



Property Group

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SCA PROPERTY GROUP (ASX: SCP) ASX ANNOUNCEMENT ANNOUNCEMENT OF CEO

16 May 2013

Mr Philip Clark AM, Chairman of SCP, today announced the appointment of Mr Anthony Mellowes as Chief Executive Officer. Mr Mellowes has been acting as interim CEO of SCP since the Group's Listing on 26 November 2012. Mr Mellowes was a key member of the Woolworths Limited team which created SCP.

Biographical Details

Mr Mellowes is an experienced property executive previously acting as Head of Asset Management and Group Property Operations for Woolworths Limited. Mr Mellowes had been employed by Woolworths Limited since 2002 and has held a number of senior property related roles within Woolworths Limited.

Prior to joining Woolworths Limited, Mr Mellowes was Asset Development Manager for Lend Lease Real Estate Investments and Development Finance Manager for Lend Lease Developments. Prior to Lend Lease, Mr Mellowes worked in portfolio management for Westfield Limited, and commenced his career at Ferrier Hodgson & Co.

Mr Mellowes holds a Bachelor of Financial Administration and has completed the Macquarie Graduate School of Management's Strategic Management Program.

Mr Mellowes' appointment follows upon an extensive search conducted by the Board's People Policy Committee and external consultants.

The Chairman of SCP, Mr Philip Clark commented as follows:

"In the course of its executive search, we considered a number of excellent candidates for the role. However, Anthony's deep understanding of this asset class and a rigorous approach to maximising value from retail assets made him the ideal candidate for the role."

Mr Mellowes commented as follows:

"I am delighted to have been appointed as CEO of SCP and look forward to improving unitholder value by enhancing the efficiency of our assets and systems. I believe SCP is very well positioned having regard to the non-discretionary spending nature of its assets and strong lease covenants."

Summary of the key terms of Employment

Start date: 1 July 2013

Term: Indefinite with no fixed or maximum terms - employment agreement continues until such time as the company or Mr Mellowes gives 9 months' notice of termination.

Remuneration package

Mr Mellowes will be provided with the following components of remuneration expressed on an annualised basis:

- | | |
|--|---|
| Total Fixed Remuneration (TFR) | <ul style="list-style-type: none">• Annual TFR of \$800,000 (gross).
The TFR package includes salary, superannuation, motor vehicle and other salary sacrifice employee benefits.
Mr Mellowes' TFR will be reviewed annually against appropriate market benchmarks but there is no contractual requirement or expectation that any adjustments will be made. Any adjustments will be effective from 1 October. |
| Short Term Incentive (STI) and deferral | <ul style="list-style-type: none">• Mr Mellowes will be entitled to an STI in an amount to be determined by the Board each year subject to the satisfaction of performance conditions (financial and non financial) as determined by the Board.• For each of the 2013 and 2014 financial years the maximum value of the STI opportunity is 50% of TFR (\$400,000) subject to the satisfaction of performance conditions. For financial year 2013, any STI payment will be assessed from the date of Mr Mellowes' appointment as Interim CEO.• In any year, it is anticipated that 50% of any STI award will consist of a cash payment by way of additional remuneration and 50% of any STI award will consist of deferred rights to Stapled Units under the SCA Property Group Incentive Plan. Such rights, once earned, will vest two years after the date of issue. |

- The STI component consisting of deferred rights to Stapled Units will be subject to approval of the holders of Stapled Units at the 2013 AGM. If approval of the holders of Stapled Units is not given, then the Board has a discretion to increase the cash component of the STI.
- Long Term Incentive (LTI)
- It is also intended to provide Mr Mellowes with an annual LTI award in the form of deferred rights to Stapled Units under the SCA Property Group Incentive Plan.
 - For the period commencing 1 July 2013 for the 2014 financial year the total value of the LTI will be equivalent to a maximum of 125% of TFR (\$1,000,000) and based upon a 5 day volume weighted average Stapled Unit price. The LTI Rights will be performance tested over a 3 year financial period against up to 3 performance hurdles determined by the Board for each LTI award.
 - It is intended that the rights to Stapled Units that meet the performance hurdles will then vest in two equal installments – one half immediately following testing and one half at the end of the next financial year (i.e. four years from the commencement of the performance period).
 - LTI performance hurdles will include relative shareholder return measures. Additional LTI performance hurdles criteria will include business performance criteria on an absolute basis.
 - The LTI award of deferred rights to Stapled Units will be subject to approval of the holders of Stapled Units at the 2013 AGM. If approval of the holders of Stapled Units is not given, then the Board has a discretion to approve a cash award in lieu of the award of rights to Stapled Units, applying similar performance hurdles and vesting conditions as would have applied to the LTI.
- Special “one off” award of Performance Rights
- It is intended to provide an additional maximum award of 275,000 Special Performance Rights to Mr Mellowes under the SCA Property Group Incentive Plan. This award will be provided in two tranches and subject to meeting performance criteria:
 - Tranche 1 – a maximum of 100,000 rights will vest if SCA achieves or exceeds specific pro-forma financial and operational projections contained in the PDS for fiscal year 2013. The rights qualifying from this performance test will vest on 1 July 2015.
 - Tranche 2 – a maximum of 175,000 rights will vest if SCA

achieves or exceeds specific pro-forma financial and operational projections contained in the PDS for fiscal year 2014. The rights qualifying from this performance test will vest on 1 July 2016.

The specific number of rights that vest for each tranche will be contingent on the Board's assessment of performance relative to the PDS. In the event the PDS criteria for each tranche are not fully met the number of rights vesting will be proportionally reduced. No vesting will occur if none of the PDS criteria are met.

- The purpose of this special award is as follows;
 - To acknowledge Mr Mellowes' contributions pre and post the successful listing of SCA in November 2012.
 - To provide an incentive aligned to achieving the pro-forma financial and operational projections contained in the PDS.
 - To acknowledge that no LTI award was made to Mr Mellowes at the time of listing nor will any LTI award be provided with a performance period that includes FY2013.
- The rights qualifying from this performance test will have the same terms and provisions as deferred rights to acquire Stapled Units as awarded under the STI and will vest on 1 July 2016.
- The award of Special Performance Rights will be subject to approval of the holders of Stapled Units at the 2013 AGM. If approval of the holders of Stapled Units is not given, then the Board has a discretion to approve a cash award in lieu of the award of Special Performance Rights, applying similar performance hurdles and vesting conditions as would have applied to the Special Performance Rights.

Stapled Unitholder Approval of the SCA Property Group Incentive Plan

Approval of the holders of Stapled Units will be sought at the 2013 AGM for the implementation of the SCA Property Group Incentive Plan and the issue of the following to Mr Mellowes under that Plan as outlined above:

- deferred rights to receive Stapled Units as part of the STI award;
- deferred rights to receive Stapled Units under the LTI award;
- deferred rights to receive Stapled Units consisting of Special Performance Rights.

An outline of the key rules of the SCA Property Group Incentive Plan and the

applicable performance measures will be notified to ASX as soon as they have been settled by the Board, they will also be sent to all holders of Stapled Units at the same time as the Notice of Meeting for the 2013 AGM, at which resolutions to approve the above will be proposed.

Other Provisions

- The Executive Employment Agreement contains provisions regarding confidential information, intellectual property and appropriate post employment restraints including competitive restrictions.
- “Clawback” of STI and LTI - The SCA Property Group Incentive Plan Rules will include provisions which allow for the Board at its sole discretion, to determine that all, or part, of any unvested STI and LTI awards may be forfeited in certain circumstances, including:
 - If there is a material misstatement or omission in the financial statement of the SCP; and
 - if specific actions or inactions by the CEO seriously damage SCP’s reputation or put the company at significant risk.

A copy of Mr Mellowes’ Executive Services Agreement is **attached**.

For further information please contact:

Linda Assatoury
Investor Relations
SCA Property Group
(02) 8243 4921

About SCA Property Group

SCA Property Group (SCP) is an internally managed real estate investment trust owning a portfolio of 69 quality sub-regional and neighbourhood shopping centres and freestanding retail assets located across Australia and New Zealand. The Group invests in shopping centres predominantly anchored by non-discretionary retailers, with long term leases to tenants such as Woolworths Group. The Group is a stapled entity comprising Shopping Centres Australasia Property Management Trust (ARSN 160 612 626) and Shopping Centres Australasia Property Retail Trust (ARSN 160 612 788).

Unitholders should contact SCA Property Group Information Line on 1300 318 976 (or 03 9415 4881 from outside Australia) with any queries.

DATED

2013

(1) ANTHONY MELLOWES

- and -

**(2) SHOPPING CENTRES AUSTRALASIA
PROPERTY OPERATIONS PTY LTD
(ACN 160 890 433)**

**EXECUTIVE SERVICE
AGREEMENT**

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THIS AGREEMENT is made on

2013

BETWEEN:

- (1) **SHOPPING CENTRES AUSTRALASIA PROPERTY OPERATIONS PTY LTD ACN 160 890 433** of 50 Pitt Street Sydney in the State of New South Wales (**Company**)
- (2) **ANTHONY MELLOWES** of 10 Avona Crescent Seaforth in the State of New South Wales (**Executive**)

BACKGROUND:

- A The Company has agreed to employ the Executive, and the Executive has agreed to serve the Company as Chief Executive Officer of Shopping Centres Australasia Property Group RE Limited (SCA), in accordance with the terms and conditions of this Agreement.

IT IS AGREED:

1. EMPLOYMENT

Term

- 1.1 The Executive's employment commences on the Commencement Date and will continue unless terminated by either party in accordance with this Agreement.
- 1.2 The terms set out in this Agreement will continue to govern the Executive's employment with the Company despite any changes from time to time to the Executive's position, duties and responsibilities, remuneration, working hours or employment location unless otherwise agreed in writing.

Position, Title and Specific Duties

- 1.3 The Executive is employed as Chief Executive Officer.
- 1.4 A duties statement outlining the Executive's primary duties and responsibilities is attached at Schedule 1 of this Agreement. The Executive may be required to perform other duties and responsibilities as required by the Company, which are not included in the Executive's duties statement.
- 1.5 The Executive is also required to accept and perform the role of:
 - 1.5.1 a director of any Group Entity; and
 - 1.5.2 a key person or responsible manager under the AFSL held by any Group Entitywithout further remuneration or directors fees.
- 1.6 While the Executive is employed by the Company, the Executive will be required to comply with SCA and the Group's policies and procedures, as amended from time to time. These policies and procedures do not form part of this Agreement nor do they constitute terms and conditions of the Executive's employment with the Company.

- 1.7 The Executive warrants that by accepting employment with the Company, the Executive will not be in breach of any express or implied terms of any contract or of any other obligation binding on the Executive.

2. GENERAL DUTIES

- 2.1 The Executive shall faithfully and diligently and with reasonable care perform the duties and responsibilities, and exercise the powers, which from time to time may be assigned to the Executive by the Company.
- 2.2 Unless the Executive is absent on leave, as provided in this Agreement, the Executive shall devote the whole of the Executive's time, ability and attention to the Executive's duties and responsibilities under this Agreement.
- 2.3 The Executive shall promote the interests of SCA and the Group. The Executive shall not knowingly do, or willingly permit to be done, anything to the prejudice or cause loss or injury to SCA or any Group Entity.
- 2.4 The obligations and duties owed by the Executive to the Company under the terms of this Agreement shall be owed by the Executive to any Group Entity, division or business within the Group for which the Executive performs service.
- 2.5 The Executive must not undertake any appointment or position (including directorship) or work or advise or provide services to, or be engaged, or associated with any business or activity that:
- 2.5.1 results in the business or activity competing with the Group;
 - 2.5.2 adversely affects the Group or its reputation; or
 - 2.5.3 hinders the Executive's performance of the Executive's duties.
- 2.6 The Executive must not, other than as set out in this Agreement or in the Company's "Gift and Gratuities Policy", accept any payment or other benefit from any person as an inducement or reward for any act or omission in connection with the business and affairs of the Group or the duties assigned to the Executive by the Company from time to time.
- 2.7 The Executive must at all times have and maintain the necessary training and competence for a person of the Executive's position within the Group in order to satisfy all requirements of the regulatory bodies which govern the Group's activities. It is agreed that if the Executive is required to undertake additional training and/or education in order to satisfy the requirements of the regulatory bodies that govern the business conducted by the Company or SCA, the Company will permit the Executive such study leave as is required to undertake such training and/or education and the Company will pay all expenses properly and necessarily incurred by the Executive in undertaking such training and/or education. Unless the Executive obtains the board of the Company's prior written approval, any expenses that are incurred for such training and/or education must not exceed \$5,000 per annum.
- 2.8 The Executive must at all times fully comply with the following, each as amended and varied from time to time:
- 2.8.1 all laws and legislation applicable to the Group's business activities;

- 2.8.2 the policies and regulatory guides published by ASIC and the ASX that apply to the Group;
 - 2.8.3 the Shopping Centres Australasia Property Group RE Limited's AFSL conditions and the requirements of the Corporations Act 2001 (Cth);
 - 2.8.4 the policies and regulatory publications published by the Australian Transaction reports and Analysis Centre and the requirements of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)
- 2.9 From time to time, the Executive may be required to undertake compulsory training and provide compliance information as requested by the Company.

3. REPORTING

- 3.1 The Executive shall report to the board of the Company, or such person as directed by the board of the Company from time to time.
- 3.2 The Executive shall promptly report to the board of the Company or such other person the board of the Company may from time to time determine, all information and explanations as may be required in connection with matters relating to the Executive's employment or the business or affairs of the Company or any Group Entity.

4. PLACE OF WORK AND TRAVEL

- 4.1 The Executive's primary place of work will be the offices of the Company in Sydney but the Executive may be required to work at other locations from time to time.
- 4.2 The Executive will undertake such travel both within and outside Australia as may be necessary for the proper performance of the Executive's duties. The Executive will not be entitled to additional remuneration for such travel, but travel expenses for approved travel will be paid for by the Company in accordance with the Company's travel policy.

5. HOURS OF WORK

- 5.1 Usual business hours are 9.00am to 5.00pm Monday to Friday. The Executive will be required to work 38 hours per week during these usual business hours. The Executive is also required to work such additional hours outside usual business hours as are necessary and reasonable to perform the Executive's duties. The Executive's remuneration recognises this and no additional payment will be made for overtime.

6. REMUNERATION PACKAGE

Remuneration

- 6.1 The Executive will receive a remuneration package totalling \$800,000 per annum (gross).
- 6.2 The Executive's remuneration package comprises:
- 6.2.1 salary;
 - 6.2.2 superannuation contributions in accordance with this Agreement;

- 6.2.3 such other non-cash benefits (including, motor vehicles) as are agreed between the Executive and the Company from time to time; and
- 6.2.4 the amount of any fringe benefits tax, GST and other taxes payable by the Company in consequence of the provision of such other non-cash benefits.
- 6.3 The Company reserves the right to change components of the Executive's remuneration package from time to time (including, without limitation, to take account of changes in relevant superannuation or tax legislation). Although such changes may increase or decrease the Executive's salary, the Executive's remuneration package will not change.
- 6.4 The Company will pay the Executive's base salary component of the remuneration package in equal monthly instalments by way of electronic funds transfer to a bank account nominated by the Executive.
- 6.5 The Executive's remuneration package includes an allowance for overtime, accordingly, no overtime payments or other additional payments will be payable to the Executive.
- 6.6 The Executive's remuneration package shall be reviewed each year. Whether or not the Executive's remuneration package is increased is in the absolute discretion of the Company. Any adjustments arising out of the review of the Executive's remuneration package will be effective from 1 October of the following financial year.
- 6.7 Subject to all laws, legislation, requirements of or regulatory guides published by ASIC or the ASX, and any AFSL conditions or requirements, each as amended or varied from time to time, the Company shall not reduce the Executive's remuneration package without the Executive's consent.
- 6.8 The Executive's salary is inclusive of all entitlements the Executive may have under an award, industrial instrument or at law.
- 6.9 As this Agreement undertakes to provide the Executive with a guarantee of annual earnings over the period of the Executive's employment, and the annual rate of the Executive guaranteed earnings exceeds the high income threshold under the Fair Work Act 2009 (Cth), no industrial award (including any modern award) will apply to the Executive during the Executive's employment with the Company.

Superannuation Contributions

- 6.10 As part of the Executive's remuneration package, the Company will contribute the minimum amount required to avoid any charge under the Superannuation Guarantee (Charge) Act 1992 (Cth), to a complying superannuation fund nominated by the Executive in writing. If the Executive does not nominate such a fund the Company will make contributions into the Employer's default complying superannuation fund.

7. INCENTIVE PLANS

- 7.1 In addition to the remuneration package, the Executive will be eligible to participate in a short term and long term incentive plan known as the SCA Property Group Incentive Plan.

8. EXPENSES

- 8.1 The Executive will be reimbursed the amount of all reasonable travelling and other expenses properly and necessarily incurred in the discharge of the Executive's duties in accordance with

the Company's policy as amended from time to time. The Executive must produce to the Company all supporting vouchers, tax invoices, receipts and documents in respect of such expenses.

9. LEAVE

Annual Leave

9.1 The Executive is entitled to four weeks' paid annual leave for each year of service with the Company in accordance with applicable legislation.

9.2 Annual leave will be taken at a mutually convenient time, as agreed between the Executive and the Company.

Personal/Carer's Leave

9.3 The Executive is entitled to accrue 10 days paid personal/carers' leave (including sick leave) for each completed year of service in accordance with applicable legislation.

9.4 Personal/carers' leave (including sick leave) will accrue from year to year in accordance with the requirements of applicable legislation but will not be paid out on termination of employment.

9.5 The Company requires the Executive to produce a medical certificate for any sick leave in excess of one day and a statutory declaration for any carers' leave taken.

Compassionate Leave

9.6 The Executive will be entitled to up to 2 days' compassionate leave without loss of pay in accordance with applicable legislation.

Long Service Leave

9.7 Long service leave is provided in accordance with applicable legislation.

10. CONFIDENTIAL INFORMATION

Maintenance of confidential information

10.1 The Executive must not disclose the Confidential Information and must use the Executive's best endeavours to prevent the disclosure of the Confidential Information to any person except if it falls within one of the following exceptions:

10.1.1 The disclosure qualifies for protection under Part 9.4AAA of the Corporations Act 2001 (Cth) or is required by law;

10.1.2 The prior written consent of the Company is obtained to the disclosure;

10.1.3 The disclosure is in the proper performance of the Executive's duties to the Company's agents, employees or advisers who enter into an undertaking of confidentiality reasonably required by the Company.

10.2 The Executive must not make a copy or other record of Confidential Information except in the proper performance of the Executive's duties.

Use of Confidential Information

- 10.3 The Executive must not use Confidential Information for a purpose other than for the benefit of the Company or a Group Entity.

Confidential Information in the Public Domain

- 10.4 If the Confidential Information is lawfully within the public domain, then to the extent that the Confidential Information is public the Executive's obligations under this clause 11 will cease.

Uncertainty

- 10.5 If the Executive is uncertain as to whether certain information is Confidential Information, the Executive will treat that information as Confidential Information unless he is advised in writing by the Company to the contrary.

Return or destruction of Confidential Information

- 10.6 The Executive will:
- 10.6.1 upon termination of the Executive's employment with the Company, or at any time at the request of the Company, immediately deliver to the Company all documents or other things in the Executive's possession, custody or control on which any Confidential Information is stored or recorded, whether in writing or in electronic or other form; or
 - 10.6.2 if requested by the Company, instead of delivering the Confidential Information to the Company, destroy the Confidential Information (in the case of data stored electronically or in other form, by erasing it from the media on which it is stored such that it cannot be recovered or in any way reconstructed or reconstituted) and certify in writing to the Company that the Confidential Information, including all copies, has been destroyed.

Continuing Obligations

- 10.7 The Executive agrees that the Executive's obligations under this clause 10 will survive the termination of the employment and will be enforceable at any time at law or in equity and will continue to the benefit of and be enforceable by the Company.

11. INTELLECTUAL PROPERTY AND MORAL RIGHTS

- 11.1 The Executive acknowledges that the Company is the absolute owner of all Intellectual Property Rights in the Works and the Inventions.
- 11.2 The Executive must disclose to the Company all Works and the Inventions whether capable of attracting Intellectual Property Rights or not.
- 11.3 The Executive agrees to do all such things as may be requested by the Company to confirm or protect the Company's title in the Intellectual Property Rights in the Works and the Inventions, including by:

- 11.3.1 assigning to the Company all the Executive's existing and future Intellectual Property Rights in the Works and the Inventions (whether during or after the termination of the employment) at the Company's expense;
 - 11.3.2 applying, executing any instrument and undertaking to do all things reasonably requested by the Company to vest the registration of title or other similar protection to the Company; and
 - 11.3.3 ensuring all Intellectual Property Rights in the Works and the Inventions become the absolute property of the Company.
- 11.4 The Executive irrevocably consents to all or any acts or omissions by the Company, which may infringe the Executive's Moral Rights in any of the Works and Inventions and agrees to take no action or proceedings against the Company for such breach.

Continuing Obligations

- 11.5 The Executive agrees that the Executive's obligations under this clause 11 will survive the termination of the employment and will be enforceable at any time at law or in equity and will continue to the benefit of and be enforceable by the Company.

12. TERMINATION

Termination on notice

- 12.1 The Executive's employment may be terminated by either party by giving nine (9) months' written notice to the other party, or in the case of the Company, by paying to the Executive nine (9) months' remuneration package in lieu of notice for all or part of the notice period.
- 12.2 Alternatively, the Company may direct the Executive not to report for work, or provide the Executive with alternative duties, during part or all of the notice period.

Termination without notice

- 12.3 Notwithstanding any of the other provisions of this Agreement, the Company may terminate the employment without notice if any of the following occurs:
- 12.3.1 the Executive commits any act of dishonesty or other serious misconduct; or
 - 12.3.2 the Executive wilfully, persistently or materially fails to perform or observe any reasonable direction or instruction by the board of SCA or the board of the Company or in any other respect fails to perform or observe any material terms or provisions of this Agreement and such default or failure is not remedied, if it is capable of being remedied, within 14 days after notice in writing from the board of SCA or the board of the Company specifying the failure or breach and the necessary action to rectify or remedy it; or
 - 12.3.3 the Executive is charged with a criminal offence which is likely to affect adversely the Company's or any Group Entity's reputation (whether or not the Executive is convicted of such an offence); or
 - 12.3.4 the Executive acts in a manner (whether in the course of the Executive's duties or otherwise) which does or, in the reasonable opinion of the Company, is likely to bring him or the Company or any Group Entity into serious disrepute; or

- 12.3.5 the Executive commits any act of bankruptcy or compounds with creditors; or
- 12.3.6 the Executive is precluded from taking part in the management of a corporation, or is disqualified from holding office as a director of a corporation by virtue of any legislation or Court order; or
- 12.3.7 The Executive breaches the Executive's fiduciary duties or other duties as a director or the Executive is charged with an offence relating to insider trading, (whether or not the Executive is convicted of such an offence); or
- 12.3.8 the Executive fails to comply with the rules of any appropriate regulatory authority or self-regulating organisation (if appropriate to the Executive's position and job duties), or is subject to proceedings or disciplinary action brought by any such authority or organisation; or
- 12.3.9 the Executive ceases to qualify as or there is a material failure to comply with the requirements of a key person or responsible manager (as applicable) under the Company's Australian Financial Services Licence or there is a material failure to comply with any requirements of ASIC in relation to the Executive's positions as such a key person or responsible manager.

Change of Control or Good Reason

- 12.4 In the event that a Change in Control of the Company or SCA or for Good Reason, the Executive may, within 2 months of the occurrence of such Change in Control or Good Reason, give written notice to the Company of his intention to treat the Change in Control or Good Reason as the giving of notice to terminate the Agreement by the Company in accordance with clause 12.1. Upon the Executive giving such written notice to the Company, such notice by the Executive shall be deemed to be a notice of termination by the Company in accordance with clause 12.1 and the Executive shall (subject to and only to the extent that the payment of such compensation and benefits is permitted under the ASX Listing Rules) be entitled to receive such compensation and benefits as prescribed by clause 12.1 consequent upon the termination of the Executive's employment by the Company in accordance with clause 12.1. For the avoidance of doubt, should the Executive exercise the Executive's rights under this clause, the Company must make a payment in lieu of notice in accordance with 12.1 and the Company is not entitled to exercise its rights under clause 12.2 of this Agreement.

Obligations on termination

- 12.5 On termination of this Agreement, the Executive must return to the Company all property which belongs to the Company or any Group Entity including, but not limited to, all books, software, computers, documents, papers, materials, credit cards, cars, petrol cards, mobile telephones and keys held by the Executive or under the Executive's control.

Set-off

- 12.6 Subject to applicable law, the Company may withhold and retain any amounts which might otherwise be owed to the Executive to offset any amounts of debt owed by the Executive to the Company or any money advanced to the Executive.

Resignation from Office

- 12.7 If, on termination of this Agreement, the Executive is a director or holds some other office with, or other appointment of, the Company or of any Group Entity, the Executive must resign as officer of the Company.
- 12.8 The Executive irrevocably appoints the Company Secretary, or any other employee of the Company nominated by Company Secretary, as attorney to sign the Executive's resignation on behalf of the Executive if the Executive refuses or fails to resign from any directorships or other appointments within the Group on termination of this Agreement for any reason.

No compensation

- 12.9 If this Agreement is terminated by the Company under this clause 12, the Executive acknowledges and agrees that he has no further claim against the Group for compensation for loss of office in respect of the termination.

13. NON COMPETITION

Non-competition during the employment

- 13.1 The Executive undertakes, during the Executive's employment with the Company, not to, participate in, promote, carry on or otherwise be either directly or indirectly concerned with or involved in financially or otherwise, any business (or part of a business) which is in competition with a business (or part of a business) of the Company or any Group Entity, or engage in any conduct described in clauses 13.3.2 or 13.3.3.

Non-competition after the employment

- 13.2 In circumstances where:
- 13.2.1 The Executive's employment is terminated by the Company or by the Executive and the Executive performs duties throughout the period of notice or a part of the period of the notice, or the Executive's employment is terminated pursuant to clause 12.3, clauses 13.3 and 13.4 will apply, subject to clause 13.5.
- 13.2.2 The Executive's employment is terminated by the Company or by the Executive, and the Company pays to the Executive nine (9) months' remuneration package in lieu of notice, clauses 13.3, 13.4 and 13.6 will apply.
- 13.2.3 The Executive's employment is terminated by the Company or by the Executive, and the Company directs the Executive not to report for work during part or all of the notice period, clauses 13.3 and 13.4 will apply, subject to clause 13.7.
- 13.3 Save that nothing in this clause 13 restricts the Executive from holding (either directly or indirectly) in aggregate not more than 5% of the issued ordinary shares in the capital of any body corporate listed on a recognised stock exchange, the Executive will not, without the prior written consent of the Company for the Restraint Period, anywhere in Australia, on the Executive's own account or for or on behalf of any person or entity;
- 13.3.1 participate in, promote, carry on, assist or otherwise be directly or indirectly concerned with or involved in, financially or otherwise (whether as a member, shareholder, unit-holder, director, consultant, advisor, contractor, principal, agent,

manager, employee, beneficiary, partner, associate, trustee, financier or in any other capacity), any Prohibited Business;

- 13.3.2 solicit or endeavour to solicit or approach any employee, contractor or agent of the Company or a Group Entity known personally to the Executive or who is likely to be in possession of any trade secret or Confidential Information of the Company or a Group Entity, with the purpose of enticing that person away from the Company or Group Entity and procuring the employment or engagement of that person by any Prohibited Business;
- 13.3.3 solicit, canvass, approach or accept any approach from any person or entity who was during the Relevant Period a client, customer, supplier, distributor or licensee of or to the Company or a Group Entity, or who was in the habit of dealing with the Company, with a view to establishing a relationship with or obtaining the custom of that person or entity with a Prohibited Business; or
- 13.3.4 interfere or seek to interfere, directly or indirectly, with the relationship between the Company or a Group Entity and its clients, customers, suppliers, distributors, licensees, officers, employees, contractors or agents in the conduct of its business.

Acknowledgements

- 13.4 The Executive acknowledges that:

- 13.4.1 the prohibitions and restrictions contained in this clause 13 are reasonable having regard to the interests of the Company and the Group Entities and the nature of the Executive's duties with the Company; and
- 13.4.2 if the Executive breaches the Executive's obligations under this clause 13 then, in addition and without prejudice to any other remedy which the Company may have, the Company is entitled to seek and obtain interlocutory and permanent injunctive relief in any court of competent jurisdiction.

Payment to Executive

- 13.5 Clause 13.3 and 13.4 applies to the Executive, subject to:

- 13.5.1 and only to the extent that the payment of such compensation and benefits is permitted under the ASX Listing Rules;
- 13.5.2 the Company and/or SCA first obtaining member and/or Unitholder approval under section 200E of the Corporations Act (Cth) and the ASX Listing Rules (if required) for a payment under this clause;
- 13.5.3 the Company notifying the Executive in writing within 3 calendar months of the giving of notice of termination of employment, or when the termination ends, whichever is the earlier, or immediately where the Executive's employment is terminated pursuant to clause 12.3 that:
 - 13.5.3.1 clause 13.3 applies to the Executive;
 - 13.5.3.2 the Company shall pay to the Executive a Restraint Payment; and
 - 13.5.3.3 the duration of the Restraint Period; and

- 13.5.4 The Company pays the Executive the Restraint Payment divided by the Restraint Period, monthly in arrears.
- 13.6 The Restraint Period may, at the Company's election, be extended for a period of up to a maximum restraint period of twelve (12) months, subject to:
 - 13.6.1 and only to the extent that the payment of such compensation and benefits is permitted under the ASX Listing Rules;
 - 13.6.2 the Company and/or SCA first obtaining member and/or Unitholder approval under section 200E of the Corporations Act (Cth) and the ASX Listing Rules (if required) for a payment under this clause;
 - 13.6.3 the Company notifying the Executive in writing immediately upon the notice of termination taking effect that:
 - 13.6.3.1 clause 13.3 applies to the Executive;
 - 13.6.3.2 the Company shall pay to the Executive an Extended Restraint Payment; and
 - 13.6.3.3 the duration of the Extended Restraint Period; and
 - 13.6.4 The Company pays the Executive the Extended Restraint Payment divided by the Extended Restraint Period, monthly in arrears.
- 13.7 Clause 13.3 and 13.4 applies to the Executive, subject to:
 - 13.7.1 and only to the extent that the payment of such compensation and benefits is permitted under the ASX Listing Rules;
 - 13.7.2 the Company and/or SCA first obtaining member and/or Unitholder approval under section 200E of the Corporations Act (Cth) and the ASX Listing Rules (if required) for a payment under this clause;
 - 13.7.3 the Company notifying the Executive in writing within 3 calendar months of the giving of notice of termination of employment that:
 - 13.7.3.1 clause 13.3 applies to the Executive;
 - 13.7.3.2 the Company shall pay to the Executive an Additional Restraint Payment; and
 - 13.7.3.3 the duration of the Restraint Period; and
 - 13.7.4 The Company pays the Executive the Additional Restraint Payment divided by the Restraint Period, monthly in arrears

14. PRIVACY AND SURVEILLANCE

Privacy

- 14.1 The Executive consents to the Company collecting, using, disclosing to third parties and transferring overseas to other Group Entities the Executive's Personal Information and the

Executive's Sensitive Information for the purpose of the Executive's employment and for purposes related to that purpose.

Surveillance

- 14.2 From the Commencement Date, on an on-going basis, the Executive's computer use, including the Executive's internet and email use will be subject to continuous monitoring through the use of software, in accordance with Company policy.
- 14.3 From the Commencement Date, on an on-going basis, the Executive may be subject to camera surveillance through visible cameras while the Executive is on the Company's premises.

15. CORPORATIONS ACT

- 15.1 Notwithstanding any provision of this Agreement, the Company is not required to pay or provide, or procure the payment or provision, of any monies or benefits to the Executive which do not comply with the provisions of Part 2D.2, Division 2 of the Corporations Act 2001 (Cth) without the need for the Company or the Group to obtain shareholder approval. Any such payments or benefits to be provided to the Executive must be reduced to ensure compliance with this clause and Part 2D.2, Division 2 of the Corporations Act 2001 (Cth). In the event of overpayment to the Executive, the Executive must, on receiving written notice from the Company Secretary of the Company (or his or her nominee) immediately repay any monies or benefits specified in such notice.

16. ACKNOWLEDGEMENT

- 16.1 The Executive acknowledges that the Company has given the Executive the opportunity to seek independent advice of the Executive's own choosing prior to executing this Agreement, that the Executive has done so and that the Executive understands the terms of this agreement and accepts them as fair and reasonable.

17. GOVERNING LAW

- 17.1 The interpretation and enforcement of this Agreement shall be subject to the laws of New South Wales. The parties submit to the non-exclusive jurisdiction of New South Wales courts and courts of appeal from them. The parties will not object to the exercise of jurisdiction by those courts on any basis.

18. NOTICES

- 18.1 Any notices given under this Agreement shall be deemed to have been properly given if delivered personally or sent by post, postage prepaid, or facsimile transmission in the case of the Company to its registered office for the time being and in the case of the Executive to the Executive's last known address.
- 18.2 Such notices shall be deemed to have been given:
 - 18.2.1 if by delivery, when delivered;
 - 18.2.2 if by facsimile transmission, when despatched; and
 - 18.2.3 if by post, postage prepaid, on the day on which in the ordinary course of post it would be delivered.

19. ENTIRE AGREEMENT AND IMPLIED TERM

19.1 This Agreement (including its schedules and annexures, if applicable):

19.1.1 constitutes the entire agreement between the parties as to its subject matter and supersedes all prior representations and agreements; and

19.1.2 may only be altered in writing executed by the parties.

19.2 Notwithstanding the duties and obligations the Executive owes the Company under this Agreement and otherwise, the parties agree to exclude from this Agreement and the employment any implied duty of mutual trust and confidence the Company may owe the Executive.

20. PERFORM ACTIONS

20.1 Each Party will use its best efforts to take all actions and to do all things necessary, proper, or advisable to consummate, make effective, and comply with all of the terms of this Agreement.

21. SEVERANCE

21.1 Any provision of this Agreement which is or becomes illegal, void or unenforceable in any jurisdiction:

21.1.1 is severable;

21.1.2 will be ineffective and severable in that jurisdiction to the extent of the illegality, voidness or unenforceability;

21.1.3 will not invalidate the remaining provisions of this Agreement; and

21.1.4 will not affect the validity or enforceability of that provision in any other jurisdiction.

22. HOLDS THE BENEFIT OF THIS DOCUMENT ON TRUST

22.1 Insofar as this Agreement relates to an associated entity (as defined in s 50AAA of the Corporations Act 2001) of the Company, the Executive agrees that the Company holds the benefits of this Agreement insofar as they relate to an associated entity, on trust for the associated entity and that the Company may enforce this Agreement on behalf of an associated entity. Further, any associated entity may enforce this Agreement in respect of those provisions of this Agreement insofar as it relates to any of them.

22.2 Insofar as this Agreement relates to and imposes obligations and duties on any of the Company's associated entity (as defined in s 50AAA of the Corporations Act 2001), the Company warrants that it has the authority to bind the associate entity and that the Company executes this Agreement in its capacity as agent for such associate entity. Furthermore, the Executive may enforce this Agreement against any such associated entity as if that associate entity was a party to this Agreement.

23. DEFINITIONS AND INTERPRETATION

Definitions

23.1 In this Agreement the following definitions apply:

Additional Restraint Payment means one twelfth (1/12) of the amount which was received by the Executive under clauses 6 and 7 in the twelve months (12) immediately preceding the date of termination, multiplied by the relevant Restraint Period as determined by the circumstances of the termination in accordance with clause 13.2.3.

Agreement means this document.

ASIC means Australian Securities and Investments Commission.

ASX means Australian Securities Exchange.

AFSL means Australian Financial Services Licence.

Change in Control of the Company shall mean any of the following:

- i. a sale of all or substantially all of the assets of the Company or SCA;
- ii. the date there shall have been a change in a majority of the board of directors of the Company or SCA during a consecutive twelve-month period, unless the nomination for election by the Company's or SCA's shareholders of each new director was approved by the vote of two-thirds of the directors then still in office who were in office at the beginning of the twelve-month period;
- iii. the date that any person or entity, entities or group of persons (other than the Executive) both (A) is or becomes the beneficial owner, directly or indirectly, of the Stapled Units representing more than thirty per cent (30%) or more of the combined voting power attaching to the Stapled Units, and (B) has voting control of the Group through the holding of Stapled Units;
- iv. consummation of a merger or consolidation of the Group with any corporation or other entity, other than a merger or consolidation which would result in the Stapled Units outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than fifty per cent (50%) of the combined voting power of the voting securities of the Group or such surviving entity outstanding immediately after such merger or consolidation;
- v. a change in ownership of the Group through a transaction or series of transactions, such that any person or entity is or becomes the beneficial owner, directly or indirectly, of Stapled Units representing fifty per cent (50%) or more of the combined voting power of the then outstanding Stapled Units; provided that, for such purposes, any acquisition by the Group, in exchange for Stapled Units, shall be disregarded; or
- vi. the board (or the stockholders if stockholder approval is required by applicable law or under the terms of any relevant agreement) shall approve a plan of complete liquidation of the Group.
- vii. Provided, however, that a Change of Control shall expressly not include:

- a. any consolidation or merger effected exclusively to change the domicile of the Group, or any Group Entity; or
- b. any transaction or series of transactions principally for bona fide equity financing purposes of the Group.

Commencement Date means 1 July 2013.

Confidential Information means any information, however communicated or recorded, relating to the Company's business or affairs or the business or affairs of a Group Entity and includes, but is not limited to, any information of a commercial, operational, technical or financial type and specifically all information relating to any apparatus, process, training program, teaching method, formula or product, corporate opportunities, research, financial and sales data, pricing and trading terms, evaluations, opinions, interpretations, incentive payment bases, human resources and remuneration strategies and plans, acquisition prospects, the identity of customers or their requirements, the identity of key client contacts, clients lists, sales and marketing and merchandising techniques, products (including source code), prospective names and marks and any trade secret.

Control has the meaning given to it by the Corporations Act 2001 (Cth).

Extended Restraint Payment means one twelfth (1/12) of the amount which was received by the Executive under clauses 6 and 7 in the twelve months (12) immediately preceding the date of termination, multiplied by the Extended Restraint Period.

Extended Restraint Period means a period as determined by the board of the Company, in its absolute discretion, not exceeding three (3) months as determined by the circumstances of the termination in accordance with clause 13.2.2.

Good Reason means the occurrence of any of the following events without the Executive's written consent:

- i. a material diminution of or a fundamental change in; the Executive's role, title, authority, status, duties or responsibilities under this Agreement;
- ii. any proposal by the Company to reduce the Executive's remuneration package contrary to clause 6.7;
- iii. a serious and material breach by the Company or SCA of this Agreement; or
- iv. the Company or SCA require the Executive to change the Executive's usual place of work to a location more than fifty kilometres out of Sydney CBD.

Group means the Company and each of its Related Bodies Corporate and any corporation, partnership, trust or other body or entity whether established under the law of any part of Australia or elsewhere, which is more than 50% owned or controlled by the Company any of its Related Bodies Corporate, and **Group Entity** means any one of them.

Intellectual Property Rights means all intellectual proprietary rights whether registered or unregistered and whether existing under statute, at common law or in equity throughout the world including, without limitation:

- (a) all trademarks, trade names, logos, symbols, brand names or similar rights, registered or unregistered designs, patents, copyright in or to the circuit layout rights, trade secrets, Inventions and the right to have confidential information kept confidential; and

(b) any application or right to apply for any of the rights referred to in paragraph (a) above.

Inventions means any invention, discovery, idea, development, process, plan, design, formula, specification, program including computer software and any other matter or work whatsoever including any and all improvements or modifications made to any Work or other matter or work which the Executive may conceive, create or develop (whether alone or not and whether before or after this Agreement is signed), regardless of whether or not conceived, created or generated at the direction of the Company, within the scope of the Executive's employment or was created during or outside of work hours.

Moral Rights means the right of attribution of authorship, the right not to have authorship falsely attributed and the right of integrity of authorship, as defined in the Copyright Act 1968 (Cth). **Personal Information** has the same meaning as is given to that expression in the Privacy Act 1988 (Cth).

Prohibited Business means a business (or part of a business) that competes with a business (or part of a business) of the Company or any Group Entity for which during the Relevant Period the Executive has performed duties or had responsibilities in the Executive's employment with the Company or in relation to which during the Relevant Period he has acquired Confidential Information.

Related Bodies Corporate has the meaning given to it by the Corporations Act 2001 (Cth).

Relevant Period means the period commencing 12 months prior to the date of termination of the Executive's employment with the Company.

Restraint Payment means one twelfth (1/12) of the amount which was received by the Executive under clauses 6 and 7 in the twelve months (12) immediately preceding the date of termination, multiplied by the relevant Restraint Period, as determined by the circumstances of the termination in accordance with clause 13.2.1.

Restraint Period:

- i. for the purposes of clause 13.2.1 means, where the Company does not exercise its rights under clause 12.2, the number of months as determined by the board of the Company, in its absolute discretion, not exceeding twelve (12) months after the date of termination of the Executive's employment.
- ii. for the purposes of clause 13.2.2 means, subject to clause 13.6, nine (9) months.
- iii. For the purposes of clause 13.2.3 means, twelve (12) months or such lesser period as determined by the board of the Company, in its absolute discretion, less the period of time the Company directs the Executive not to report for work. .

Stapled Units means the issued units in the Trusts quoted on ASX as stapled units.

Sensitive Information has the same meaning as is given to that expression in the Privacy Act 1988 (Cth).

Trusts means SCA Property Management Trust (ASRN 160 612 626) and SCA Property Retail Trust (ASRN 160 612 788).

Unitholder means a holder of Stapled Units.

Works means any work, manual, process, article, presentations, figures, notes, diagrams and any other materials whatsoever (and in each case whether electronic or in any other material form), which the Executive may conceive, create or develop (whether alone or not and whether before or after this Agreement is signed), regardless of whether or not conceived, created or generated at the direction of the Company within the scope of the Executive's employment or was created during or outside of work hours.

Interpretation

23.2 In this Agreement, unless the context otherwise requires:

- 23.2.1 A reference to termination of this Agreement includes a reference to termination of the Executive's contract of employment;
- 23.2.2 Headings are for convenience only and do not affect the interpretation of this Agreement;
- 23.2.3 Words importing the singular include the plural and vice versa;
- 23.2.4 Words importing a gender include any gender;
- 23.2.5 Cognate or derivative parts of speech and grammatical forms of a word or phrase which are defined in this Agreement have a corresponding meaning;
- 23.2.6 An expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- 23.2.7 A reference to a party to a document includes that party's successors and permitted assigns;
- 23.2.8 A reference to a statute, regulation, proclamation, ordinance or by-laws varying, consolidating or replacing it includes all regulations, proclamations, ordinances and by-laws issued under that statute; and
- 23.2.9 A reference to a document or agreement includes all amendments or supplements to, or replacements or notations of, that document or agreement.

Execution and date

Executed as an agreement

Date:

Executed by Shopping Centres Australasia
Property Operations ACN 160 890 433 without a
common seal acting by :

.....
Signature of witness

.....
Signature of authorised person

.....
Name of witness (print)

.....
Name of authorised person (print)

Signed, sealed and delivered by Anthony
Mellowes in the presence of:

.....
Signature of witness

.....
Signature of Anthony Mellowes

.....
Name of witness (print)

SCHEDULE 1 - DUTIES STATEMENT

The Executive has overall responsibility for the performance of the Group. As such, the Executive is required to work with the chairman, the board of the Company and senior management to set group strategy, drive financial performance and ensure that the Group has adequate capital and resources to meet business requirements.

The Executive will be accountable for the strategic direction of the Company and will take a principal role in facing the market and investors and articulating the Group's strategy and direction, establishing and building credibility for the Group and confidence in investors through a track record of consistently improving returns and successfully meeting the expectations of the IPO and related documentation.

The Executive is responsible for organisation structure, and must demonstrate strong commitment to succession planning and development of senior management and hence business overall.