary for efficient and accurate clinical work.

(2) The Participant shall at all times abide by the Code of Ethics and Guidelines for Professional Conduct of the College of Optometrists ("the College") for the time being in force, the registration requirements of the GOC and the Rules which the GOC may make from time to time.

PARTNERSHIP - LIABILITY

If the Participant is a partnership the liabilities of the Participant shall be the joint and several liabilities of the partners.

PARTICIPANT NOT ABLE TO BIND THE COMPANY

The Participant shall not have any power to bind the Company in any way save as expressly provided for under the terms of the Scheme for the time being in force. Nothing in this Agreement shall constitute a partnership or joint venture between the parties or (save as may be strictly set out in subcontract arrangements) constitute one part the agent of the other.

CREDITWORTHINESS OF CLIENTS

(1) It is possible that, despite the Company's reasonable endeavours to satisfy itself that a client is and will be able to pay for services rendered, the Company may suffer bad debts. The Company does not intend to maintain any central reserve for bad debts or to charge the cost of bad debts out as part of the Subscriptions payable by all participants.

(2) Accordingly, the Participant accepts (on the same basis as other participants) that the risk of non-payment by a client for a particular service or supply rendered by the Participant will be borne by the Participant.

(3) Therefore, it shall be a condition precedent for payment by the Company under this or any contract or subcontract with the Participant that the client has paid the Company for the corresponding item. Should a payment by a client to the Company not be readily identifiable as wholly paid for the corresponding item, and, whether the client is in default or not, the Company shall be entitled to allocate the payment received by it as it shall consider fair and reasonable (including the sharing of risk as widely and as equitably among participants as it considers appropriate). Such allocation shall not be re-opened if allocation or identification is later possible or later known.

(4) The Company and its directors, officers, employees, consultants and agents shall in no way be liable (whether in contract, tort or otherwise) to the Participant for any failure (due to negligence or otherwise howsoever) in relation to the initial or continuing creditworthiness of clients or the Company's handling of a situation of potential or actual default.

DISPUTE RESOLUTION

(1) It is in the interests of the Company, of the Participant and all other participants that any disputes or differences arising out of this Agreement, the Scheme, the Scheme Regulations or any subcontract, whether as to validity, interpretation, performance, breach or otherwise howsoever, involving the Company and the Participant, or the Participant and one or more other participants, or the Company and one or more participants should be resolved expeditiously with minimum disruption to or effect upon the operation of the Scheme and the attraction, retention and execution of business for clients.

(2) Accordingly, the Participant and the Company agree that all such differences and disputes shall be resolved, if possible, by negotiations and conciliation, but failing that, by the adjudication of a panel of three optometrists. The members of the panel shall be appointed jointly by the parties in dispute or, failing that, the party referring the dispute shall nominate six candidates of which three shall be selected by the second party as the panel. The Company shall by a Scheme Regulation be entitled to amend the method of appointing the panel.

(3) An optometrist shall not be disqualified from being on the panel merely by being himself (directly or through a partnership or company) a Participant provided that in the case of a particular difference or dispute he is not a party thereto or affected thereby in a way that does not generally affect participants (or a section thereof according to location, specialisation or the like).

(4) Such panel may set its own procedure and rules of conduct and shall, if not unanimous, reach its decisions by a simple majority. The parties concerned shall accept such decisions as final and binding and shall implement them promptly.

(5) The panel may decline to hear the parties and/or witnesses and/or may decline to permit professional advocates and may decide the matter by reference to written submissions provided all parties have had the opportunity to see and comment upon the submission(s) (including comments) of other parties. The panel shall not award costs or expenses in relation to the reference to it. Any party may initiate the reference to the panel. The Company (even though a party to the dispute) shall facilitate the work of the panel.

(6) Should a difference or dispute arise between a client and the Company out of a subcontract performed (or failed to be performed in whole or in part) or declined by the Participant, the Company shall (after consultation with the Participant) resolve or litigate the same as the Company shall in its discretion consider appropriate and in so doing it may have regard not only to the justice of the matter so far as it concerns the Participant but also to the wider interests of the participants overall. The Participant shall accept the outcome of such

resolution or litigation even though it may result in the Participant not being paid for business executed by the Participant or being required to give credit for payment already received therefor or involving other expense or loss to the Participant.

SCHEME REGULATIONS

The Company shall have the right to make such changes to the Scheme and terms of contract or subcontract, and to make and from time to time amend such regulations ("Scheme Regulations") as to the actual operation of the Scheme as the Board shall determine, provided that the same accord with the principles of this Agreement. Such regulations may be in formal or informal form and may include the content of SightCare Matters or other material published generally or circulated specifically to participants.

NATURE OF SUBCONTRACTS

The nature and term of the contracts between the Company and its client and, therefore, of the subcontract between the Company and the Participant, will depend, inter alia, upon the terms which can be agreed with the client by the Company. The Company shall, in its discretion, negotiate and agree terms of contract which it considers overall to be the best available for the Company and participants. The Participant agrees to accept and abide by such terms as may thus be agreed and the same shall be incorporated into the subcontract between the Company and the Participant.

REPUTATION OF THE SCHEME

The Participant shall at all times so conduct himself, themselves or itself in relationships with the Board, the Company, the Company's clients, patients and other participants, as well as the College, the GOC, the media and other bodies or persons, as to enhance and maintain the reputation of the Company and of the Scheme.

THE COMPANY'S ANNUAL RETURN

The Company shall be entitled approximately once a year as at dates to be determined by the Board to require the Participant to complete, sign and forward to the Company a SightCare Annual Return. The SightCare Annual Return shall relate to the type of information requested in the Application Form to join the Scheme, any changes since the date of the application or last previous SightCare Annual Return and such other information as the Company may consider desirable for the efficient running of the Scheme and potential extensions or developments thereof.

TERMINATION

(1) The Participant may leave the Scheme at any time. The Participant upon leaving the Scheme during the current membership year shall remain liable for all unpaid subscriptions and all other obligations monetary or otherwise and all other liabilities (actual or contingent or otherwise) incurred prior to actually leaving including a continuing liability to any interest charge. No refund shall be made of the whole or any part of any subscription nor shall any apportionment be made in respect of an unpaid Subscription whether by reference to time, number of Practices or otherwise, unless otherwise agreed by the Company.

(2) SightCare may by summary or other notice in writing require the Participant to leave the Scheme at any time:-

(a) If the Participant is in arrears with any payment due to the Company or is otherwise in default of his obligation either persistently or after due warning, including but not limited to:-

1. not abiding by the Code of Ethics and Guidelines for Professional Conduct of the College of Optometrists;

2. as an individual, ceasing to be registered with the General Optical Council or failing to comply with its Rules;
3. as an enrolled body corporate, ceasing to be registered with the General Optical Council or failing to comply with its Rules;
4. failing to disclose relevant changes relating to the Participant and/or the Participant's Practice(s) in the SightCare Annual Return;
5. bringing the Scheme into disrepute;
6. if it is found that the original Application Form or any SightCare Annual Return contains a statement or information which was not true or accurate in all material aspects when made;

(b) If, being an individual Optometrist/Dispensing Optician, he ceases to be a member of the AOP or ABDO, his subscription to the AOP or ABDO is three months in arrears or he ceases to hold a Share;

(c) If, being a partnership or company, any one of its present or future partners or directors, as the case may be, who is an Optometrist/Dispensing Optician, is not or ceases to be a member of the AOP/ABDO or his subscription to the AOP/ABDO is three months in arrears or he ceases to hold a Share.

(3) SightCare may terminate this Agreement on terminating the Scheme or allowing it to terminate generally and sub-clause (1) above shall apply.

ASSIGNMENT OR NEW AGREEMENT

- (1) The Company may assign this Agreement in whole or in part.
- (2) Where the participant is a partnership, assignment upon partnership changes shall be permitted provided that written notice is given to the Company and all the partners after the change qualify to hold a Share. The outgoing partner(s) (or his estate in the case of a deceased partner) shall remain fully liable for all liabilities (current or contingent) to the Company incurred whilst a partner. In the case of liabilities incurred after such a permitted assignment, the liabilities shall be the joint and several liabilities of the partners after the change.
- (3) In the case of a sale or other disposition of the Practice (or one of a number of Practices) in the Scheme by the Participant to a third party or parties who qualify to be a participant of the Scheme, this Agreement shall be terminated and the donee shall be permitted by the Company subject to the Board being satisfied that any outstanding obligations of the disposing Participant will, if so agreed by the Company, be met by the donee, to enter the Scheme without paying an additional Subscription for the current year at that time and shall enter into an agreement with the Company for the residue of the period of this Agreement on terms substantially the same as are contained herein except for such necessary modifications as the Company shall reasonably require.

TRANSFER OF REDEEMABLE ORDINARY SHARES

- (1) The Company is a private company and there will not be any market in the Shares.
- (2) If a Shareholder ceases to practice or otherwise no longer qualifies nor wishes to remain a Participant, he may transfer his Share to another director for a consideration to be agreed between the parties, provided that the individual buying the Share qualifies to become a Participant and makes formal application to and receives approval from the Company.
- (3) If a Participant leaves the Scheme before the end of the current year the Shareholding shall be withdrawn and the Company shall withhold the Share at par until all unpaid subscriptions and all other obligations monetary or otherwise and all other liabilities have been settled.

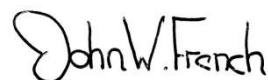
NOTICES

Any notice, demand or request given or made hereunder shall be in writing and may be given or made by any party (or his representatives) to any other by first class letter post addressed in the case of a company to its registered office for the time being or to any address for service specified herein or in the case of an individual to his last known Practice or residence. Any such notice so given shall be deemed to have been delivered in the case of inland post upon the first business day (and in the case of overseas post on the seventh day) following the date of the scheduled collection time next following such posting at the place of posting whether such a letter be actually delivered or returned or otherwise. In the case of the death of an individual and until the party giving notice has received notice in writing of the grant of probate of his will or letters of administration of his estate such notice so given shall be as effectual as if he were still living.

LAW, JURISDICTION AND INTERPRETATION

- (1) This Agreement is made or shall be deemed to have been made in England and shall be governed by English Law. The parties hereby submit to the non-exclusive jurisdiction of the Courts of England.
- (2) The Interpretation Act 1978, or any modifications thereof, shall apply to this Agreement as it does to an Act of Parliament.
- (3) In this Agreement, unless the contrary intention appears:
 - (a) words importing the masculine gender include the feminine and words importing the feminine gender include the masculine;
 - (b) words in the singular include the plural and words in the plural include the singular.
- (4) Time shall be of the essence of this Agreement.

SIGNED for and on behalf of SightCare Services Limited



JOHN FRENCH
Chief Executive duly authorised on behalf of the Company