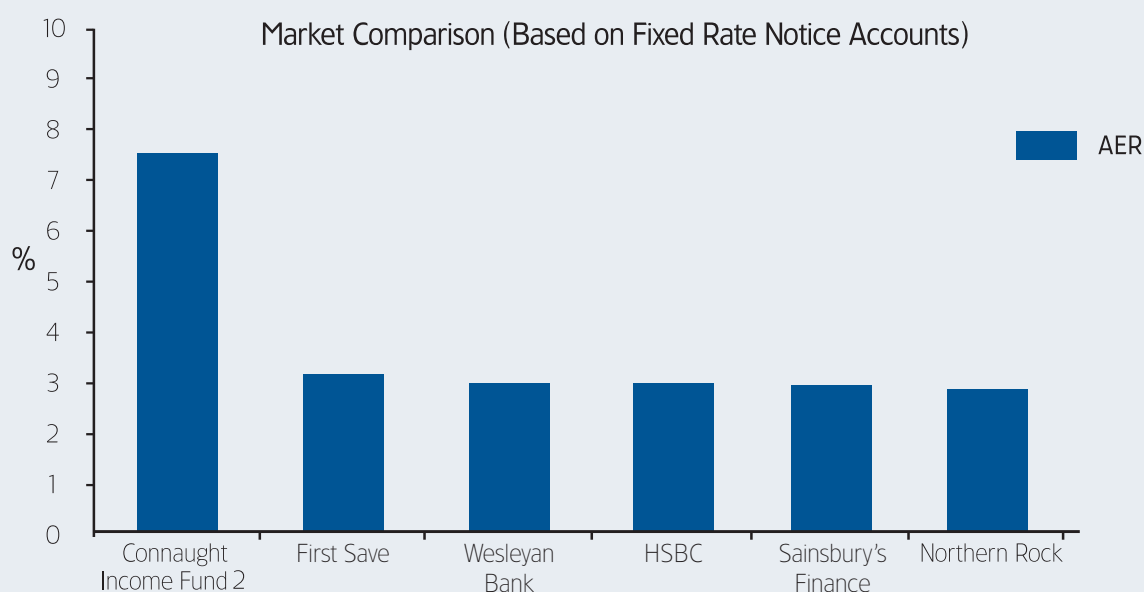


The Connaught Income Fund, Series 2

- Quarterly fixed income payment
- Short and medium term secured lending
- Residential and commercial property
- Target average LTV of 65%
- All loans secured against property with a legal charge
- Additional guarantee on the income from the Specialist Partner
- 30 days notice to withdraw
- Up to 24.97% interest over 3 years (reinvested income)



Source: www.moneyfacts.co.uk (05/10/2010)

AER assumes all interest is reinvested quarterly and will vary from 7.34% to 7.71% depending upon investment level

| Investment | Interest Rate | AER |
|----------------------|---------------|-------|
| £20,000 to £99,999 | 7.15% | 7.34% |
| £100,000 to £499,999 | 7.25% | 7.45% |
| £500,000 | 7.50% | 7.71% |

Important Notice

This document is not intended as an offer or solicitation for the purchase or sale of any investment or financial instrument. The investment approach and process described may not be suitable for all investors. Past performance is not a guide to future performance, and the value of investments may go down as well as up, and all investors may get less money than they originally invested. The opinions expressed are subject to change without notice and no reliance should be placed upon them. Although Connaught Asset Management (Guernsey) Ltd considers the information in this document to be reliable no warranty is given to its accuracy or completeness. Connaught Asset Management (Guernsey Ltd) is authorised as a Principal Manager by the Guernsey Financial Services Commission and is the issuer of this document but does not give investment advice or undertake any regulated activity other than act as a Principal Manager and the Fund's Investment Manager.

| | |
|----------------------------|--|
| Fund Size: | Targeting £20,000,000 net inflows per month to a fund size of £500,000,000 |
| Minimum Investment: | £20,000 |
| Maximum Investment: | None – special terms will apply to any investments over £1 million |
| Allocation Rates: | 100% of monies invested |
| Principal Manager: | Connaught Asset Management (Guernsey) Ltd |
| Trustee: | Kleinwort Benson (Guernsey) Limited |
| Specialist Partner: | Tiuta Development Finance Limited |
| Further Partners: | FSA authorised short term lenders |

- SEDOL Number: B3S4YM4
- ISIN Number: GG00B3S4YM48
- Bloomberg Ticker: CONINS2 GU

Fees and Expenses:

Initial fee: 2.00%

Annual Management Charge: 1.50%

Fund Pricing: fixed at £1.00 per unit

All fees and expenses are paid by the Specialist Partner. Investors always receive 100% allocation when monies are invested and receive 100% of their investment back upon withdrawal (please refer to the Scheme Particulars).

Fund Structure:

The Fund is structured as an authorised, Class B, Unit Trust domiciled in Guernsey and CISX listed. Investors become unit holders in the Unit Trust. Kleinwort Benson (Guernsey) Ltd are the trustees and Kleinwort Benson (Channel Islands) Fund Services Ltd are the administrators of the Fund. Most offshore bonds have deemed the Fund acceptable for inclusion in their policies. Investors can also access the Fund via platforms, SIPP/SSAS, trusts and through direct investment into the Unit Trust.

Fund Income Payment:

The Fund will calculate income payments quarterly on 1st January, 1st April, 1st July and 1st October and will pay the income to Investors within 14 days of the first working day of each quarter. Any investments made during a quarterly period will be paid out on a pro-rata daily calculated basis. Investors may choose to roll-up their income and buy new units in the Fund (some investment platforms do not allow this, please refer to your Financial Adviser for confirmation).

Withdrawals:

Withdrawals can be made so long as the minimum remaining investment is above £20,000. Any withdrawals made during the quarterly payment period will lose any income due in that quarter.

Tiuta's Lending Record:

To June 2010 Tiuta Plc has made 1321 loans (of which 254 are currently active). Tiuta are currently making approximately 250 loans per year. Last year, in response to market conditions, Tiuta tightened lending parameters with loan to value (LTV) ratios across new lending averaging under 62%.

The average loan value for new lending is currently £403,000 and average loan length of redeemed loans is 176 days (2 years to June 2010). As the property market stabilises, Tiuta are increasing lending levels albeit at reduced LTVs. 2010-2011 is forecast to see the growth and recovery of lending to surpass previous highest levels. With increased capital expenditure and new resources added Tiuta are confident that the credit and underwriting process will not be compromised as the number of new loans increases.

Keeping Investors appraised:

Quarterly Interim reports are published for investors and are available to view and downloading by visiting www.connaughtam.com and logging in using a username and password issued by Connaught Asset Management.