

COMPOSITION OF DEBT

THIS COMPOSITION is made the day of January 2011 BETWEEN:

- (1) John O'Sullivan of Apartment 4b, 2072 8th Avenue, New York, 10062, USA
("the Creditor")
- (2) H.R.H. The Duchess of York of The Royal Lodge, Windsor ("the Debtor")

WHEREAS

The Debtor is indebted to the Creditor in the sum of \$126,721 for services supplied ("the Debt") and the Creditor has agreed with the Debtor for the composition and immediate release in full of the Debt and all other debts, if any, owed by the Debtor to the Creditor upon payment of \$31,680 ("the Composition Payment") to the Creditor by the Debtor.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. The Debtor covenants with the Creditor that within 28 days of the date hereof the Composition Payment shall be paid to the Creditor.
2. The Creditor covenants with the Debtor that in consideration of the Composition Payment being made the Creditor releases and discharges the Debtor from all, claims, demands, proceedings or any other actions whatsoever in respect of the Debt and all other debts, if any, owed by the Debtor to the Creditor.
3. The Creditor acknowledges that references to Debt or all other debts includes all liabilities whether present or future, whether it is certain or contingent or

whether it is fixed or liquidated, or is capable of being ascertained by fixed rules or as a matter of opinion.

4. The Creditor acknowledges that all liabilities includes any liability to pay money or money's worth, including any liability under an enactment, any liability for breach of trust, any liability in contract, tort or bailment and any liability arising out of an obligation to make restitution.
5. The Creditor acknowledges that in reliance upon the terms of this Deed and the release contained herein that the Debtor is incurring liabilities and obligations to third parties which, in the absence of this Deed, would not have been incurred.
6. The Creditor acknowledges that the terms of this Agreement and all matters related thereto are confidential between the Debtor and the Creditor. The Creditor further acknowledges and agrees that there will be no disclosure, whether directly or indirectly, to any third party whatsoever (other than professional or legal advisers who are themselves bound by the same obligations of confidentiality) of any of the terms relating to this Deed and the Composition hereby arising or of any matters relating to the Debt and or liabilities settled by this Deed.
7. The Creditor further acknowledges that the obligations owed by the Creditor to the Debtor in accordance with a Deed dated 2 April 1996 ("the 1996 Deed"), and as confirmed by a letter signed by the Creditor also dated 2 April 1996, copies of which are attached, remain fully in force and shall continue at all times hereinafter. Notwithstanding the settlement of the Debt by this Deed, nothing agreed by way of this Deed shall effect the Creditor's continuing obligations under the 1996 Deed.

IN WITNESS THEREOF this Deed has been executed by the parties and is intended to be and is hereby delivered on the date first above written.

SIGNED AND DELIVERED as a DEED by

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John O'Sullivan

In the presence of:

Signature of witness:

Name of witness:

Address:

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Occupation:

SIGNED AND DELIVERED as a DEED by

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Sarah, Duchess of York

In the presence of:

Signature of witness:

Name of witness:

Address:

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Occupation: