

# RYDER CAPITAL LIMITED

15 September 2015

Ryder Capital Limited (ACN 606 695 854) (**Company**) has appointed Ryder Investment Management Pty Limited (ACN 131 333 394) (**Manager**) to manage the Company's portfolio and supervise all investments. The Manager's appointment is in accordance with a management agreement between the Company and the Manager (**Management Agreement**). The initial term of the Management Agreement is ten years.

A summary of the Management Agreement is contained in the Company's Replacement Prospectus dated 12 August 2015.

The Company provides the following statement in relation to the management of its assets.

1. How will the Company manage its assets or business after the Management Agreement expires?

The Board of the Company will look to re-appoint the Manager or appoint another manager to fulfill the Company's stated investment objectives.

2. Are there any provisions of the Management Agreement that allow for the consideration to be paid or provided by the Company to the Manager to be reviewed or varied over the term of the Agreement.

No provisions exist within the terms of the Management Agreement to amend the terms of the Agreement.

The Company has given an undertaking to the ASX in the form of and executed as a deed that it will not materially amend the terms of the Management Agreement without first obtaining shareholder approval. A material amendment is a change that has or is expected to have a material impact on the value of the Company.

3. How will the Company manage its assets or business if the Management Agreement is terminated before its scheduled expiry?

The Company would only terminate the Management Agreement once a suitable replacement manager has been identified and the terms of a new management agreement agreed.

4. If the Manager is permitted to provide management services to someone else of a similar kind to those being provided to the entity, what processes will the manager have in place to protect the confidentiality of information related to the entity and its assets under management and to manage any potential conflicts that may arise between the interests of its various clients?

In accordance with the terms of the Management Agreement the Manager may from time to time perform similar investment and management services for other parties, provided that the Manager does not prejudice or otherwise derogate its responsibilities specified in the Agreement.

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In accordance with clause 20 of the Agreement the Manager is subject to confidentiality undertakings consistent with market practice. The Manager is also subject to confidentiality restraints pursuant to its Australian Financial Services Licence and by the nature of its fiduciary position. In accordance with clause 8 of the Agreement, the Manager has undertaken to the Company that it must act consistently with all applicable regulations including the Corporations Act 2001 (Cth) (Act) and ASX Listing Rules.

5. If the Manager is empowered to engage a related party to provide ancillary services (for example, to provide brokerage or advisory services in relation to any acquisition or disposal of assets), what processes will be in place to ensure that this power is properly exercised and that any fees charged to the entity for the provision of those ancillary services are appropriate and reasonable?

In accordance with the terms of the Management Agreement, the Manager may appoint and engage any barrister, solicitor, stockbroker, stock market consultant, accountant, contractor, qualified adviser, registrar and such other person as may be necessary, usual or desirable in the opinion of the Manager for the purpose of exercising its powers and performing its obligations. All reasonable and proper fees, charges and moneys payable to any such persons and all disbursements, expenses, duties and outgoings properly chargeable in respect of those persons must be paid by the Manager. Furthermore, Company must ratify and confirm all transactions and appointments made by the Manager in accordance with this Agreement.

## **Deed of Undertaking**

The Company has given an undertaking to the ASX in the form of and executed as a deed that it will not materially amend the terms of the Management Agreement without first obtaining shareholder approval.

## **Waiver**

The ASX has granted the Company a waiver from listing rule 15.16(b) to the extent necessary to permit the Manager to continue to act as manager of the Company's portfolio in accordance with the terms of the Management Agreement between the Manager and the Company dated 29 July 2015 for a period of up to 10 years from the date of issue of the shares pursuant to the Prospectus, on the condition the terms of the waiver are released to the market as pre-quotation disclosure.

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