

MODIFICATION NOTICE

| | |
|------------------------------------|--|
| To | Emirates REIT Management (Private) Limited |
| Address | Office P4, Level 5, Gate Village 4, DIFC, PO Box 482015, Dubai, UAE |
| DFSA Firm Reference No. | F001310 |
| Notice No. | W270/2014 |

THE DFSA HEREBY GIVES NOTICE THAT:

The Rules specified in the left hand column of the table herein do not apply to the above mentioned Person in the form appearing in the Rulebook but instead apply as modified in the right hand column of the table.

RULES MODIFIED

The Rules specified in the left hand column are modified to the extent shown in the right hand column of the table below. In this table, underlining indicates new text and striking through indicates deleted text, otherwise the Rule remains unaltered. Where a significant number of the paragraphs of the Rule remain un-altered the entire Rule may not be reproduced in the table. In such circumstances the un-altered parts of the Rule will be referred to by the relevant identifying paragraph number or letter, as the case may be.

| Rule | Modified Text |
|-----------|--|
| CIR 8.3.2 | <p>(1) A Fund Manager must not enter into a Transaction in respect of the Fund Property with an Affected Person unless it is in accordance with the requirements in this Rule.</p> <p>(2) A Fund Manager must ensure that any transaction in respect of the Fund Property undertaken with an Affected Person is on terms at least as favourable to the Fund as any comparable arrangement on normal commercial terms negotiated at arm's length with an independent third party.</p> <p>(3) The Fund Manager must <u>ensure that</u>, before entering into a transaction with an Affected Person:</p> <p>(a) if the total consideration or value of the proposed</p> |

| | |
|--|---|
| | <p><u>transaction is 5% or more of the most recent net asset value of the Fund as described in the latest published audited accounts of the Fund:</u></p> <p>(i) <u>the investment committee of the Fund (appointed under CIR Rule 13.4.3) states that it has no objection to the terms of the proposed transaction as such terms are at least as favourable to the Fund as any similar transaction entered into with an independent third party on commercial terms; and</u></p> <p>(ii) <u>the oversight provider appointed to the Fund (in accordance with CIR section 10.3) approves in writing the transaction as in accordance with the requirements in CIR Rule 8.3.2(2) and any other requirements that are applicable to such a transaction; and</u></p> <p><u>(b) if the total consideration or value of the proposed transaction is less than 5% but more than 0.25% of the most recent net asset value of the Fund as described in the latest published audited accounts of the Fund, it provides the DFSA with a written notice, as soon as possible after the relevant transaction, setting out the relevant terms of the transaction and why those terms are considered fair and reasonable by the investment committee or oversight provider of the Fund.</u></p> <p>(a) obtain Unitholders' prior approval by Special Resolution in respect of the proposed transaction if the total consideration or value of the transaction is 5% or more of the most recent net asset value of the Fund as disclosed in the latest published audited accounts of the Fund; and</p> <p>(b) issue to the Unitholders a circular containing the details of the transaction.</p> <p>(4) The Fund Manager must:</p> <p>(a) if prior Unitholder approval is required pursuant to (3)(a), issue a notice to Unitholders providing details of the results of the Unitholders' voting at the general meeting as soon as practicable after the meeting;</p> <p><u>(a) include a brief summary of the Affected Person transactions in the Fund's next published interim or</u></p> |
|--|---|

| | |
|-------------|---|
| | <p>annual report; and</p> <p>(be) include, in the annual report of the Fund, the total value of any Affected Person transactions, their nature and the identities of the Affected Persons with whom such transactions were made. Where there is no such transaction conducted during the financial year covered by the annual report, an appropriate negative statement to that effect must be made in the annual report.</p> |
| CIR 13.4.16 | <p>The Fund Manager must ensure that any Affected Person transactions in the nature of services provided relating to the Real Property of the Fund in the ordinary and usual course of estate management, including renovation and maintenance work, are:</p> <p>(a) <u>contracted on normal commercial terms; and</u></p> <p>(b) <u>if the total consideration or value of the proposed transaction is 5% or more of the most recent net asset value of the Fund as described in the latest published audited accounts of the Fund, subject to the prior approval of the Trustee or other oversight function.</u></p> |
| CIR 13.4.17 | <p>The Fund Manager and, if appointed, the Trustee must not engage Affected Persons as property agents for rendering services to the Fund, including advisory or agency services in property transactions <u>unless it complies with the following:</u></p> <p>(a) <u>if the total consideration or value of the proposed transaction is 5% or more of the most recent net asset value of the Fund as described in the latest published audited accounts of the Fund:</u></p> <p>(i) <u>the investment committee of the Fund (appointed under CIR Rule 13.4.3) states that it has no objection to the terms of the proposed transaction as such terms are at least as favourable to the Fund as any similar transaction entered into with an independent third party on commercial terms; and</u></p> <p>(ii) <u>the oversight provider appointed to the Fund (in accordance with CIR section 10.3) approves in writing to the transaction in accordance with the requirements in CIR Rule 8.3.2(2) and any other requirements that are applicable to such a transaction; and</u></p> |

| | |
|--|---|
| | <p>(b) <u>if the total consideration or value of the proposed transaction is less than 5% but more than 0.25% of the most recent net asset value of the Fund as described in the latest published audited accounts of the Fund, it provides the DFSA with a written notice, as soon as possible after the relevant transaction, setting out the relevant terms of the transaction and why those terms are considered fair and reasonable by the investment committee or oversight provider of the Fund.</u></p> |
|--|---|

CONDITIONS

The modification in respect of the Rules specified above remains in effect for the duration of the period set out below on condition that the above named Person to whom this notice applies ensures that:

- (a) the Prospectus (prepared for the purposes of admission to listing and trading of the ERML) makes full disclosure of the details and terms and conditions of this Modification Notice; and
- (b) a resolution of Unitholders is adopted at every annual general meeting of the Fund authorising the Fund Manager (the above named Person) to continue to enter into Affected Person transactions in accordance with this Modification Notice.

If any one or more of the conditions stated above is breached, this notice ceases to have effect forthwith and the Rules specified in the table herein apply to the above mentioned Person to whom this notice applies in their unmodified form as they appear in the applicable module of the Rulebook in force at the relevant time.

EFFECTIVE PERIOD

This notice comes into effect on the date of issue and remains in force until further notice.

INTERPRETATION

The provisions in this notice are to be construed in accordance with GEN section 6.2 as if these provisions are provisions of the Rulebook.

Defined terms are identified in this notice by the capitalisation of the initial letter of a word or of each word in a phrase and are defined in the Glossary (GLO). Unless the context otherwise requires, where capitalisation of the initial letter is not used, an expression has its natural meaning.

THIS NOTICE IS ISSUED UNDER ARTICLE 25 OF THE REGULATORY LAW 2004 BY:

Name : **Ian Johnston**

Position : **Chief Executive**

DATE OF ISSUE : **6 March 2014**

