

DATED _____

(1) CUSTODIAN CAPITAL (101) GENERAL PARTNER LIMITED

(2) CUSTODIAN CAPITAL LIMITED

LIMITED PARTNERSHIP AGREEMENT

in relation to

Custodian Capital (101) Limited Partnership



Pinsent Masons

CONTENTS

		Page
1	INTERPRETATION	1
2	ESTABLISHMENT OF THE PARTNERSHIP	5
3	GENERAL PARTNER	6
5	LIMITED PARTNERS	11
6	COMMITMENTS	14
7	CAPITAL OF THE PARTNERSHIP	14
8	LOAN COMMITMENTS	14
9	INVESTMENTS OF THE PARTNERSHIP	15
10	PARTNERSHIP EXPENSES	15
11	DISTRIBUTIONS	16
12	INDEPENDENT ACCOUNTANT	17
13	PARTNERSHIP ACCOUNTS	17
14	VALUATIONS AND ALLOCATIONS OF PROFIT AND LOSSES	18
15	REPORTS AND INFORMATION	18
16	TRANSFER OF INTERESTS	19
17	COMPULSORY DISPOSALS	20
18	MEETINGS	20
19	LIMITATION OF LIABILITY AND INDEMNIFICATION	21
20	DISSOLUTION OF THE PARTNERSHIP	23
21	CONFIDENTIAL INFORMATION	24
22	AMENDMENT	25
23	GENERAL	26

THIS AGREEMENT is made on

BETWEEN:-

- (1) **CUSTODIAN CAPITAL (101) GENERAL PARTNER LIMITED** a limited liability company registered in England and Wales with number 7685954 whose registered office is at MW House, 1 Penman Way, Grove Park, Enderby, Leicester, LE19 1SY (the "**General Partner**"), acting for and on behalf of **CUSTODIAN CAPITAL (101) LIMITED PARTNERSHIP**, a limited partnership registered in England with partnership number LP[], whose registered office is at MW House, 1 Penman Way, Grove Park, Enderby, Leicester, LE19 1SY (the "**Partnership**"); and
- (2) **CUSTODIAN CAPITAL LIMITED** a limited liability company registered in England and Wales with number 06504305 whose registered office is at MW House, 1 Penman Way, Grove Park, Enderby, Leicester, LE19 1SY (the "**Founding Limited Partner**").

WHEREAS:-

- (A) The General Partner is the general partner of the Partnership registered under the Limited Partnership Act 1907 on [] (no. LP[]).
- (B) The business of the Partnership is to acquire, hold, manage, maintain, let and dispose of the Property (as defined below).
- (C) The General Partner and the Founding Limited Partner are currently the only partners in the Partnership.
- (D) The General Partner has decided to appoint Custodian Capital Limited, an English limited liability company (no. 06504305) (the "**Operator**"), to establish and operate the Partnership as a collective investment scheme and to manage the Property pursuant to an agreement dated on or around the date of this Agreement between the Operator and the General Partner (the "**Operator Agreement**"). The Operator is authorised and regulated by the Financial Services Authority (FSA registered number 541984).
- (E) The General Partner and the Founding Limited Partner have agreed to enter into this Agreement, the provisions of which will, on and from the date of this Agreement, govern the terms of the Partnership.

IT IS AGREED as follows:-

1. **INTERPRETATION**

1.1 In this :-

"Accounting Standards"	means generally accepted accounting standards of the United Kingdom
"Accounting Period"	means for the first Accounting Period, the period from the Commencement Date to [5 April 20], for the last Accounting Period, the period from the [6 April] preceding the dissolution date to the dissolution date of the Partnership; and in all other cases, the period of 12 months ending on [5 April] in each year
"Acquisition Cost"	means the acquisition cost of the Property together with any expenses associated with such acquisition that are paid by the Partnership
"Affiliate"	means, in relation to a body corporate or partnership, any subsidiary, subsidiary undertaking, parent undertaking or holding company of such body corporate or partnership, and any subsidiary or subsidiary undertaking of any such parent undertaking or holding company for the time being

"Agreement"	means this limited partnership agreement and any amendment, supplement, variation or novation to it
"Application Form"	means the document in such form as required by the Operator from time to time under which a person applies to be admitted as a Limited Partner and undertakes to comply with the terms of this Agreement
"Business Day"	means a day (other than a Saturday or Sunday) when banks are open in London
"Capital Contribution"	means, in respect of a Limited Partner, the amount that it has agreed to contribute to the capital of the Partnership, being 0.01% of its Commitment
"Closing"	means any occasion upon which a person or persons is or are admitted as a Limited Partner to the Partnership
"Commencement Date"	means the date the Partnership was registered pursuant to the Partnership Act being []
"Commitment"	means, in respect of each Limited Partner, the aggregate of the Capital Contribution and the Loan Commitment agreed to be advanced by that Limited Partner at the time of the Closing at which such Limited Partner is admitted to the Partnership whether or not such Loan Commitment has been repaid to that Limited Partner in whole or in part and where such amount is set out on a Limited Partner's Application Form or such lesser amount as the Operator shall accept as that Limited Partner's Commitment
"CC Limited Partner"	means a Limited Partner that is an Affiliate of the General Partner or the Operator or any of their Affiliates
"Dissolving Party"	means the Operator, or, some other party or parties designated by an Ordinary Resolution
"Encumbrance"	means any mortgage, charge, lien, pledge, hypothecation, title, retention arrangement, trust, power or contractual right
"Establishment Costs"	means all the costs and expenses incurred by the Partnership, the General Partner, the Operator or their Associates in establishing and in offering interests in the Partnership
"Existing Limited Partner"	means, in relation to a Subsequent Closing, any Limited Partner that was a Limited Partner of the Partnership immediately prior to that Subsequent Closing
"First Closing Date"	means the date upon which the first Closing occurs
"FSA Rules"	means the rules and guidance issued by the Financial Services Authority (the "FSA") or any successor body pursuant to FSMA
"FSMA"	means the Financial Services and Markets Act 2000
"General Partner"	means Custodian Capital (101) General Partner Limited, an English limited company (no. 7685954) or such other person who is for the time being the General Partner of the Partnership

"General Partner Profit Share"	means the amount calculated in accordance with 14.4
"Half Year"	means the period of six months ending on 5 April and 5 October
"Indemnification Expenses"	means, with respect to each Indemnified Person, expenses (including legal fees and expenses and costs of investigation) incurred by such Indemnified Person in defending any claim, demand, action, suit or proceeding, as such expenses are incurred by such Indemnified Person and in advance of the final disposition of such matter
"Indemnified Person"	means the General Partner, the Operator, each of their Affiliates, directors, officers and principals, shareholders, consultants, associates, personnel and employees
"Independent Accountant"	means the independent accountant of the Partnership appointed pursuant to Clause 12.1
"Information Memorandum"	means the information memorandum inviting applications to acquire interests in the Partnership, as supplemented or updated from time to time
"Limited Partner"	means each individual, trustee, corporation, partnership or other entity which subscribes to this Agreement as a limited partner by the execution of an Application Form and which the Operator agrees to admit as a Limited Partner and any entity which is subsequently admitted to the Partnership as a Limited Partner
"Loss"	means any claim, liability, cost, expenses, damage, interest, fee, penalty, fine, forfeiture, assessment, demand, action, suit, claim, proceeding, cause of action, or loss of any nature whatsoever and "Losses" shall be construed accordingly
"Loan Commitment"	means, in respect of a Limited Partner, the amount of the interest-free subordinated loan agreed to be advanced by a Limited Partner to the Partnership, being 99.99% of its Commitment
"Operator"	means any other person appointed to operate the Partnership from time to time in accordance with this Agreement and the first such person shall be Custodian Capital Limited (no. 06504305)
"Operator Agreement"	means the operator agreement between the General Partner on behalf of the Partnership and the Operator dated on or around the date of this Agreement and any replacement agreement entered into by the General Partner on behalf of the Partnership with the Operator from time to time
"Ordinary Resolution"	means a resolution of Limited Partners accounting for at least 50% of Percentage Interests
"Original Partnership Agreement"	means the limited partnership agreement between the General Partner and the Founding Limited Partner constituting the Partnership
"Partners"	means the General Partner and/or any or all of the Limited Partners, as the context requires

"Partnership"	means the partnership governed by this Agreement
"Partnership Act"	means the Limited Partnership Act 1907
"Partnership Assets"	means all of the assets of the Partnership including without limitation the Property, Partnership Receipts and the obligations of Limited Partners to advance Loan Commitments pursuant to the terms of this Agreement
"Partnership Group"	means the General Partner, the Operator and each of their Affiliates, directors, officers and principals;
"Partnership Liability"	means all debts, fees, expenses, liabilities and obligations (contingent or otherwise) of the Partnership including borrowings, accrued costs, expenses, the Establishment Costs, charges and outgoings, provisions or reserves the General Partner makes, unpaid distributions due to Limited Partners, principal, interest, fees, expenses and other liabilities in respect of any leverage procured by the Partnership, fees, expenses and other liabilities in respect of hedging transactions and any required Tax withholdings
"Partnership Receipt"	means all amounts received by the Partnership including, without limitation, rental payments received in respect of the Property, amounts received on the disposal of the Property and bank interest paid on amounts received by the Partnership pending investment or distribution
"Percentage Interest"	in relation to a Limited Partner shall be that Limited Partner's Commitment expressed as a percentage of all Commitments
"Property"	means the property acquired or to be acquired by the Partnership the details of which are set out in Schedule 1
"Shortfall"	means as at the First Closing Date, an amount equal to the Acquisition Cost of the Property minus the total Commitments of all Limited Partners which for the purposes of this Agreement will not be below zero
"Subsequent Closing"	means any Closing other than the First Closing
"Subsequent Limited Partner"	means, in relation to a Subsequent Closing, a person admitted as a Limited Partner at that Subsequent Closing or an Existing Limited Partner who is increasing their Commitment at that Subsequent Closing but only then in respect of the increase in the Existing Limited Partner's Commitment
"Tax" or "Taxes"	means every kind of tax, duty, rate, levy, withholding, deduction and charge imposed at any time by any fiscal, national, state or local authority or entity, together with interest and penalties including, for the avoidance of doubt, any VAT
"Transfer"	means a sale, assignment, transfer, exchange, pledge, Encumbrance or other disposition and "Transferred" shall have a corresponding meaning
"Value"	means, in respect of the Property, the value of that Property which shall be its Acquisition Cost until such time as the Valuer values the Property in accordance with Clause 14 on the basis of an RICS open market

valuation

"Valuer" means the valuer appointed by the Operator to value the Property that shall be independent of the Partnership Group

"VAT" means any value added tax or sales tax applicable in any country.

1.2 In this Agreement, unless the context otherwise requires, a reference to:-

1.2.1 a Clause is a reference to a clause of this Agreement;

1.2.2 the singular includes the plural and vice versa and reference to any gender includes the other gender;

1.2.3 a statutory provision includes a reference to that provision as modified, replaced, amended and/or re-enacted from time to time (before or after the date of this Agreement) and any prior or subsequent subordinate legislation made under it;

1.2.4 a **"person"** includes a reference to an individual, a firm, a body corporate, a government authority, state or agency of a state or government body or any joint venture wherever incorporated or situated (in each case whether or not have legal personality), a body or instrumentality, an unincorporated body, a partnership, a trust, a corporation, a limited liability corporation and any other entity and includes a reference to that person's legal personal representative and successors;

1.2.5 a **"subsidiary"**, **"holding company"** or **"body corporate"** has the respective meaning set out in sections 1159 and 1173 of the Companies Act 2006;

1.2.6 a **"subsidiary undertaking"** and **"parent undertaking"** has the meaning set out in section 1162 of the Companies Act 2006;

1.2.7 **"parties"** is a reference to the parties to this Agreement and a reference to **"party"** is to any one of the parties;

1.2.8 an agreement or other document is a reference to that agreement or document as from time to time supplemented, amended, varied or novated;

1.2.9 **"including"** or **"includes"** are not words of limitation; and

1.2.10 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 treated as a reference to any analogous term in that jurisdiction.

1.3 The headings to the Clauses are for convenience only and shall not affect the interpretation or construction of this Agreement.

1.4 In construing this Agreement the ejusdem generis principle shall not apply and general words are not to be given a restrictive meaning because they are followed by particular examples intended to be embraced by the general words.

2. ESTABLISHMENT OF THE PARTNERSHIP

Nature of the Partnership

2.1 The Partnership is a limited partnership and has been registered pursuant to the Partnership Act.

Continuation of the Partnership

- 2.2 The term of the Partnership commenced on the Commencement Date and shall continue until it is dissolved pursuant to Clause 20 or the Partnership Act. This Agreement amends and restates the Original Partnership Agreement in its entirety with effect from the date of this Agreement.

Business of the Partnership

- 2.3 The principal business to be conducted by the Partnership is the business of investment including acquiring, holding, managing, maintaining, letting and disposing of the Property. Once acquired the General Partner shall hold the legal title to the Property on trust for the benefit of the Partners in accordance with the provisions of this Agreement.

Partnership Name and place of Business

- 2.4 The name of the Partnership is as set out on the cover page of this Agreement. The business of the Partnership shall be conducted under such name and style or firm name or such other name as the General Partner from time to time determines and notifies to Limited Partners. The principal place of business of the Partnership shall be at MW House, 1 Penman Way, Grove Park, Enderby, Leicester, LE19 1SY, or such other place as the General Partner may from time to time determine.

Commencement of the Partnership

- 2.5 The General Partner and the Founding Limited Partner were the only Partners on the Commencement Date. Additional persons may be admitted as Limited Partners in accordance with Clause 5 and shall be limited partners within the meaning of the Partnership Act on and from the date of their admission to the Partnership.

Execution of documents

- 2.6 The Partnership may execute, deliver and perform all contracts and other undertakings and engage in all other activities and transactions as may in the opinion of the General Partner be necessary or advisable to carry out the business of the Partnership.

Bank accounts

- 2.7 The General Partner or the Operator shall open such bank accounts in the name of the Partnership, as either considers necessary or desirable. Other than monies required for current expenses of the Partnership, all monies (including Capital Contributions and Loan Commitments), bills, cheques and other negotiable securities received shall be paid by the Operator into the Partnership's bank accounts. The General Partner and the Operator shall be joint signatories to the Partnership's bank accounts.

3. GENERAL PARTNER

Responsibilities of the General Partner

- 3.1 The General Partner shall perform its functions and exercise its duties and obligations under this Agreement with all due skill, care and diligence and in a manner appropriate for a general partner of a partnership of a similar size, complexity and business of the Partnership. Subject to clause 3.5, the General Partner's duties shall include without limitation selecting, engaging (including the negotiating the terms of appointment), supervising and retaining any agent or other person acting for or advising the General Partner or the Partnership.
- 3.2 Unless the General Partner is duly authorised to operate the Partnership under FSMA:-
- 3.2.1 the General Partner shall be responsible for ensuring that the Partnership is always operated by an Operator appropriately authorised to do so under FSMA; and
- 3.2.2 the Operator shall operate the Partnership insofar as such operation requires authorisation pursuant to FSMA, and shall carry out such services set out in the Operator Agreement, to the exclusion of the General Partner who shall have no responsibility for such services save as set out in Clause 3.4.
- 3.3 The General Partner undertakes that it shall comply with all applicable laws and regulatory requirements that it is subject to when performing its functions and exercising its duties and obligations under this Agreement.

Powers of the General Partner

- 3.4 Subject to clause 3.5, the General Partner has the full power and authority to undertake the business of the Partnership including without limitation (without affecting any third party dealing with it in good faith):-
- 3.4.1 to execute and enter into the Operator Agreement in order to give effect to the obligations and provisions on the part of the Operator referred to in this Agreement and the Operator Agreement and to monitor and enforce the performance by the Operator of its obligations under the Operator Agreement and represent the Partnership in its dealings with the Operator;
 - 3.4.2 to appoint any person it may select, including the Operator, to manage the Property;
 - 3.4.3 to enter into, make, give, amend, waive and perform on behalf of the Partnership, agreements, trust deeds, arrangements, understandings, representations, warranties, indemnities and obligations, and do any other acts the General Partner considers to be necessary or desirable for, or that are incidental to, the conduct of the affairs and the business of the Partnership, subject to and in accordance with the provisions of this Agreement;
 - 3.4.4 to approve, implement and complete any purchase or disposal of the Property and to execute and enter into:-
 - (a) any contracts, elections, registrations, agreements, guarantees, indemnities, undertakings, warranties or other documents as may be advisable for or as may be incidental to the purchase or sale of all or any part of the Property and to take all action necessary or desirable to fulfil the obligations of the Partnership and to exercise the rights of the Partnership under such documents; and
 - (b) any other contracts, elections, registrations, agreements, guarantees, indemnities, warranties, undertakings or other documents as may be necessary and advisable for or as may be incidental to the conduct of the business of the Partnership;
 - 3.4.5 to acquire assets, rights or property on behalf of the Partnership, subject to the restrictions set out in Clause 9;
 - 3.4.6 subject to the restrictions in Clause 9, to enter into a loan or finance arrangements (including in relation to any refinancing) on behalf of the Partnership together with associated security documentation in relation to the Property) including a revolving credit facility and to borrow, raise money or obtain any other financial assistance (whether or not on security) and to incur all types of obligations;
 - 3.4.7 subject to Clause 9, in the ordinary course of business of the Partnership, to create an Encumbrance over the Property;
 - 3.4.8 to appoint the Operator or any other person the General Partner considers appropriate to perform administrative services in respect of the business and affairs of the Partnership;
 - 3.4.9 to commence or defend litigation that relates to the Partnership or the Property, prosecute, settle or compromise claims by the Partnership, settle or compromise claims against the Partnership and execute documents and make representations, admissions and waivers which the General Partner considers to be necessary or advisable in connection with any of those things;
 - 3.4.10 to fetter the discretion and future discretions of the General Partner or the Partnership;
 - 3.4.11 to bind the General Partner or any successor general partner of the Partnership as a party to any contract, deed or other agreement;
 - 3.4.12 to do anything incidental to any other power of the General Partner under this Agreement; and

3.4.13 to perform any other act which the General Partner considers to be necessary or desirable in relation to the Partnership, the Property or the business of the Partnership.

Authorisation

3.5 Notwithstanding any provision of this Agreement, the General Partner shall not do or be required to do anything which might constitute a regulated activity for the purposes of FSMA unless the General Partner is authorised to carry out the activity under FSMA.

General Partner may apply for authorisation

3.6 The General Partner shall have the discretion at any time to apply for authorisation under FSMA if in its absolute discretion it considers it necessary, desirable or appropriate to do so in order to better perform its duties and functions under this Agreement. The Limited Partners shall provide the General Partner with such co-operation as it may reasonably require to facilitate such registration and the costs and expenses incurred by the General Partner (other than the costs of satisfying any capital requirements) shall be borne by the Partnership.

Delegation

3.7 The General Partner may authorise or appoint any person including one or more of its Affiliates to act as its agent or delegate on such terms as it sees fit including to hold title to the Property, perform any act or exercise any discretion within the General Partner's power, including the power to appoint, in turn, its own agent or delegate of all or any of the powers granted to it.

Appointment of advisers

3.8 The General Partner may, in performing its duties under this Agreement, consult, appoint, employ, contract and engage any asset manager, actuary, adviser, manager, expert, agent, solicitor, barrister, contractor, valuer, accountant or other professional (including any such person who is an Affiliate of the General Partner) as may be necessary or desirable for the purpose of exercising its powers and performing its obligations.

Execution on behalf of the Partnership

3.9 If the General Partner executes any document, or enters into any arrangement, on behalf of the Partnership, the Limited Partners acknowledge and agree that the Partnership is taken to be a party to and bound by that document or arrangement.

Absolute discretion

3.10 Unless otherwise stated in this Agreement or the Information Memorandum, the General Partner has an absolute discretion as to the manner, mode and time of exercise of the powers, authorities, discretions, rights and duties conferred on it under this Agreement or the Partnership Act including as to the delegation of the same.

Non-Exclusivity

3.11 The functions and duties that the General Partner undertakes to perform on behalf of the Partnership are not exclusive and it and any of its Affiliates may from time to time perform similar functions and duties for itself or other persons including, without limitation, acting as general partner, manager or operator of other funds or pooled investment vehicles or engage in any other activity including any business which may compete with the business of the Partnership as set out in clause 2.3, without accounting for and paying any fees or profits received by the General Partner in such business provided however that the General Partner continues properly to manage the affairs of the Partnership.

Liability of the General Partner

3.12 If the Partnership is unable to pay its debts, liabilities and obligations, the General Partner shall (on an unlimited basis) be fully liable for those debts, liabilities and obligations that exceed the Partnership Assets but the General Partner shall not be liable for the return to a Limited Partner of its Capital Contributions made and Loan Commitments advanced to the Partnership.

Personal liabilities of the General Partner

- 3.13 The General Partner hereby undertakes that it shall at all times duly pay and discharge its debts incurred in its personal capacity and shall keep the Partnership Assets and the Limited Partners indemnified therefrom and from all liabilities, actions, proceedings, costs, claims and demands in respect thereof.

No liability for agents

- 3.14 The General Partner shall not be liable to any Limited Partner or the Partnership for the negligence, dishonesty or bad faith of any agent acting for the General Partner or the Partnership provided that such agent was selected, engaged and retained by the General Partner acting in good faith and exercising reasonable care.

General Partner acting on advice

- 3.15 Subject to applicable law, where the General Partner acts in reliance on the advice or counsel of any person referred to in Clause 3.8, the General Partner is not liable for any loss or damage resulting from its reliance on advice provided within that person's expertise provided the appointment was in good faith.

Voluntary retirement of the General Partner

- 3.16 Subject to Clause 16.1, the General Partner shall not voluntarily withdraw, retire or resign as the general partner of the Partnership unless Limited Partners approve by an Ordinary Resolution.

4. THE OPERATOR

Appointment of the Operator

- 4.1 The General Partner on behalf of the Partnership shall appoint as Operator any person duly authorised under FSMA it may select and shall enter into an Operator Agreement with each Operator at the time of appointment.

- 4.2 The Partnership shall not carry on any business requiring authorisation under FSMA until an Operator is appointed under clause 4.1 and the Partnership shall cease to carry on business requiring authorisation under FSMA at any time after such time where the appointment of Operator is vacant unless the General Partner has itself become duly authorised under FSMA to perform such duties or if no such authorisation is required pursuant to FSMA or otherwise.

Authority and powers of the Operator

- 4.3 The Operator shall be given full power and authority in accordance with the terms of the Operator's Agreement on behalf of the Partnership in respect of all matters delegated to it under that agreement, including (where relevant) the power to bind the Partnership in relation to any matter which does or may constitute a regulated activity for the purposes of FSMA or otherwise required to be carried out by an authorised person under FSMA. Without prejudice to the generality of this clause 4.3, the Operator shall have full power and authority on behalf of the Partnership and with the power to bind the Partnership thereby:-

- 4.3.1 to discharge or procure the discharge of all operational and all and any other functions in relation to the Partnership which under the provisions of the FSMA may not be carried out by a person who is neither authorised nor exempt as defined in sections 31 and 38, respectively, of the FSMA;

- 4.3.2 to communicate financial promotions in relation to the Partnership and to identify and enter into distribution agreements with appropriately FSA authorised firms with a view to those firms marketing the Partnership provided that any commissions to be paid to such FSA authorised firms shall be paid by the Operator;

- 4.3.3 to execute and perform any and all contracts, deeds and cheques, mandates, instruments or documents which the Operator is required to execute or perform in connection with the its duties set out herein;

- 4.3.4 to oversee any activities performed by the General Partner and other parties and ensure that the business of the Partnership is managed in a way that is consistent with this Agreement;

- 4.3.5 to carry out money laundering verification and customer due diligence, admit and register new Limited Partners and approve (and agree changes to) Application Forms, instruments transferring any interest in the Partnership and related documentation from Limited Partners;
- 4.3.6 to admit Limited Partners to the Partnership in accordance with this Agreement;
- 4.3.7 to approve the calculation and make distributions to Partners in accordance with Clause 11 of this Agreement;
- 4.3.8 to effect transfers of limited partnership interests in the Partnership in accordance with the Partnership Agreement;
- 4.3.9 to make arrangements for the opening, maintaining and closing of bank accounts in the name of the Partnership in the United Kingdom or elsewhere, and to draw cheques and other orders for payment of monies in the name of the Partnership and to execute any other documentation in relation to such accounts and to operate such accounts;
- 4.3.10 to oversee the preparation and distribution of reports to Limited Partners in accordance with the FSA Rules;
- 4.3.11 to report to the Partnership on all matters pertaining to the Property, in order to enable the General Partner to meet its obligations under this Agreement.
- 4.3.12 to report and/or attend at Partnership meetings;
- 4.3.13 to ensure the Partnership maintains compliance with all FSA and FSMA compliance responsibilities and filings;
- 4.3.14 unless otherwise agreed by the Operator and the General Partner to employ (at the Partnership's expense) such agents, investment advisers, employees, managers, accountants, lawyers, consultants and other persons necessary or appropriate to carry out the business of the Partnership in the United Kingdom and to advise the Operator and the General Partner on the terms of all relevant contracts and documents (whether or not any such persons so employed are affiliated or related to any Partner);
- 4.3.15 to prepare and maintain or cause to be prepared and maintained the Partnership's records, accounts and books of account at the Partnership's or (to the extent permitted by the Act) its own principal place of business), to procure that (so far as it is reasonably able to do so) such records and books of account are properly and accurately maintained and at all times up to date and to allow any Limited Partner and the General Partner and their representatives reasonable access thereto at any reasonable time, subject to having to give reasonable notice, for the purpose of inspecting or copying the same, provided that such Partner shall reimburse to the Operator any expenses reasonably incurred in connection with such inspection and shall pay the Operator's reasonable charges with respect to such copying;
- 4.3.16 to register and publish (or cause the General Partner to register and publish) all such notices, statements or other instruments as may be required pursuant to the Limited Partnership Act 1907 (as amended) to be registered and published in relation to any changes occurring in relation to the Partnership as specified in Sections 9 and 10 of the Limited Partnership Act 1907(as amended);
- 4.3.17 to submit all tax returns, claims, forms and other documents to the relevant tax authority on behalf of the Partnership as may be required (but, for the avoidance of doubt, not in respect of individual Partners) and to pay or direct the Partnership to pay all amounts of taxation for which the General Partner, the Operator, any Associate of either of them or the Partnership is liable on behalf of any Partner or the Partnership or any amount of taxation in respect of which any Partner or the Partnership has been assessed in the name of the General Partner, the Operator, such Associate or the Partnership provided that the Operator shall first give notice to such Partner of such liability to taxation and shall use its reasonable endeavours at the expense of such Partner to ensure that the amount assessed is in fact due;

- 4.3.18 to provide such other services as may be necessary in pursuing the purpose of the business of the Partnership; and
- 4.3.19 to provide such other services as may be agreed from time to time between the General Partner and the Operator.

Non-exclusive appointment

- 4.4 The functions and duties that the Operator undertakes to perform on behalf of the Partnership are not exclusive and it and any of its Affiliates may from time to time perform similar functions and duties for itself or other persons including, without limitation, acting as general partner, manager or operator of other funds or pooled investment vehicles or engage in any other activity including any business which may compete with the business of the Partnership as set out in clause 2.3, without accounting for and paying any fees or profits received by the Operator in such business provided however that the Operator continues properly to manage the affairs of the Partnership.

No liability for agents

- 4.5 The Operator shall not be liable to any Limited Partner or the Partnership for the negligence, dishonesty or bad faith of any agent acting for the Operator or the Partnership provided that such agent was selected, engaged and retained by the Operator acting in good faith and exercising reasonable care.

Operator acting on advice

- 4.6 Subject to applicable law, where the Operator acts in reliance on the advice or counsel of any person referred to in Clause 4.3.14, the Operator is not liable for any loss or damage resulting from its reliance on advice provided within that person's expertise provided the appointment was made in good faith.

Operator expenses

- 4.7 Save to the extent payable pursuant to the Operator's Agreement (including the fees of the Operator which shall be payable by the General Partner), all reasonable costs and expenses properly incurred by the Operator in the performance of its services to the Partnership under the Operator Agreement shall be payable by the Partnership except that all the Operator's ordinary internal day-to-day costs and expenses incurred by the Operator in providing the office facilities, equipment and personnel in connection with the performance of its services under the Operator Agreement shall be borne by the Operator itself and shall not be for the account of the Partnership

Termination of the Operator's appointment

- 4.8 The Operator's appointment shall be terminated in accordance with the Operator Agreement upon the happening of any of the following events:-
- 4.8.1 the bankruptcy, insolvency or voluntary liquidation (except for the purposes of reconstruction or amalgamation) of the Operator or the General Partner;
- 4.8.2 the negligence, fraud, wilful default, bad faith or professional misconduct of the Operator or the General Partner in connection with the operation of the Partnership;
- 4.8.3 the Operator or the General Partner committing a material breach of the Operator Agreement or the Partnership Agreement and where such material breach is capable of remedy such material breach has not been remedied within 30 days' of written notice of the same having been served on the Operator or the General Partner, as the case may be;
- 4.8.4 the Operator ceasing to be authorised under FSMA to operate collective investment schemes of the same type as the Partnership; or
- 4.8.5 the Partnership being dissolved.

5. LIMITED PARTNERS

Automatic retirement of the Founding Limited Partner

- 5.1 Immediately following the first person other than the Founding Limited Partner becoming a Limited Partner, the Founding Limited Partner:-
- 5.1.1 shall be automatically deemed to have retired from the Partnership without the need to do anything further;
 - 5.1.2 shall have no further rights or obligations under this Agreement or in respect of the Partnership; and
 - 5.1.3 the General Partner will pay to the Founding Limited Partner an amount equal to the amount of capital the Founding Limited Partner contributed to the Partnership.
- 5.2 Subject to the Partnership Act, the Partnership hereby agrees to indemnify the Founding Limited Partner against any Loss which the Founding Limited Partner incurs in respect of the Partnership or this Agreement.
- Admission of Limited Partners**
- 5.3 Each person that applies to become a Limited Partner shall execute an Application Form before they are admitted to the Partnership.
- 5.4 A person shall only be admitted as a Limited Partner on the Operator's acceptance of its executed Application Form.
- 5.5 Subject to Clause 5.4:
- 5.5.1 if there is a Shortfall; or
 - 5.5.2 the Partnership is seeking additional capital and if Limited Partner's agree by an Ordinary Resolution that additional capital may be sought,
- the Operator, at one or more Subsequent Closings may:-
- 5.5.3 admit one or more persons (including a CC Limited Partner) as Limited Partners provided that each such person has satisfied the admission requirements in this Clause 5; or
 - 5.5.4 permit existing Limited Partners to increase their Commitment.
- 5.6 To the extent one or more Subsequent Limited Partners are admitted to fund a Shortfall then amounts paid to the Partnership by such Subsequent Limited Partners shall be first applied in repaying any borrowings made pursuant to clause 9.3) that were incurred to initially fund such Shortfall.
- 5.7 A Limited Partner who is increasing its Commitment at a Subsequent Closing may, if the Operator determines it appropriate, do so on the terms of their original Application Form accepted by the Operator but on the basis that all representations, warranties, confirmations and acknowledgements contained in that Application Form are repeated on the date of the relevant Closing and that such Limited Partner signs and delivers to the Operator any document in such form required by the Operator from time to time reflecting the increase in its Commitment.
- 5.8 After each Subsequent Closing each Limited Partner shall be allocated a Percentage Interest in accordance with the definition of that term and the General Partner or Operator may notify the Limited Partners of their revised Percentage Interests.
- 5.9 Without making any revaluation of the assets in the Partnership accounts, the Operator shall reallocate all Partnership Assets and Partnership Liabilities between all Limited Partners at each Subsequent Closing pro rata to their respective Percentage Interests (as adjusted on the basis set out above) immediately after the Subsequent Closing and allocations of Partnership Assets and Partnership Liabilities prior to the Subsequent Closing shall be adjusted accordingly.
- 5.10 For the avoidance of doubt, expenses and liabilities of the Partnership from the date of its commencement and which are charged to any Limited Partner shall not be affected by the date on which that Limited Partner was admitted to the Partnership and the General Partner shall be

entitled to make such adjustments between the Limited Partners' accounts as it considers reasonable to reflect the fact that all Limited Partners are intended to be treated as if they had been admitted on the First Closing Date.

Liability of a Limited Partner

- 5.11 The Limited Partners shall be limited partners within the meaning of the Partnership Act. Other than as provided for under the Partnership Act or other applicable law or as expressly provided for under this Agreement, the Limited Partners shall only be liable to the Partnership to the extent of their Capital Contribution and Limited Partners shall have no further liability whatsoever for any debts, liabilities or obligations of the Partnership if the Partnership is unable to pay the same.

Limitations on Limited Partners

- 5.12 A Limited Partner does not have a right to and hereby undertakes that it shall not:-
- 5.12.1 act for the Partnership;
 - 5.12.2 take any part in or in any way interfere in the management, operation or administration of the business and the affairs of the Partnership;
 - 5.12.3 enter into any agreement or arrangement for and on behalf of the Partnership, the General Partner or the Operator in any matter;
 - 5.12.4 hold itself out to any person as having the authority to bind or act on behalf of the Partnership or any of the Partners and, for the avoidance of doubt, has no right under this Agreement to do so;
 - 5.12.5 vote on matters relating to the Partnership other than as provided under the Partnership Act or as contemplated in this Agreement;
 - 5.12.6 require all or any part of a Partnership Asset or the Property to be transferred at any time;
 - 5.12.7 direct the General Partner or the Operator, as the case may be, in relation to:-
 - (a) the exercise of a right of the General Partner or the Operator;
 - (b) the acquisition or disposal of the Property by the Partnership; or
 - (c) any other matter except as provided in this Agreement;
 - 5.12.8 obtain finance, borrow, or guarantee any obligations or grant any Encumbrance to secure borrowings, from the Partnership Assets;
 - 5.12.9 retire or resign as, or otherwise cease to be, a Limited Partner except:
 - (a) as a result of the dissolution of the Partnership in accordance with this Agreement or the Partnership Act; or
 - (b) on the Transfer of the Limited Partner's interest in the Partnership in accordance with Clause 16; or
 - (c) where the General Partner requires the Limited Partner to dispose of all of its interest pursuant to Clauses 17; or
 - (d) if and when required by the Partnership Act.

Investment Conflicts

- 5.13 A Limited Partner shall be entitled to and may have business interests and engage in activities in addition to those relating to the Partnership, including business interests and activities in direct competition with the Partnership. Neither the Partnership and any other Partner nor any other person shall have any rights by virtue of this Agreement in any other business, venture or interest of any Limited Partner.

Subordination of Limited Partner's Commitments

- 5.14 Including upon dissolution of the Partnership, the Limited Partners are subordinated to all other creditors of the Partnership in relation to each of their Commitments.

6. COMMITMENTS

General

- 6.1 If the Operator accepts an Application Form, then the relevant Limited Partners' Commitment shall be as set out in its Application Form as then increased (if applicable) in accordance with this Agreement.

Non-cash payments

- 6.2 The General Partner may in its discretion permit a Limited Partner to satisfy its financial obligations in respect of its Commitment by way of a transfer of property of a kind acceptable to the General Partner (and able to be vested in the General Partner or a custodian of the Partnership Assets), provided that if requested by the General Partner the Limited Partner provides the General Partner with an independent valuation of the relevant property that is accepted by the General Partner.

7. CAPITAL OF THE PARTNERSHIP

General Partner Capital Contribution

- 7.1 The General Partner is not required to make a Capital Contribution.

Limited Partner Capital Contribution

- 7.2 A Limited Partner shall contribute the full amount of all its Capital Contributions to the Partnership upon admission to the Partnership, or where applicable, upon its Commitment being increased.

Increase of Capital

- 7.3 The capital of the Partnership may only be increased after the First Closing Date following the admission of Subsequent Limited Partners to the Partnership in accordance with Clause 5.5.

No payment of Capital Contribution prior to dissolution

- 7.4 No Partner shall have the right to the return of its Capital Contribution except following the dissolution of the Partnership or on the withdrawal or expulsion of any Partner from the Partnership.

- 7.5 The estate or trustee in bankruptcy or receiver or liquidator of a deceased, bankrupt, insolvent or dissolved Limited Partner shall not have the right to withdraw such Partner's Capital Contribution or require repayment of such Partner's Loan Commitments prior to the dissolution of the Partnership.

No interest on Capital Contribution

- 7.6 No interest shall be paid or payable by the Partnership upon any Capital Contribution or upon any amount whether of income or capital nature allocated to any Partner but not yet distributed.

Currency

- 7.7 Capital Contributions shall be made in Sterling.

8. LOAN COMMITMENTS

General Partner

- 8.1 The General Partner shall not be required to make a Loan Commitment to the Partnership.

Limited Partners

- 8.2 Loan Commitments of each Limited Partner shall be paid to the Partnership in full at the Closing upon which the Limited Partner is admitted to the Partnership or, where applicable, upon a Limited Partner's Commitment being increased.

Currency of Loan Commitments

- 8.3 Loan Commitments shall be made in the Sterling.

Interest on Loan Commitments

- 8.4 No interest shall be paid or payable by the Partnership upon any Loan Commitment.

Loan Commitments not a debt due

- 8.5 For the avoidance of doubt, each Limited Partner agrees by signing an Application Form prior to being admitted to the Partnership that each Loan Commitment shall be by way of contribution to a loan account and shall not confer on that Limited Partner any right to claim that such Loan Commitment constitutes a debt due and payable by the Partnership to him or to bring proceedings against the Partnership for payment of a debt. Notwithstanding the forgoing sentence, a Limited Partner's Loan Commitment shall be taken into account for the purpose of allocating Partnership Assets as between the Partners and shall only be repaid as provided for in this Agreement.

9. INVESTMENTS OF THE PARTNERSHIP

Investment Portfolio

- 9.1 The Partnership shall acquire the Property and no other asset other than those acquired as part of the Property. The Partnership's investment in the Property shall be conducted in accordance with the strategy outlined in the Information Memorandum or as the Limited Partners may otherwise agree by an Ordinary Resolution.

Power to invest in Short Term Instruments

- 9.2 The General Partner may invest the funds of the Partnership in government securities, bank deposits (provided that the bank or its holding company is rated AA or better by the Standard and Poor's Corporation and other short term investments of at least the same quality) pending making a distribution to Partners or during the period between a Limited Partner making a payment to the Partnership in respect of its Commitment and the Partnership satisfying financial obligations in respect of the Acquisition Cost of the Property.

Borrowing

- 9.3 Borrowings may be made by the Partnership (including from the Partnership Group) under one or more credit facilities that the General Partner may enter into on behalf of the Partnership from time to time, provided that funds are only drawn down under such facilities to fund the Acquisition Cost of the Property (including any Shortfall) or the cost of enhancing, refurbishing or improving the Property.

Disposal of the Property

- 9.4 The General Partner may sell, realise or otherwise dispose of the Property if Limited Partners agree by an Ordinary Resolution.

10. PARTNERSHIP EXPENSES

- 10.1 The Partnership shall be responsible for all Partnership Liabilities and all other properly incurred costs, fees, charges, outgoings and disbursements incurred by the General Partner and the Operator (including those incurred prior to the Commencement Date) in the proper performance of their duties (other than the day-to-day overhead expenses of the General Partner and the Operator), including the following costs and expenses that are payable or reimbursable out of the Partnership Assets:

- 10.1.1 the Establishment Costs;

- 10.1.2 ongoing registration and administration costs of the Partnership;
- 10.1.3 fees of third party advisers and consultants (including lawyers, accountants, banks, letting agents, property managers and valuers) incurred as part of the proper administration and conduct of the affairs of the Partnership including the costs and expenses associated with the acquisition, holding, monitoring, managing, letting realisation, valuation, maintenance, disposal, variation or distribution of the Property;
- 10.1.4 fees, costs and expenses of any custodian, operator, valuer, accountant or auditor appointed in relation to the operation and administration of the Partnership (including ongoing fees, terminations, retirements and appointments);
- 10.1.5 the costs and expenses incurred in connection with any litigation, arbitration, investigation and other proceedings in connection with the Partnership;
- 10.1.6 all Taxes (excluding any income tax payable on any of the fees paid in accordance with this Clause 11) and all stamp duty and fees or other charges levied by any governmental agency against the Partnership in connection with the Property or otherwise;
- 10.1.7 fees and costs payable to any person (including an Affiliate of the General Partner) for debt arranging services;
- 10.1.8 interest on borrowings, bank fees, interest discount and acceptance fees for bill facilities and like amounts;
- 10.1.9 fees, costs or interest expenses incurred by the General Partner or one of its Affiliates or any other person connected with loan facilities and related security arrangements associated with the purchase of the Property;
- 10.1.10 the reasonable costs associated with convening and holding a meeting of the Partnership;
- 10.1.11 costs and expenses incurred in relation to the dissolution and winding up of the Partnership;
- 10.1.12 all costs and expenses incurred in relation to the production and distribution of the reports and accounts and other information referred to in Clause 15 and any other valuations or certifications required pursuant to this Agreement including the fees and costs of the Independent Accountants in connection therewith; and
- 10.1.13 all operational, statutory and regulatory costs and expenses directly related to the Partnership.

11. DISTRIBUTIONS

General

- 11.1 In this Clause 11:-
 - 11.1.1 in relation to a Limited Partner the "**Allocated Share**" of a Partnership Liability or the General Partner's Profit Share means its Percentage Interest of the Partnership Liability or the General Partner's Profit Share or on such other basis as the Operator shall consider fair and equitable;
 - 11.1.2 "**Capital Receipt**" means all Partnership Receipts of a capital nature; and
 - 11.1.3 "**Income Receipt**" means all Partnership Receipts of an income nature.

Income Distributions

- 11.2 After each Half Year date the Operator shall determine the Income Receipts that are available for distribution to Partners after deducting or making such provisions as it thinks fit for Partnership Liabilities (the "**Distributable Income**"). The Operator shall then distribute the Distributable Income

as soon as reasonably practical after the aforementioned determination between Limited Partners pro rata to their Percentage Interest.

Capital Distributions

- 11.3 Following the realisation of the Property, the General Partner shall determine the Capital Receipts that are available for distribution to Partners after deducting or making such provisions as it thinks fit for Partnership Liabilities (the "**Distributable Capital**"). The Operator shall then distribute the Distributable Capital as soon as reasonably practical after the aforementioned determination between Limited Partners pro rata to their Percentage Interest.

Priority of distributions

- 11.4 Notwithstanding Clauses 11.2 and 11.3, Distributable Income and Distributable Capital that would otherwise have been distributed in accordance with Clauses 11.2 and 11.3 to a Limited Partner shall be distributed in the following order of priority having first reduced any such amounts (but not below zero) by the Limited Partner's Allocated Share of a Partnership Liability:
- 11.4.1 first, to the General Partner, in satisfaction of the Limited Partner's Allocated Share of the General Partner's Profit Share (to the extent not already satisfied by previous distributions);
 - 11.4.2 then, to the Limited Partners by way of repayment of its Loan Commitments not already repaid; and
 - 11.4.3 thereafter, to the Limited Partners.

Interim distributions

- 11.5 For any Distribution Period, the General Partner may, if the Operator agrees, determine to make an interim distribution of Partnership Income of the estimated Distributable Income for a period in respect of Distributable Income to which the General Partner reasonably estimates and the Operator agrees those Limited Partners will become entitled for the Distribution Period.

Distribution In-Specie

- 11.6 The General Partner shall be entitled to make a distribution in specie of Distributable Capital to a Limited Partner in relation to the Property at the Value attributable to that Property.

Deductions and Tax

- 11.7 In calculating the amount of any distributions to a Partner there shall be treated as distributed an amount equal to:-
- 11.7.1 any tax deducted or withheld or required to be deducted or withheld from income allocated to that relevant Partner; and
 - 11.7.2 all costs and expenses in relation to such distributions together with any taxation payable by that Partner to the extent paid or payable by the Partnership, the General Partner, or any of their Affiliates and for which they have not been indemnified pursuant to Clause 19.

12. INDEPENDENT ACCOUNTANT

- 12.1 The General Partner with the consent of the Operator shall appoint an Independent Accountant of the Partnership.
- 12.2 If the Independent Accountant of the Partnership retires, is replaced or otherwise ceases to act as such, the General Partner must appoint a replacement Independent Accountant with the consent of the Operator as soon as is reasonably practicable.

13. PARTNERSHIP ACCOUNTS

Annual Accounts of the Partnership

- 13.1 The Operator shall prepare, or shall procure the preparation of, proper books of accounts of the Partnership in accordance with the Accounting Standards for each Accounting Period. The Operator shall cause such accounts to be reviewed by the Independent Accountants each Accounting Period. A set of the independently reviewed accounts shall be provided to each Partner within 4 months following the end of each Accounting Period.

Partner Accounts

- 13.2 The Operator shall establish and maintain such accounts and records for each of the Partners as the Operator may determine and amounts shall be credited or debited to and from these accounts as appropriate.

14. VALUATIONS AND ALLOCATIONS OF PROFIT AND LOSSES

Valuations

- 14.1 The General Partner will procure that the Valuer prepares the Value of the Property as at the last day of each Half Year and may that that Property is valued by the Valuer at such other time that it sees fit.
- 14.2 In determining whether a Value accurately reflects the current or market value of the Property, the General Partner and the Operator are not regarded as having the knowledge of a valuer or any other expert.

Allocations of Profits and Losses

- 14.3 Profits and losses shall be allocated to the accounts of the Partners such as shall reflect the entitlement of those Partners to receive distributions in accordance with Clause 11.4 on the assumption that apart from an amount equal to those profits and losses all Partnership Assets are entirely written-off or on such other basis as the General Partner may determine and approved by the Independent Accountant.

Allocation of the General Partner's Profit Share

- 14.4 In respect of each Accounting Period, the General Partner shall be allocated and entitled to receive, as a first charge on the profits of the Partnership for that Accounting Period (and pro rata in respect of any Accounting Period of more or less than one year), an amount equal to £500 which shall rank as a first charge on profits of the Partnership and the General Partner shall be entitled to allocate the General Partner's Profit Share against such items of income or capital gain as it may determine.
- 14.5 The General Partner shall be entitled to make drawings out of the Partnership's cash funds, on the first Business Day of an Accounting Period on account of the General Partner's Profit Share for that Accounting Period. If at any time during or after a relevant Accounting Period it should be discovered that drawings made in respect of that relevant Accounting Period are more than the amount that the General Partner is entitled to receive pursuant to this Agreement then the excess shall promptly be repaid to the Partnership.
- 14.6 If there shall be any deficiency in the profits of the Partnership so that there is a shortfall in the amount of such profits to be allocated as the General Partner's Profit Share then, to the extent not already drawn by the General Partner under clause 14.5, such shortfall shall be paid to the General Partner as an interest free loan but such payment shall not extinguish the amount of the General Partner's Profit Share outstanding which shall be carried forward to subsequent accounting periods. In the event that any part of the General Partner's Profit Share then unpaid can subsequently be satisfied by an allocation of profits of the Partnership to the General Partner such allocation shall be applied in the discharge of an equivalent amount of such loan provided that in no circumstances shall such loan be recoverable from the General Partner other than by an allocation of profits in accordance with this paragraph.

15. REPORTS AND INFORMATION

Reports

- 15.1 The Operator shall provide Limited Partners with:

- 15.1.1 a set of independently reviewed accounts of the Partnership, an annual report and an annual Valuation of each Property within 4 months after the last day of each Accounting Period; and
- 15.1.2 any reports that the Operator is required to prepare or procure and provide to Limited Partners under FSMA.

Tax filings and information

- 15.2 The Operator shall cause to be prepared and filed any tax returns and reports that are required to be filed by the Partnership.
- 15.3 The Operator shall provide each Limited Partner with an annual statement of taxes withheld in respect of amounts distributed to that Limited Partner.
- 15.4 The Operator shall provide each Limited Partner (at such Partner's expense if the Operator so determines) any information or assistance reasonably requested by such Partner to enable it to take advantage of any reliefs from taxation and to prepare tax returns in respect of their profits from the Partnership or to assist Partners to obtain the benefit of any tax credits against tax deducted or withheld on sums received from Partnership Assets.

Additional Information

- 15.5 The General Partner shall use reasonable endeavours to provide such other information concerning the Partnership as a Limited Partner may reasonably request in writing (at the expense of that Limited Partner where the General Partner so determines).

16. TRANSFER OF INTERESTS

The General Partner

- 16.1 The General Partner shall not Transfer all or any part of its interest in the Partnership without Limited Partners agreeing to such Transfer by an Ordinary Resolution or as otherwise permitted by this Agreement provided that the General Partner may Transfer its interest to an Affiliate of the General Partner if such Affiliate has agreed with the Partnership to assume the obligations of the General Partner set out in this Agreement.

Limited Partners

- 16.2 Subject to Clause 16.3, no Transfer of all or any part of a Limited Partner's interest in the Partnership, whether voluntary or involuntary, shall be valid or effective without the prior written consent of the Operator which consent may be given or withheld or made conditional in its sole and absolute discretion and for any reason whatsoever or without assigning any reason therefore including (without limitation):-
 - 16.2.1 the Operator must withhold its consent to a proposed Transfer if the Transfer is contrary to law or any term of this Agreement or make its consent conditional if such Transfer would create an adverse tax consequence for the Partnership; or
 - 16.2.2 the Operator may withhold its consent if it considers that any proposed transferee of an interest of a Partner intends to hold the said interest otherwise than for itself beneficially.
- 16.3 The Operator shall not withhold or make conditional its consent to any proposed Transfer of the CC Limited Partner's interest in the Partnership issued in accordance with Clause 5.5 unless Clauses 16.2.1 or 16.2.2 apply to the proposed Transfer.
- 16.4 The Operator shall be entitled to charge a fee equal to 3% of the transfer price payable to a Limited Partner that is Transferring some or all of its interest in the Partnership for processing the Transfer.
- 16.5 If a Limited Partner wishes to Transfer its interest in the Partnership it shall provide the Operator with such information in relation to the proposed Transfer and the transferee as the Operator may request including the full name of the person to whom it proposes to Transfer its interest to pursuant to this Clause 16.

- 16.6 A Limited Partner's Transfer of its interest in the Partnership must be in a form approved by the Operator.
- 16.7 Unless otherwise approved by the Operator in its discretion (acting reasonably), only the entire interest held by a Limited Partner in the Partnership may be Transferred.
- 16.8 The Operator must require the transferee to execute an Application Form prior to acquiring such interest under which, among other things, the transferee accedes to the terms of this Agreement.
- 16.9 The transferring Limited Partner shall be responsible for all costs and expenses in connection with the Transfer, including (without limitation) legal fees and the transferring Limited Partner, the transferee and all other Partners shall join in the giving of any election required by the Operator.
- 16.10 Any purported Transfer of interest in the Partnership in contravention of this Agreement is ineffective and a Transfer of an interest that is not permitted in accordance with this Clause 16 shall not be valid or effective and the Partnership shall not recognise the same for any purpose.
- 16.11 Unless otherwise provided for in Clause 17, no Limited Partner shall have the right to withdraw from the Partnership except following a Transfer permitted in accordance with this Clause 16.

17. **COMPULSORY DISPOSALS**

- 17.1 The General Partner may give notice to a Limited Partner requiring that it dispose of all or some of its interest in the Partnership in accordance with the provisions of Clause 17.2 if in the reasonable judgment of the General Partner a significant delay, extraordinary expense or material adverse effect on the Partnership or the Property is likely to result without such disposal taking place.
- 17.2 A complete or partial disposal pursuant to Clause 17.1 shall be effected by the Partnership's purchase of the interest held by the Limited Partner at the Purchase Price (as defined below) and the effective date of such purchase will be the last day of the month in which notice of such purchase was given by the General Partner in accordance with Clause 17.1.
- 17.3 The Purchase Price shall be paid to the Limited Partner in cash, except that the Partnership may defer the payment of such amount until such time as sufficient cash is available to the Partnership in respect of the Purchase Price.
- 17.4 For the purposes of this Clause 17 "Purchase Price" means an amount which such Limited Partner would have been entitled to receive in respect of its interest (or part thereof if only a partial withdrawal applies) pursuant to Clause 20.3 if the Partnership had been dissolved as of the date of such purchase but with the Property being valued by the General Partner on the basis of the most recent independently reviewed and unaudited financial statements and records of the Partnership adjusted as the General Partner may in its discretion determine to be reasonable to take account of subsequent events and whose decision as to the Purchase Price shall be final and binding.

18. **MEETINGS**

Convening

- 18.1 The General Partner may at any time without receiving a request from a Limited Partner call a meeting of Partners in accordance with this Clause 18.
- 18.2 The General Partner shall convene a meeting of Partners on the request of Limited Partners representing 20% or more of Percentage Interests of Limited Partners within 15 Business Days of receiving such request provided any such request specifies the purpose of the proposed meeting.

Notice of a Meeting

- 18.3 The General Partner must give each other Partner not less than 15 Business Days written notice before a meeting of Partners which specifies:
- 18.3.1 the place (unless such notice states that such meeting is to be held by telephone), the day and the commencement time of the meeting;
- 18.3.2 the general nature of the business to be transacted at the meeting;

18.3.3 the terms of any resolutions proposed and any supporting information; and

18.3.4 any further information the General Partner considers appropriate.

18.4 A Partner may waive the right to notice of a meeting in writing either before or after a meeting.

Form of Meetings

18.5 Subject to the Partnership Act and this Agreement, meetings of Limited Partners may be convened and conducted as the General Partner determines appropriate, including in relation to the period of notice, proxies for such meetings and their use.

Attendance at meetings

18.6 Each Limited Partner may attend a meeting in person, by proxy or delegate or by telephone.

Matters to be determined by Ordinary and Ordinary Resolution

18.7 Unless expressly stated otherwise in this Agreement, any matter considered at a meeting shall be determined by an Ordinary Resolution. The consideration of any matter at a meeting called in accordance with this Clause 18 shall not obviate the need to obtain an Ordinary Resolution on that particular matter during that meeting.

Consents

18.8 Each Ordinary Resolution shall be proposed by the General Partner and may be given in writing or at a meeting of the Partnership convened in accordance with this Clause 18.

18.9 A Limited Partner shall be entitled to split its Percentage Interest for the purposes of giving a consent as to consent in respect of some of its Percentage Interest and withhold consent in respect of the balance.

19. LIMITATION OF LIABILITY AND INDEMNIFICATION

Limitation of Liability

19.1 No Indemnified Person shall have any liability to the Partnership or the Partners, or for any Losses incurred by them, except for Losses determined by a court of competent jurisdiction (from which no further appeal may be made) to be resulting from the Indemnified Person's negligence, fraud, wilful default, bad faith or professional misconduct and a material breach of this Agreement. This Clause 19.1 shall not be construed as relieving, or attempting to relieve, any Indemnified Person from any liability to the extent that such relief would be in violation of applicable law.

Reliance on Records

19.2 An Indemnified Person shall be fully protected in relying in good faith upon the records of the Partnership and upon such information, opinions, reports or statements presented to the Partnership by any person (including a representative of a person which the Partnership has invested) as to matters the Indemnified Person believes are within such other person's professional or expert competence and who, to the extent applicable, has been selected with reasonable care by or on behalf of the Partnership, including information, opinions, reports or statements as to the value and amount of assets, liabilities, profits or losses or any other facts pertinent to the existence and amount of assets from which distributions to Limited Partners might properly be paid.

Replacement of Duties

19.3 To the extent that an Indemnified Person would otherwise have duties and liabilities (including fiduciary duties) to the Partnership and/or Limited Partners the provisions of this Agreement, to the extent that they restrict the duties and liabilities of an Indemnified Person otherwise existing at law or in equity, are agreed by the Limited Partners to the fullest extent permitted by applicable law, to modify or to replace such other duties and liabilities of such Indemnified Person.

Lack of Available Funds

- 19.4 Notwithstanding anything to the contrary contained in this Agreement, the General Partner shall not be in default hereunder or be deemed to have breached its obligations under this Agreement if it is unable to take, or cause the Partnership to take, any action due to a lack of available funds.

Indemnification

- 19.5 The Partnership agrees to indemnify and hold harmless each Indemnified Person out of Partnership Assets from and against any Losses imposed on, incurred by or asserted against such Indemnified Person, except for Losses determined by a court of competent jurisdiction (from which no further appeal may be made) to be resulting from the Indemnified Person's negligence, fraud, wilful default, bad faith or professional misconduct and a material breach of this Agreement. This Clause 19.5 should not be construed as indemnifying, or attempting to indemnify, any Indemnified Person against any liability to the extent that indemnifying the Indemnified Person would be in violation of applicable law. The right of indemnification provided hereby shall not be exclusive of, and shall not affect, any other rights to which any Indemnified Person may be entitled and nothing contained in this Clause 19.5 shall limit any lawful rights to indemnification existing independently of this Clause 19.5.
- 19.6 If for any reason (other than for the Indemnified Person's negligence, fraud, wilful default, bad faith or professional misconduct and a material breach of this Agreement) the indemnification in Clause 19.5 above is unavailable to such Indemnified Person, or insufficient to hold it harmless, then the Partnership shall contribute to the amount paid or payable by such Indemnified Person as a result of such Losses in such proportion as is appropriate to reflect the relative benefits received by the Partnership, on the one hand, and the Indemnified Person on the other hand or, if such allocation is not permitted by applicable law or regulation, to reflect not only the relative benefits referred to above but also any other relevant equitable considerations.
- 19.7 To the fullest extent permitted by applicable law, the Partnership shall pay the Indemnification Expenses of each Indemnified Person.

Indemnification for Agents

- 19.8 The Indemnified Persons shall not be liable to any Limited Partner or to the Partnership for the negligence, dishonesty or bad faith of any agent acting for the General Partner, Affiliates of the General Partner, the Operator or the Partnership provided that such agent was selected, engaged and retained by the Indemnified Persons applying reasonable care.
- 19.9 Without limitation to any other matter, any act or omission of the General Partner, its Affiliates or the Operator made in good faith and in reliance upon and in accordance with the opinion or advice as to matters of law of legal counsel, or as to matters of accounting of accountants, or as to matters of valuation of the Valuer or appraisers, may be introduced as evidence for any purpose pursuant to this Clause 19. To the extent that the Partnership suffers a material loss due to the negligence, dishonesty, or bad faith of such an agent the General Partner or the Operator, as applicable, shall, if it, in good faith, considers it to be in the best interests of the Partners, use reasonable endeavours to recover any such loss from such agent.

Indemnification for Taxation

- 19.10 In addition to the foregoing each of the Indemnified Parties shall be indemnified against any tax liability (including interest and penalties thereon) in respect of Tax on any profits allocated to any Limited Partner, such indemnity to be satisfied in the first instance by the Limited Partner concerned but if not so satisfied then where the relevant Indemnified Party is entitled to be indemnified by a Limited Partner pursuant to this Clause 19, it shall be entitled to be indemnified out of the Partnership Assets in which event the Partnership shall be subrogated to the rights of the Indemnified Party against such Limited Partner hereunder.

Indemnification Insurance

- 19.11 Any Indemnified Person shall, if there is any applicable insurance policies or other alternative source reasonably available which would cover the matter for which such person is seeking to be indemnified hereunder, first use their reasonable endeavours to recover under such insurance policies or other alternative source the Losses in respect of which they are seeking to be indemnified.
- 19.12 Any Indemnified Person who is paid any amounts pursuant to this Clause 19 and who subsequently recovers all or part of such amounts pursuant to an applicable insurance policy or

from an alternative source that is referable to the same Loss shall immediately return to the Partnership the amount which is so recovered after deduction of all costs and expenses incurred in procuring recovery and all taxes thereon or, if less, the amount paid to the Indemnified Party by the Partnership pursuant to this Clause 19.12. Any Indemnified Person who wishes to be advanced any expense under this Clause 19 must, prior to being advance such expenses, agree to return such amounts if it transpires that such Indemnified Person was not entitled to be indemnified under this Clause 19.

- 19.13 The indemnities contained in this Clause 19 shall not apply to disputes between the General Partner, the Operator and any of their respective Affiliates.

Repayment of distributions

- 19.14 Subject to Clause 19.15, to the maximum extent permitted by law, Partners (including former Partners) may be required by the General Partner or a Dissolving Party:-

19.14.1 at any time prior to the second anniversary of dissolution of the Partnership, to return distributions made to such Partners or former Partners at any time within the period of two years prior to such time for the purpose of meeting the Partnership's indemnification obligations under this Clause 19;

19.14.2 at any time prior to the dissolution of the Partnership, to return distributions made to such Partners or former Partners at any time within the previous two years for the purpose of meeting any other liabilities of the Partnership which if incurred by an Indemnified Party would give rise to an obligation to indemnify under clause 19.

- 19.15 Subject to paragraph 19.15, the share of each Partner of the amount of distributions to be returned to the Partnership (the "**Return Amount**") shall be pro rata to its share of distributions made by the Partnership, taking such distribution in the reverse order in which they were made up to an amount equal to the Return Amount.

- 19.16 The obligation of such Partners (and former Partners) to return distributions shall be subject to the following limitations:-

19.16.1 from a Partner's share of distributions to be returned pursuant to the foregoing paragraphs there shall be deducted the amounts of any distributions determined under the Partnership Act or other applicable law that that Partner is required or has returned to or for the account of the Partnership or Partnership creditors; and

19.16.2 the aggregate amount of distributions which a Partner is required to return under this clause shall not exceed 25% of the total Commitment made.

General

- 19.17 The provisions of this Clause 19 shall continue to afford protection to each Indemnified Person regardless of whether such Indemnified Person remains in the position or capacity pursuant to which such Indemnified Person became entitled to indemnification under this Clause 19 and regardless of any subsequent amendment to this Agreement, and no amendment to this Agreement shall reduce or restrict the extent to which these indemnification provisions apply to actions taken or omissions made prior to the date of such amendment.

- 19.18 The right of any Indemnified Person to the indemnification provided herein shall be cumulative with, and in addition to, any and all rights to which such Indemnified Person may otherwise be entitled by contract or as a matter of law or equity and shall extend to such Indemnified Person's successors, assignees, heirs and legal representatives.

20. DISSOLUTION OF THE PARTNERSHIP

Dissolution

- 20.1 The Partnership will be dissolved upon the earliest of the following dates:

20.1.1 the date that the Property is realised, sold or otherwise disposed of by the Partnership;

- 20.1.2 the date that the General Partner determines and Limited Partners approve by an Ordinary Resolution as the dissolution date of the Partnership; or
- 20.1.3 save where a replacement Operator has been appointed pursuant to Clause 4.1, the ninetieth day after the termination of the Operator Agreement in which case the Partnership shall terminate automatically (and without any further action of any of the Partners) and without notice.

Events that do not dissolve the Partnership

- 20.2 The Partnership shall not be capable of dissolution other than as provided for in Clause 20.1. None of the following events will cause the Partnership to be dissolved:
 - 20.2.1 a change in the General Partner;
 - 20.2.2 the addition of a new Limited Partner;
 - 20.2.3 the death, legal incapacity, bankruptcy, insolvency, dissolution, liquidation, expulsion, removal or withdrawal of a Limited Partner; or
 - 20.2.4 the Transfer by any Partner of any interest in the Partnership.

Liquidation of Interests of Limited Partners

- 20.3 Upon dissolution of the Partnership:
 - 20.3.1 no further activities or operations shall be conducted except for such action as shall be necessary for the winding-up of the affairs of the Partnership and the distribution of the Partnership Assets amongst the Partners;
 - 20.3.2 the Dissolving Party, subject to Clause 20.3.3, shall use reasonable endeavours to realise the Property (if not already realised) and any other Partnership Assets on the best terms available within 6 months from the dissolution date;
 - 20.3.3 where not already realised, if it is not possible to realise the Property or such realisation is not, in the Dissolving Party's opinion, in the best interests of the Partners, it may, at its discretion, distribute all or any of the Partnership Assets in specie on the basis set out in Clause 11.6 provided that before distribution, such Partnership Assets are valued by the Valuer or other independent expert appointed by the Dissolving Party in consultation with the Limited Partners;
 - 20.3.4 the Dissolving Party shall satisfy the Partnership Liabilities and cause the Partnership to pay all debts and other obligations of the Partnership and may establish any reserves which it considers reasonably necessary to satisfy any contingent liabilities or Partnership Liabilities not yet accrued; and
 - 20.3.5 the Dissolving Party shall distribute the remaining proceeds and Partnership Assets amongst the Partners on the basis set out in Clause 11.

Completion of winding up

- 20.4 The General Partner must notify any relevant authority of the dissolution of the Partnership in accordance with the Partnership Act.

21. CONFIDENTIAL INFORMATION

Confidential Information

- 21.1 Each Limited Partner agrees to keep confidential, and not to make use of or disclose to any person (other than for purposes reasonably related to its interest in the Partnership or for purposes of filing such Limited Partner's tax returns or for other routine matters required by law or applicable regulations) any information or matter received from or relating to Partnership Intellectual Property or the Partnership, the Partnership Group and their respective Affiliates and their affairs and any information or matter related to the Property or Partnership Asset (other than disclosure to such

Limited Partner's employees, advisors, asset consultants and representatives responsible for matters relating to the Partnership) and acknowledges and agrees that any such information is confidential proprietary business information and a trade secret, provided that a Limited Partner may disclose any such information if the Limited Partner receives the consent of the General Partner or to the extent that such information is or becomes:

- 21.1.1 generally available to the public through no act or omission of such Limited Partner or any of its Affiliates;
- 21.1.2 known to such Limited Partner other than by disclosure by a member of the Partnership Group or their Affiliates (provided that to such Limited Partner's knowledge, the source of such information is not bound by a confidentiality agreement or other contractual, legal or fiduciary obligation of confidentiality); or
- 21.1.3 required to be disclosed pursuant to applicable law or legal process, in which event such Limited Partner shall provide the General Partner with prompt notice of such requirement so that the General Partner may seek an appropriate protective order or other appropriate remedy (as to which the Limited Partner agrees to reasonably cooperate).

Continuing Obligations

- 21.2 This Clause 21 operates for the benefit of each current and former General Partner, members of the Partnership Group and Limited Partners and shall continue despite the dissolution of the Partnership.

22. AMENDMENT

- 22.1 This Agreement may be amended from time to time by the General Partner:-

- 22.1.1 by an instrument in writing with the approval of an Ordinary Resolution of Limited Partners; or
- 22.1.2 without the necessity of prior notice to or any consent from the Limited Partners to:
 - (a) amend any provision of this Agreement that requires any action to be taken by or on behalf of the General Partner or the Partnership pursuant to the requirements of the Partnership Act if the provisions of the Partnership Act are amended, modified or revoked so that the taking of such action is no longer required;
 - (b) make any change required or advisable to cause the Partnership, the General Partner or a member of the Partnership Group to comply with any applicable law or regulation;
 - (c) correct any clerical, printing, stenographic or typographical error or omission;
 - (d) cure any ambiguity or clarify any provision of this Agreement or correct or supplement any provision of this Agreement that may be inconsistent with any other provision of this Agreement or make any other provisions with respect to matters or questions arising under this Agreement that are not inconsistent with the provisions of this Agreement;
 - (e) change the name of the Partnership pursuant to Clause 2.4; or
 - (f) make any other change, supplement or modification that is for the benefit of, or not adverse to the interests of, the Limited Partners,

provided that any such amendment does not have any of the effects specified in Clause 22.2.

- 22.2 Notwithstanding Clause 22.1, no amendment to this Agreement will:

- 22.2.1 modify the limited liability of a Limited Partner or their status under the Partnership Act without the consent of the Limited Partner;
- 22.2.2 impose upon any Partner any obligation to make any further payment to the Partnership beyond the amount of the total of its Commitment without the consent of the Partner affected thereby;
- 22.2.3 disproportionately alter the entitlement of a Limited Partner to distributions pursuant to Clause 11 as compared to other Limited Partners, without the consent of that Limited Partner;
- 22.2.4 change the percentage of the Percentage Interest necessary for any Ordinary Resolution or Ordinary Resolution required for the taking of any action unless such amendment is approved by Limited Partners who then hold such Percentage Interests equal to or in excess of such required interest for the subject of such proposed amendment;
- 22.2.5 amend any provision of this Clause 22 without the consent of each Partner affected thereby;
- 22.2.6 in the reasonable opinion of the General Partner otherwise adversely affect the interests in the Partnership or a group of Partners (other than an amendment that affects the interests of all of the Partners to the same degree) without the consent of a majority of Percentage Interests of such Partners.

22.3 An amendment may take effect from a date before or after the time it is made.

22.4 The General Partner shall notify Limited Partners in writing of any amendment to this Agreement within a reasonable time of the Agreement having been amended.

23. **GENERAL**

Conflicts of Interest

23.1 Each Limited Partner acknowledges and consents to the existence of such actual and potential conflicts of interest between the Partnership and the Limited Partners on the one hand and the General Partner, the Operator and their respective Affiliates on the other hand and each Limited Partner and the Partnership waives any claim that they might otherwise have against any of them in respect of any transaction involving such conflicts.

23.2 No officer or employee of the General Partner, the Operator or their respective Affiliates shall have any interest in the Property other than through the arrangements contemplated hereby, interests in the Partnership or in any other fund advised or operated by the Operator (or any distributions in specie on account of such interests), without the prior approval of Limited Partners with an Ordinary Resolution.

23.3 In addition to transactions which are expressly contemplated or approved by this Agreement or which have been disclosed to a Limited Partner prior to the Closing in which such Limited Partner participated, the General Partner, the Operator and their Affiliates and any funds managed or advised by any of them, may engage in other transactions with the other partnerships operated by the Operator provided Limited Partners approve the transaction with an Ordinary Resolution.

23.4 A Limited Partner shall be entitled to and may have business interests and engage in activities in addition to those relating to the Partnership, including business interests and activities in direct competition with the Partnership and the Property. Neither the Partnership, any other Partner nor any other person shall have any rights by virtue of this Agreement in any other business, venture or interest of any Limited Partner.

Notices

23.5 A notice given under this Agreement:

- 23.5.1 shall be in writing in the English language (or be accompanied by a properly prepared translation into English);

23.5.2 shall be sent for the attention of the person, and to the address provided for in this Clause 23.5 (or such other address or person as the relevant party may notify to the other party); and

23.5.3 shall be:

- (a) delivered personally; or
- (b) sent by pre-paid first class post or recorded delivery; or
- (c) if the notice is to be served by post outside the country from which it is sent, sent by airmail; or
- (d) sent by facsimile to the facsimile number specified in this Clause 23.5; or
- (e) sent by electronic mail to the electronic mail address of the addressee specified in this Clause 23.5.

23.5.4 If the notice is sent or delivered in a manner provided by Clause 23.5.3, it must be treated as given to and received by the party to which it is addressed:-

- (a) if delivered personally before 5pm on a Business Day at the place of delivery, at the time of delivery, and otherwise on the next Business Day at the place of delivery; or
- (b) in the case of pre-paid first class post or recorded delivery, 48 hours from the date of posting; or
- (c) in the case of airmail, on the 5th Business Day after the date of posting; or
- (d) if sent by facsimile or electronic mail before 5pm on a Business Day at the place of receipt, on the day it is sent, and otherwise on the next Business Day at the place of receipt.

23.5.5 Notwithstanding Clause 23.5.4:-

- (a) a facsimile is not treated as given or received unless at the end of the transmission the sender's facsimile machine issues a report confirming the transmission of the number of pages in the notice;
- (b) an electronic mail message is not treated as given or received if the sender's computer reports that the message has not been delivered; and
- (c) a facsimile or electronic mail message is not treated as given or received if it is not received in full and in legible form and the addressee notifies the sender that it has not been received in full or in legible form within 3 hours after the transmission ends or by 12 noon on the Business Day on which it would otherwise be treated as given and received, whichever is later.

23.5.6 The address for the service of notice on the General Partner is as follows:-

Attention: The Directors
Address: 1 Penman Way, Grove Park
Enderby
Leicester, LE19 1SY

Facsimile number: 0116 240 8749

Electronic mail address: rsc@custodiancapital.com

23.5.7 The address for the service of notice on the Founding Limited Partner is as follows:-

Attention: The Directors
Address: 1 Penman Way, Grove Park

Enderby
Leicester, LE19 1SY

Facsimile number: 0116 240 8749

Electronic mail address: rsc@custodiancapital.com

23.5.8 The address for the service of notice for each Limited Partner is as set out in each Limited Partner's Application Form.

Extent of Partnership

23.6 Notwithstanding any other provision of this Agreement, the Partners hereby acknowledge and agree that it is their intention to create a partnership pursuant to the terms hereof solely with each of the other parties hereto and any other persons who may subsequently be admitted as Partners to the Partnership, on the terms of this Agreement and their Application Forms which together constitute the entire agreement between the Partners with respect to the subject matter hereof. The representations and warranties of the Limited Partners in, and the other provisions of, the Application Forms shall survive the execution and delivery of this Agreement.

Non Recognition of Trust Arrangements

23.7 The General Partner shall treat those Limited Partners registered as the limited partners of the Partnership as the Limited Partners of the Partnership under this Agreement and shall not recognise any trust arrangement or other arrangement under which any such Limited Partner may hold its interest in the Partnership whether or not such arrangement shall have been notified to it.

Agreement Binding Upon Successors and Assigns

23.8 Except as otherwise specified herein, this Agreement shall enure for the benefit of and shall be binding upon the heirs, executors, Operators or other representatives, successors and assigns of the respective parties hereto.

Deduction and Set-Off

23.9 If an amount is payable by the General Partner or the Partnership to a Limited Partner under this Agreement the General Partner is entitled to:

23.9.1 set-off that amount against any amount payable by the Limited Partner to the General Partner or the Partnership under this Agreement;

23.9.2 deduct any amount of Tax which the General Partner or the Partnership is entitled to be indemnified by that Limited Partner; and

23.9.3 deduct any amount which the General Partner or the Partnership is entitled or required to deduct by law.

No Waiver

23.10 No delay or omission by any party to this Agreement in exercising any right or remedy under this Agreement shall constitute a waiver of the right or remedy or a waiver of any other rights or remedies any party may otherwise have and no single or partial exercise of any right or remedy under this Agreement shall prevent any further exercise of the right or remedy or the exercise of any other right or remedy.

Waiver of Partition

23.11 Except as may be otherwise required by law in connection with the winding-up, liquidation and dissolution of the Partnership, each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for participation or similar action of any of the Partnership's property.

Severance

- 23.12 If anything in this Agreement is unenforceable, illegal or void then it shall be deemed to have been severed and the rest of this Agreement shall remain in force.

Survival

- 23.13 The rights and obligations arising under any clause which is expressed to survive, or from its context or operation is intended to survive, the termination of this Agreement shall so survive.

VAT

- 23.14 If the General Partner is liable to pay any VAT by reason of its being treated as making taxable supplies pursuant to this Agreement, it shall be entitled to be indemnified out of the Partnership Assets in respect of any such liability.

Complaints and compensation

- 23.15 If any Limited Partner has any complaint about the performance of the Operator, that complaint should be directed, in the first instance, to the Compliance Officer of the Operator. As persons falling within the Professional Client or Eligible Counterparty (as defined in the FSA Rules) category, the Limited Partners are not eligible to complain to the Financial Ombudsman Service.
- 23.16 Limited Partners who are private individuals or who otherwise qualify as Eligible Claimants (as defined in the FSA Rules), may in some circumstances be entitled to compensation if the Operator cannot meet its obligations. If a Limited Partner is so eligible, its investments in the Partnership will be covered for 100 per cent of the first £50,000 so the maximum compensation will be £50,000. Further information about the compensation scheme is available from the Financial Services Compensation Scheme.

Counsel to Partnership

- 23.17 Each Limited Partner acknowledges and agrees that prior to executing an Application Form that it has been given a reasonable opportunity to obtain independent legal advice about this Agreement.
- 23.18 Each Limited Partner acknowledges and agrees by executing an Application Form that:
- 23.18.1 Pinsent Masons LLP has been retained by the Partnership Group in connection with the formation of, and offering of interests in, the Partnership and in such capacity have provided legal services to the Partnership Group and the Partnership Group expects to retain Pinsent Masons LLP in connection with legal issues arising from the management and operation of the Partnership;
 - 23.18.2 Pinsent Masons LLP do not and will not represent the Limited Partners in connection with the formation of, and offering of interests in the Partnership including in the preparation and negotiation of this Agreement, or any dispute which may arise between Limited Partners and the General Partner;
 - 23.18.3 Pinsent Masons LLP does not represent any Limited Partner in the absence of a clear and explicit agreement to such effect between a Limited Partner and Pinsent Masons LLP (and then only to the extent specifically set forth in that agreement), and that in the absence of any such agreement Pinsent Masons LLP shall not owe any duties directly to any Limited Partner; and
 - 23.18.4 Pinsent Masons LLP may represent the General Partner in connection with any and all legal matters concerning the Partnership (including any dispute between the General Partner and one or more Limited Partners), and any person applying to become a Limited Partner waives any conflict of interest in connection with any such representation by executing the Application Form.

Counterparts

- 23.19 This Agreement may be executed in any number of counterparts and by each of the parties on separate counterparts each of which when executed and delivered shall be deemed to be an original, but all the counterparts together shall constitute one and the same agreement.

Prevention of Money Laundering

- 23.20 Each Limited Partner hereby acknowledges that measure aimed at the prevention of money laundering may require the detailed verification of that Limited Partner's identity and agrees that the Operator or its agents or delegates may request from time to time such information as they may reasonably require for such purpose. If a Limited Partner fails or delays in providing such information to the reasonable satisfaction of the Operator, or if the Operator has grounds for suspecting in relation to the Limited Partner or any person having any direct or indirect interest in the Limited Partner any act or omission by such person which would constitute an offence under any anti-money laundering legislation, the Operator may require the Limited Partner to dispose of its interest on the basis set out in Clause 17.

Governing Law

- 23.21 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.
- 23.22 The parties hereby submit to the exclusive jurisdiction of the High Court of England and Wales in relation to any dispute or claim arising out of or in connection with this Agreement or in relation to its existence or validity (including non-contractual disputes or claims).
- 23.23 The parties hereby agree that any legal proceedings may be served on them by delivering a copy of such proceedings to them at their respective address for service of notice set out in this Agreement.

SCHEDULE 1
THE PROPERTY

EXECUTED by or on behalf of the parties on the date which first appears in this Agreement.

SIGNED by **CUSTODIAN CAPITAL (101)**)
LIMITED PARTNERSHIP acting by)
CUSTODIAN CAPITAL (101) GENERAL)
PARTNER LIMITED, its general partner)

SIGNED by **CUSTODIAN CAPITAL LIMITED**)
)
)
)
)