



FACSIMILE TRANSMISSION

TO: Company Announcement Office
Australian Stock Exchange

FAX NUMBER: 1300 135 638

FROM: Tyng Choo
Company Secretary
Gandel Group

DATE: 27 September 2016

PAGES SENT: 31
(Including This Sheet)

SUBJECT: CQR – CHARTER HALL RETAIL REIT
FORM 605

***IN THE EVENT OF FAULTY TRANSMISSION, PLEASE CONTACT:
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Form 605 – Notice of ceasing to be a substantial holder

Form 605

Corporations Act 2001
Section 671B

Notice of ceasing to be a substantial holder

To Company Name/Scheme Charter Hall Retail REIT
ACN/ARSN 093 143 965

1. Details of substantial holder (1)

Name The Gandel Group Pty Limited and its associates as set out in Annexure A ("The Gandel Group")
ACN/ARSN (if applicable) 006 190 709

The holder ceased to be a substantial holder on 27 / 09 / 2016

The previous notice was given to the company on 25 / 10 / 2012

The previous notice was dated 25 / 10 / 2012

2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to changes (5)	Class (6) and number of securities affected	Person's votes affected
27/09/2016	Galaxy Nominees No. 1 Pty Ltd ATF The Galaxy Nominees No. 1 Trust	See agreement attached as Annexure B.	See agreement attached as Annexure B.	5,734,533	5,734,533
27/09/2016	Galaxy Nominees No. 2 Pty Ltd ATF The Galaxy Nominees No. 2 Trust	See agreement attached as Annexure B.	See agreement attached as Annexure B.	5,734,533	5,734,533
27/09/2016	Galaxy Nominees No. 3 Pty Ltd ATF The Galaxy Nominees No. 3 Trust	See agreement attached as Annexure B.	See agreement attached as Annexure B.	5,734,534	5,734,534
27/09/2016	Galaxy Nominees No. 4 Pty Ltd ATF The Galaxy Nominees No. 4 Trust	See agreement attached as Annexure B.	See agreement attached as Annexure B.	5,734,533	5,734,533

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

4. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Galaxy Nominees No. 1 Pty Ltd ATF The Galaxy Nominees No. 1 Trust	Gandel Offices, Chadstone Shopping Centre, 1341 Dandenong Road, Chadstone Victoria, 3148
Galaxy Nominees No. 2 Pty Ltd ATF The Galaxy Nominees No. 2 Trust	
Galaxy Nominees No. 3 Pty Ltd ATF The Galaxy Nominees No. 3 Trust	
Galaxy Nominees No. 4 Pty Ltd ATF The Galaxy Nominees No. 4 Trust	
The Gandel Group Pty Ltd	

Signature

print name Tyng Choo

Capacity Company Secretary

sign here

date 27 / 09 / 2016

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (e.g. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 4 of the form.
- (2) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (3) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (4) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (5) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (6) The voting shares of a company constitute one class unless divided into separate classes.
- (7) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure "A"

The Gandel Group includes:

Galaxy Nominees No. 1 Pty Ltd ATF The Galaxy Nominees No. 1 Trust	ACN 141 734 063
Galaxy Nominees No. 2 Pty Ltd ATF The Galaxy Nominees No. 2 Trust	ACN 141 734 045
Galaxy Nominees No. 3 Pty Ltd ATF The Galaxy Nominees No. 3 Trust	ACN 141 734 054
Galaxy Nominees No. 4 Pty Ltd ATF The Galaxy Nominees No. 4 Trust	ACN 141 734 027
The Gandel Group Pty Limited	ACN 006 190 709
and their respective associates	

This is Annexure "A" of one page referred to in Form 605: Notice of ceasing to be a substantial holder.



Tyng Choo

Date: 27 September 2016

Annexure "B"

This is Annexure "B" of 27 pages (including this page) referred to in Form 605: Notice of ceasing to be a substantial holder.

A handwritten signature in black ink, appearing to read 'Tyng Choo', is written over a horizontal dotted line.

Tyng Choo

Date: 27 September 2016

The copy attached to this Annexure "B" is a true copy of the original.

Block trade agreement over Gandel stake

Dated 22 September 2016

Galaxy Nominees No. 1 Pty Ltd acting in its capacity as trustee for The Galaxy Nominees No. 1 Trust ("**Seller 1**")
Galaxy Nominees No. 2 Pty Ltd acting in its capacity as trustee for The Galaxy Nominees No. 2 Trust ("**Seller 2**")
Galaxy Nominees No. 3 Pty Ltd acting in its capacity as trustee for The Galaxy Nominees No. 3 Trust ("**Seller 3**")
Galaxy Nominees No. 4 Pty Ltd acting in its capacity as trustee for The Galaxy Nominees No. 4 Trust ("**Seller 4**")
Macquarie Securities (Australia) Limited ("**Lead Manager**")

King & Wood Mallesons
Level 50
Bourke Place
600 Bourke Street
Melbourne VIC 3000
Australia
T +61 3 9643 4000
F +61 3 9643 5999
DX 101 Melbourne
www.kwm.com

Block trade agreement over Gandel stake

Contents

Details	1
General terms	3
1 Sale of Units	3
1.1 Sale	3
1.2 Role of the Lead Manager	3
1.3 Account opening	3
1.4 Manner of Sale	3
1.5 Investor representations	3
1.6 Effecting of Sale and settlement	4
1.7 U.S. Securities Act compliance	4
1.8 Corporations Act and FATA limits	4
1.9 Settlement arrangements for Balance Units, if any	5
1.10 U.S. Opinion	6
2 Fees	6
3 Representations and Warranties	6
3.1 Representations and warranties by the Sellers	6
3.2 Trustee and Trust Property	9
3.3 Representations and warranties of Lead Manager	9
3.4 Reliance	10
3.5 Notification	10
4 Confirmations	10
5 Limitation of Liability	10
6 Indemnity	11
6.1 General	11
6.2 Limitation	11
6.3 Consent to settlement	12
6.4 Continuing obligation	12
6.5 Benefit of indemnity	12
7 Announcements	12
8 Confidentiality	12
9 Events of Termination	12
9.1 Right of termination	12
9.2 Materiality	13
9.3 Termination by Seller	13
9.4 Materiality	13
9.5 Effect of termination	14
10 GST and Tax Matters	14
10.1 Input Tax Credit	14
10.2 Tax invoice	14

10.3	Timing of Payment	14
10.4	Payment Differences	14
10.5	Defined Terms	15
10.6	Withholding Tax	15
11	Miscellaneous	15
11.1	Entire agreement	15
11.2	Governing law	15
11.3	Severability	15
11.4	Waiver and variation	15
11.5	No merger	15
11.6	No assignment	15
11.7	Notices	16
11.8	Affiliates	16
11.9	Business Day	16
11.10	Interpretation	16
11.11	Counterparts	16
11.12	Acknowledgements	17
Schedule 1	Timetable	18
Schedule 2	Sale of Sale Units in Foreign Countries	19
	Signing page	21

Block trade agreement over Gandel stake

Details

Parties		
Seller 1	Name	Galaxy Nominees No. 1 Pty Ltd acting in its capacity as trustee for The Galaxy Nominees No. 1 Trust
	ACN	141 734 063
	Formed in	Australia
	Address	Gandel Offices Chadstone Shopping Centre 1341 Dandenong Road Chadstone 3148
	Attention	Tyng Choo (tyng_choo@gandel.com.au)
Seller 2	Name	Galaxy Nominees No. 2 Pty Ltd acting in its capacity as trustee for The Galaxy Nominees No. 2 Trust
	ACN	141 734 045
	Formed in	Australia
	Address	Gandel Offices Chadstone Shopping Centre 1341 Dandenong Road Chadstone 3148
	Attention	Tyng Choo (tyng_choo@gandel.com.au)
Seller 3	Name	Galaxy Nominees No. 3 Pty Ltd acting in its capacity as trustee for The Galaxy Nominees No. 3 Trust
	ACN	141 734 054
	Formed in	Australia
	Address	Gandel Offices Chadstone Shopping Centre 1341 Dandenong Road Chadstone 3148
	Attention	Tyng Choo (tyng_choo@gandel.com.au)
Seller 4	Name	Galaxy Nominees No. 4 Pty Ltd acting in its capacity as trustee for The Galaxy Nominees No. 4 Trust
	ACN	141 734 027
	Formed in	Australia
	Address	Gandel Offices Chadstone Shopping Centre

1341 Dandenong Road Chadstone 3148

Attention Tyng Choo (tyng_choo@gandel.com.au)

Lead Manager	Name	Macquarie Securities (Australia) Limited
	ACN	002 832 126
	Formed in	Australia
	Address	50 Martin Place, Sydney NSW 2000
	Attention	Chris Horne (chris.horne@macquarie.com)

Governing law	Victoria
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Business Day place (s)	Melbourne, Victoria
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Recitals	A	Seller 1 holds 5,734,533 Units (" Securities ") in Charter Hall Retail REIT (ASRN 093 143 965) (" CH Retail REIT ").
	B	Seller 2 holds 5,734,533 Units in CH Retail REIT.
	C	Seller 3 holds 5,734,534 Units in CH Retail REIT.
	D	Seller 4 holds 5,734,533 Units in CH Retail REIT.
	E	Seller 1, Seller 2, Seller 3 and Seller 4 are each referred to in this agreement as a " Seller " and collectively as the " Sellers ".
	F	The Sellers wish to engage the Lead Manager to sell and manage the disposal of the 5,734,533 Units held by Seller 1, the 5,734,533 Units held by Seller 2, the 5,734,534 Units held by Seller 3 and the 5,734,533 Units held by Seller 4 (collectively, the " Sale Units ") on the terms of this agreement (" Sale ").
	G	The Lead Manager, in conjunction with any one or more of its Affiliates, agrees to procure purchasers for the Sale Units and guarantee the Sale of the Sale Units under the terms of this agreement.

Block trade agreement over Gandel stake

General terms

1 Sale of Units

1.1 Sale

The Sellers agree to sell the total number of the Sale Units and the Lead Manager agrees to procure (itself and/or through any one or more of its Affiliates) purchasers for the Sale Units in accordance with the terms of this agreement.

1.2 Role of the Lead Manager

The Lead Manager (in conjunction with any one or more of its Affiliates) will, subject to clause 1.8:

- (a) manage the sale of the Sale Units by procuring potential investors at the price for the Sale Units of \$4.02 ("**Sale Price**"). Purchasers may include the Lead Manager's related bodies corporate and Affiliates and may be determined by the Lead Manager in its discretion, subject to the terms of this agreement; and
- (b) severally guarantee the sale of any Sale Units not sold pursuant to sub-clause 1.2(a) by purchasing those Sale Units at the Sale Price ("**Shortfall Units**").

1.3 Account opening

On the date of this agreement, the Lead Manager or its nominated Affiliate will (where relevant) open an account in the name of each Seller in accordance with its usual practice, and do all such things necessary to enable it to act as a Lead Manager to sell the Sale Units in accordance with this agreement.

1.4 Manner of Sale

The Lead Manager will, other than in the case of any sales conducted in accordance with clauses 1.8 and 1.9, conduct the Sale by way of an offer only:

- (a) to persons in Australia that do not need a prospectus or other disclosure document (including, disclosure under Part 6D.2 of the Corporations Act);
- (b) to persons in the countries listed in Schedule 2, in accordance with clause 1.7 and the other provisions of this agreement, in each case to persons to whom offers for sale of units may lawfully be made without requiring the preparation, delivery, lodgement or filing of any prospectus or other disclosure document or any other lodgement, registration or filing with, or approval by, a government agency (other than any requirement with which each Seller, in its sole and absolute discretion, is willing to comply); and
- (c) in the United States in accordance with clause 1.7(b) and the other provisions in this agreement.

1.5 Investor representations

The Lead Manager will ensure that any investor that purchases Sale Units (other than the Balance Units) executes a confirmation letter in a form agreed between the Lead Manager and the Sellers in which the investor confirms, among other things:

- (a) its status as an investor meeting the requirements of clause 1.4; and
- (b) its compliance with all relevant laws and regulations (including the takeover and insider trading provisions of the Corporations Act, the FATA and related policy).

1.6 Effecting of Sale and settlement

The Lead Manager must procure that the Sale, subject to clauses 1.8 and 1.9, will be effected on the Trade Date (as defined in the Timetable in Schedule 1), by way of one or more special crossings (in accordance with the Operating Rules of the Australian Securities Exchange ("**ASX**")) at the Sale Price, with settlement to follow on a T+2 basis in accordance with the ASX Settlement Operating Rules ("**Settlement Date**"). Subject to this clause 1 and to clause 9, by no later than 3.00 pm on the Settlement Date, the Lead Manager will arrange for the payment to each Seller, or as the relevant Seller directs, of an amount equal to the Sale Price multiplied by the number of Sale Units (excluding any Balance Units (as defined in clause 1.8)) sold by that Seller ("**Aggregate Price**") less any fees payable to the Lead Manager under clause 2 (and any goods and services tax in respect of the fees) by transfer to each Seller's account for value (in cleared funds) against delivery of the Sale Units.

1.7 U.S. Securities Act compliance

The Sale Units shall only be offered and sold:

- (a) to persons that are not in the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act of 1933 ("**U.S. Securities Act**") in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**"); and
- (b) inside the United States to:
 - (i) persons whom the lead manager reasonably believes to be a "qualified institutional buyer", as defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**"), in transactions exempt from the registration requirements of the U.S. Securities Act pursuant to Rule 144A, or
 - (ii) dealers or other professional fiduciaries organised, incorporated or (if individuals) resident in the United States that are acting for an account (other than an estate or trust) held for the benefit or account of persons that are not U.S. persons for which they have and are exercising investment discretion within the meaning of Rule 902(k)(2)(i) of Regulation S.

1.8 Corporations Act and FATA limits

- (a) Notwithstanding anything else in this agreement, the number of Sale Units which must be purchased by the Lead Manager or its Affiliates under the terms of this agreement will be the lesser of:
 - (i) the Shortfall Units; and
 - (ii) unless the relevant approval has been obtained, the maximum number of the Sale Units that can be purchased by the Lead Manager or its Affiliates without:
 - (A) the Lead Manager or any of its Affiliates being obliged to request and obtain approval from the Treasurer of Australia under Australian foreign investment policy;

- (B) the Lead Manager or any of its Affiliates being obliged to notify the Treasurer of Australia under section 26 of the FATA; and
 - (C) breach by the Lead Manager or any of its Affiliates of section 606 of the Corporations Act.
- (b) If the number of Sale Units (if any) purchased by a Lead Manager or its Affiliates under the terms of this agreement ("**Principal Securities**") is less than the number of Shortfall Units (such difference to be referred to in this agreement as the "**Balance Units**"), then the Lead Manager will not itself purchase the Balance Units but is instead specifically instructed to sell, as agent for the Sellers in the ordinary course of the Lead Manager's business, the Balance Units before 7.00pm on the date that is the 30th Business Day after the Business Day immediately following the Trade Date ("**End Date**").
 - (c) The Lead Manager will use its best endeavours to sell all of the Balance Units (if any) on, or as soon as practicable after, the Settlement Date. At the time the Lead Manager pays the Aggregate Price to the Sellers in cleared funds for all Sale Units (excluding the Balance Units, if any), the Lead Manager must also advance to each Seller an amount equal to the number of Balance Units (if any) held by that Seller multiplied by the Sale Price ("**Advance Amount**"). The Lead Manager must indemnify the Sellers for any shortfall between the actual price received for each Balance Unit (if any) sold by the Lead Manager as agent and the Sale Price. The indemnified amount is to be paid to the Sellers on the applicable settlement date contemplated in clause 1.9.
 - (d) The parties acknowledge that neither the Lead Manager nor its Affiliates acquire any interest in the Balance Units (if any) or any rights in them (by way of security or otherwise) in respect of them except to act as agent for the sale of those Balance Units.

1.9 Settlement arrangements for Balance Units, if any

- (a) Subject to the delivery by a Seller of the Balance Units in a form that constitutes valid deliveries between brokers, the sale of the Balance Units, if any, will be effected in accordance with the ASX Settlement Operating Rules, with settlement to follow on a T + 2 basis.
- (b) No interest will be payable on the Advance Amount. A Seller must only repay the Advance Amount from and to the extent the Seller receives the proceeds of sale of the Balance Units. The outstanding Advance Amount will not be repayable in any circumstances in respect of Balance Units not sold by the End Date and the agency will terminate at that time or at an earlier time when all the Balance Units have been sold. If a Seller receives a distribution on a Balance Unit prior to the End Date, where that distribution was announced after the Settlement Date, then the Seller must pay the after-tax amount of the receipt to the Lead Manager in reduction of the Advance Amount applicable to that Balance Unit.
- (c) The Lead Manager will automatically apply, as a set-off, any proceeds of sale of the Balance Units (if any) as agent and, the amount (if any) due under the indemnity relating to the Balance Units, against:
 - (i) repayment of the Advance Amount by the relevant Seller; and
 - (ii) any further fees and goods and services tax (subject to receipt by Seller of a tax invoice) payable to the Lead Manager in relation to this agreement,

immediately upon receipt of those proceeds.

1.10 U.S. Opinion

The Sellers will procure that Allen & Overy, special U.S. counsel to the Sellers, provides the Lead Manager with an opinion on the Settlement Date and dated as of that date and expressed to be for its benefit to the effect that no registration of the Sale Units is required under the U.S. Securities Act for the initial offer, sale and delivery of the Sale Units and the initial resale of the Sale Units by the Lead Manager in the manner contemplated by this agreement.

2 Fees

- (a) In consideration for performing its obligations under this agreement the Lead Manager is entitled to the fees agreed between the parties.
- (b) The Sellers and the Lead Manager will each bear their own legal costs (if any) and all their out-of-pocket costs (if any) in connection with this agreement and the transactions contemplated by it.

3 Representations and Warranties

3.1 Representations and warranties by the Sellers

As at the date of this agreement and on the Settlement Date each Seller represents and warrants to the Lead Manager that:

- (a) **(body corporate)** it is a body corporate validly existing and duly established under the laws of its place of incorporation;
- (b) **(capacity)** it has full legal capacity and power to enter into this agreement and to carry out the transactions that this agreement contemplates;
- (c) **(existence)** the Trust (as defined in clause 3.2) of which it is a trustee (for the purposes of clauses 3.1 and 5, the "**Relevant Trust**") is duly established and no action has been taken or is proposed to be taken to terminate the Relevant Trust;
- (d) **(sole trustee)** it is the only trustee of the Relevant Trust, it has been validly appointed as trustee of the Relevant Trust, and there is no current proposal to replace it as trustee of that trust and it has the right to be indemnified out of the assets of the Relevant Trust;
- (e) **(appointment and no removal)** it has been validly appointed as trustee of the Relevant Trust and no action has been taken or is proposed to remove it as trustee of the Relevant Trust;
- (f) **(trustee capacity)** it has the power under the terms of the trust deed creating the Relevant Trust (for the purposes of clauses 3.1 and 5, the "**Relevant Trust Deed**") to enter into this agreement and to carry out the transactions that this agreement contemplates;
- (g) **(authority)** it has taken, or will have taken by the time required, all action that is necessary or desirable to authorise its entry into this agreement and its carrying out of the transactions that this agreement contemplates (including any authorisation required under the Relevant Trust Deed and its constitution (if any));
- (h) **(consents)** all consents and approvals of any court, governmental authority or any other regulatory body or third party required by it to enter

into and perform this agreement have been obtained and are in full force and effect;

- (i) **(agreement effective)** this agreement constitutes the Seller's legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (j) **(ownership, encumbrances)** Seller 1 is the registered holder of 5,734,533 Sale Units, Seller 2 is the registered holder of 5,734,533 Sale Units, Seller 3 is the registered holder of 5,734,534 Sale Units and Seller 4 is the registered holder of 5,734,533 Sale Units and each of them will transfer the full legal and beneficial ownership of its Sale Units free and clear of all liens, charges, security interests, claims, equities and pre-emptive rights, subject to registration of the transferee(s) in the register of Unitholders of CH Retail REIT;
- (k) **(Sale Units)** immediately following the Sale, the Sale Units will rank equally in all respects with all other outstanding Units of CH Retail REIT, including their entitlement to distributions, and may be offered for sale on the financial market operated by ASX without disclosure to investors under Part 6D.2 of the Corporations Act;
- (l) **(control)** it does not control CH Retail REIT (for the purposes of this clause 3.1(l), "control" having the meaning given in section 50AA of the Corporations Act);
- (m) **(ASX listing)** the Sale Units are quoted on the financial market operated by ASX;
- (n) **(power to sell)** it has the authority and power to sell its Sale Units under this agreement and no person has a conflicting right, whether contingent or otherwise, to purchase or to be offered for purchase its Sale Units;
- (o) **(no insider trading offence)** its sale of the Sale Units will not constitute a violation by the Seller (or its Affiliates) of Division 3 of Part 7.10 of the Corporations Act;
- (p) **(breach of law)** it will perform its obligations under this agreement so as to comply with all applicable laws in any relevant jurisdiction, including in particular the Corporations Act in Australia and the U.S. Securities Act in the United States;
- (q) **(indemnity)** it has a right to be fully indemnified out of the trust property of the Relevant Trust in respect of obligations incurred by it under the documents to which it is a party;
- (r) **(adequacy of Trust Property)** the trust property of the Relevant Trust is sufficient to satisfy that right of indemnity and all other obligations in respect of which the trustee has a right to be indemnified out of the trust property of the Relevant Trust;
- (s) **(no default)** as trustee of the Trust, it is not, and never has been, in default under the Relevant Trust Deed;
- (t) **(no directed selling efforts)** with respect to those Sale Units sold in reliance on Regulation S, none of the Seller, any of its Affiliates, nor any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom Seller makes no representation) has engaged or will engage in any "directed selling efforts" (as that term is defined in Rule 902(c) under the U.S. Securities Act) in the United States;

- (u) **(no general solicitation or general advertising)** none of the Seller, any of its Affiliates or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom Seller makes no representation) has offered or sold, or will offer or sell, any of the Sale Units in the United States using any form of "general solicitation" or "general advertising" within the meaning of Rule 502(c) under the U.S. Securities Act or in any manner involving a public offering of the Sale Units in the United States within the meaning of Section 4(a)(2) of the U.S. Securities Act;
- (v) **(no stabilisation or manipulation)** the Seller has not and will not, and none of its Affiliates has taken or will take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in the stabilisation or manipulation of the price of the Sale Units in violation of any applicable law;
- (w) **(no integrated offers)** none of the Seller, any of its Affiliates or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom no representation or warranty is made), has solicited any offer to buy, offered to sell or sold, and none of them will solicit any offer to buy, offer to sell or sell in the United States any security which could be integrated with the sale of the Sale Units in a manner that would require the offer and sale of the Sale Units to be registered under the U.S. Securities Act;
- (x) **(no registration)** subject to the accuracy of the representations and warranties of the Lead Manager in paragraphs (h), (i), (j) and (k) of clause 3.3 and the compliance by the Lead Manager with clauses 1.5 and 1.7 of this Agreement, it is not necessary in connection with the initial offer, sale and delivery of the Sale Units by the Sellers and the initial offer, resale and delivery of the Sale Units by the Lead Manager (if applicable), in each case in the manner contemplated by this agreement, to register the Sale Units under the U.S. Securities Act, it being understood that the Sellers make no representation or warranty about any subsequent resale of Sale Units;
- (y) **(foreign private issuer)** to the best of its knowledge, CH Retail REIT is a "foreign private issuer" (as defined in Rule 405 under the U.S. Securities Act);
- (z) **(no substantial U.S. market interest)** to the best of its knowledge, there is no "substantial U.S. market interest" (as defined in Rule 902(j)(1) under the U.S. Securities Act) in the Sale Units or any units of the same class or series as the Sale Units;
- (aa) **(Rule 144A eligibility)** to the best of its knowledge, the Sale Units are eligible for resale pursuant to Rule 144A under the U.S. Securities Act and are not of the same class as units listed on a national securities exchange registered under Section 6 of the U.S. Securities Exchange Act of 1934 ("Exchange Act") or quoted in a U.S. automated interdealer quotation system;
- (bb) **(not an Exchange Act reporting company)** to the best of its knowledge, CH Retail REIT is exempt from reporting under Section 13 or 15(d) of the Exchange Act pursuant to Rule 12g3-2(b) thereunder;
- (cc) **(ADR facility)** to the best of its knowledge, CH Retail REIT does not have a sponsored American Depositary Program; and
- (dd) **(not an investment company)** to the best of its knowledge, CH Retail REIT is not, and immediately after giving effect to the offering and sale of

the Sale Units and the application of the net proceeds therefrom, will not be, required to register as an "investment company" under the U.S. Investment Company Act of 1940.

3.2 Trustee and Trust Property

For the purposes of clause 3.1, **Trust** means, in the case of each Seller, the trust of which it is a trustee (as notified by each Seller to the Lead Manager in writing on the date of this agreement).

3.3 Representations and warranties of Lead Manager

As at the date of this agreement and on the Settlement Date the Lead Manager represents to the Sellers that:

- (a) **(body corporate)** it is duly incorporated under the laws of its place of incorporation;
- (b) **(capacity)** it has full legal capacity and power to enter into this agreement and to carry out the transactions that this agreement contemplates;
- (c) **(authority)** it has taken, or will have taken by the time required, all corporate action that is necessary or desirable to authorise its entry into this agreement and its carrying out of the transactions that this agreement contemplates;
- (d) **(licences)** it holds all licences, permits, authorities and consents necessary for it to fulfil its obligations under this agreement and has complied with the terms and conditions of the same in all material respects;
- (e) **(agreement effective)** this agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (f) **(compliance)** the Lead Manager and its Affiliates will perform their obligations under this agreement, and the Sale will be conducted by the Lead Manager and its Affiliates, in accordance with all applicable laws and regulations in any relevant jurisdiction including in particular the Corporations Act in Australia and the U.S. Securities Act in the United States, provided that the Lead Manager shall not be in breach of this warranty to the extent any breach is caused by an act or omission which constitutes a breach by a Seller of its representations, warranties and undertakings in clause 3.1;
- (g) **(no stabilisation or manipulation)** neither the Lead Manager nor any of its Affiliates has taken or will take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in the stabilisation or manipulation of the price of the Sale Units in violation of any applicable law;
- (h) **(no directed selling efforts)** with respect to those Sale Units sold in reliance on Regulation S, none of it, its Affiliates nor any person acting on behalf of any of them has engaged or will engage in any "directed selling efforts" (as that term is defined in Rule 902(c) under the U.S. Securities Act);
- (i) **(no registration)** it acknowledges that the Sale Units have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or for the account or benefit of, any person in the United States except pursuant to an exemption from, or in

a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with clause 1.7 of this agreement;

- (j) **(no general solicitation or general advertising)** none of the Lead Manager, any of its Affiliates or any person acting on behalf of any of them has solicited offers for or offered to sell or sold, and none of them will solicit offers for, or offer to sell or sell, the Sale Units in the United States using any form of "general solicitation" or "general advertising" within the meaning of Rule 502(c) under the U.S. Securities Act;
- (k) **(status)** the Lead Manager
 - (i) either is a qualified institutional buyer, as defined in Rule 144A under the U.S. Securities Act or is not a U.S. person; and
 - (ii) is not a person to whom disclosure needs to be made under part 6D.2 of the Corporations Act; and
- (l) **(U.S. broker-dealer Affiliates)** all offers and sales of Sale Units in the United States by it and any of its Affiliates will be effected through its U.S. broker-dealer Affiliates.

3.4 Reliance

Each party giving a representation and warranty acknowledges that each other party has relied on the above representations and warranties in entering into this agreement and will continue to rely on them in performing its obligations under this agreement.

3.5 Notification

Each party agrees that it will tell the other parties as soon as it becomes aware of any of the following occurring prior to the completion of the Sale of the Sale Units:

- (a) any material change affecting any of the representations and warranties; or
- (b) any of the representations or warranties becoming materially untrue or incorrect.

4 Confirmations

Prior to confirming each sale of Sale Units (excluding any Balance Units), the Lead Manager must deliver to each purchaser a confirmation letter or email in the form agreed in writing by the Sellers and the Lead Manager (and as may be amended by mutual agreement in writing, such agreement not to be unreasonably withheld or delayed).

5 Limitation of Liability

The Lead Manager and each of the Sellers acknowledges and agrees that:

- (a) each Seller enters into this agreement in the capacity as trustee of the Relevant Trust notified by each Seller to the Lead Manager;
- (b) except in the case of any liability of a Seller under or in respect of this agreement resulting from that Seller's own fraud, negligence or breach of trust, the recourse for the Lead Manager to that Seller in respect of any obligations and liabilities of that Seller under or in respect of this

agreement is limited to that Seller's ability to be indemnified from the assets of the Relevant Trust; and

- (c) if the Lead Manager does not recover the full amount of any money owing to it arising from non-performance by a Seller of any of its obligations, or non-payment by that Seller of any of its liabilities, under or in respect of this agreement by enforcing the rights referred to in this agreement, the Lead Manager may not:
 - (i) except in the case of fraud, negligence or breach of trust by a Seller seek to recover the shortfall by:
 - (A) bringing proceedings against that Seller in its personal capacity; or
 - (B) applying to have that Seller wound up; or
 - (ii) otherwise seek to recover the shortfall against that Seller in any other capacity.
- (d) For the avoidance of doubt, the provisions of this clause 5 do not apply to any obligation or liability of the Seller to the extent that they are not satisfied because under the deed governing the Relevant Trust or by operation of law there is a reduction in the extent of the Seller's indemnification out of the assets of the Relevant Trust, as a result of the Seller's fraud, negligence or breach of trust.
- (e) The Sellers warrant to each other party that it has a right of indemnification as referred to in clause (b) above and undertakes that it will notify each of such parties as soon as it is reasonably practicable on such right being reduced, qualified or limited in any material respect.

6 Indemnity

6.1 General

Each Seller agrees with the Lead Manager that it will keep the Lead Manager and each of its Related Bodies Corporate (as that term is defined in the Corporations Act), and their directors, officers and employees ("**Indemnified Parties**") indemnified against any losses, damages, liabilities, costs, claims, actions and demands (including any reasonable expenses arising in connection therewith) ("**Losses**") to the extent that such Losses are incurred or made as a result of a breach of this agreement by the Seller, including any breach of any of the above representations, warranties or undertakings given by the Seller, and will reimburse the Lead Manager on behalf of any Indemnified Parties for all reasonable out of pocket costs, charges and expenses which either of them may properly pay or properly incur in connection with investigating, disputing or defending in good faith and on reasonable grounds any such action, demand or claim for which it is indemnified under this agreement.

6.2 Limitation

The indemnity in clause 6.1 does not extend to and is not to be taken as an indemnity against any Losses of an Indemnified Party with respect to damage to reputation or loss of profits, or that are indirect, special, punitive or consequential Losses or to the extent any Losses result from:

- (a) any fraud, recklessness, wilful misconduct, or gross negligence of the Indemnified Party;
- (b) any penalty or fine which the Indemnified Party is required to pay for any contravention of any law;

- (c) any amount in respect of which the indemnity would be illegal, void or unenforceable under any applicable law; or
- (d) the extent to which any Losses have been suffered simply as a result of the Lead Manager having acquired the Sale Units under clause 1.2.

6.3 Consent to settlement

An Indemnified Party must not settle any action, demand or claim to which the indemnity in clause 6.1 relates without the prior written consent of the Sellers, such consent not to be unreasonably withheld.

6.4 Continuing obligation

The indemnity in clause 6.1 is a continuing obligation, separate and independent from the other obligations of the parties under this agreement and survives termination or completion of this agreement. It is not necessary for the Lead Manager to incur expense or make payment before enforcing that indemnity.

6.5 Benefit of indemnity

The indemnity in clause 6.1 is granted to the Lead Manager both for it personally and on trust for each of its respective Indemnified Parties.

7 Announcements

The Sellers and the Lead Manager will consult each other in respect of any material public releases by any of them concerning the Sale. The prior written consent of the Sellers must be obtained prior to the Lead Manager making any release or announcement or engaging in publicity in relation to the Sale and any release, announcement or engagement must be in compliance with all applicable laws, including the securities laws of Australia. However if the Sale is successfully completed, the Lead Manager may at its option and expense, disclose that it has acted as lead manager to the Sale in its pitch books, case study documents and other marketing materials.

8 Confidentiality

Each party agrees to keep the terms and subject matter of this agreement confidential, except:

- (a) where disclosure is required by applicable law, a legal or regulatory body or authority or the rules of a relevant securities exchange;
- (b) disclosure is made to an Affiliate of the party or an adviser or to a person who must know for the purposes of this agreement, on the basis that the Affiliate, adviser or person keeps the information confidential; and
- (c) to a person to the extent reasonably necessary in connection with any actual or potential claim or judicial or administrative process involving that party in relation to the Sale.

9 Events of Termination

9.1 Right of termination

If any of the following events occurs at any time during the period commencing on execution of this agreement and ending at 10.00am on the Trade Date ("**Risk Period**"), then the Lead Manager may terminate its obligations under this agreement without cost or liability to itself at any time before the expiry of the Risk Period by giving written notice to Seller:

- (a) **(ASX actions)** ASX does any of the following:
 - (i) announces that CH Retail REIT will be removed from the official list of ASX or Units in CH Retail REIT will be suspended from quotation;
 - (ii) removes CH Retail REIT from the official list; or
 - (iii) suspends the trading of Units in CH Retail REIT for any period of time (excluding any voluntary suspension requested by CH Retail REIT in relation to the Sale);
- (b) **(ASIC inquiry)** ASIC issues or threatens to issue proceedings in relation to the Sale or commences, or threatens to commence any inquiry or investigation in relation to the Sale; or
- (c) **(Seller default)** subject to clause 9.2, a Seller is in default of any of the terms and conditions of this agreement or breaches any representation or warranty given or made by it under this agreement.

9.2 Materiality

The Lead Manager is not entitled to exercise its termination rights under clause 9.1(c) unless, in the reasonable opinion of the Lead Manager, the Seller's default or breach:

- (a) has, or would reasonably be expected to have, a material adverse effect on:
 - (i) the price at which Units in CH Retail REIT may be sold pursuant to the Sale or on the ASX;
 - (ii) the outcome or settlement of the Sale; or
 - (iii) the ability of the Lead Manager to market and/or promote the Sale, including the willingness of persons to purchase the Sale Units; or
- (b) would reasonably be expected to give rise to a material liability of the Lead Manager under the Corporations Act or any other applicable law.

9.3 Termination by Seller

If, at any time during the Risk Period, the Lead Manager or any of its Affiliates is in default of any provision of this agreement or breaches any representation, warranty or undertaking given or made by it under this agreement at any time prior to the allocation of the Sale Units to transferee(s) (a "**Lead Manager Default Event**"), then the Sellers may at any time before expiry of the Risk Period by giving written notice to the Lead Manager immediately terminate this agreement in its entirety without cost or liability to the Sellers.

9.4 Materiality

The Sellers are not entitled to exercise their termination rights under clause 9.3 unless, in the reasonable opinion of the Sellers, the relevant breach or default by the Lead Manager or any of its Affiliates:

- (a) has, or would reasonably be expected to have, a material adverse effect on:
 - (i) the outcome or settlement of the Sale; or

- (ii) the price at which Units in CH Retail REIT may be sold pursuant to the Sale or on the ASX; or
- (b) would reasonably be expected to give rise to a liability of a Seller or any of its Affiliates under the Corporations Act or any other applicable law.

9.5 Effect of termination

Where, in accordance with this clause 9, a party terminates its obligations under this agreement:

- (a) any entitlements or rights of a party, including the right to be indemnified, which have accrued under this agreement up to the date of termination survive;
- (b) no fees will be payable to the Lead Manager in respect of this agreement; and
- (c) this agreement will immediately terminate in accordance with this clause 9 and, subject to this clause 9.5, the obligations of the relevant party under this Agreement immediately end.

10 GST and Tax Matters

10.1 Input Tax Credit

Any fees which the parties agree to be payable to the Lead Manager and any other amounts payable to the Lead Manager under this agreement are to be agreed and calculated to be exclusive of GST. However, if any amounts payable to the Lead Manager under this agreement are calculated by reference to a cost or expense, the amount payable to the Lead Manager under any other provision of this agreement must be reduced by the amount of any input tax credit to which the Lead Manager reasonably determines it is entitled for an acquisition in connection with that cost or expense.

10.2 Tax invoice

If any supply made under this agreement is a taxable supply, the entity making the taxable supply ("**Supplier**") must issue a valid tax invoice to the party providing the consideration for that taxable supply ("**Recipient**"). The tax invoice issued by the Supplier must set out in detail the nature of the taxable supply, the consideration attributable to the taxable supply, the amount of GST payable by the Supplier in connection with the taxable supply and any other details reasonably requested by the Recipient. The GST amount means, in relation to a taxable supply, the amount of GST payable on that taxable supply ("**GST Amount**").

10.3 Timing of Payment

The Recipient must pay the Supplier the GST Amount in connection with a taxable supply at the same time that the Recipient must provide the consideration for that taxable supply (under the other provisions of this agreement), or if later, within 5 Business Days of the Recipient receiving a tax invoice for that taxable supply.

10.4 Payment Differences

If the GST payable by the Supplier in connection with the taxable supply differs from the GST Amount paid by the Recipient under this clause 10, the Supplier must repay any excess to the Recipient or the Recipient must pay any deficiency to the Supplier, as appropriate within 5 Business Days of the Supplier providing the Recipient with a written notification regarding the difference in the GST payable. Where the difference in the GST payable results from an adjustment

event, the written documentation provided by the Supplier under this clause 10 must include an adjustment note or tax invoice as required by the GST law.

10.5 Defined Terms

The references to "GST" and other terms used in this clause 10 (except Supplier, Recipient and GST Amount) have the meanings given to those terms by the *A New Tax System (Goods and Services Tax) Act 1999* (as amended from time to time). However, any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause 10.

10.6 Withholding Tax

If any amounts payable by the Lead Manager to a Seller under this agreement become subject to any regulatory withholding notices, the amount payable by the Lead Manager to that Seller under this agreement will be reduced by the withholding amount set out under any such notice.

11 Miscellaneous

11.1 Entire agreement

This agreement and any agreement in relation to fees under clause 2 constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that matter.

11.2 Governing law

This agreement is governed by the laws of Victoria, Australia. Each party submits to the non-exclusive jurisdiction of courts exercising jurisdiction in Victoria, and waives any right to claim that those courts are an inconvenient forum.

11.3 Severability

Any provision of this agreement which is prohibited or unenforceable in any jurisdiction will be ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this agreement nor affect the validity or enforceability of that provision in any other jurisdiction.

11.4 Waiver and variation

A provision of or right vested under this agreement may not be:

- (a) waived except in writing signed by the party granting the waiver; or
- (b) varied except in writing signed by the parties.

11.5 No merger

The rights and obligations of the parties will not merge on the termination or expiration of this agreement. Any provision of this agreement remaining to be performed or observed by a party, or having effect after the termination of this agreement for whatever reason remains in full force and effect and is binding on that party.

11.6 No assignment

No party may assign its rights or obligations under this agreement without the prior written consent of the other party.

11.7 Notices

Any notice, approval, consent, agreement, waiver or other communication in connection with this agreement must be in writing signed by a duly authorised representative of the sender.

11.8 Affiliates

In this agreement, the term "**Affiliates**" means any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, a person (where the term "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management, policies or activities of a person, whether through the ownership of securities by contract or agency or otherwise and the term "person" is deemed to include a partnership).

11.9 Business Day

In this agreement, "Business Day" means a day on which:

- (a) ASX is open for trading in securities; and
- (b) banks are open for general banking business in Melbourne, Victoria, Australia.

11.10 Interpretation

In this agreement and unless otherwise stated:

- (a) headings and sub-headings are for convenience only and do not affect interpretation;
- (b) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
- (c) a reference to "dollars" and "\$" is to Australian currency;
- (d) a reference to something done (including a supply made) by a party includes a reference to something done by any entity through which that party acts;
- (e) all references to time are to Melbourne, Victoria, Australia time;
- (f) the singular includes the plural and vice versa;
- (g) the word "person" includes an individual, a body corporate, a partnership, a joint venture, an unincorporated body, an association and a government agency; and
- (h) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually.

11.11 Counterparts

This agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one agreement.

11.12 Acknowledgements

Each Seller acknowledges that:

- (a) the Lead Manager is not obliged to disclose to the Sellers or utilise for the benefit of the Sellers, any non-public information which the Lead Manager obtains in the normal course of its business where that disclosure or use would result in a breach of any obligation of confidentiality or any internal Chinese wall policies of the Lead Manager;
- (b) the Sellers are contracting with the Lead Manager on an arm's length basis to provide the services described in this agreement and the Lead Manager has not and is not assuming any duties or obligations (fiduciary, or otherwise) in respect of it, other than those expressly set out in this agreement; and
- (c) the Lead Manager is not advising the Sellers or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction, the Sellers must consult with their own advisors concerning such matters and shall be responsible for making their own independent investigation and appraisal of the transactions contemplated by this agreement, and, except as expressly provided by the terms of this agreement, the Lead Manager will have no responsibility or liability to the Sellers with respect to such matters.

EXECUTED as an agreement

Block trade agreement over Gandel stake

Schedule 1 Timetable

Key events	Time (AEST)	Date (2016)
Books open (indicative)	10:00am	22 September
Books close (indicative)	12:00pm	22 September
Trade Date (T)		23 September
Settlement Date (T + 2)		27 September

Block trade agreement over Gandel stake

Schedule 2 Sale of Sale Units in Foreign Countries

The Sale Units may be sold to persons in the following countries:

- (a) New Zealand;
- (b) Canada;
- (c) China;
- (d) Hong Kong;
- (e) Singapore;
- (f) Malaysia;
- (g) Korea;
- (h) Japan;
- (i) Belgium;
- (j) Denmark;
- (k) France;
- (l) Germany;
- (m) Ireland;
- (n) Italy;
- (o) Netherlands;
- (p) Norway;
- (q) Sweden;
- (r) Switzerland;
- (s) United Kingdom;
- (t) United Arab Emirates (excluding the Dubai International Financial Centre);
- (u) Austria;
- (v) Bermuda;
- (w) Cayman Islands;
- (x) Finland;


- (y) Guernsey;
- (z) Indonesia;
- (aa) Kuwait;
- (bb) Liechtenstein;
- (cc) Luxembourg;
- (dd) Oman;
- (ee) Panama;
- (ff) Qatar;
- (gg) South Africa;
- (hh) Spain; and
- (ii) Taiwan.

Block trade agreement over Gandel stake


Signing page


DATED: 22 September 2016

**SIGNED by Galaxy Nominees No. 1
Pty Ltd acting in its capacity as trustee
of The Galaxy Nominees No. 1 Trust
in the presence of:**


Signature of witness

TYNG CHOO
Name of witness (block letters)



By executing this document the
attorney states that the attorney has
received no notice of revocation of the
power of attorney



By executing this document the
attorney states that the attorney has
received no notice of revocation of the
power of attorney

**SIGNED by Galaxy Nominees No. 2
Pty Ltd acting in its capacity as trustee
of The Galaxy Nominees No. 2 Trust
in the presence of:**



Signature of witness

TYNG CHOO
Name of witness (block letters)


By executing this document the
attorney states that the attorney has
received no notice of revocation of the
power of attorney



By executing this document the
attorney states that the attorney has
received no notice of revocation of the
power of attorney


SIGNED by Galaxy Nominees No. 3
Pty Ltd acting in its capacity as trustee
of The Galaxy Nominees No. 3 Trust
in the presence of:


Signature of witness


TYNG CHOO

Name of witness (block letters)


By executing this document the
attorney states that the attorney has
received no notice of revocation of the
power of attorney



By executing this document the
attorney states that the attorney has
received no notice of revocation of the
power of attorney


SIGNED by Galaxy Nominees No. 4
Pty Ltd acting in its capacity as trustee
of The Galaxy Nominees No. 4 Trust
in the presence of:


Signature of witness

TYNG CHOO

Name of witness (block letters)


By executing this document the
attorney states that the attorney has
received no notice of revocation of the
power of attorney


By executing this document the
attorney states that the attorney has
received no notice of revocation of the
power of attorney

Executed by Macquarie Securities
(Australia) Limited ABN 58 002 832 126
by its duly appointed attorneys under a power
of attorney
dated 26 November 2015 in the presence of:

Signature of Attorney

Name of Attorney

Signature of Attorney

Name of Attorney

Executed by Macquarie Securities)
(Australia) Limited ABN 58 002 832 126)
by its duly appointed attorneys under a power)
of attorney)
dated 26 November 2015 in the presence of:)
,



Signature of Attorney

Paul Staines

Name of Attorney



Signature of Attorney

Chris Horne

Name of Attorney