



RELEASE TO AUSTRALIAN SECURITIES EXCHANGE (“ASX”)

THURSDAY, 25 JUNE 2015

FUNDING PARTICIPATION AGREEMENT FOR CLAIMS IN EUROPE AGAINST RBS AND STANDARD & POOR’S

1. On 26 March 2014, the Board of Directors of IMF Bentham Limited (“IMF”) advised the market of co-funding arrangements IMF had entered into in respect of cases in, or originating in, the Asia Pacific region with an initial budget of AUD\$8.5 million or more.
2. Pursuant to those arrangements, IMF has agreed to enter into a funding participation agreement with its joint venture partner to share equally the costs (including any adverse costs) of, and any return from, claims by European investors currently being funded by IMF in respect of Constant Proportion Debt Obligations which were arranged by ABN Amro Bank N.V. (now called The Royal Bank of Scotland N.V.) (“RBS”) and rated by McGraw-Hill International (UK) Limited (“S&P”). In addition, IMF will receive a fee for case management services provided in relation to the claims.
3. The claims against RBS and S&P are currently the subject of legal proceedings in the courts of the Netherlands and the United Kingdom.
4. Under the funding participation agreement, IMF receives an up-front reimbursement of AUD\$2.46m, being half of its investment in the claims as at 21 May 2015. The value of the claims in IMF’s next quarterly portfolio will be decreased having regard to the co-participant’s rights and obligations under the funding participation agreement.

A handwritten signature in black ink, appearing to read 'Diane Jones', enclosed within a hand-drawn oval.

Diane Jones
Chief Operating Officer

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