

22 June 2015

Dear Berth Entitlement Unit holder

Financial Markets Conduct Act – Opt-in for Downtown Marinas Limited

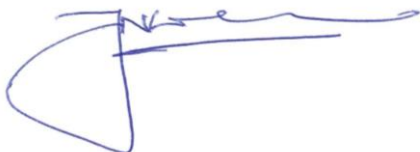
The new Financial Markets Conduct Act 2013 (FMCA) came into force on 1 December 2014, and will result in the repeal of the Securities Act on 1 December 2016. Under the new legislation, marinas can choose to "opt in" to the FMCA regime at any time up to 1 December 2016.

The directors of Waterfront Auckland (as manager of Downtown Marina Limited and the directors of Downtown Marinas Limited have resolved that they will opt in to the FMCA in respect of Downtown Marinas Limited with effect on and from 30 June 2015. This date has been selected as appropriate as it is the end of the current financial year. The requirements of the FMCA (if any) will apply after 30 June 2015.

Going forward, interests in marinas will be regulated under the FMCA if they are structured as "financial products", for example as shares or through a managed investment scheme. Downtown Marinas Limited berth entitlement units (BEUs) were "participatory securities" under the Securities Act, and the concept of participatory securities no longer exists under the FMCA. The berth entitlement units will therefore not be financial products for the purposes of the new legislation.

For Downtown Marinas Limited, this decision is not seen as impacting on the holders of BEUs. The decision does not in any way impact on the ongoing obligations under the Downtown trust deeds, which are substantially the same as the compliance obligations under the Securities Act regime that will end next year.

For Downtown Marinas Limited



General Manager Marinas