



RYNDA PROPERTY INVESTORS LLP

DISCLOSURE OF COMMITMENT TO THE FINANCIAL REPORTING COUNCIL'S STEWARDSHIP CODE

BACKGROUND TO THE UK STEWARDSHIP CODE (the 'Code')

The UK Stewardship Code (the 'Code') was published by the Financial Reporting Council (FRC) in July 2010. It aims to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities. The intention is to achieve this by setting out good practice on engagement with investee companies to which the FRC believes institutional investors should aspire. The Code is made up of 7 Principles covering Stewardship, Conflicts of Interest, Monitoring, Intervention, Acting Collectively, Voting and Reporting.

APPLICATION OF THE CODE IN RELATION TO RYNDA PROPERTY INVESTORS LLP

The FRC sees the UK Stewardship Code as complementary to the UK Corporate Governance Code for listed companies and, like the UK Corporate Governance Code, it should be applied proportionately and on a "comply or explain" basis. The Code is addressed in the first instance to firms who manage assets on behalf of institutional shareholders such as pension funds, insurance companies, investment trusts and other collective investment vehicles. The FRC expects those firms to disclose on their websites how they have applied the Code. In addition, under Financial Services Authority (FSA) Conduct of Business (COBS) rules any firm which manages investments for a professional client that is not a natural person must disclose clearly on its website the nature of its commitment to the FRC Stewardship Code, or where it does not commit to the Code, its alternative investment strategy.

Rynda Property Investors LLP ('Rynda') does not currently commit to the Code. The firm's alternative investment strategy is outlined below:

- Rynda is an independent Investment Manager of Real Estate funds with a focus on property assets. The firm is currently engaged to manage funds which are targeted at a specific real estate sector and /or location. Current funds under management are Rynda en Primeur S.A and H20 LuxCo Sàrl.
- Rynda's income is derived from annual Investment Management fees, transaction fees and a share of the return once investors achieve a priority return.

- The funds do not invest in the equity of UK listed or unlisted companies and the investment mandates Rynda has with its professional clients do not require us to interact with the management of any such company. On this basis Rynda does not have:
 - powers of intervention or escalation against the management of such a company;
 - voting rights to influence the management of such a company; or
 - have the ability to act collectively with other investors.

- Specifically Rynda:-
 - Researches and selects an attractive and coherent Investment Strategy;
 - Structures a fund to provide tax efficiency and practicality for investors
 - Selects suitably qualified and cost effective professional advisers
 - Raises capital having fully explained the investment objectives and risks of the product to potential investors.
 - Undertakes property and asset management and provides strategic guidance and analytical support at the individual asset level
 - Arranges the debt financing and is responsible for fiduciary management
 - Ensures compliance to the fund objectives throughout the Investment Period and at liquidation
 - Reports to investors in a clear, concise and timely manner
 - Monitors opportunities within the corporate and capital markets to exploit opportunities for existing and future funds
 - Co-invests with the investors

Although Rynda does not formally commit to all 7 Principles of the Code certain aspects of the Code are crucial to Rynda's business activity.

Stewardship

Rynda and its senior management co-invest with its clients in each of its funds providing true alignment of interests.

Managing Conflicts of Interest

The firm has a formal Conflicts Policy which is available from our Compliance Officer upon request.

Monitoring of assets

The monitoring of property assets within the funds is a key part to the day to day activities of Rynda. Each asset will undergo a formal selection and analysis process conducted by one of our team to ensure it meets the objectives and investment criteria for the fund. Once acquired by the fund the returns and growth will be monitored on an ongoing basis.

Reporting

The information on performance statistics is published quarterly via the Investment Manager reports.

Contact Details:

If you have any questions regarding our approach to the Stewardship Code please contact our Compliance Officer at:

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