



8 April 2013

The Manager  
Company Announcements Office  
ASX Limited  
Level 4, Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**FDC small holdings sale facility**

Attached is a copy of documentation sent today to FDC small holding investors.

Yours faithfully

A handwritten signature in black ink, appearing to read 'E. Hourigan', is placed above the printed name of the signatory.

**Elizabeth Hourigan**  
Company Secretary



2 April 2013

**THIS LETTER CONTAINS IMPORTANT INFORMATION ABOUT YOUR FDC SECURITYHOLDING AND REQUIRES YOUR IMMEDIATE ATTENTION**

Dear Securityholder

**Small holdings sale facility**

Federation Centres (FDC) is implementing a sale facility for holders of FDC securities with an aggregate market value of less than \$500 ("small holding") as at 7.00pm on 2 April 2013 (the Record Date) and who have a registered address in Australia. The facility will be conducted in accordance with the constitutions of FDC<sup>1</sup> and ASX Listing Rule 15.13.

Based on a market price of \$2.43 per security, being the closing price of FDC securities on the Australian Securities Exchange (ASX) on the Record Date, a small holding is any holding of 205 securities or less. Your holding of FDC securities as at the Record Date, as detailed in the enclosed Stapled Securities Retention Form, was 205 securities or less with an aggregate market value of less than \$500, and so it has been included in the facility.

If you wish to sell your securities under the facility, you do not have to take any action and your securities will participate in the facility automatically. On the other hand, if you wish to retain your holding, please notify us by following the opt-out procedure described below. It is your choice as to whether to participate in the facility. Please be aware that you are not obliged to sell your securities under this facility; the choice is entirely up to you. You should read this letter and its attachment carefully before you make any decision.

**Rationale for the implementation of the small holding sale facility**

There are two reasons why FDC is implementing this facility:

- Investors with small holdings may find it difficult or expensive to dispose of their FDC securities through normal means. FDC is therefore offering securityholders with small holdings a convenient and cost effective opportunity to sell their FDC securities without incurring brokerage fees, as outlined below.
- FDC has a large percentage of securityholders holding small holdings, and the cost to FDC of maintaining those securityholder accounts can be disproportionately high. By providing this sale facility, FDC will reduce administration and registry costs such as the costs of producing and distributing holding statements, annual reports, notices of meeting and other communications.

**How the facility works**

**To retain your small holding:**

In accordance with the FDC constitutions,<sup>1</sup> the facility is an "opt-out" facility, which means that if you do not want to participate, you must take specific action to opt out. Holders of small holdings have six weeks (the opt-out period) in which to decide whether or not to participate in the facility.

If you wish to retain your small holding, you must do one of the following, to be completed by no later than 5.00 pm on Wednesday 22 May 2013:

- a. **Opt out:** Complete the enclosed Stapled Securities Retention Form and forward to the FDC registry so that it is received by no later than 5.00 pm on Wednesday 22 May 2013;

<sup>1</sup> Specifically, clause 6.5 of the constitution of Federation Limited, clause 19 of the constitution of Federation Centres Trust No. 1, section 6 of Schedule 5 of the constitution of Federation Centres Trust No.2, and section 8 of Schedule 4 of the constitution of Federation Centres Trust No. 3.

- b. **Increase your holding:** Acquire additional FDC securities in the same name and HIN or SRN as your small holding, so that your holding increases to a minimum of 206 securities. You must make your own arrangements to effect this; or
- c. **Consolidate your holdings:** If you have more than one holding of FDC securities in the same name but held under multiple HINs or SRNs, and together those holdings amount to a minimum of 206 FDC securities, you can contact our registry Link Market Services Limited to have those holdings consolidated. Contact details are set out on the enclosed Staped Securities Retention Form.

**To dispose of your small holding:**

If you do not take any action, you will be deemed to have elected to participate in the facility, and your small holding will be sold. Therefore, if you wish to dispose of your small holding through this facility, you do not need to do anything. Your securities will be sold and the proceeds from the sale will be paid to you using the payment method recorded for your holding.

If you do not take any of the steps outlined above and at the end of the opt-out period your holding remains at 205 securities or less, FDC will sell your holding (even if the value of your holding has increased in value above \$500 due to an increase in the market price),

FDC has appointed a broker to act as an execution-only broker in selling the FDC securities under the facility. The price that you will be paid for each FDC security sold through the facility will be the volume weighted average price received by the broker for the sale of all FDC securities sold through the facility. All participants who have their securities sold under the facility will receive the same sale price per security.

The broker may sell the shares under the facility in one or more trades and on one or more trading days as determined by the broker in its discretion. The market price of FDC securities is subject to change from time to time, and the proceeds remitted to a securityholder for the sale of their holding under the facility may be more or less than the actual price that is received by the broker for those shares.

Information on the market price of FDC securities is available from the ASX website ([www.asx.com.au](http://www.asx.com.au)) under the ASX code "FDC".

If your securities are held in a CHESS holding, FDC will move your securities from the CHESS holding to an issuer-sponsored holding for the purposes of this facility.

**Timetable:**

The timetable for the facility is as follows:

<b>Record Date:</b>	7.00pm on 2 April 2013
<b>Closing date (end of opt-out period)</b>	5.00 pm on Wednesday, 22 May 2013
<b>Selling of small holdings commences</b>	24 May 2013
<b>Last date for sale of small holdings</b>	29 May 2013
<b>Expected receipt of proceeds</b>	By 7 June 2013

Please note that the timetable may be amended by FDC at any time, with notice to the ASX, and the Directors reserve the right to terminate the facility at any time, with notice to the ASX.



**Other important information regarding the small holding sale facility:**

*What price will I be paid for my small holding?*

The price that you will be paid for each FDC security sold through the facility will be the volume weighted average price received by the broker for the sale of all FDC securities sold through the facility. All participants who have their securities sold under the facility will receive the same sale price per security.

*When will I receive the proceeds of sale of my small holding?*

The proceeds to which you are entitled are expected to be remitted to you on around 7 June 2013. The proceeds from the sale will be paid to you using the payment method recorded for your holding.

*Will I incur any brokerage or other costs on the sale of my small holding?*

You will not need to appoint a broker or pay brokerage or handling costs on the sale of your small holding.

*What are the tax implications of the sale?*

You should seek your own advice with regard to your legal, financial or taxation consequences of participating in the sale facility. Any tax consequences of the sale will be your responsibility.

*What happens if the market value of my holding increases?*

If your holding remains at 205 securities or less but increases in value to above \$500 as at 5.00pm (AEST) on 22 May 2013 (based on FDC's closing security price on that date), your holding will still be sold under the facility unless you have opted out by completing and returning the enclosed Stapled Securities Retention Form by 5.00pm (AEST) on 22 May 2013.

*What if I am not sure what I should do?*

FDC does not and cannot give any personal advice to securityholders about participating in this facility. If you are not sure or have any doubts about what you should do, you should contact your own advisers.

*What happens if I do nothing?*

If you do nothing, then you will be deemed to have elected to participate in the facility. Your small holding will be sold with all other participating parcels, and you will receive your share of the proceeds in accordance with the process and timetable set out in this letter.

If you have any further queries regarding this letter or the unmarketable sale process, please contact Link Market Services Limited. Contact details are set out on the enclosed Stapled Securities Retention Form.

Yours faithfully

**Elizabeth Hourigan  
Company Secretary**



SRN/HIN:

Number of Stapled Securities held as at  
 the Record Date, 7:00pm (AEST)  
 on 2 April 2013

## FEDERATION CENTRES – SMALL HOLDINGS SALE FACILITY – APRIL 2013

### IMPORTANT NOTICE

Please complete this form if you do not wish your Stapled Securities in Federation Centres to be sold. If you do not understand this notice you should immediately consult your financial adviser.

## STAPLED SECURITIES RETENTION FORM

If you wish to retain your Stapled Securityholding in Federation Centres you must complete this form and return it to Federation Centres Registry, so that it is received no later than 5:00pm (AEST), on 22 May 2013. Forms may be mailed or delivered to the addresses below.

### Mailing Address

Federation Centres  
 C/- Link Market Services Limited  
 Locked Bag A14  
 SYDNEY SOUTH NSW 1235

or

### Hand Delivery

Federation Centres  
 C/- Link Market Services Limited  
 1A Homebush Bay Drive  
 RHODES NSW 2138 *(Do not use this address for mailing purposes)*

### Closing Date:

This form must be received by Federation Centres Registry no later than 5:00pm (AEST), on 22 May 2013 (Closing Date), if you would like to RETAIN your Stapled Securities.

## Retention of Shares

I/We the Stapled Securityholder(s) described above, by signing this form, hereby give notice that I/we wish to retain my/our Stapled Securityholding in Federation Centres.

## Contact Details

Enter your telephone number(s) where we may contact you regarding this form.

Telephone Number – Business Hours

Telephone Number – After Hours

Contact Name (PRINT)

## Stapled Securityholder Signature(s) – This MUST be completed

Stapled Securityholder 1

Individual or Sole Director and  
 Sole Company Secretary

Stapled Securityholder 2

Director

Stapled Securityholder 3

Director/Company Secretary

Date

This form should be signed by the Stapled Securityholder. If a joint holding, all Stapled Securityholders should sign. If signed by the Stapled Securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website ([www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)).

**THIS FORM MUST BE RECEIVED BY LINK MARKET SERVICES LIMITED  
 BY NO LATER THAN 5:00PM (AEST) ON 22 MAY 2013**

If you require further information on how to complete this form, please contact the Federation Centres Information Line on 1300 887 890 (within Australia) or +61 2 8280 1060 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.

**FDC RSS001**

