

Disclosure of movement of 1% or more in substantial holding or change in nature of relevant interest or both

Sections 23 and 24, Securities Markets Act 1988

Relevant event being disclosed: Movement of 1% or more in substantial holding

Date of relevant event: 21 December 2012

To: NZE

And: Trade Me Group Limited

Date this disclosure made: 27 December 2012

Date last disclosure made: 18 December 2012

Substantial security holder(s) giving disclosure

Name(s): **UBS AG and its related bodies corporate**

Contact details: **Paul Norris**

Tel: **+64 99 134809**

Email: **paul-j.norris@ubs.com**

Summary of substantial holding to which disclosure relates

Class of listed voting securities: **Ordinary**

Summary for: **UBS AG and its related bodies corporate**

For **this** disclosure,—

- (a) total number held in class: 28,966,860 shares
- (b) total in class: 396,017,568 shares
- (c) total percentage held in class: 7.31%

For **last** disclosure,—

- (a) total number held in class: 208,529,101 shares
- (b) total in class: 396,017,568 shares
- (c) total percentage held in class: 52.66%

Details of transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure under the instructions to this form: Please see Appendix B.

Details of relevant interests currently in substantial holding

Details for: **UBS Global Asset Management (Australia) Ltd**

Nature of relevant interest(s): **Fund Manager with power to exercise control over voting shares**

For that relevant interest,—

- (a) number held in class: 3,427,875
- (b) percentage held in class: 0.87%
- (c) current registered holder(s) of securities: Not applicable
- (d) registered holder(s) of securities once transfers registered: **UBS Global Asset Management (Australia) Ltd**

Details for: UBS Global Asset Management (UK) Limited

Nature of relevant interest(s): Fund Manager with power to exercise control over voting shares

For that relevant interest,—

- (a) number held in class: 54,706
- (b) percentage held in class: 0.01%
- (c) current registered holder(s) of securities: Not applicable
- (d) registered holder(s) of securities once transfers registered: UBS Global Asset Management (UK) Limited

Details for: UBS AG, Australia Branch

Nature of relevant interest(s): Power to control disposal over shares pursuant to stock borrowing and lending activities

For that relevant interest,—

- (a) number held in class: 2,000
- (b) percentage held in class: 0.00%
- (c) current registered holder(s) of securities: Not applicable
- (d) registered holder(s) of securities once transfers registered: UBS AG, Australia Branch

Details for: UBS AG, Australia Branch

Nature of relevant interest(s): Prime Broker that has exercised its borrowing right in respect of shares pursuant to a Prime Broking Agreement

For that relevant interest,—

- (a) number held in class: 1,378,749
- (b) percentage held in class: 0.35%
- (c) current registered holder(s) of securities: Not applicable
- (d) registered holder(s) of securities once transfers registered: UBS AG, Australia Branch

Details for: UBS AG, London Branch

Nature of relevant interest(s): Prime Broker that has exercised its borrowing right in respect of shares pursuant to a Prime Broking Agreement

For that relevant interest,—

- (a) number held in class: 122,008
- (b) percentage held in class: 0.03%
- (c) current registered holder(s) of securities: Not applicable
- (d) registered holder(s) of securities once transfers registered: UBS AG, London Branch

Details for: UBS AG, London Branch

Nature of relevant interest(s): Beneficial owner

For that relevant interest,—

- (a) number held in class: 246,640
- (b) percentage held in class: 0.06%
- (c) current registered holder(s) of securities: Not applicable
- (d) registered holder(s) of securities once transfers registered: UBS AG, London Branch

Details for: UBS AG

Nature of relevant interest(s): Power to control disposal over shares pursuant to stock borrowing and lending activities

For that relevant interest,—

- (a) number held in class: 6,668,290
- (b) percentage held in class: 1.68%
- (c) current registered holder(s) of securities: Not applicable
- (d) registered holder(s) of securities once transfers registered: UBS AG

Details for: UBS Securities Australia Ltd

Nature of relevant interest(s): Beneficial Owner

For that relevant interest,—

- (a) number held in class: 17,066,592
- (b) percentage held in class: 4.31%
- (c) current registered holder(s) of securities: Not applicable
- (d) registered holder(s) of securities once transfers registered: UBS Securities Australia Ltd

Additional information

Nature of connection between substantial security holders:

UBS Global Asset Management (Australia) Ltd: Related body corporate

UBS Global Asset Management (UK) Limited: Related body corporate

UBS Securities Australia Ltd: Related body corporate

Address(es) of substantial security holder(s): Details of all UBS offices can be found through the following link: <http://apps.ubs.com/locationfinder>

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Act in relation to the securities to which this disclosure relates: not applicable

Declaration

We declare that, to the best of our knowledge and belief, the information contained in this disclosure is correct and that we are duly authorised to make this disclosure by all persons for whom it is made.

SIGNATURE

Print Name: Ann Tran

Capacity: Authorised signatory

Sign Here:

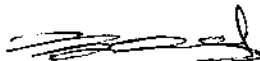


Date: 27 December 2012

Print Name: So Young Kim

Capacity: Authorised signatory

Sign Here:



Date: 27 December 2012



UBS New Zealand Limited
Level 17
PricewaterhouseCoopers Tower
188 Quay Street
Auckland
New Zealand
Fax: 64 9 913 4788

www.ubs.com

COMMERCIAL-IN CONFIDENCE

15 December 2012

Fairfax Digital Holdings NZ Limited
40 Boulcott Street
Wellington
New Zealand

Dear Sirs

Sale of Shares in Trade Me Group Limited

1. Introduction

This Agreement sets out the terms and conditions upon which Fairfax Digital Holdings NZ Limited ("**Fairfax**") engages UBS New Zealand Limited ("**UBS**" or the "**Lead Manager**") to dispose of 201,960,000 existing fully paid ordinary shares in Trade Me Group Limited (the "**Company**") held by Fairfax (the "**Sale Securities**") (the "**Sale**") and the Lead Manager agrees to procure the disposal of the Sale Securities and to provide underwriting thereof in accordance with the terms of this Agreement.

2. Sale of securities

2.1 Sale. Fairfax agrees to sell the Sale Securities in accordance with the timetable set out in Schedule 1 (the "**Timetable**") (unless the Lead Manager consents in writing to a variation) and the Lead Manager agrees to:

- (a) manage the sale of the Sale Securities by using best endeavours to procure purchasers for the Sale Securities at A\$3.05 per Sale Security ("**Sale Price**"). Purchasers may include the Lead Manager's related bodies corporate and Affiliates (as defined in clause 11.7) and may be determined by the Lead Manager in its discretion; and
- (b) underwrite and guarantee the sale of the Sale Securities by, subject to clauses 2.2 and 3, purchasing at the Sale Price per Sale Security those of the Sale Securities which have not been purchased by third party purchasers (or the Lead Manager's related bodies corporate or Affiliates) in accordance with clause 2.1(a) as at 7.00pm (New Zealand time) on 17 December 2012 (or such time as the parties agree in writing) ("**Balance Securities**"),

in accordance with the terms of this Agreement.

- 2.2 **Balance Securities.** Subject to clause 3, where acquisition of the Balance Securities by UBS is limited by applicable laws or regulations, Fairfax agrees to retain any Balance Securities above that limit pending notice from UBS to transfer some or all of those shares to it or to a third party. UBS may issue the notice referred to in the preceding sentence on more than one occasion, provided that the sale of the last of any Balance Securities must be effected prior to 7.00pm (New Zealand Time) on the date that is the fifth Business Day after the date of this Agreement ("**End Date**"), with settlement of any sales made on that date to occur three business days after the End Date ("**Second Settlement Date**").
- 2.3 **Manner of Sale.** The Lead Manager and Fairfax will conduct the Sale by way of an offer only to persons:
- (a) if in New Zealand, whose principal business is the investment of money or who in the course of and for the purpose of their business habitually invest money for the purposes of section 3(2)(a)(ii) of the Securities Act 1978 (NZ) (the "**NZ Securities Act**") or who are "eligible persons" for the purposes of section 5(2CC) of the NZ Securities Act;
 - (b) if in Australia, who do not need disclosure under Part 6D.2 of the Corporations Act 2001 (Cth) ("**Corporations Act**"); and
 - (c) if outside Australia and New Zealand, to whom offers for sale of securities 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 such requirement with which Fairfax, in its sole and absolute discretion, is willing to comply), as determined by the Lead Manager,
- provided in each case (a) to (c) above that such persons may not be in the United States unless they are Eligible U.S. Fund Managers (as defined in clause 2.5).
- 2.4 **Effecting of Sale and settlement.** The Sale (other than of the Balance Securities) shall be effected on the Trade Date (as defined in the Timetable in Schedule 1), with settlement to follow on a T+3 basis in accordance with New Zealand Clearing Limited's Clearing and Settlement Rules and the ASX Settlement Rules and ASX Operating Rules ("**Settlement Date**"). Subject to clauses 2.2, 3 and 10, on the Settlement Date, the Lead Manager shall arrange for the payment to Fairfax, or as Fairfax directs, of an amount equal to the Sale Price multiplied by the number of Sale Securities less any fees payable under clause 4 by transfer to Fairfax's account for value (in cleared funds) against delivery of the Sale Securities (excluding the Balance Securities, which shall be settled as contemplated by clauses 2.2 or 3, as applicable).
- 2.5 **U.S securities laws matters.** The Sale Securities 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) to persons that are dealers or other professional fiduciaries organised, incorporated or (if an individual) 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" (as defined in Rule 902(k) under the U.S. Securities Act), for which they have and are exercising investment

discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S ("Eligible U.S. Fund Managers"), in reliance on Regulation S.

3. Restricted Securities

- (a) Notwithstanding anything else in this Agreement, where the number of Balance Securities exceeds the maximum number of the Sale Securities which the Lead Manager can acquire without the Lead Manager or any of its related bodies corporate or Affiliates being required to obtain consent under the Overseas Investment Act 2005 ("OIA") (having regard to any exemptions available to the Lead Manager) (such excess Balance Securities being the "Restricted Securities"), then:
- (i) the Lead Manager agrees to purchase the Restricted Securities on the terms of this clause 3;
 - (ii) completion of the sale and purchase of the Restricted Securities will be conditional upon the Lead Manager obtaining all consents or exemptions required under the OIA on terms and conditions acceptable to the Lead Manager, acting reasonably (the "Condition");
 - (iii) on the Settlement Date, the Lead Manager will pay to Fairfax, or as Fairfax directs, as consideration for the purchase of the Restricted Securities, an amount equal to the Sale Price multiplied by the number of Restricted Securities less any fees payable under clause 4 (to the extent not already recovered) by transfer to Fairfax's account (in cleared funds) (such payment being the "Restricted Shares Payment"). For the avoidance of doubt, the Restricted Shares Payment will be paid contemporaneously with the payment referred to in clause 2.4, and the Lead Manager is required to pay the Restricted Shares Payment even though the Condition may not be satisfied or waived on the Settlement Date.
- (b) The Condition has been inserted for the benefit of the Lead Manager and Fairfax and may only be waived (in whole or in part) by agreement in writing between the Lead Manager and Fairfax.
- (c) Where the Lead Manager notifies Fairfax that the Condition is satisfied (either in relation to the Lead Manager or its nominee(s)), or the Condition is waived pursuant to clause 3(b) (in each case, in whole or part), Fairfax shall immediately transfer the relevant Restricted Securities to the Lead Manager or its nominee(s) (who must be persons of the type described in clause 2.3).
- (d) If the Condition has not been satisfied by 31 March 2013 or such later date as may be agreed, then Fairfax will be entitled to retain the Restricted Shares Payment (which the parties agree shall be further consideration paid by the Lead Manager for the Balance Securities not comprising the Restricted Securities), but must use all reasonable endeavours to sell the remaining Restricted Securities through the Lead Manager as soon as reasonably practicable, but without any obligation as to the price obtained (it being acknowledged that the price(s) obtained in any such sale of Restricted Securities may be higher than or lower than the Sale Price), and will pay the net proceeds of such sale to the Lead Manager in full and final

satisfaction of its obligations under this clause 3 and as a reduction in part of the consideration paid by the Lead Manager for the Balance Securities not comprising the Restricted Securities.

- (e) While Fairfax remains the registered holder of any Balance Securities, it will be entitled to retain the right to vote those Balance Securities. Fairfax will pay all cash distributions declared and paid in respect of the Restricted Securities after the Settlement Date to the Lead Manager (net of any taxes, the tax effect of any losses used, or other charges payable by Fairfax in respect of such distributions) promptly following receipt of the same in cleared funds, as a reduction in part of the consideration paid by the Lead Manager for the Balance Securities not comprising the Restricted Securities.

4. Fees

In consideration of performing its obligations under this Agreement the Lead Manager shall be entitled to such fees as the parties agree.

5. Undertakings

5.1 **Restricted Activities.** Fairfax undertakes to the Lead Manager to not, prior to the Settlement Date commit, be involved in or acquiesce in any activity which breaches:

- (i) its constitution;
- (ii) the Securities Markets Act 1988 (NZ) (the "NZ Securities Markets Act"), the NZ Securities Act or the Takeovers Code Approval Order 2000 (NZ) ("Takeovers Code");
- (iii) the listing rules of NZX Limited ("NZX") or ASX Limited;
- (iv) any exemptions to the operation of the NZ Securities Markets Act or NZ Securities Act granted by the Financial Markets Authority ("FMA") in relation to the sale of the Sale Securities or any other applicable laws or regulations in New Zealand, Australia or otherwise;

each of these undertakings being material terms of this Agreement.

6. Representations and Warranties

6.1 **Representations and warranties by Fairfax.** As at the date of this Agreement and on each day until and including the Settlement Date (or in the case where clause 2.2 or 3 applies in respect of the Lead Manager, on the Second Settlement Date), Fairfax represents and warrants to the Lead Manager that each of the following statements is true, accurate and not misleading.

- (a) **(body corporate)** Fairfax is a body corporate validly existing and duly established under the laws of its place of incorporation;
- (b) **(capacity)** Fairfax has full legal capacity and power to enter into this Agreement and to carry out the transactions that this Agreement contemplates;
- (c) **(authority)** Fairfax 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) **(agreement effective)** this Agreement constitutes Fairfax's legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (e) **(ownership, encumbrances)** Fairfax is the registered holder and sole legal owner of the Sale Securities. Fairfax will transfer the full legal and beneficial ownership of the Sale Securities 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 shareholders of the Company;
- (f) **(Sale Securities)** following the sale by Fairfax, the Sale Securities will rank equally in all respects with all other outstanding ordinary shares of the Company, including their entitlement to dividends, and may be offered for sale under the Sale (and may be offered after the Sale) without disclosure to investors under the NZ Securities Act or the Corporations Act;
- (g) **(power to sell)** Fairfax has the corporate authority and power to sell the Sale Securities under this Agreement and no person has a conflicting right, whether contingent or otherwise, to purchase or to be offered for purchase the Sale Securities;
- (h) **(no insider trading offence)** Fairfax does not have any information that is not generally available to the market, that, if that information was generally available to the market, would reasonably be expected to have a material effect on the price of the Company's ordinary shares (other than knowledge that it proposes to enter into one or more transactions or agreements in relation to the Sale Securities pursuant to this Agreement), and the sale of the Sale Securities will not constitute a violation by Fairfax of applicable insider trading laws;
- (i) **(no directed selling efforts)** with respect to those Sale Securities sold in reliance on Regulation S, none of Fairfax, 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 Fairfax 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);
- (j) **(foreign private issuer and no substantial U.S. market interest)** the Company is a 'foreign private issuer' as defined in Rule 405 under the U.S. Securities Act and there is no 'substantial U.S. market interest' (as defined in Rule 902(j) under the U.S. Securities Act) in the Sale Securities or any security of the same class or series as the Sale Securities;
- (k) **(Regulation S offering restrictions)** with respect to those Sale Securities sold in reliance on Regulation S, each of it, its Affiliates and any person acting on their behalf (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom Fairfax makes no representation) has complied and will comply with the offering restrictions requirements of Regulation S with regard to the Sale Securities to be sold in reliance on Regulation S;
- (l) **(no stabilisation or manipulation)** neither Fairfax 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 Securities in violation of any applicable law.

6.2 **Representations and warranties of Lead Manager.** As at the date of this Agreement and on each day until and including the Settlement Date (or in the case where clause 2.2 or 3 applies in respect of the Lead Manager, on the Second Settlement Date), the Lead Manager represents to Fairfax that each of the following statements is correct.

- (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) **(agreement effective)** this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (e) **(5% holding)** immediately before its entry into this Agreement, the aggregate of the control percentages of it and its Affiliates did not exceed 5% of the voting rights in the Company;
- (f) **(no registration)** it acknowledges that the Sale Securities 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 except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- (g) **(broker-dealer requirements)** all offers and sales of the Sale Securities in the United States by it and any of its Affiliates will be effected by its registered broker-dealer affiliate;
- (h) **(no directed selling efforts)** with respect to those Sale Securities 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) **(U.S. selling restrictions)** it, its Affiliates and any person acting on behalf of any of them has offered and sold the Sale Securities, and will offer and sell the Sale Securities:
 - (i) within the United States, to Eligible U.S. Fund Managers in reliance on Regulation S and has sold, and in each case will only sell the Sale Securities to such persons that have executed a confirmation letter; and
 - (ii) outside the United States, in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in accordance with Regulation S under the U.S. Securities Act.

6.3 **Notification.** Each party agrees that it will tell the other parties promptly upon becoming aware of any of the following occurring prior to the completion of the sale of the Sale Securities:

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

7. Indemnity

7.1 Fairfax agrees with the Lead Manager that it will keep the Lead Manager and its Related Bodies Corporate (as that term is defined in the Corporations Act), and their respective 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 in connection with the Sale or as a result of a breach of this Agreement by Fairfax, including any breach of any of the above representations or warranties given by Fairfax, and will reimburse the Lead Manager for all out of pocket costs, charges and expenses which it may pay or incur in connection with investigating, disputing or defending any such action, demand or claim for which it is indemnified under this Agreement.

7.2 The indemnity in clause 7.1 does not extend to and is not to be taken as an indemnity against any Losses of an indemnified Party to the extent any Losses are finally judicially determined by a court of competent jurisdiction to have resulted 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,

and provided further that the indemnity in clause 7.1 does not extend to and will not be deemed to be an indemnity against any Losses suffered by an Indemnified Party to the extent that the Losses relate to any amount the Indemnified Party must pay under clause 2.1(b), including any Losses on resale of the Balance Securities.

7.3 The Lead Manager will notify Fairfax as soon as reasonably practicable of any proceeding being commenced, or any claim or action being made against the Lead Manager or Indemnified Party which is reasonably likely to give rise to a claim against the Lead Manager pursuant to this indemnity. Failure on the part of the Lead Manager to notify Fairfax in accordance with the preceding sentence will not release Fairfax from any obligation or liability which either may have pursuant to this Agreement except that, if the Lead Manager's failure to notify under the preceding sentence directly results in a defence no longer being available to Fairfax or a material increase in the amount payable by Fairfax under the indemnity under clause 7.1, the amount payable to the Indemnified Person under the indemnity in clause 7.1 will be reduced by the extent to which Fairfax has suffered loss or damage as a consequence of that failure on the part of the Lead Manager to notify Fairfax in accordance with the preceding sentence. Both Fairfax and an Indemnified Party must not settle any action, demand or claim to which the indemnity in clause 7.1 relates without the prior written consent of Fairfax or UBS, as applicable, such consent not to be unreasonably withheld.

8. Announcements

Fairfax and the Lead Manager will consult each other in respect of any material public releases by any of them concerning the sale of the Sale Securities. The prior written consent of Fairfax must be obtained prior to the Lead Manager making any release or announcement or engaging in publicity in relation to

the Sale of the Sale Securities and such release, announcement or engagement must be in compliance with all applicable laws, including the securities laws of New Zealand, Australia, the United States and any other jurisdiction.

9. 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 authority or applicable listing rules;
- (b) disclosure is made to an adviser or to a person who must know for the purposes of this Agreement, on the basis that the 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.

10. Events of Termination

10.1 Right of termination. If any of the following events occurs, then the Lead Manager may terminate its obligations under this Agreement without cost or liability to itself at any time before 3pm (New Zealand time) on the Settlement Date by giving written notice to Fairfax:

- (a) **NZX actions.** NZX does any of the following:
 - (i) announces that the Company will be removed from the official list of NZX or ordinary shares in the Company will be suspended from quotation;
 - (ii) removes the Company from the official list; or
 - (iii) suspends the trading of ordinary shares in the Company for any period of time.
- (b) **FMA or ASIC inquiry.** FMA or the Australian Securities and Investments Commission 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.
- (c) **Other termination events.** Subject to clause 10.2, any of the following occurs:
 - (A) **Banking moratorium.** A general moratorium on commercial banking activities in New Zealand, Australia, United States or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries.
 - (B) **Breach of Agreement.** Fairfax 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.
 - (C) **Change in law.** There is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of New Zealand or the Commonwealth of Australia or any State or Territory of Australia a new law, or the Government of New Zealand, Australia, any State or Territory of Australia, the Reserve Bank of New Zealand or Australia or any Minister or other governmental authority of New Zealand, Australia or any State or Territory of Australia, adopts or announces a proposal to adopt a new

policy (other than a law or policy which has been announced before the date of this agreement).

- 10.2 **Materiality.** No event listed in clause 10.1(c) entitles the Lead Manager to exercise its termination rights unless, in the bona fide opinion of the Lead Manager, it:
- (a) has, or would reasonably be expected to have, a material adverse effect on:
 - (i) the willingness of persons to purchase the Sale Securities; or
 - (ii) the price at which ordinary shares in the Company are sold on the NZX; or
 - (b) would reasonably be expected to give rise to a liability of the Lead Manager under the NZ Securities Act or any other applicable law.
- 11. Miscellaneous**
- 11.1 **Entire agreement.** This Agreement 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 New Zealand. Each party submits to the non-exclusive jurisdiction of courts exercising jurisdiction in New Zealand, 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. For clarity, this Agreement may be varied by the parties to it without the approval of any Indemnified Person.
- 11.5 **No assignment.** No party may assign its rights or obligations under this Agreement without the prior written consent of the other parties.
- 11.6 **Notices.** Any notice, approval, consent, agreement, waiver or other communication in connection with this Agreement must be in writing.
- 11.7 **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; "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.
- 11.8 **Counterparts.** This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one agreement.

Yours sincerely,

SIGNED on behalf of
UBS New Zealand Limited

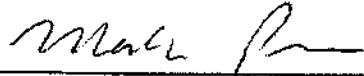
by its duly authorised signatories



Signature of Authorised Signatory

NICK ROSS

Print name



Signature of Authorised Signatory

MARK PEARCE

Print name

Date

Date

Accepted and agreed to as of the date of this Agreement:

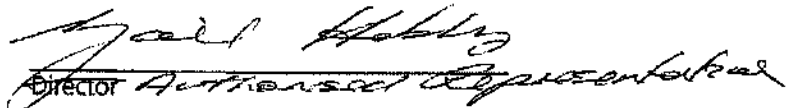
SIGNED on behalf of **Fairfax Digital)**
Holdings NZ Limited



Director

GREGORY HYWOOD

Print name



Director

CARL HAMBLIN

Print name

**Schedule 1
Timetable**

	Time (NZT)	Date
Books open	10.00am	17 December 2012
Final books close	5.00pm	17 December 2012
Trade Date (T)		18 December 2012
Settlement Date (T + 3)		21 December 2012
Second Settlement Date for Balance Securities (if any) (T+6)		28 December 2012

20-Dec-12	UBS Securities Australia Ltd	Buy	99	31	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	292	99	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	502	156	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	512	161	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	722	230	Ordinary
19-Dec-12	UBS AG, London Branch	Sell	1,669,913	(497,000)	Ordinary
19-Dec-12	UBS AG, London Branch	Stock borrowed	N/A	9,111	Ordinary
19-Dec-12	UBS AG, London Branch	Stock borrowed	N/A	17,976	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	853	252	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,085	265	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,168	337	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,605	364	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,605	410	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,605	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,605	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,605	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,605	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,605	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,605	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,610	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,610	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,610	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,610	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,610	500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,610	500	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	2,067	650	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	2,245	715	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	3,075	967	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	3,428	1,078	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	3,787	1,176	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	3,787	1,176	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	4,170	1,299	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	4,532	1,425	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	4,574	1,443	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	4,907	1,524	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	4,907	1,524	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	5,778	1,785	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	5,778	1,800	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	6,360	2,000	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	6,665	2,070	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	7,596	2,359	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	7,832	2,463	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	8,635	2,680	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	8,684	2,700	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	8,684	2,700	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	9,289	2,921	Ordinary
19-Dec-12	UBS Securities Australia Ltd	Buy	11,046	3,441	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	11,970	3,800	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	12,720	4,000	Ordinary
19-Dec-12	UBS Securities Australia Ltd	Buy	4,285	4,285	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	4,530	4,530	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	4,839	4,839	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	16,050	5,000	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	17,334	5,000	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	23,393	7,268	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	23,942	7,394	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	25,268	7,872	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	26,082	8,100	Ordinary
20-Dec-12	UBS AG, London Branch	Buy	2,777	879	Ordinary

20-Dec-12	UBS AG	Collateral received	N/A	159,681	Ordinary
20-Dec-12	UBS AG	Collateral received	N/A	72,219	Ordinary
20-Dec-12	UBS AG, London Branch	Stock returned	N/A	(1,509)	Ordinary
20-Dec-12	UBS AG, London Branch	Stock returned	N/A	(14,135)	Ordinary
20-Dec-12	UBS AG, London Branch	Stock returned	N/A	(32,740)	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	29,904	9,316	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	30,548	9,487	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	31,628	9,946	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	34,776	10,800	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	37,850	12,054	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	38,405	12,231	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	40,828	12,839	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	47,952	14,892	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	47,700	15,000	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	51,360	16,000	Ordinary
19-Dec-12	UBS Securities Australia Ltd	Buy	60,858	18,000	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	61,148	18,990	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	83,329	26,517	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	89,738	27,869	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	91,832	29,153	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	129,449	40,715	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	158,901	49,969	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	159,000	50,000	Ordinary
21-Dec-12	UBS Securities Australia Ltd	Buy	172,451	53,760	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	312,986	99,677	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	636,000	200,000	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	802,900	250,000	Ordinary
20-Dec-12	UBS Securities Australia Ltd	Buy	795,000	250,000	Ordinary
17-Dec-12	UBS Securities Australia Ltd	Buy	1,000,000	312,500	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,600,000	500,000	Ordinary
21-Dec-12	UBS AG, London Branch	Buy	1,610,000	500,000	Ordinary
21-Dec-12	UBS AG, London Branch	Buy	0.00	149,000	Ordinary
21-Dec-12	UBS AG	Collateral received	2,663	844	Ordinary
21-Dec-12	UBS AG	Collateral received	N/A	5,985,882	Ordinary
21-Dec-12	UBS AG	Collateral received	N/A	682,408	Ordinary
21-Dec-12	UBS AG	Collateral returned	N/A	(159,681)	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,610,000	500,000	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	1,605,000	500,000	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Buy	9,928,182	3,102,557	Ordinary
18-Dec-12	UBS Securities Australia Ltd	Sell	9,928,182	(3,102,557)	Ordinary
19-Dec-12	UBS Securities Australia Ltd	Buy	9,928,182	3,102,557	Ordinary
21-Dec-12	UBS New Zealand Ltd	See Block Trade Agreement Attached as Annexure A	N/A	(186,928,978)	Ordinary