

PRIVATE & CONFIDENTIAL

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Dated 20<sup>th</sup> January 2011

(1) CONNAUGHT ASSET MANAGEMENT LIMITED

and

(2) TIUTA PLC

**AGREEMENT**  
Relating to Investment Funds

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THIS AGREEMENT is made on 20<sup>th</sup> January 2011

**BETWEEN:**

- (1) **CONNAUGHT ASSET MANAGEMENT LIMITED** incorporated and registered in England and Wales under company number 06058768 the registered office of which is Hill Place House, 55A High Street, Wimbledon Village, SW19 5BA ("**Connaught**"); and
- (2) **TIUTA PLC** incorporated and registered in England and Wales under company number 04974070 the registered office of which is 21 Ely Place, London, EC1N 6TD ("**Tiuta PLC**").

**WHEREAS:**

- (A) Connaught is in the business of establishing and managing asset-backed investment funds
- (B) The Tiuta Group is in the business of providing loan facilities to a wide range of borrowers, including property developers, individuals and companies.
- (C) Pursuant to the terms of this agreement, all funding requirements of the Tiuta Group shall be obtained from Connaught Funds, to the extent that such funding is structured using the Income Fund Model.
- (D) Tiuta PLC undertakes to procure that each member of the Tiuta Group shall adhere to the terms of this agreement.

**IT IS AGREED** as follows:

1 **Definitions and Interpretations**

- 1.1 In this agreement, unless the context otherwise requires, the following words and expressions shall have the following meanings:

<b>"Business Day"</b>	any day (excluding Saturdays and Sundays or public holidays) on which banks are generally open for business in London for the transaction of normal business
<b>"Connaught Funds"</b>	any Investment Funds established by Connaught
<b>"FSA"</b>	The Financial Services Authority
<b>"Income Fund Model"</b>	a means of structuring an Investment Fund using a Specialist Partner and which is broadly based on the Connaught Income Fund Series 1 or 2
<b>"Investment Fund"</b>	any collective investment scheme managed by Connaught or any of its subsidiaries
<b>"Specialist Partner"</b>	a party who borrows from a fund pursuant to the terms of a facility agreement in order to fund secured on-lending.
<b>"Specified Purpose"</b>	on-lending to customers, both individuals and corporate bodies, in the residential and commercial property sector, where that on-lending is secured on assets that meet the criteria as set out in the appropriate fund documentation
<b>"Tiuta Group"</b>	Tiuta PLC, any company which is a subsidiary of Tiuta PLC, and any company which is a subsidiary of any such subsidiary from time to time (including, but not limited to Tiuta International Limited and Tiuta Development Finance Limited)

1.2 The headings in this agreement do not affect its interpretation. Save where the context otherwise requires, references to sub-clauses, clauses and schedules are to sub-clauses,

clauses and schedules of this agreement.

1.3 Unless the context otherwise requires:

1.3.1 references to statutory provisions include those statutory provisions as amended or re-enacted; and

1.3.2 references to any gender include all genders and use of the singular includes the plural and vice versa.

1.4 In the case of conflict or ambiguity between any provision contained in the body of this agreement and any provision contained in any schedule, the provision in the body of this agreement shall take precedence.

## 2 **Tiuta Undertakings**

2.1 In consideration for the undertakings given by Connaught in this agreement, Tiuta PLC agrees and undertakes to Connaught not to obtain (or seek to obtain) any funding of whatever amount which:

2.1.1 is for the Specified Purpose; and

2.1.2 is based on the Income Fund Model,

from any source other than the Connaught Funds.

2.2 Tiuta PLC undertakes to procure that each member of the Tiuta Group shall be bound by the provisions of this agreement as if each member of the Tiuta Group was a named party to it.

## 3 **Facilities Agreement and Ancillary Documents**

3.1 It is agreed and acknowledged that any provision of funds from the Connaught Funds to a member of the Tiuta Group following the date of this agreement for the Specified Purpose is in each case subject to completion of a facility agreement (and all related documents, including security documents as the case may be) which the parties undertake to negotiate in good faith.

## 4 **Other Business Interests**

Nothing in this agreement shall prevent Connaught from entering into any agreement relating to the provision of loan facilities based on the Income Fund Model with any party who is not a member of the Tiuta Group.

## 5 **Termination**

5.1 Tiuta PLC shall have the right to terminate this agreement subject to the provision of written notice as follows:

Gross Amount of monies raised for Tiuta PLC by Connaught	Period of Notice Required from Tiuta Group
£0 to £300 million	5 years
£300 million to £400 million	4 years
£400 million and over	3 years

By way of example, if Tiuta PLC wishes to terminate this agreement and there is outstanding aggregate borrowing owed by the Tiuta Group to Connaught Funds of £350 million, notice of 5 years shall be required in relation to the first £300 million, and 4 years notice shall be required in relation to the balance of £50 million.

5.2 Notwithstanding any other provision in this agreement, Connaught may by written notice terminate this agreement or suspend the performance of all or any of its obligations under it immediately and without liability for compensation or damages if:

5.2.1 Tiuta PLC (or any member of the Tiuta Group) fails to comply with any of its (or their) obligations under this agreement;

5.2.2 Tiuta PLC (or any member of the Tiuta Group) convenes a meeting of its creditors or suffers a petition to be presented or a meeting to be convened or other action to be taken with a view to its liquidation except for the purposes of and followed by amalgamation or reconstruction; or

5.2.3 a receiver or administrative receiver is appointed of any property of Tiuta PLC (or of any member of the Tiuta Group).

This agreement will automatically terminate, without notice, should Tiuta PLC lose its Part IV Permissions as the outcome of any investigation and disciplinary process.

5.3 Notwithstanding any other provision of this agreement, Tiuta PLC may by written notice terminate this agreement if at any time total funds under management across the Connaught Funds made available to the Tiuta Group is less than £100 million.

## 6 **Confidentiality and Announcements**

6.1 No announcement, circular or other publicity in connection with the subject matter of this agreement (other than as permitted by this agreement) shall be made by or on behalf of either party without the approval of the other (such approval not to be unreasonably withheld or delayed), save that the parties may disclose any information that it is otherwise required to keep confidential under this clause 6:

6.1.1 to such professional advisers, consultants and employees or officers of its group as are reasonably necessary to advise on this agreement, or to facilitate the transaction contemplated by this agreement, provided that the disclosing party procures that the people to whom the information is disclosed keep it confidential as if they were that party; or

6.1.2 with the written consent of the other party; or

6.1.3 to the extent that the disclosure is required:

6.1.3.1 by law; or

6.1.3.2 by a regulatory body, tax authority or securities exchange;

6.2 but shall use reasonable endeavours to consult with the other party and to take into account any reasonable requests it may have in relation to the disclosure before making it.

## 7 **Assignment**

No party may assign or deal in any way with, any of its rights under this agreement.

## 8 **Whole Agreement**

8.1 This agreement and any documents referred to in it, constitute the whole agreement between the parties and supersede any previous arrangement, understanding or agreement between them relating to the subject matter they cover.

8.2 Nothing in this clause operates to limit or exclude any liability for fraud.



**9 Variation**

- 9.1 A variation of this agreement shall be in writing and signed by or on behalf of each party.
- 9.2 Any waiver of any right under this agreement is only effective if it is in writing and signed by the waiving or consenting party and it applies only in the circumstances for which it is given and shall not prevent the party who has given the waiver from subsequently relying on the provision it has waived.
- 9.3 No failure to exercise or delay in exercising any right or remedy provided under this agreement or by law constitutes a waiver of such right or remedy or shall prevent any future exercise in whole or in part thereof.
- 9.4 No single or partial exercise of any right or remedy under this agreement shall preclude or restrict the further exercise of any such right or remedy.
- 9.5 Unless specifically provided otherwise, rights arising under this agreement are cumulative and do not exclude rights provided by law.

**10 Costs**

Unless otherwise provided, all costs and expenses in connection with the negotiation, preparation execution and performance of this agreement and any documents referred to in it, shall be borne by the party that incurred the costs.

**11 Notice**

- 11.1 Notices shall be in writing and shall be sent to the other party marked for the attention of the person at the address set out for such party in clause 11.2 below. Notices may be sent by first class mail or facsimile transmission. Correctly addressed notices sent by first class mail shall be deemed to have been delivered 72 hours after posting and correctly directed facsimile transmissions shall be deemed to have been received instantaneously on transmission.
- 11.2 The details for service of notice are:

11.2.1 Connaught:

Connaught Asset Management Limited

Address: Hill Place House, 55A High Street, Wimbledon Village, SW19 5BA

Attention: Matt Bedding

Fax Number: 0208 947 3902

11.2.2 Tiuta PLC: Tiuta PLC

Address: 21 Ely Place, London, EC1N 6TD

Attention: George Patellis

Fax Number: 0207 611 5250

## 12 **Severance**

12.1 If any provision of this agreement (or part of a provision) is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force.

12.2 If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the parties.

## 13 **Third Party Rights**

This agreement and the documents referred to in it are made for the benefit of the parties to them and their successors and permitted assigns, and are not intended to benefit, or be enforceable by, anyone else.

## 14 **Successors**

The rights and obligations of the parties shall continue for the benefit of and shall be binding on their respective successors and assigns.

## 15 **Counterparts**

This agreement may be executed in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

16 **Language**

If this agreement is translated into any language other than English, the English language text shall prevail.

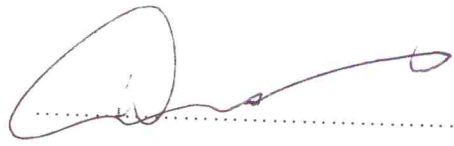
17 **Governing Law and Jurisdiction**

17.1 This agreement and any disputes or claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with the laws of England.

17.2 The parties irrevocably agree that the courts of England have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

**THIS AGREEMENT** has been entered into on the date stated at the beginning of it.


EXECUTED as a DEED by CONNAUGHT ASSET MANAGEMENT LIMITED )



Director

acting by M.A. DAVIES )

in the presence of: )

W Signature: 

I Name: MARTIN PEBBLES

T Address: 20 GERRARD STREET

N EPPING

E Essex

S CM16 7QJ

S Occupation: MANAGING DIRECTOR

EXECUTED as a DEED by TIUTA PLC )



Director

acting by STEWEN NICHOLAS )

in the presence of: )

W Signature: 

I Name: MARTIN KEARNS

T Address: 21 ELY PLACE

N LONDON

E EC1N 6TD

S

S Occupation: COMPANY SECRETARY