

GFH CAPITAL LIMITED

MINUTES BOARD OF DIRECTORS MEETING

7 November 2012 at 11 am Dubai Time

Number 1 of 2012

GFH Capital Limited, 402, Level 4, Building 3, Gate Precinct, Dubai International Financial Centre, UAE.

1. Welcome, apologies and approval of the Agenda

- 1.1 H.E. Dr. Ahmed Al Mutawa (AM) attended in person and Mr. Hisham Alrayes and Mr. Salem Patel attended by conference call.
- 1.2 Mr. David Haigh (DH) attended representing the management and as Company Secretary and Ms. Emma Khairallah attended as deputy Company Secretary and took the minutes.
- 1.3 AM took the Chair and declared a quorum.
- 1.4 DH informed the Board that another Board meeting would be required to discuss operational issues.

2. Update on Existing Investments and Funds under Management

2.1 Al Baraka Takaful Co. Ltd

- 2.1.1 DH gave the Board a background and update on the Company's investment in Al Baraka Takaful.
- 2.1.2 DH reported that Al Baraka Takaful has had its insurance license and shares suspended, and that following this the Company is in need of an immediate capital injection and a new business strategy.
- 2.1.3 DH informed the Board that over the last four months, the Company has taken control of Al Baraka's assets, management, financials and Board and reduced their current staff to 9, as well as produced a new business plan which includes continued negotiations with creditors and co-investors.
- 2.1.4 DH reported that both financial and legal due diligence has been undertaken on Al Baraka and that the Jordanian regulator has agreed to a staged investment plan which will allow the Company to recommence trading.

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- 2.1.5 The Board entered into discussions regarding the plan for Al Baraka, discussing whether to invest or liquidate, HR added that it depends on the conditions, namely if the liabilities are removed and the Jordanian partner is prepared to put money in.
- 2.1.6 DH requested that the Board approve an emergency budget of USD 50k to pay operational expenses; DH reported that currently there is no internet and there have been no salary payments for the last five months.
- 2.1.7 HR and AM agreed that the emergency budget should be for phones, internet, electricity and other financial commitments, but not for salaries. HR and AM stated that in order for salaries to be paid, the employees need to work harder, and then be rewarded.

IT WAS RESOLVED, to approve an emergency budget of USD 50,000 for operational expenses for Al Baraka Takaful.

2.2 Injazat Technology Fund I

- 2.2.1 DH gave the Board an update on the status of ITF I.
- 2.2.2 DH reported that Broadlink litigation remains ongoing, with all cases won to date, including a success in a recent mediation with DWS which resulted in receiving funds of USD 1.1 million.
- 2.2.3 DH further reported that in terms of exiting Ejada, a MOU had successfully been negotiated with other sellers to sell at an agreed floor price. DH reported that Ejada had declared a dividend of USD 3 million.
- 2.2.4 DH informed the Board that the ITF Board is currently discussing exit options for the Fund, which includes the possibility, as one of their options, of transferring the Funds' assets to ITF II.

2.3 Adabank

- 2.3.1 DH reported to the Board that the Gurmen group did not provide their financial sources information, which resulted in their application to the BRSA being rejected.
- 2.3.2 DH reported that the Company successfully recovered their USD 3.75 million bid deposit for Adabank.
- 2.3.3 AM asked the Board how much money had been spent on the Adabank venture, stating that the Company should seek to minimise using resources unnecessarily both monetary and non-monetary, by being more sure next time on a deal. SP informed the Board that an amount of approximately USD 250,000 had been spent on the project, which was not unreasonable for the professional services that were received.
- 2.3.4 HR stated that the GFH Board had agreed that going forward that smaller transactions should be sort, in the region of USD 15 – 20 million in order to provide more certainty that the opportunity is achievable.
- 2.3.5 DH informed the Board that the bid for Adabank would be run again next month, which could give the Company the opportunity to sell the due diligence to another firm, which could perhaps



be done by introducing the deal to someone else in this region. The Board decided to discuss this point in more detail at a later stage.

3. New Projects and Investments

3.1 Leeds United

- 3.1.1 SP gave the Board an update on the acquisition of Leeds United Football Club (LUFC), reporting that since the last Board meeting, both legal and financial due diligence has been completed with no major issues being discovered which would jeopardise the transaction.
- 3.1.2 SP reported to the Board that the Company is currently negotiating a payment structure with the seller.
- 3.1.3 SP informed the Board that the LUFC investment opportunity is being well received by the market, and that GFH being associated with closing a transaction of this nature, would be good for its reputation.
- 3.1.4 SP gave the Board a short analysis of the Leeds United transaction.

WHEREAS, the Board was presented an investment update on the acquisition of Leeds United and the further offering of Leeds United to investors (Transaction);

WHEREAS, the Board was informed that there had been serious interest from potential investors;

IT WAS RESOLVED, to approve the terms of Transaction as set out in the investment update;

RESOLVED, to authorise Hisham Alrayes to negotiate all such terms of the Transaction and thereafter to execute the Share Purchase agreement and all ancillary documents (the "Completion Documents") for and on behalf of the Company (subject to such amendments, modifications, variations and alterations as those executing the same on behalf of the Company think fit), and to deliver the same to the Buyer at completion and to authorise him to delegate such powers to either of David Haigh or Salem Patel;

RESOLVED, to authorise Hisham Alrayes to do all such acts and things and agree and execute for and on behalf of the Company all such other documents, deeds, certificates or notices as he considers necessary or desirable in connection with the Transaction and to authorise him to delegate such powers to either of David Haigh or Salem Patel; and

RESOLVED, to pay on completion the amount of the consideration specified in the Completion Documents by telegraphic transfer to the seller's Solicitors bank account.

3.2 Injazat Global Sukuk Fund

- 3.2.1 HR gave the Board an overview of the Injazat Global Sukuk Fund opportunity, informing the Board that the Company is able to make high returns on its money invested in a Sukuk fund, and has the ability to sell the Fund to the market at any point in time.



- 3.2.2 DH gave the Board an update on the progress of establishing the Injazat Global Sukuk Fund reporting that the Company had opened a bank account with BSI SA and furthermore agreed and signed an MOU with BSI SA to manage the portfolio of the Fund and act as an investment advisor. DH reported that the initial interest in using NBAD Suisse in place of BSI SA had been dropped due to NBAD's failure to stand by their initial commitments.
- 3.2.3 AM asked the Board whether the track record of BSI SA had been checked, to which HR informed the Board that BSI SA has excellent capital, no issues with their financial standing and have an expert Sukuk portfolio. DH informed the Board that for additional protection, the Fund would only be paying BSI SA as an investment advisor, and that the decision making ability would remain with the Company.
- 3.2.4 DH informed the Board that Fund marketing documents, PPM and presentation, are currently in circulation for comments, and that all the corporate documents necessary to incorporate the vehicle are ready for submission.

IT WAS RESOLVED, to establish Injazat Global Sukuk Fund as an investment fund to focus on global sukuk investment;

RESOLVED, to appoint BSI SA a leading asset management headquartered in Switzerland as the asset manager of the fund on terms set out in an Investment Agreement to be agreed and signed by any Director or David Haigh;

RESOLVED, to approve the provision of Shari'ah compliant leverage by BSI SA up to an amount of 2.5x;

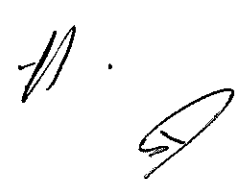
RESOLVED, to invest up to USD 5 million of seed capital in the fund and to delegate to the CEO the decision as to the amount of such seed capital.

IT IS RESOLVED, that the Draft Articles be and are hereby approved, ratified and confirmed for adoption as the Articles of Association of Injazat upon incorporation.

IT IS FURTHER RESOLVED, that Mr. David Haigh, company secretary of the Company, is the person authorised to sign documents on behalf of the Company in relation to the incorporation of Injazat and related matters.

3.3 Injazat Technology Fund II

- 3.3.1 DH gave the Board an update on the development of ITF II, reporting that to date all the research for the Fund had been completed, that a draft PPM and presentation are ready and that numerous meetings had taken place in Silicon Valley where several interested partners had been established, with two, Plug and Play and Igor Sill in the MOU stage.
- 3.3.2 DH reported that the deal pipeline for ITF II already holds two interesting opportunities. Plug and Play California, a Leading Incubator, are interested in being a partner of the Fund and possibly co-manager of the Injazat Incubator and Igor Sill are interested in being leading VC investor in the Fund. DH further reported that the deal pipeline continues to be developed with many potential investors showing interest in the Fund.



- 3.3.3 DH reported to the Board that ideally ITF II needs launching by the end of 2012, given that ITF I is looking at exit options momentarily, and one option is to role the remaining assets of ITF I into ITF II, which may also include the rolling over of some investors from ITF I into ITF II, which could make the ITF II opportunity look more attractive to new investors.

4. Financial

- 4.1 RH gave the Board an overview of the financials from 2009 to date, with a detailed review of Q2 from 2012.
- 4.2 HR informed the Board that going forward, the Company needs to increase profit; AM concurred stating that the Company should seek to make money by growing it from GFH Capital rather than using GFH instruments.
- 4.3 DH informed the Board that the Company need to appoint auditors by the end of the year, and suggested reappointing KPMG.

IT WAS RESOLVED, to reappoint KPMG as auditor for the year 1st January 2012 to 31st December 2012 and to delegate to management negotiation of terms of appointment.

5. Other Business

- 5.1 DH reported to the Board that Chandan Gupta (CG) wants to reduce staff numbers and costs by centralising operations in GFH, however, DH informed the Board that operations of a DIFC entity must operate from Dubai and serious implications would arise if not. DH further reported that a number of operational issues need to be dealt with which would require another Board meeting.
- 5.2 HR informed the Board that Q2 new objectives at GFH are to review the overall costs of the GFH group going forward. DH stated that the DIFC have regulations which require a minimum number of staff to run a bank and therefore cutting staff numbers below this minimum would not be a matter for the Board to decide.
- 5.3 AM stated that CG cannot put the operation of GFH Capital at risk from a regulatory stand point, and that the potential of losing the license of the bank would be bad for the records of the Company. HR reminded the Board that CG has no authority over the decisions of DH.
- 5.4 AM asked DH to provide to the Board the minimum staffing requirements as per the DIFC regulations for the Company.

6. Closing

- 6.1 There be no further business, the Chairman closed the meeting at 1:30pm.
- 6.2 The date of the next meeting is set for Wednesday 12th December at 11am.



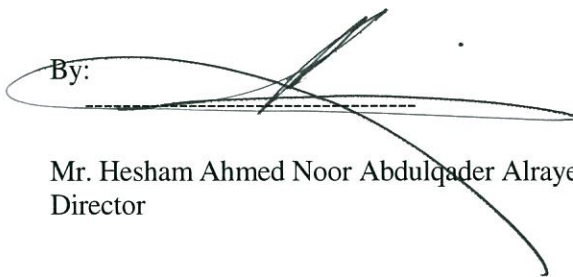
Signed in accordance with its constitution and the Companies Law DIFC No.3 of 2006 as a true and correct record – number of pages: 6

By:



Dr. Ahmed Mutawa
Executive Chairman

By:



Mr. Hesham Ahmed Noor Abdulqader Alrayes
Director

By:



Mr. Salem Patel
Director