

The Trustees of the Watson Gym Pension Scheme
C/o Pension Practitioner.com
Daws House
33-35 Daws Lane
London
NW7 4SD

Dear Sirs

**Watson Gym Pension Scheme - Pension Scheme Tax Reference:
00770864RL**

I confirm that Watson Gym Equipment Limited ("the Company") wishes to make a contribution of £117,750 to the above mentioned plan and that this is a debt due to the plan from the date of this agreement.

I can confirm that the debt will be satisfied by way of an in-specie contribution of 47.15% of the equity in the property known as Unit B3 Southgate Frome Somerset BA11 2FB. The contribution has been calculated on the basis of a valuation of the Property by Carter Jonas dated 29 June 2011.

The company acknowledges that the value of the assets may vary and that any shortfall between the value of the contribution stated above and the value of the assets at the date of transfer will be paid into the above mentioned plan within a reasonable period after the contribution is made. If that payment is received after the end of the tax year then the additional tax reclaim will fall into that tax year.

Please acknowledge receipt of this letter by signing and dating a copy of the duplicate.

This letter and your acceptance will form the agreement for the above mentioned contribution, on the date of your acknowledgment.

Yours sincerely



Simon Watson for Watson Gym Equipment Limited

12 July 2011

COPY

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Daws House
33-35 Daws Lane
London
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00770864RL**

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I can confirm that the debt will be satisfied by way of an in-specie contribution of 50% of the equity in the property known as Unit B3 Southgate Frome Somerset BA11 2FB. The contribution has been calculated on the basis of a valuation of the Property by Carter Jonas dated 29 June 2011.

The company acknowledges that the value of the assets may vary and that any shortfall between the value of the contribution stated above and the value of the assets at the date of transfer will be paid into the above mentioned plan within a reasonable period after the contribution is made. If that payment is received after the end of the tax year then the additional tax reclaim will fall into that tax year.


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