



**Second Supplement to the
Fourth Report to Court of
KSV Restructuring Inc. as Receiver of
Chancery (Oshawa) The Bartlett Limited
Partnership and Chancery (Oshawa) the
Bartlett GP Inc.**

April 14, 2026

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COURT FILE NO.: CV-23-00700694-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

FIERA FP REAL ESTATE FINANCING FUND, L.P.

Applicant

- and -

CHANCERY (OSHAWA) THE BARTLETT LIMITED PARTNERSHIP and CHANCERY
(OSHAWA) THE BARTLETT GP INC.

Respondents

SECOND SUPPLEMENT TO THE FOURTH REPORT
OF KSV RESTRUCTURING INC. AS RECEIVER

APRIL 14, 2026

1.0 Introduction

1. This report (the “**Second Supplemental Report**”) supplements the Receiver’s Fourth Report to Court dated March 3, 2026 (the “**Fourth Report**”) and the Receiver’s Supplement to the Fourth Report to the Court dated April 6, 2026 (the “**Supplemental Report**”) and is intended to be read in conjunction with the Fourth Report and the Supplemental Report.
2. Unless otherwise stated, capitalized terms used in this Second Supplemental Report and not otherwise defined have the meanings given to them in the Fourth Report or the Supplemental Report.

1.1 Purposes of this Second Supplemental Report

1. On April 13, 2026, the Court adjourned a motion by the Receiver seeking an order:
 - a) approving the fees of the Receiver and Cassels for March 2026, as set out in Section 5 of the Supplemental Report, plus an accrual of \$45,000 (plus disbursements and HST) (the “**Fee Accrual**”) for the estimated fees and disbursements of the Receiver and Cassels to the discharge of the Receiver (if granted by this Court);
 - b) approving the Supplemental Report and the Receiver’s activities described therein;

- c) authorizing the Receiver to make distributions of the cash available in the receivership estate, including proceeds from the Transaction, to Fiera, up to the amount of the Fiera Indebtedness, which distributions are net of the fees and disbursements of the Receiver and Cassels (including the Fee Accrual) and certain reserves set out in the Supplemental Report; and
 - d) discharging the Receiver upon the completion of the Remaining Activities and the filing of a discharge certificate with the Court (the “**Discharge Certificate**”) and releasing the Receiver and Cassels effective upon the date of the Discharge Certificate.
2. The Court adjourned the motion in order to address an objection to the requested distribution by certain of the Debtors’ investors raised in an affidavit filed on Friday, April 10, 2026. In doing so, the Court directed that:
 - a) if the objecting investors have any evidentiary or legal support for their request, they shall serve and file it and upload it into the appropriate hearing bundle in Case Center by no later than 12:00 p.m. on Tuesday April 14, 2026; and
 - b) the Receiver and the Applicant shall serve, file and upload any response they wish to make to anything received on behalf of the objecting investors by the end of the day on April 14, 2026, or at the latest by 9:00 a.m. on the morning of April 15, 2026.
3. The Endorsement of the Honourable Madam Justice Kimmel dated April 13, 2026 is attached at **Appendix “A”** to this Second Supplemental Report. The issue of costs was not addressed at the April 13, 2026 hearing.
4. On April 14, 2026, the Receiver was served with an Affidavit of Jessica Zhang sworn on April 14, 2026 (the “**Zhang Affidavit**”) and a Factum (the “**Objecting Investors’ Factum**”) by counsel to Suske Capital Inc. on behalf of certain unsecured investors and stakeholders (the “**Objecting Investors**”).
5. The purpose of this Second Supplemental Report is to provide the Court with:
 - a) the Receiver’s comments regarding the Objecting Investors’ request that the Court reduce the interest rate applicable to the Fiera Indebtedness to 5% for the period beginning April 2023; and
 - b) information regarding other known claims against the Debtors, which was noted in Madam Justice Kimmel’s Endorsement.

1.2 Restrictions

1. This Second Supplemental Report is subject to the restrictions set out in Section 1.2 of the Fourth Report, which are incorporated herein by reference.

1.3 Court Materials

1. Court materials filed in these proceedings are available on the Receiver’s website at: <https://www.ksvadvisory.com/experience/case/chancery>.

2.0 Receiver's Comments on the Objecting Investors' Position

1. The Objecting Investors take the position that the Court should deem that the interest accruing on the Fiera Indebtedness be reduced to reflect a 5% interest rate beginning in April 2023 because the Fiera loan matured on March 31, 2023 and Fiera should have renegotiated the terms of its loan on a "term loan basis, with a much lower interest rate to accurately reflect the risk that a lender was taking on by financing a project at this point in its development" because the Debtors' property reached "stabilization" (which is not indefinite) in July/August 2023 (after the Receiver was appointed¹). The Objecting Investors support for the 5% interest rate is based on two large, profitable public companies (Chartwell and Minto Apartment REIT) and other undisclosed borrowers not comparable to the Debtors.
2. The Receiver is not aware of any precedent or basis for the Court to deem a secured lender's interest rate to be reduced on the basis that the secured lender '**should have**' renegotiated the terms of its loan – post commencement of receivership – in the absence of such secured lender agreeing to do so.
3. The Receiver also notes that the Objecting Investors rely upon a fundamentally flawed assumption that the property/project had a different "risk" profile at the time that they assert that the Fiera loan should have been renegotiated. To the contrary, the initial phase of the sale process that was conducted by the Receiver resulted in offers for the property/project in December 2023 well below (by several million dollars) the principal amount of the Fiera Indebtedness of approximately \$53 million.²
4. The Receiver therefore does not believe that it is reasonable to suggest that a secured lender should have (or should be deemed to have) renegotiated the terms of its loan at a time when the value of the property (based on the market's valuation of the property in the Sale Process) was insufficient to repay even the principal amount of the secured loan.
5. The Receiver also notes that an interest rate of 5% in an insolvency process would be off-market and unusually low. Attached as **Appendix "B"** for reference purposes is a list of recent debtor-in-possession ("**DIP**") loans approved by Canadian courts in insolvency processes. While the Fiera facility is not a DIP loan, it would be prejudicial to Fiera to be required to reduce its interest rate to a below market amount for a senior ranking facility (as is the case of DIP loan), while navigating the risks and costs of an insolvency process, particularly one where significant investment was made to improve the operations of the Residence, run multiple sale processes and which took almost three years to complete.

3.0 Known Other Potential Claims Against the Debtors

1. As there has been no claims process conducted in this receivership proceeding, the Receiver is not aware of the universe of potential claims against the Debtors. A summary of the claims or potential claims against the Debtor that the Receiver is currently aware of is provided below.

¹ Fiera's application to appoint the Receiver was not opposed by the Debtors or the Objecting Investors.

² The Fourth Report (including the Confidential Appendices thereto) summarized the sale process conducted by the Receiver.

2. On June 17, 2022, J.J. McGuire General Contractors Inc. commenced a claim against Chancery LP in the amount of \$942,859 plus interest and costs. This claim remains unadjudicated.
3. Paragraph 15 of the Zhang Affidavit states that there is \$1,519,000 “invested by way of promissory notes that are backed by guarantees provided by third parties and not Chancery”. The Receiver has no specific information regarding these promissory note claims, nor does the Receiver have copies of the notes themselves. The Receiver is aware of a claim commenced on March 2, 2023 by Lux-Mart Holdings Inc. against the Debtors, Suske Capital Inc., Stephen A Suske and Jingjie Zhang a.k.a. Jessica Zhang in the amount of \$1,179,841 plus interest and costs with respect to a promissory note in the principal amount of \$669,000. To the knowledge of the Receiver, this claim remains unadjudicated.
4. Paragraph 15 of the Zhang Affidavit also states that “\$3,500,000 has been invested by way of preferred partnership units – these are unsecured and are not guaranteed by Chancery or any other parties” and a list of the preferred unitholders and their investments is included in Exhibit “H” to the Zhang Affidavit.³
5. The Receiver notes that the Limited Partnership Agreement in respect of Chancery LP (a copy of which was included in Fiera’s Application Record and is attached for reference at **Appendix “C”** to this Second Supplemental Report) contains the following clause:

12.5 Distribution of Assets on Sale, Liquidation or Dissolution

All property and assets of the Partnership available for distribution on a sale, liquidation or dissolution of the Partnership shall be distributed in the following order of priority:

(a) to pay the expenses of liquidation and the debts and liabilities of the Partnership to its creditors, including without limitation the holders of the Notes;

(b) in the case of a liquidation or dissolution, to provide for reserves which the Receiver considers reasonably necessary for any contingent or unforeseen liability or obligation of the Partnership provided, however, that any such reserve shall be paid over by the Receiver to an escrow agent to be held by such escrow agent for the purpose of the payment of such liabilities or obligations of the Partnership and any balance remaining shall be distributed at such time as the Receiver reasonably determines in the manner hereinafter provided;

(c) to repay the Notes;

(d) to fund, on a pro rata basis, the Preferred Unit Redemption;

³ The Receiver is also aware that there may be “subordinate preferred unit holders” and “common unit holders”

(e) to fund, on a pro rata basis, the Class A Subordinated Preferred Unit Redemption;

(f) to fund, on a pro rata basis, the Class B Subordinated Preferred Unit Redemption;
and

(g) to distribute the balance, if any, to the holders of Common LP Units and to the General Partner pro rata based on the number of outstanding Common LP Units and GP Units taken as a whole.

6. Pursuant to the Limited Partnership Agreement, the unit holder claims are subordinate to the “debts and liabilities” of Chancery as well as subordinate to the Notes.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS RECEIVER OF
CHANCERY (OSHAWA) THE BARTLETT LIMITED
PARTNERSHIP AND CHANCERY (OSHAWA) THE
BARTLETT GP INC. AND NOT IN ITS PERSONAL
OR IN ANY OTHER CAPACITY**

Appendix “A”



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00700694-00CL

DATE: April 13, 2026

NO. ON LIST: 2

**TITLE OF PROCEEDING: FIERA FP REAL ESTATE FINANCING FUND, L.P V CHANCERY
(OSHAWA) BARTLETT LIMITED PARTNERSHIP et al.**

BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Steven Graff	Counsel for the Applicant, Fiera FP Real Estate Financing Fund, L.P.	sgraff@airdberlis.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Mitch Vininsky	Counsel for the Receiver, KSV Restructuring	mvininsky@ksvadvisory.com
Joseph Bellissimo		jbellissimo@cassels.com
Robert Zochodne	Counsel for J.J. McGuire General Contractors Inc.	rzochnodne@zb-law.com
Pamela Heard	Counsel for Suske Capital Inc	pheard@suskecapital.com , raising objections on behalf of the investors

ENDORSEMENT OF JUSTICE KIMMEL:

- [1] Justice Steele directed in her last endorsement of March 12, 2026 that the Receiver return to court after the court approved sale transaction closed, for its requested Distribution and Discharge Order.
- [2] The Receiver had anticipated an unopposed motion for the Distribution and Discharge Order sought today. On Friday April 10, 2026, an objection to the Receiver's request for approval of the proposed distribution to the applicant was raised, said to be made on behalf of the 33 unsecured investors in The Chancery (Oshawa) The Bartlett Limited Partnership. Representatives of the General Partner (Chancery (Oshawa) The Bartlett GP Inc. are asking the court to review the fairness and reasonableness of the interest that has accrued on the applicant's indebtedness over the course of these proceedings. They seem to be asking, in the interests of equity and fairness, that the court adjust the prescribed contractual interest rate under Fiera's loan agreement for the period from and after April 2023, during the pendency of this receivership proceeding.
- [3] The objection was raised in an affidavit of Jessica Zhang sworn April 10, 2026, which attached a March 30, 2026 letter addressed to the court. As far as I am aware, that letter was only provided to the court when the Zhang Affidavit outlining the basis for this request to adjust the contractual interest rate was filed on April 10, 2026. There is no evidentiary foundation for the submissions set out in the letter about the different interest rates that it discusses. No calculations were provided as to how much of an interest rate adjustment would be required in order for there to be any funds remaining for distribution to unsecured creditors or investors, nor is there any evidence about the existence of any other creditors that might benefit from the requested interest rate adjustment.
- [4] In fairness, the Receiver and the Applicant did not have a chance to provide any of this information themselves. They also maintain that it is not necessary to do so, in the absence of any evidentiary foundation for this request having been provided by the objecting investors and because they maintain that there is no legal basis upon which the court could grant this requested interest rate adjustment in any event.
- [5] I might have been prepared to deal with the objection today, but for the fact that I am not prepared to hear and decide contested matters involving Mr. Suske (who is one of the signatories of the March 30, 2026 letter signed on behalf of the General Partner, and an investor, as well as a guarantor of some of the debt).
- [6] This motion is adjourned to a one hour hearing on April 15, 2026 commencing at 11:30 before another judge sitting on the Commercial List. If the objecting investors have any evidentiary or legal support for their request, they shall serve and file it and upload it into the appropriate hearing bundle in Case Center by no later than 12:00 p.m. on Tuesday April 14, 2026.
- [7] If possible, the court asks the Receiver and the Applicant to serve, file and upload any response they wish to make to anything received on behalf of the objecting investors by the end of the day on April 14, 2026, or at the latest by 9:00 a.m. on the morning of April 15, 2026. Any materials so filed should also be sent by email to the Commercial List office with a request that they be urgently provided to the judge assigned to hear this matter on April 15, 2026.
- [8] The applicant has reserved its right to request costs of this adjournment, which may be addressed at the April 15, 2026 hearing if appropriate.

Date: Apr 13, 2026



Jessica Kimmel

Appendix “B”



**Approved Debtor-in-Possession Financing Facilities for Canadian Debtors
Current as at April 6, 2026**

Debtor	Lender	Proceeding Type	Trustee	Filing Date	Jurisdiction	Industry	Commitment (\$MM)	Fees*	Interest Rate	Notes
Freedom Self Storage Inc. and Honeycomb Self-Storage Limited	Pillar Capital Corp.	CCAA	Grant Thornton	March 12, 2026	Nova Scotia	Other	0.35	Facility fee of 3%; monitoring fee of 250 monthly	1.25% monthly	
Massive Hash Factory Ltd., CamMart Inc., and ANC Inc.	1001546386 Ontario Inc.	CCAA	MNP	February 27, 2026	Alberta	Cannabis	1.50	Exit fee of 5%	15.00%	
XTM Inc. (CSE:PAID) and Everyday People Payments Inc.	Pateno Payments Inc.	CCAA	Fuller Landau	February 27, 2026	Ontario	Financial Services	2.30	Commitment fee of 2%	12.00%	
Darwynn Ltd.	2379338 Ontario Inc.	CCAA	EY	February 26, 2026	Ontario	Distribution	2.00	10,000	9.50%	
Trion Battery Technologies Inc.	Rockford Equity PTY Ltd.	CCAA	FTI	February 20, 2026	Alberta	Manufacturing	US\$ 1	Commitment fee of 3%	0.135	
Sweet Berry Farms Ltd.	Libra Finance Company	CCAA	Grant Thornton	February 17, 2026	Newfoundland	Agriculture	0.35	Commitment fee of 3%	8.75%	
D & D Catering Limited		NOI	MNP	February 13, 2026	Nova Scotia	Food & Accommodation	0.13	-	Prime plus 5%	
Canwest Tanks and Ecological Systems Ltd	TD Bank	NOI	MNP	February 12, 2026	British Columbia	Manufacturing	0.25	Upfront fee of \$15,000	Prime plus 5%	
RCM Capital Syndication SPV III LP by its general partner RCM (2023) GP Inc. or its assignees			Schwartz Levisky Feldman	February 10, 2026	Ontario	Real Estate	2.50	Advance fee of 1.75% and extension fee of 1.75%	0.155	
LJM Developments (Hamilton) Inc.		CCAA								
Theonia Global Systems Inc. et al.	Espresso Venture Debt LP	CCAA	Grant Thornton	February 9, 2026	Ontario	Technology	2.80	-	9.00%	
Steve's Music Store Inc.	4470133 Canada Inc.	NOI	EY	February 4, 2026	Quebec	Retail	0.25	-	10.00%	
Toys 'r' Us (Canada) Ltd.	4675229 Ontario Inc.	CCAA	A&M	February 3, 2026	Ontario	Retail	20.00	Advance fee of 3%	13.00%	
Ayurcann Holdings Corp. and Ayurcann Inc.	Auxly Cannabis Group Inc.	CCAA	A&M	January 30, 2026	Ontario	Cannabis	2.00	\$40,000 (2%)	0.12	
Mansfield Phillips Square	BMO	CCAA	Raymond Chabot	January 14, 2026	Quebec	Real Estate	5.50	-	Prime plus 1% / Prime plus 2%	
Spring Loaded Technology Inc.	4782489 Nova Scotia Limited	CCAA	Doane Grant Thornton	January 26, 2026	Nova Scotia	Medtech	0.50	Termination fee of one month's interest to the Lender; \$10,000 fee on the First Advance	12.00%	
Duchesne et Fils Ltée	BDC and RBC	CCAA	EY	January 15, 2026	Quebec	Construction	5.00	\$80,000 engagement fee; \$4,000 fee monthly	13.00%	
JointCraft Inc.	1158667 Ontario Inc.	NOI	Harris & Partners	January 9, 2026	Ontario	Cannabis	0.87	\$20,000	0.075	
Les Productions Horticoles Demers Inc. et al.	Caisse Desjardins du Quebec	NOI	PwC	January 8, 2026	Quebec	Agriculture	3.50	Unclear - sealed	Unclear - sealed	
Groupe Colabor	titre d'agent administratif	CCAA	Raymond Chabot	January 8, 2026	Quebec	Food Manufacturing	9.00	3% fee payable on closing	12.00%	
Cabot Energy Inc.	High Power Petroleum LLC	CCAA	KSV	December 9, 2025	Alberta	Oil & Gas	USD 0.5	-	12.00%	
AgraCity Crop & Nutrition Ltd. et al.	United Farmers of Alberta Co-operative Limited	CCAA	EY	December 1, 2025	Saskatchewan	Agriculture	4.20	200,000	0.2	
1061511 B.C. Ltd., Jameson Broadway & Birch General Partner Ltd., and Jameson Broadway & Birch Limited Partnership	Maynbridge Capital Inc.	CCAA	A&M	November 25, 2025	British Columbia	Real Estate	31.00	Standby fee of 2%; commitment fee of 1,050,000	9.95%	
Sirona Pharma Inc. et al.	Sapphire Global Finance Corp.	CCAA	EY	November 21, 2025	Alberta	Healthcare	0.83	-	23% for first six months; 27% if extended	
Canacol Energy Ltd.	Certain bondholders	CCAA	KPMG	November 17, 2025	Alberta	Energy	67.00	Commitment fee of 5%	13% / 11%	
Square Nine King George Development Ltd. And Square Nine Builders Inc.	Pillar Capital Corp.	CCAA	FTI	November 13, 2025	British Columbia	Real Estate	0.70	Facility fee of 3%; monitoring fee of 250 monthly; and due diligence fee of 2,500	0.14	
Mera Cannabis Corp. et al.	Aggregated Investments Inc.	CCAA	EY	October 23, 2025	Ontario	Cannabis	2.60	-	8.00%	

Christenson Group of Companies	Canada ICI Capital Corporation	CCAA	EY	October 10, 2025	Alberta	Real Estate	Administration fee of 750 per advance plus a lender fee of 1% on each advance	9.75%
Minglian Holdings Ltd. and 0882892 B.C. LTD.	NBC	CCAA	MNP	September 25, 2025	British Columbia	Real Estate	0.50 Commitment fee of 5,750	Prime plus 3%
Scarsin Corporation	Paul Minshull	NOI	KPMG	September 25, 2025	Ontario	Technology	0.40 -	0.12
Attalah Group Inc. (Ssense)	BMO (Lenders Interim Facility) / Attalah Family (Founders Interim Facility)	CCAA	EY	September 12, 2025	Quebec	Retail	Lenders interim facility has a commitment fee of 1.5% (or \$225,000)	Prime plus 8%
Ocean View Farms Limited	Libra Finance Company	CCAA	S.R. Stack & Company	September 11, 2025	Newfoundland	Agriculture	0.50 Commitment fee of 3%	Bank of Canada interest rate plus 8.75%
AMCO Farms Inc. and AMCO Produce Inc.	RBC	CCAA	PWC	August 22, 2025	Ontario	Agriculture	4.10 Commitment fee of 3%	13.00%
SRX Health Solutions (Canada) Inc.	Caravel Capital Investments Inc.	CCAA	Grant Thornton	August 12, 2025	Ontario	Healthcare	1.75 -	-
Bucephalas Stables Corp. o/a Indie Alehouse Brewing Co.	1001279208 Ontario Ltd.	NOI	Fuller Landau	July 7, 2025	Ontario	Food & Accommodation	0.20 -	Prime plus 4%
QMJ GP Inc.	Weshall Investments Inc.	CCAA	A&M	July 29, 2025	Ontario	Construction	14.00 Commitment fee of 1%	14.00%
ATTAbotics	EDC	NOI	Richter	July 2, 2025	Ontario	Technology	1.50	Prime plus 10%
Coast Automotive Group et al.	BMO	CCAA	BDO	July 16, 2025	Alberta	Automotive	2.50 -	Prime plus 4.5%
Walgre Transport Inc. and 2793309 Ontario Ltd.	Blue Dot Americas Limited	NOI / CCAA	Grant Thornton	June 27, 2025	Ontario	Transportation	2.00 -	10.00%
Oak and Fort Corp. et al.	Klaus Lam, Bo Ra Kam, Min-Seon Scott Park, Bear and Otter Holdings Ltd., and Min Kang	NOI / CCAA	KSV	June 3, 2025	British Columbia	Retail	Commitment fee equal to the lesser of \$50,000 or 2.0%; exit fee equal to the lesser of \$50,000 or 2.50 2.0%	15.00%
Sinobec Group Inc.	A syndicate of lenders including BMO, Laurentian Bank, BDC and RBC	CCAA	PwC	May 26, 2025	Quebec	Distribution	US\$ 7 US\$150,000	5.00%
The Second Cup Coffee Company Inc.	Arbat Capital Group Ltd.	CCAA	Grant Thornton	May 22, 2025	Ontario	Food & Accommodation	0.20 4.000 (equal to 2%)	0.09
Mercy Falls BC Inc.	Nuts & Bolts Productions, LLC	CCAA	MNP	May 16, 2025	British Columbia	Manufacturing	0.50 -	10.00%
Kline Inc.	Kline Cookware Inc.	NOI	MNP	May 16, 2025	Ontario	Retail	Commitment fee of 1.20 \$20,000	10.00%
STS Renewables Ltd. et al.	BNS	CCAA	PWC	May 15, 2025	Ontario	Professional Services	2.90	Prime plus 5% (9.95%)
Hakim Optical Laboratory Limited, Lawrence Ophthalmic Lab Inc., and Hakim Optical Worldwide Lenses Inc.	1001112855 Ontario Inc.	CCAA	KSV	May 15, 2025	Ontario	Manufacturing	Commitment fee of 3.5% of the Facility Amount	0.109
Li-Cycle Holdings Corp. et al.	Glencore International AG	CCAA	A&M	May 14, 2025	Ontario	Cleantech	US\$10.5 -	11.30%
Shaw-Almex Industries Limited and Shaw Almex Fusion, LLC	RBC	CCAA	FTI	May 13, 2025	Ontario	Technology	Commitment fee of 2% of the Maximum Loan Amount (being \$20,000)	12.00%
Enerkem Inc.	Repsol Quimica S.A.	CCAA	Deloitte	May 12, 2025	Quebec	Cleantech	12.50 -	15.00%
Asbestos Corporation Limited	CERTAIN UNDERWRITERS AT LLOYD'S et al.	CCAA	Raymond Chabot	May 14, 2025	Quebec	Mining	USD 20 -	Prime plus 1% 15%, 12% and 22% for each respective distribution
Mob/724 Global Solutions Inc.	A related party	NOI	Richter	April 22, 2025	Quebec	Technology	1.10 -	4.50%
Mirahri Development Group (The One) Inc.	KEB Hana Bank as trustee of IGIS Global Private Placement Real Estate Fund No. 530	CCAA	A&M	April 22, 2025	Ontario	Construction	615.00 -	8.00%
Indeed Laboratories Inc.	1000481370 Ontario Inc.	NOI	BDO	April 17, 2025	Ontario	Distribution	0.50 -	8.00%
Earth Boring Co. Limited, Yarbridge Holdings Inc., Troian Investments Ltd., and Yarfield Services Limited	BMO	CCAA	BDO	April 17, 2025	Ontario	Construction	Commitment fee of \$100,000, representing 1.8% of the maximum amount drawble on the DIP Facility; standby fee of 0.25% of the unused portion of the DIP Facility	BMO Prime plus 4.5%
Mernova Medicinal Inc. and Creso Canada Limited	La Plata Capital	CCAA	Grant Thornton	April 16, 2025	Nova Scotia	Cannabis	0.50 -	12.00%

Antler Creek Contracting Ltd.	Maynbridge Capital	NOI / CCAA	Crowe Mackay	April 14, 2025	British Columbia	Forestry	0.83%	Commitment fee of \$25,000; standby charge of 2.5% per annum	11.00%
Canadian Mental Health Association Vancouver-Fraser Branch	Canadian Mental Health Association British Columbia	NOI	MNP	April 8, 2025	British Columbia	Healthcare	0.50	Commitment fee of 2%	8.00%
Ecotion Innovative Solutions Inc.	1001199137 Ontario Limited	NOI	KPMG	April 8, 2025	British Columbia	Agriculture	1.00 (\$20,000)	Commitment fee of 2%	0.12
Synaptic Medical Inc.	Export Development Canada	CCAA	Richter	March 19, 2025	Ontario	Technology	7.00 Exit fee of \$350,000	Commitment fee of	15.00%
Pelican International Inc., Pelican US Topco LLC, Confluence Outdoor Inc.	NBC, BMO, Desjardins, TD Bank	CCAA	FTI	March 19, 2025	Quebec	Manufacturing	4.50 \$20,000	Commitment fee of	12.00%
World Wide Carriers Ltd. et al	BMO	CCAA	B. Riley Farber	March 19, 2025	Ontario	Transportation	0.85 \$25,000	Commitment fee of	Prime plus 5%
Varenes Cellulosic Ethanol LP and 7037163 Canada Inc.	IQ Financing and Canadian Infrastructure Bank	CCAA	EY	March 11, 2025	Quebec	Oil & Gas	18.00 Commitment fee of 1%	Commitment fee of 1%	0.125
Petromont Inc.	Ethyltec Inc. and Dow Chemical Canada ULC	CCAA	Deloitte	March 11, 2025	Quebec	Oil & Gas	3.10	-	-
Hudson's Bay Company ULC	Restore Capital	CCAA	A&M	March 7, 2025	Ontario	Retail	16.00 Exit fee of 3%	Term CORRA plus 11.5%	11.5%
Nemorri Farms Ltd.	RBC	CCAA	Grant Thornton	March 6, 2025	Newfoundland	Agriculture	0.60 \$15,000	Commitment fee of	Prime plus 6%
Joriki Inc.	BNS as agent	CCAA	A&M	January 28, 2025	Ontario	Food Manufacturing	1.20 Upfront fee of \$30,000	0.125	0.125
JBT Transport Inc. et al.	Randy Bowman	NOI / CCAA	Dodick Landau	January 24, 2025	Ontario	Transportation	0.25	-	10.00%
2744364 Ontario Limited (o/a True North Cannabis Co.), 2668905 Ontario Inc. (o/a Bamboo Blaze), AND 2767888 Ontario Inc.	The Vancoor Group	CCAA	Deloitte	January 24, 2025	Ontario	Cannabis	2.00 (\$40,000)	Commitment fee of 2%	12.00%
Caryl Group	Atlantic Central	NOI	Deloitte	January 20, 2025	Nova Scotia	Real Estate	0.75 \$18,750	Commitment fee of	12.00%
Upper Canada Growers Ltd.	BNS	NOI	BDO	January 17, 2025	Ontario	Agriculture	2.70 \$50,000	Commitment fee of	0.1
Royal Helium Ltd. (TSX:HRL) et al.	Companies and Energy & Specialty Gases DIP, LLC	NOI	Grant Thornton	January 17, 2025	Ontario	Oil and Gas	1.50 Commitment fee of 1.5%	Commitment fee of 1.5%	10.00%
Westphalia Dev. Corp.	Walton Global Investments Ltd.	CCAA	FTI	January 14, 2025	Alberta	Real Estate	0.75	-	RBC prime rate plus 4%
KMC Mining	ATB Financial as agent	NOI/CCAA	FTI	January 10, 2025	Alberta	Mining	6.00 2%	Closing fee of \$300,000; agency fee of \$40,000; undrawn amount fee of	Prime plus 5%
Beta View Homes Ltd. and Lumina Eclipse Limited Partnership	KingSett Mortgage Corporation	CCAA	KSV	January 8, 2025	British Columbia	Real Estate	18.00 (\$180,000)	Commitment fee of 1%	Prime Rate + 6.55% (floor rate of 9.50%)
Comark Holdings Inc.	CIBC	CCAA	A&M	January 7, 2025	Ontario	Retail	18.00	Commitment fee of 1.5%	10.00%
Microb Resources Inc. o/a Salt Spring Coffee	Maynbridge Capital	NOI	KPMG	January 2, 2025	British Columbia	Food Manufacturing	0.25 mgol	Commitment fee of 2%	14.00%
Brands International Corporation	AMG Global Holdings ULC	NOI	KPMG	December 24, 2024	Ontario	Manufacturing	0.50 (\$10,000)	Commitment fee of 2%	12.00%
Industries RAD Inc. and Rocky Mountain Bikes Inc.	Wells Fargo	CCAA	EY	December 19, 2024	Quebec	Manufacturing	in excess of the borrowing base	Closing fee of \$100,000; unused line fee of 0.25% times the result of (i) the amount of the Cap, less (ii) the average daily principal amount of the outstanding advances plus the outstanding Existing Obligations during the immediate preceding month	Canadian dollar advances: CORRA plus 5%; US dollar advances: SOFR plus 5%
The Lion Electric Company	A syndicate of lenders including National Bank of Canada, Bank of Montreal and Federation des Caisses Desjardins du Quebec	CCAA	Deloitte	December 18, 2024	Quebec	Manufacturing	10.00 as and when made	2.4% of the commitments	Prime plus 7%
Pluribus Technologies Inc. et al.	Evergreen Gap Debt GP Inc., as Agent for itself and on behalf of Evergreen Gap Debt LP	CCAA	B. Riley Farber	December 17, 2024	Ontario	Technology	2.50	Commitment fee of 3.5%	18.00%

UCG Canada Holdings Inc. dba Frank & Oak Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 333533 Nova Scotia Limited and 4318682 Nova Scotia Limited	UGC Holdings	NOI	PwC	December 16, 2024	Quebec	Retail	Engagement fee of 2.5% for each advance	Prime plus 7%
Elina Group Cleo Energy Corp.	National Bank of Canada uCapital - uLoan Solutions Inc.	CCAA NOI	KSV Raymond Chabot A&M	December 13, 2024 December 11, 2024 December 8, 2024	Nova Scotia Quebec Alberta	Financial Services Healthcare Oil & Gas	0.30 Commitment fee of 5,000 Term sheet filed under 5.00 seal 0.75 Termination fee of 50,000	RBP + 6% Term sheet filed under seal 3.00%
San Industries Ltd. et al. Spurling GP Ltd., Spurling Limited Partnership and 1112849 B.C. Ltd.	Peterson Investment Group Inc.	CCAA	Deloitte	November 29, 2024 November 28, 2024	British Columbia British Columbia	Manufacturing Real Estate	US\$30 agreement 16.80	ABR Borrowings - Alternate Base Rate plus Applicable Margin; Term SOFR Borrowings - Adjusted Term SOFR plus Applicable Margin
Felix Payment Systems Ltd. DYKMAN CATTLE CO. LTD. AND NECHAKO RIVER QUALITY HAY LTD 9139249 Canada Inc., Bus.com US Holding Inc., Bus.com Leasing LLC. Bus.com US LLC, 9139249 Canada Inc. (California)	Jake Boxer, the CA Mordy Legacy Trust, and PEL Chartered Professional Accountants Inc. BNS EDC	CCAA CCAA / NOI	A&M PwC PwC	November 25, 2024 November 21, 2024 November 21, 2024	British Columbia British Columbia Quebec	Technology Agriculture Transportation	Commitment fee determined in accordance with a formula in the US\$30 agreement 2.10 (\$50,000) 1.50 0.85 2.5% of advances Commitment fee of 2.50 \$75,000	18.00% 10.00% Prime plus 7%
Central City Brewers & Distillers Ltd.	Canadian Western Bank	CCAA	PwC	November 21, 2024	British Columbia	Food & Accommodation	Commitment fee of 2.50 \$75,000	Prime plus 1.05%
OMNI Conversion Technologies Inc.	Sierra Acquisition Holdings	NOI	Grant Thornton	November 19, 2024	Ontario	Technology	Standby fee calculated in accordance with a formula 3.00 Facility fee of 3% to be deducted from each advance. Monthly monitoring fee of \$500. Due diligence fee of 2.00 \$7,500.	10.00%
AZA Capital Services Canada Inc. Et Al	Pillar Capital Corp. Seaport Loan Products LLC and Acquiom Agency Services LLC as co-administrative agents	CCAA	A&M	November 14, 2024	Alberta	Real Estate	Commitment Fee: 1% per annum on the unused portion of the DIP Facility 30.00 Commitment fee of 6.25% (\$25,000) Commitment fee of 4%	SOFR + 9%
Sandvine Corporation et al.	Lending Stream Inc. Hawk Capital (Canada) Inc.	CCAA CCAA	BDO EY	November 6, 2024 November 5, 2024	Ontario Ontario	Technology Cannabis Healthcare	0.40 (\$25,000) 0.90 (\$36,000)	0.12 14.00%
Chesswood Group Ltd. et al.	RBC and other pre-filing lenders Nikolaus Sofronis	CCAA NOI	FTI Raymond Chabot	October 29, 2024 October 22, 2024	Ontario Quebec	Financial Services Cleantech	Upfront fee of U.S.\$420,000; Annual administrative fee of US\$65 Cdn.\$30,000 1.72 Commitment Fee of 1.5%	Prime plus an applicable margin of 400 bps per annum 18.00%
Earth Alive Clean Technologies Inc. (TSXV:EAC)	TCC Mortgage Holdings Inc. Third Eye Asset Management Inc.	CCAA NOI	MINP KSV	October 15, 2024 October 1, 2024	Ontario Alberta	Real Estate Oil & Gas	25.00 (\$375,000) 0.25 \$5,000	0.1 12.00%
Valeo Pharma	Sagard Healthcare Partners (Delaware) LP	CCAA	EY	October 1, 2024	Quebec	Healthcare	US\$	16.00%
Erikson National Energy Inc. Motryx Inc.	Third Eye Capital Aerocom GmbH & Co.	NOI NOI	KSV BDO	October 1, 2024 September 17, 2024	Alberta Nova Scotia	Oil & Gas Healthcare	Up Front fee of 2% (\$5,000) 0.36	12.00% 0.1
Tokyo Smoke BC Tree Fruits Cooperative, BC Tree Fruits Industries, Growers Supply Company Limited	TS Investments Corp. CIBC	CCAA CCAA	A&M A&M	August 28, 2024 August 13, 2024	Ontario British Columbia	Cannabis Food Manufacturing	1% commitment fee 8.00 (\$80,000) 4.05	13.00% 9.95%

Wholly Veggie	Windermerre Investment Corp. 95748 Newfoundland and Labrador Ltd.	NOI	PwC	August 18, 2024	Ontario	Food Manufacturing	0.35	1% extension fee if DIP is extended past a certain date	15.00%
Indian Head Consumers Co-operative Society Ltd.	95748 Newfoundland and Labrador Ltd.	NOI	Grant Thornton	August 16, 2024	Newfoundland	Retail	0.18	0.18 Commitment fee of 1.5%	0.15
Freedom Cannabis Inc.	JL Legacy Ltd.	CCAA	EY	August 8, 2024	Alberta	Cannabis	3.00	2% commitment fee (\$60,000)	15.00%
Galaxie Brands Corporation	The Vancor Group Inc.	CCAA	KPMG	August 6, 2024	Ontario	Cannabis	1.65	2% commitment fee	14.00%
VBI Vaccines Inc. et al.	K2 HealthVentures LLC	CCAA	EY	July 30, 2024	British Columbia	Healthcare	2.50	Commitment fee of 2%	17.50%
Loop Energy Inc. (TSX:LPEN)	Teralta Hydrogen Solutions	NOI	Crowe Mackay	July 17, 2024	British Columbia	Oil and Gas	0.60	Closing fee of 10%	0.11
Delta 9 Cannabis Inc. et al.	FIKA Herbal Goods	CCAA	A&M	July 15, 2024	Saskatchewan	Cannabis	16.00		TD Bank's prime rate plus 3%
Taiga Motors Corporation et al.	EDC	CCAA	Deloitte	July 10, 2024	Quebec	Manufacturing	4.40	First commitment fee of 2.4% of the Pre-Phase 1 Milestone Facility Amount (\$2,100,000) payable on the initial DIP Advance. Second commitment fee of 2.4% of the Post-Phase 1 Milestone Facility Amount (\$2,300,000) payable on the date of the first DIP Advance that takes place after August 16, 2024.	Prime plus 7
goodnatured Products Inc. et al.	Wells Fargo	CCAA	A&M	June 28, 2024	British Columbia	Manufacturing		the duration of the stay period \$100,000 fee	
								- 0.10% daily fee multiplied by the face value of the invoices due and payable at the invoice due date. - Default fee of 0.1315% daily fee after the invoice due date - Facility fee equal to \$20,000, which shall be fully earned upon Court approval of the FundThrough Term Sheet. - Upfront Fee of the greater of 1% of the initial advance or \$10,000 due prior to funding.	
National Traffic Safety Management Inc.	FundThrough Inc.	NOI	TDB	April 5, 2024	Ontario	Technology	2.00		
Atlas Global Brands Inc. et al.	Shalcor Management Inc.	CCAA	EY	June 20, 2024	Ontario	Cannabis	7.00	Commitment fee of 3%	13.00%
Karwood Estates Inc. and Gregg Construction Limited	Pillar Capital Corp.	CCAA	Grant Thornton	June 5, 2024	Newfoundland	Real Estate / Construction	2.35	Facility fee of 3% due diligence fee of \$5,000	13.50%
Cloud Diagnostics Canada ULC	10 individual lenders	NOI	Crowe Mackay	June 5, 2024	British Columbia	Technology	0.70	Closing fee of 84,000	11.00%
Altek Industrial Supply Ltd. et al.	CIBC	CCAA	PwC	May 24, 2024	Alberta	Distribution	2.00	2% commitment fee on (\$67,000); 2% standby fee on undrawn amounts	0.0995
Eastern Meat Solutions Inc. et al.	BMO	CCAA	Deloitte	May 17, 2024	Ontario	Food Manufacturing	3.35		12.00%
IntelGenx Technologies Corp. and IntelGenx Corp.	atal Life Sciences AG	CCAA	EY	May 17, 2024	Quebec	Healthcare	8.00	Prime rate of NBC of 7.2%	
Clarkson Road Holdings	1000861289 Ontario Inc.	CCAA	PwC	May 3, 2024	Ontario	Real Estate	5.00	Commitment fee of 2%	12.00%
Cammart Labs Inc.	Lifeist Wellness Inc.	CCAA	msj Spiergel Inc. (GRIP)	May 2, 2024	Ontario	Cannabis	0.40	Commitment fee of 8,000	0.1

Teal Jones Group	Wells Fargo et al.	CCAA	PwC	April 25, 2024	British Columbia	Lumber	borrowing base plus 56 million	US\$300,000	9.45% per annum for Advances denominated in Canadian Dollars and 11.75% per annum for Advances denominated in US Dollars
Ted Baker Canada Inc. et al.	CIBC	CCAA	A&M	April 24, 2024	Ontario	Retail	7.00	US\$300,000	12.00%
Enerstar Petroleum Corp.	Luxar Resources Inc.	NOI	Grant Thornton	March 25, 2024	Alberta	Oil & Gas	0.40		0.125
Heritage Cannabis Holding Corp.	BIK Holdings Ltd.	CCAA	KPMG	April 2, 2024	Ontario	Cannabis	1.50	Commitment fee of \$500,000	12.50%
Pride Group Holdings Inc.	RBC as agent	CCAA	EY	March 27, 2024	Ontario	Transportation	30.00	\$500,000	8.00%
Saltwire Network Inc., The Halifax Herald Limited et al.	Fiera Private Debt Fund GP Inc.	CCAA	KSV	March 13, 2024	Nova Scotia	Media	1.50	\$5,000 commitment fee	8.00%
Hempsana Inc.	Movengo Developments Inc.	NOI	B. Riley Farber	March 11, 2024	Ontario	Cannabis	0.50	7% commitment fee	8.00%
Skylink Express Inc.	Momentum Decisive Solutions Canada Inc	CCAA	KSV	March 11, 2024	Ontario	Logistics	2.50		0.15
Anfis Enterprises Inc. and 9407-51,73 Québec Inc.	Dicepiza S de RL de CV	CCAA	Raymond Chabot	March 12, 2024	Ontario	Real Estate	0.10		Prime plus 5%
Go-For Industries Inc.	Trinity Capital Inc.	NOI	KSV	March 20, 2024	Ontario	Transportation	0.75	Commitment fee of 2% of the commitment fee equal to 0.75% of the commitments and an exit fee equal to 0.75% of the commitments	17.30%
Canadian Overseas Petroleum Limited et al.	Summit Partners Credit Fund II, L.P., Summit Investors Credit III, LLC, and Summit Investors Credit III (UK), L.P.	CCAA	KSV	March 8, 2024	Alberta	Oil & Gas	US\$11	commitments	the the greater of: (A) the TD Prime Rate plus 8.05% per annum; and (B) 12% per annum
BZAM Ltd.	Cortland Credit Lending Corporation as agent	CCAA	KSV	February 28, 2024	British Columbia	Cannabis	Facility Limit plus \$7.0 million	98,000	8.00%
Livewire Communications Inc.	10Point1 Inc. and 1281000 Ontario Limited	NOI	Albert Gelman	February 7, 2024	Ontario	Professional Services	0.50	10,000	15.00%
Bifano Consolidated Inc.	BNS	CCAA	A&M	February 28, 2024	British Columbia	Agriculture	1.50	20,000	Prime plus 4.8% (currently 12%)
Collision Kings Group Inc. et al.	TD Bank	CCAA	FTI	February 7, 2024	Manitoba	Automotive	1.13	25,000	0.2
Lynx Air Holdings Corporation and 1263343 Alberta Inc., DBA Lynx Air	Indigo Northern Ventures LP	CCAA	FTI	February 22, 2024	Alberta	Transportation	TBD	maximum amount	1200.00%
Wayne Patrick Consumer Products Ltd. and WPCP Ltd.	1000592191 Ontario Inc.	CCAA	Grant Thornton	February 20, 2024	Ontario	Cannabis	0.95		the greater of Royal Bank prime rate + 4.80% or 12.00% per annum
Balboa Inc. et al.	Harbour Mortgage Corp.	CCAA	KSV	January 23, 2024	Ontario	Cannabis	12.00	fee of \$240,000.00; extension fee of \$120,000.00	RBUSBR + 2%
SimEx Inc., Iwerks Entertainment, Inc., and SimEx-Iwerks Myrtle Beach, LLC	RBC	CCAA	Deloitte	January 19, 2024	Ontario	Entertainment	US0.6		0.12
Fresh City Farms Inc. and Mama Earth Organics Inc.	1000691958 Ontario Inc. and Bennett Church Hill Capital Inc.	CCAA	PwC	January 18, 2024	Ontario	Retail	2.50	Commitment fee of 3.5% due on maturity	
								25,000 initial funding fee to be deducted from the initial advance and 50,000 to be deducted from each advance at a rate equal to 2,000 on each 100,000 until the advance fee is paid in full, with any remaining balance payable on maturity	
2039882 Ontario Limited o/a Shelter Cove	CC 108 Lender Limited Partnership by its general partner REL-BC Holdings Ltd.	CCAA	PwC	January 23, 2024	Ontario	Other	2.50	on maturity	12.00%
Black Press Ltd. et al.	Canso Investment Counsel Ltd.	CCAA	KSV	January 15, 2024	British Columbia	Media	5.50	Commitment fee of \$30,000	10.00%
Safari Flower Company	NE SPEC II LP	CCAA	EY	January 12, 2024	Ontario	Cannabis	1.00	\$30,000	14.00%

Humble & Fume Inc.	1000760498 Ontario Inc.	CCAA	Deloitte	January 5, 2024	Ontario	Cannabis	US2.5		0.12
Athabasca Minerals Inc.	JIMAC Energy Services LLC	NOI	KSV	November 13, 2023	Alberta	Mining	2.85		18.00%
Donmar Properties Ltd. and 10058984 Manitoba Ltd. The Good Fat Co.	V Morcourt Properties Ltd. 1000747000 Ontario Inc.	CCAA	EY Richter	April 10, 2023 January 2, 2024	Manitoba Ontario	Real Estate Food & Accommodation	0.76 0.20		8.00% 7.20%
Myra Falls Mine Ltd. Camdesto Enterprises Corp., et al.	Trafalgar US Inc. Durisol Ltd.	CCAA CCAA	FTI A&M	December 18, 2023 December 20, 2023	British Columbia Alberta	Mining Professional Services	21.00 1.30	Fee of \$210,000, representing 1.00%	0.11 8.50%
Duvallex Inc.	Wells Fargo	CCAA	EY	December 14, 2023	Quebec	Manufacturing	14.00	Engagement fee of \$75,000	Basic rate plus 2.5%
Mastermind GP Inc.	CIBC	CCAA	Raymond Chabot A&M	November 23, 2023	Ontario	Retail	2.60 3.90	Forbearance fee of of 1.25% of the outstanding balance under the CIBC Revolving Loan Facility 36.25 and the BCAP Loan	CIBC was the company's existing lender and agreed to provide a DIP loan 0.18 SOFR plus 5.1%
Tergeo Mineraux Critiques Inc. et al. MAV Beauty Brands Inc. et al. Simply Green Home Services Inc., Crown Crest Capital Management Corp., et al. Harbour Grace Ocean Enterprises Ltd. and Laurentcon Holdings Ltd.	Investissement Québec RBC as administrative agent Peoples Trust Company	CCAA CCAA CCAA	Raymond Chabot A&M KPMG	November 10, 2023 November 14, 2023 November 9, 2023	Quebec Ontario Ontario	Mining Distribution Professional Services	2.60 3.90 15.00	Commitment fee of 3% Commitment fee of \$150,000	9.50%
South Shore Seafoods Ltd. et al. Datafax Business Services Limited Quebec Parmentier Inc. et al.	TD Bank BMO Caisse Desjardins de la Rivière du Saguenay	CCAA NOI CCAA	PwC Deloitte KPMG MINP	November 2, 2023 September 21, 2023 August 14, 2023 October 10, 2023	Newfoundland New Brunswick Alberta Quebec	Construction Distribution Professional Services Distribution	1.00 10.00 16.25 2.25	Commitment fee of 1.5% - - unclear	13.00% Prime rate or US base rate plus 1% Prime plus 1.15% unclear
Tacora Resources Inc. Quality Sterling Group	Cargill, Incorporated Ironbridge Equity Partners	CCAA CCAA	FTI RSM	October 10, 2023 August 17, 2023	Ontario Ontario	Mining Other	75.00 7.00	Ext fee of \$2,250,000 (3%) -	10.00% 0.12
Aventura Phase VII Inc. et al.	TBD	CCAA	Raymond Chabot	August 28, 2023	Quebec	Real Estate / Construction	6.00	unclear	unclear same interest rate as existing term loan
Ideal Protein Group	BMO & Caisse Desjardins as agents	CCAA	EY	August 15, 2023	Quebec	Manufacturing	4.00	-	15.00%
Aereus Technologies Inc. Lighthouse Immersive Inc. and Lighthouse Immersive USA Inc.	1000608245 Ontario Inc. SCS Finance, Inc.	NOI CCAA	Farber B. Riley Farber	July 31, 2023 July 27, 2023	Ontario Ontario	Manufacturing Entertainment	0.78 US 3.5	Commitment fee of \$16,400 (2%) -	0.1
NextPoint Financial Inc. et al. Aleafia Health Inc. et al.	BP Commercial Funding Trust and Drake Enterprises Ltd. Red White & Bloom Brands Inc. Creative Wealth Media Lending LP 2016	CCAA CCAA CCAA	FTI KSV Grant Thornton	July 25, 2023 July 25, 2023 July 19, 2023	British Columbia Ontario British Columbia	Financial Services Cannabis Media	25.00 6.60 6.20	Commitment fee of 1% Commitment fee of \$198,000 (3%) Commitment fee of \$124,000 (2%)	SOFR plus 6.5% 12.50% 15.00%
Bron Media Corp. et al. Gesco Industries Inc., Gesco GP ULC and Terra Sol Ceramic Tile Ltd.	BNS	CCAA	PWC	May 19, 2023	Ontario	Manufacturing & Distribution	8.60	\$50,000	Prime plus 6%
Joseph Richard Hospitality Group Ltd. et al. OGEN Ltd. and OGEN Holdings Ltd.	Canadian Western Bank Hawsworth Holdings Ltd. and G. Edwards Holdings Ltd.	CCAA NOI	EY KSV	July 17, 2023 June 26, 2023	British Columbia Alberta	Food & Accommodation Cannabis	0.50 0.50	- -	Prime plus 5%; default interest rate of prime plus 10% 15.00%

Appendix “C”

**CHANCERY (OSHAWA) THE BARTLETT LIMITED
PARTNERSHIP
LIMITED PARTNERSHIP AGREEMENT**

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**CHANCERY (OSHAWA) THE BARTLETT LIMITED
PARTNERSHIP**

LIMITED PARTNERSHIP AGREEMENT

THIS AGREEMENT made effective as at and from the 18^h day of August, 2017.

B E T W E E N:

CHANCERY (OSHAWA) THE BARTLETT GP INC., a corporation existing under the laws of the Province of Ontario,
(the “**General Partner**”)

And

HILLSPORT DEVELOPMENTS INC., a corporation existing under the laws of the Province of Ontario,
(“**Hillspport**”)

And

CHANCERY SENIORS HOUSING INVESTMENTS INC., a corporation existing under the laws of the Province of Ontario,
(“**Chancery**”)

And

CATHRAE CONSULTING INC., a corporation existing under the laws of the Province of Ontario,
(“**Cathrae**”)

And

EACH PERSON WHO IS ADMITTED AS A LIMITED PARTNER IN THE PARTNERSHIP and listed from time to time in the register of the Partnership;
(collectively, the “**Limited Partners**”)

RECITALS

A. The General Partner and the Limited Partners have agreed to form a Limited Partnership, under the name Chancery (Oshawa) The Bartlett Limited Partnership (the “**Partnership**”) to develop 2.38 acres of development land located at 550 Bond Street West, Oshawa, Ontario and to develop, build and stabilize a 129 suite seniors apartment building (the “**Project**”), and the ultimate lease-up and refinance or sale of the Project.

B. The parties hereto wish to enter into this Agreement for the purposes of recording the relationship among the Partners and their respective rights and duties in the Partnership.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE 1 – INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires, the following words and phrases have the meanings set out below:

- (a) **“Act”** means the *Limited Partnerships Act* (Ontario), as the same may be amended, from time to time;
- (b) **“Additional LP Units”** has the meaning ascribed thereto in Section 3.2;
- (c) **“Admission Date”** has the meaning ascribed thereto in Section 5.6;
- (d) **“Affiliate”** of a person means any person that directly or indirectly Controls, is Controlled by, or is under common Control with, that person;
- (e) **“Agreement”** shall mean this limited partnership agreement among the parties hereto, including all appendices and schedules attached hereto, as the same may be further amended, changed or supplemented from time to time; the expressions “herein”, “hereof”, “hereunder” and similar expressions shall mean and refer to this Agreement and not to any particular Article or Section, unless a particular Article or Section is specifically referenced; and “Article”, “Section”, “Schedule” and “Appendix” shall mean and refer to the specified article, section, schedule and appendix, respectively, of or to this Agreement;
- (f) **“Allocated Income”** has the meaning ascribed thereto in Section 5.5;
- (g) **“Assigning Partner”** has the meaning ascribed thereto in Section 5.5;
- (h) **“Asset Management Agreement”** means the Asset Management Agreement made as of the date hereof between the Partnership and Hillsport;
- (i) **“Asset Management Services”** has the meaning ascribed to the term “Services” in the Asset Management Agreement;
- (j) **“Asset Management Termination Date”** has the meaning ascribed to the term “Termination Date” in the Asset Management Agreement;
- (k) **“Asset Manager”** means Chancery or its successor;
- (l) **“Asset Manager Fee”** has the meaning ascribed thereto in Section 7.5;
- (m) **“Board”** has the meaning ascribed thereto in Section 7.2;

- (n) **“Business”** has the meaning ascribed thereto in Section 2.6;
- (o) **“Business Day”** means a day other than a Saturday, Sunday or statutory holiday in the Province of Ontario and *Rosh Hashana* (two days), *Yom Kippur*, the first two days of *Sukkoth*, *Shemini Azereth*, *Simchath Torah*, the first, second, seventh and eighth days of *Passover* and *Shavuoth* (two days);
- (p) **“Capital”** means, in the case of each Partner, the amount of cash or other property contributed by such Partner (or any prior holder of such interest in the Partnership) to the capital of the Partnership from time to time less any distributions of capital by the Partnership to the Partner (or any prior holder of such interest in the Partnership), if any;
- (q) **“Capital Accounts”** means the Capital Accounts established and determined pursuant to Section 4.1 and a **“Capital Account”** means the Capital Account of one of the Partners;
- (r) **“Capital Contribution”** means, in the case of each Partner, the amount of cash or other property contributed by such Partner (or any prior holder of such interest in the Partnership) to the capital of the Partnership;
- (s) **“Class A Subordinated Preferred Units”** has the meaning ascribed thereto in Section 3.2;
- (t) **“Class A Subordinated Preferred Unit Issue Price”** means One Thousand Dollars (\$1,000.00) per Class A Subordinated Preferred Unit;
- (u) **“Class A Subordinated Preferred Unit Redemption”** has the meaning ascribed thereto in Section 3.16;
- (v) **“Class A Subordinated Preferred Unit Redemption Amount”** means, per Class A Subordinated Preferred Unit, the Class A Subordinated Preferred Unit Issue Price plus all accrued and unpaid distributions on each Class A Subordinated Preferred Unit, less the aggregate of all distributions paid on each Class A Subordinated Preferred Unit;
- (w) **“Class B Subordinated Preferred Units”** has the meaning ascribed thereto in Section 3.2;
- (x) **“Class B Subordinated Preferred Unit Issue Price”** means One Thousand Dollars (\$1,000.00) per Class B Subordinated Preferred Unit;
- (y) **“Class B Subordinated Preferred Unit Redemption”** has the meaning ascribed thereto in Section 3.17;
- (z) **“Class B Subordinated Preferred Unit Redemption Amount”** means the Class B Subordinated Preferred Unit Issue Price;
- (aa) **“Closing Date”** has the meaning ascribed thereto in Section 16.2;

- (bb) **“Common LP Units”** has the meaning ascribed thereto in Section 3.2;
- (cc) **“Construction Period”** has the meaning ascribed thereto in the Development Management Agreement;
- (dd) **“Control”** means, in relation to any person, the ownership, directly or indirectly, of voting securities or other interests in such person entitling the holder to exercise control and direction in fact over the activities of such person; and the terms “Controlled” and “Controlling” have the meaning correlative to the foregoing;
- (ee) **“Declaration”** means the declaration of limited partnership and any subsequent declaration filed and registered in respect of the Partnership pursuant to the Act;
- (ff) **“Development Management Agreement”** means the Development Management Agreement made as of the date hereof between the Partnership and Hillspport Management Inc.;
- (gg) **“Development Management Fee”** has the meaning ascribed thereto in Section 7.3;
- (hh) **“Development Manager”** means Hillspport Management Inc. or its successor;
- (ii) **“Development Services”** has the meaning ascribed to the term “Services” in the Development Management Agreement;
- (jj) **“Extension Provision of the Preferred Units”** has the meaning ascribed thereto in Section 3.11;
- (kk) **“General Partner”** means Chancery (Oshawa) the Bartlett GP Inc., or such other person as becomes the general partner of the Partnership in accordance with the terms of this Agreement;
- (ll) **“GP Units”** has the meaning ascribed thereto it in Section 3.2;
- (mm) **“ITA”** means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as the same may be amended from time to time;
- (nn) **“Land”** means 2.38 acres of development land located at 550 Bond Street West, Oshawa, Ontario PINs 16301-0432, 16301-0236, 16301-0235;
- (oo) **“Limited Partner”** means a holder of one or more LP Units reflected on the register of the Partnership or any other person which, after the date of this Agreement and in accordance with the provisions of this Agreement and the Act, is admitted as a limited partner of the Partnership. **“Limited Partners”** shall have a corresponding meaning in respect of all such parties, collectively or some of them as the context requires;

- (pp) **“LP Units”** means the Preferred Units, the Class A Subordinated Preferred Units, the Class B Subordinated Preferred Units, the Common LP Units and the Additional LP Units;
- (qq) **“Management Services”** has the meaning ascribed to the term “Services” in the Property Management Agreement;
- (rr) **“Negative Covenant”** has the meaning ascribed thereto in Section 6.1;
- (ss) **“Net Income”** or **“Net Loss”** means the net income or net loss of the Partnership as determined from time to time by the General Partner in accordance with Canadian accounting standards for private enterprises which is part of Canadian generally accepted accounting principles;
- (tt) **“Notes”** means the 10% subordinated secured notes due October 3, 2020 of the Partnership, subject to an optional extension by the Partnership to October 3, 2021;
- (uu) **“Operations Management Fee”** has the meaning ascribed thereto in Section 7.4;
- (vv) **“Partner”** may be used to refer to any one of the Limited Partners or the General Partner, and **“Partners”** shall have a corresponding meaning in respect of all such parties, collectively or some of them, as the context requires;
- (ww) **“Partnership”** means Chancery (Oshawa) The Bartlett Limited Partnership, the limited partnership formed upon the filing of the Declaration;
- (xx) **“Partnership Interest”** refers to the interest in the Partnership belonging to any one of the Limited Partners and the General Partner and **“Partnership Interests”** shall have a corresponding meaning in respect of their interests, collectively or some of them as the context requires, and may be evidenced by Partnership Units;
- (yy) **“Partnership’s Optional Redemption of the Preferred Units”** has the meaning ascribed thereto in Section 3.13;
- (zz) **“Partnership Units”** means the Preferred Units, the Class A Subordinated Preferred Units, the Class B Subordinated Preferred Units, the Common LP Units, the Additional Units and the GP Units;
- (aaa) **“Percentage Limited Partner Interest”** means, with respect to any Limited Partner, that percentage of all the LP Units which have been issued and are then outstanding that is from time to time owned by such Limited Partner, as the same may be increased or decreased from time to time in accordance with the provisions hereof;

- (bbb) **“person”** includes an individual, limited partnership, general partnership, corporation, limited liability company, unlimited company, unincorporated association or organization, joint venture, trust, governmental or quasi-governmental authority or any judicial or administrative authority or other entity;
- (ccc) **“Preferred Limited Partners”** means those Limited Partners who hold Preferred Units;
- (ddd) **“Preferred Units”** has the meaning ascribed thereto in Section 3.2;
- (eee) **“Preferred Unit Extended Maturity Date”** means October 3, 2021;
- (fff) **“Preferred Unit Issue Price”** One Thousand Dollars (\$1,000.00) per Preferred Unit;
- (ggg) **“Preferred Unit Maturity Date”** means October 3, 2020;
- (hhh) **“Preferred Unit Redemption”** has the meaning ascribed thereto in Section 3.14;
- (iii) **“Preferred Unit Redemption Amount”** means, for each series of Preferred Units, per Preferred Unit, the Preferred Unit Issue Price plus all accrued and unpaid distributions on each Preferred Unit, less the aggregate of all distributions paid on each series Preferred Unit, if any;
- (jjj) **“Project”** has the meaning ascribed thereto in the Recitals;
- (kkk) **“Property Management Agreement”** means the property management agreement made as of the date hereof between the Partnership and the Property Manager;
- (lll) **“Property Manager”** means Hillspport Management Inc. or its successor;
- (mmm) **“Purchase Agreement”** means the purchase agreement made as of the date hereof between the Partnership and Hillspport in respect of the Land;
- (nnn) **“Receiver”** has the meaning ascribed thereto in Section 12.4;
- (ooo) **“Register”** has the meaning ascribed thereto in Section 3.1;
- (ppp) **“Related Party”** means, with reference to the General Partner, any of the following:
 - (i) any person who participates in the management of the General Partner;
 - (ii) any person who participates in the management of the Project or the Business;

- (iii) an Affiliate of the General Partner;
 - (iv) an Affiliate of a person mentioned in (i), (ii) or (iii), including limited partnerships or other real estate entities set up by any such persons;
 - (v) any director or officer of a person mentioned in (i), (ii), (iii) or (iv);or
 - (vi) an Affiliate of a person mentioned in (v) above;
- (qqq) **“Sale”** has the meaning ascribed thereto in Section 16.2;
- (rrr) **“Special Resolution”** means a resolution approved by at least 66 2/3% of the Limited Partners (including the holders of Preferred Units and Subordinated Preferred Units, to the extent they have the right pursuant to this Agreement to vote in respect of such Special Resolution) cast in person or by proxy, at a duly convened meeting of the Partners or at any adjournment thereof, called in accordance with this Agreement, or a written resolution signed by a Limited Partner (including the holders of Preferred Units and Subordinated Preferred Units, to the extent they have the right pursuant to this Agreement to vote in respect of such Special Resolution) holding, in the aggregate, at least 66 2/3% of all of the issued and outstanding LP Units at such time;
- (sss) **“Stabilization” means** an average of 95% occupancy in the Project over six (6) calendar months;
- (ttt) **“Subject Units”** has the meaning ascribed thereto in Section 16.1;
- (uuu) **“Subject Units Purchaser”** has the meaning ascribed thereto in Section 16.2;
- (vvv) **“Subordinated Preferred Units”** means the Class A Subordinated Preferred Units and the Class B Subordinated Preferred Units;
- (www) **“Taxable Income” or “Tax Loss”** means, in respect of any fiscal year, the amount of income or loss (including capital gains and capital losses) of the Partnership, respectively, for such fiscal year as determined by the General Partner in accordance with this Agreement, the ITA and any applicable provincial income tax legislation;
- (xxx) **“Tax Distribution”** means a distribution to holders of the LP Units of the Tax Distribution Amount;
- (yyy) **“Tax Distribution Amount”** means an amount per LP Unit, as applicable, equal to any tax attributable to a holder of such LP Units (as applicable) as a result of holding such LP Units, as determined by the General Partner;

(zzz) “**Termination Date**” has the meaning ascribed thereto in Section 12.1;

(aaaa) “**Time of Closing**” has the meaning ascribed thereto in Section 16.2;

(bbbb) “**Unit Certificate**” has the meaning ascribed thereto in Section 3.16;

(cccc) “**Unitholder**” means a holder of units of the Partnership; and

(dddd) “**Vendor**” has the meaning ascribed thereto in Section 16.1.

1.2 Headings

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.3 Number and Gender

In this Agreement, words importing the singular number only shall include the plural and *vice versa*, and words importing the masculine gender shall include the feminine and neuter genders and *vice versa*. Terms defined in the singular shall have the corresponding meaning when stated in the plural and *vice versa*.

1.4 Calculation of Time

Unless otherwise specifically provided herein, in calculating the period of time within which or following which any act is to be done or step has to be taken pursuant to this Agreement, the date which is the reference date in calculating such period shall be excluded.

1.5 Performance on Non-Business Days

If any act or thing is required to be done or any step is required to be taken hereunder on or by a specified day which is not a Business Day, then such act or thing shall be validly done and such step shall be validly taken if done or taken on or by the next succeeding day that is a Business Day.

ARTICLE 2 – THE PARTNERSHIP

2.1 Formation of Partnership

The parties agree that the Partnership shall become a limited partnership upon the filing of the Declaration in accordance with the Act, and shall continue until the date on which the Partnership is dissolved in accordance with this Agreement and the Act. The rights and obligations of the Limited Partners shall be as provided in the Act except as herein otherwise expressly provided.

2.2 Name

The Partnership shall carry on business under the name “**Chancery (Oshawa) The Bartlett Limited Partnership**” or such other name or names as the General Partner may

determine from time to time, provided that the General Partner amends the Declaration to reflect any such name change and immediately notifies the Limited Partners of any such change of name.

2.3 Maintaining Status of the Partnership

The General Partner shall forthwith cause to be executed and filed the Declaration to form the Partnership as a limited partnership under the laws of the Province of Ontario. The General Partner shall file, on a timely basis whenever required, any amendment to the Declaration and shall do all things and cause to be executed and filed such certificates, declarations, instruments and documents as may be required under the laws of the Province of Ontario and the laws of any other province having jurisdiction in which the Partnership may carry on business to reflect the constitution of the Partnership. The General Partner and each Limited Partner shall execute and deliver as promptly as possible any documents that may be necessary or desirable to accomplish the purposes of this Agreement or to give effect to the formation and continuance of the Partnership under any and all applicable laws. The General Partner shall take all necessary actions on the basis of the information available to it in order to maintain the status of the Partnership as a limited partnership under the Act. The General Partner shall take every reasonable action necessary to preserve the limited liability of the Limited Partners and shall not take any action which, or omit to take any action the omission of which, could reasonably be expected to jeopardize the limited liability of the Limited Partners.

2.4 Principal Place of Business

The principal place of business of the Partnership shall be 2275 Upper Middle Road East, Suite 100, Oakville, Ontario, L6H 0C3, or such other place as the General Partner may determine from time to time.

2.5 Fiscal Year

The fiscal year of the Partnership shall end on December 31 in each year, or such other date as the General Partner in its discretion shall determine from time to time.

2.6 Business of the Partnership

The business of the Partnership is to own and develop the Project, including acquiring the Land, and then refinance or sell the Project (the “**Business**”). For greater certainty, nothing contained herein shall prevent the Partnership from owning and operating the Project following its completion. The Partnership shall not carry on any business other than the Business, unless approval therefor is given by the General Partner and by Special Resolution of each class of Limited Partners, voting separately as a class.

2.7 Term

The term of the Partnership shall commence upon the filing of the Declaration and shall continue until termination of the Partnership pursuant to the terms of this Agreement.

2.8 Status of Limited Partners

Each of the Limited Partners represents and warrants to and covenants with the General Partner and the remaining Limited Partners that such Limited Partner:

- (a) is not and shall not become a “non-resident” of Canada within the meaning of the ITA;
- (b) is not acquiring LP Units as a “tax shelter investment” (as defined for the purposes of the ITA), and is not a person an interest in which would be a “tax shelter investment” for the purposes of the ITA;
- (c) is not and shall not be a “financial institution” for the purposes of the ITA;
- (d) is not and shall not become a “non-Canadian” within the meaning of the *Investment Canada Act* (Canada) unless the General Partner has waived this requirement after it has determined, on the advice of legal counsel, that the Partnership is and will remain a Canadian-controlled entity within the meaning of such statute notwithstanding such waiver and that neither the Partnership nor any Limited Partner will suffer any negative consequences, tax or otherwise, as a result of such waiver; and
- (e) has the power and capacity to enter into and be bound by this Agreement,

and shall from time to time at the request of the General Partner or the remaining Limited Partners provide such evidence of compliance with such representations, warranties and covenants as the General Partner or the remaining Limited Partners may reasonably request.

2.9 Status of General Partner

The General Partner represents and warrants to and covenants with the Limited Partners that it:

- (a) will ensure that the Partnership is and shall remain a “Canadian partnership” within the meaning of the ITA;
- (b) is not and shall not become a “non-Canadian” within the meaning of the *Investment Canada Act* (Canada);
- (c) is not and shall not become a “non-resident” of Canada within the meaning of the ITA;
- (d) is not acquiring LP Units as a “tax shelter investment” (as defined for the purposes of the ITA), and is not a person an interest in which would be a “tax shelter investment” for the purposes of the ITA;
- (e) has and shall continue to have, so long as it is the General Partner of the Partnership, the power and capacity to act as the General Partner of the Partnership and to enter into, be bound by and perform its obligations under this Agreement,

and shall from time to time at the request of any of the Limited Partners provide such evidence of compliance with such representations, warranties and covenants as any of the Limited Partners may reasonably request.

ARTICLE 3 – PARTNERSHIP UNITS

3.1 Register

The General Partner shall at all times maintain a current record of the Partners (the “**Register**”) in accordance with the provisions of the Act in which there shall be recorded the names and addresses of the Partners, their Partnership Units, their Partnership Interests and such other matters as may be required under the Act.

3.2 Partnership Units

The Partnership is authorized under this Agreement to issue: (i) up to 3,500 Deferred Non-Compounding Preferred Limited Partnership Units, issuable in series (collectively, the “**Preferred Units**”), which are non-voting units; (ii) 2,500 Class A Subordinated Preferred Limited Partnership Units (the “**Class A Subordinated Preferred Units**”); (iii) 1,500 Class B Subordinated Preferred Limited Partnership Units (the “**Class B Subordinated Preferred Units**”); (iv) an unlimited number of common limited partnership units (the “**Common LP Units**”) which are voting units, each Common LP Unit conferring the right to one vote at any meeting of Unitholders; (v) an unlimited number of any other class of limited partnership units that may be authorized for issuance by the General Partner in accordance with this Agreement (the “**Additional LP Units**”) and (vi) an unlimited number of GP Units (the “**GP Units**”), all of which will be held by the General Partner.

3.3 GP Units

The GP Units shall have the following terms, conditions, rights and privileges:

- (a) Voting Rights: The holder of the GP Units shall be entitled to receive notice of and to attend all meetings of Partners called pursuant to the terms hereof, but shall have no voting rights at such meetings in respect of the GP Units held by such holder;
- (b) Income, Losses and Distributions: The holder of the GP Units shall be entitled to receive a portion of the Net Income, and may be allocated a portion of any Net Loss, as allocated and distributed, from time to time, by the General Partner in accordance with Article 5; and
- (c) Distributions of Assets on Sale, Liquidation or Dissolution: After making provision for the payment of debts, liabilities and obligations of the Partnership as described in Section 12.5 and as otherwise required by law, the General Partner shall be entitled to receive a distribution in the manner contemplated by Section 12.5.

3.4 Preferred Units

The Preferred Units shall have the following terms, conditions, rights and privileges:

- (a) Voting Rights: The Preferred Units shall be non-voting other than with respect to the matters described in Sections 2.6, 3.9, 7.14, 11.2 and 15.2;
- (b) Redemption: The holders of Preferred Units shall only be entitled to, on a per unit basis, the Preferred Unit Redemption Amount, as described in Section 3.14; and
- (c) Series: All series of Preferred Units will rank *pari passu* with each other series and will mature on the same date. Distributions will accrue on each series of Preferred Units from the applicable date of issuance or date determined by the General Partner not to be later than the applicable date of issuance or earlier than 60 days prior to the applicable date of issuance.
- (d) Distributions: The Preferred Units will be entitled, on a deferred non-compounding basis, to an annual distribution in an amount equal to 15% of the Preferred Unit Issue Price, such amount to be calculated from the date of issuance and payable at the earlier of: (i) the Preferred Unit Maturity Date or, if extended by the Issuer, the Preferred Unit Extended Maturity Date, and (ii) the date that the Preferred Units are redeemed by the Issuer.

3.5 Class A Subordinated Preferred Units

The Class A Subordinated Preferred Units shall have the following terms, conditions, rights and privileges:

- (a) Voting Rights: The Class A Subordinated Non-Compounding Preferred Units shall be non-voting other than with respect to the matters described in Sections 2.6, 3.9 and 15.2;
- (b) Distributions: The Class A Subordinated Preferred Units will be entitled, on a deferred non-compounding basis, to an annual distribution in an amount equal to 15% of the Class A Subordinated Preferred Unit Issue Price, such amount to be from the date of issuance, until such units are redeemed by the Partnership for the Class A Subordinated Preferred Unit Redemption Amount; provided that the 15% per annum return shall cease and no longer accrue on the date that the Preferred Units are redeemed by the Partnership. For greater certainty, the distribution applicable to the Class A Subordinated Preferred Units will only be paid when the Class A Subordinated Preferred Units are redeemed by the Partnership.

3.6 Class B Subordinated Preferred Units

The Class B Subordinated Preferred Units shall have the following terms, conditions, rights and privileges:

- (a) Voting Rights: The Class B Subordinated Preferred Units shall be non-voting other than with respect to the matters described in Sections 2.6, 3.9 and 15.2;

- (b) Distributions: Subject to the Negative Covenant, the Preferred Unit Redemption, and the Class A Subordinated Preferred Unit Redemption, the Class B Subordinated Preferred Units shall only be entitled to a distribution in amount per unit equal to the Class B Subordinated Preferred Unit Redemption Amount as provided in Section 6.3.

3.7 Common LP Units

- (a) Voting Rights: The holder of the Common LP Units shall be entitled to receive notice of and to attend all meetings of Partners called pursuant to the terms hereof, and shall have voting rights. Each Common LP Unit confers the right to one vote, per Common LP Unit, at any meeting of Unitholders; and
- (b) Distributions: Subject to the Negative Covenant, the Preferred Unit Redemption, the Class A Subordinated Preferred Unit Redemption and the Class B Subordinated Preferred Unit Redemption, distributions on the Common LP Units, if any, shall be determined by the General Partner as provided in Section 6.3.

3.8 Issuance of the GP Units

The parties to this Agreement acknowledge and agree that one GP Unit has been issued to and in the name of the General Partner. The Partnership acknowledges receipt of \$1.00 from the General Partner as full payment of the subscription price for the GP Unit issued hereby.

3.9 Additional Issues of LP Units

In addition to the Preferred Units, the Subordinated Preferred Units, the Common LP Units and the GP Units, the General Partner is authorized to issue an unlimited number of Additional LP Units. The General Partner shall determine the consideration and terms and conditions with respect to any future issuance of Additional LP Units in a manner that it, in good faith, determines to be in the best interests of the Partnership, which Additional LP Units, if any, shall have such designation, rights, privileges, restrictions and conditions as shall be fixed by the General Partner; provided that any Additional LP Units so issued shall be subordinate to the Preferred Units, the Subordinated Preferred Units, the Common LP Units, and the GP Units and any previously issued Units, unless approved by the holders of the any affected LP Units by Special Resolution, each voting separately as class.

3.10 Issued Common LP Units and GP Units

The number of Common LP Units that have been issued as of the date hereof to each of the initial holders of Common LP Units is as follows:

Partner	Number and Type of Units
Chancery	45 Common LP Units
Cathrae	5 Common LP Units
Hillspport	50 Common LP Units

The number of GP Units that have been issued to the General Partner is as follows:

Partner	Number and Type of Units
General Partner	One (1) GP Unit

3.11 Subordinated Preferred Units to be Issued in exchange for the Land

In exchange for the Land and the expenses relating to the Project incurred to date, Hillsport will be issued the 2,500 Class A Subordinated Preferred Units and 1,500 Class B Subordinated Preferred Units in accordance with the Purchase Agreement.

3.12 Optional Extension of the Preferred Units

Within 60 days of the Preferred Unit Maturity Date, the General Partner may extend the maturity date of the Preferred Units to the Preferred Unit Extended Maturity Date (the “**Extension Provision of the Preferred Units**”).

3.13 Optional Redemption of the Preferred Units by the Partnership

Provided the Notes have been repaid and are no longer outstanding obligations of the Partnership, and the Preferred Unit Maturity Date has been extended pursuant to Section 3.11, from the Preferred Unit Maturity Date to the Preferred Unit Extended Maturity Date, the Partnership will have the right to redeem the Preferred Units, on 60 days’ prior written notice to the Preferred Limited Partners for an amount per unit equal to the Preferred Unit Redemption Amount (the “**Partnership’s Optional Redemption of the Preferred Units**”).

3.14 Redemption of Preferred Units

Subject to the Negative Covenant and provided the Notes have been repaid and are no longer outstanding obligations of the Partnership, the Partnership will be required to redeem (the “**Preferred Unit Redemption**”) each Preferred Unit on the Preferred Unit Maturity Date, provided that the if the Extension Provision of the Preferred Units is exercised by the Partnership, the Preferred Unit Redemption must occur on the earlier of: (i) the Preferred Unit Extended Maturity Date and (ii) the effective date of the Partnership’s Optional Redemption of Preferred Units, in each case for an amount per unit equal to the Preferred Unit Redemption Amount.

3.15 Pro Rata and Pari Passu Redemption

Any redemption of Preferred Units will be made pro rata across all series of Preferred Units on a pari passu basis.

3.16 Redemption of the Class A Subordinated Preferred Units

Subject to the Negative Covenant and provided the Notes and the Preferred Units have been redeemed and are no longer outstanding obligations of the Partnership, the Partnership may redeem each Class A Subordinated Preferred Unit (the “**Class A Subordinated Preferred Unit Redemption**”) at any time for an amount per unit equal to the Class A Subordinated Preferred Redemption Amount .

3.17 Redemption of the Class B Subordinated Preferred Units

Subject to the Negative Covenant and provided the Notes, Preferred Units and Class A Subordinated Preferred Units have been redeemed and are no longer outstanding obligations of the Partnership, the Partnership may redeem each Class B Subordinated Preferred Unit (the “**Class B Subordinated Preferred Unit Redemption**”) at any time for an amount per unit equal to the Class B Subordinated Preferred Redemption Amount.

3.18 Certificates

The Partnership does not intend to issue certificates to represent the LP Units. The Partnership may, but shall not be obligated to, issue to the Limited Partners and to any new Limited Partner certificates representing the LP Units (in each case, a “**Unit Certificate**”) subscribed for from time to time indicating that the holder thereof is the owner of the number and class of LP Units set out thereon. Every Unit Certificate must be signed by at least one officer or director of the General Partner. Each Unit Certificate shall be registered as directed by the Limited Partner or an agent thereof. The validity of a Unit Certificate will not be affected by the circumstance that a person whose signature is so affixed thereon is deceased or no longer holds the office which he or she held when his or her signature in that office was authorized. If any Unit Certificate is lost, mutilated, stolen or destroyed, the Partnership may issue a replacement Unit Certificate to the Limited Partner upon receipt of evidence satisfactory to the Partnership of such loss, mutilation, theft or destruction, and upon receiving such indemnification (including an indemnity bond provided at the expense of the Limited Partner) as it deems appropriate in the circumstances.

ARTICLE 4 – ACCOUNTS

4.1 Capital Accounts

There shall be established and maintained for each Limited Partner on the books of the Partnership a Capital Account showing the Capital of each Limited Partner to which shall initially be credited the amount equal to the issue price per LP Unit multiplied by the number of LP Units held by such Limited Partner and thereafter there shall be credited or charged to each such account any additional Capital Contributions or return of Capital. There shall be established and maintained for the General Partner on the books of the Partnership a Capital Account showing the Capital of the General Partner to which shall initially be credited an amount equal to the Capital Contribution of the General Partner and thereafter there shall be credited or charged to such account any additional Capital Contributions or return of Capital.

4.2 Acknowledgement of Subordinate Preferred Unit Initial Capital Contribution

It is acknowledged by the Partnership that upon the acquisition of the Land (including the expenses relating to the Project incurred to date), the Partnership will have received from Hillspport, in exchange for the issuance and delivery by the Partnership to Hillspport of 2,500 Class A Subordinated Preferred Units and 1,500 Class B Subordinated Preferred Units, a Capital Contribution valued at \$4,000,000, \$2,500,000 of which will be applied to the Capital Account of the Class A Subordinate Preferred Units and \$1,500,000 of which will be applied to the Capital Account of the Class B Subordinate Preferred Units.

4.3 Restriction on Withdrawal, Etc.

No interest shall be paid to any Partner on any amount in its Capital Account except as expressly provided for in this Agreement. A Partner shall not have the right to withdraw any amount or receive any distribution or draw from the Partnership except as expressly provided for in this Agreement.

4.4 Bank Financing

All funds required by the Partnership in addition to its internally generated funds may, to the extent appropriate in the circumstances and possible in a practical, cost effective, efficient and timely manner, all as determined by the General Partner in its sole and unfettered discretion, be borrowed from the Partnership's bank or other lending institutions. No Limited Partners shall be required to guarantee, personally or otherwise, the payment of the Partnership's indebtedness.

4.5 Project Financing

The Partners agree that any and all other amounts required, from time to time, for or in respect of the Project that would not be covered by the aggregate Capital Contribution of all Partners and all of the debt financing raised by the Partnership from third party lenders or through the sale of debt securities of the Partnership shall be obtained, to the maximum extent possible, by way of equity or mortgage financing of the Land ("**Project Financing**"). Chancery shall be responsible for arranging for any Project Financing either by way of an offering of Preferred Units or Additional Units, offering debt securities of the Partnership or a third party loan, or any combination thereof. The Partners agree that so long as Chancery is continuing to make diligent and good faith, commercially reasonable efforts to arrange for any such Project Financing on the terms set out herein, including by working expeditiously and in good faith to close any such financing once such a financing commitment has been obtained, Chancery shall be deemed to be in compliance with its obligations under this Section 4.5. Nothing contained herein shall create any obligation on Chancery to fund Project Financing.

The decisions as to whether or not Project Financing is required, the amounts thereof, from whom the same shall be borrowed, and the terms and conditions of such borrowing shall each be determined by the General Partner.

ARTICLE 5 – ALLOCATION OF NET INCOME OR NET LOSS

5.1 Allocation of Net Income and Net Loss

Net Income and Net Loss for any fiscal year shall be allocated in the same manner as Taxable Income and Tax Loss is allocated in 5.2.

5.2 Allocation of Taxable Income and Tax Loss

- (i) Taxable Income for any fiscal year shall be allocated to each Partner in the same proportion as distributions are paid or made payable to such Partner in such Fiscal Year.

- (ii) Tax Loss for any fiscal year shall be allocated entirely to each of the Limited Partners *pro rata* in accordance with each Limited Partner's **Percentage Limited Partner Interest** as at the end of the fiscal year.
- (iii) Notwithstanding any other provision of this Agreement, the General Partner may allocate Taxable Income or Tax Loss to Partners in a fiscal year in such a manner as is reasonable, in the sole opinion of the General Partner, so as to account for:
 - (A) Partnership Units which are transferred or redeemed during the fiscal year;
 - (B) the timing of receipt of income or loss or the realization of any gain or loss by the Partnership during any fiscal year;
 - (C) any distributions made in any fiscal year; and
 - (D) any allocations of Taxable Income or Tax Loss in any previous fiscal year.

For greater certainty, Taxable Income or Tax Loss may be allocated to a former Partner who is not a Partner at the end of a fiscal year.

5.3 No Interest Payable

Notwithstanding any other provision hereof, no Partner shall be entitled to receive interest on the amount of its Capital from the Partnership. No Partner shall be liable to pay interest to the Partnership on any negative balance of its Capital.

5.4 Limitations Prescribed by Statute

Notwithstanding any other provision of this Agreement, neither the Partnership nor the General Partner shall be liable to any Partner for any failure to make any distribution contemplated by this Agreement if failure to make such distribution arises by reason of any statutory prohibition thereof, including the provisions of the Act.

5.5 Assignment of Partnership Interests

If at any time during a fiscal period of the Partnership, a Partner (the "**Assigning Partner**") shall withdraw or transfer its Partnership Interest in accordance with the provisions of this Agreement, the Assigning Partner's share of the Net Income or Net Loss in respect of such fiscal period, determined as at the end of such fiscal period (or at such other time stipulated by the General Partner), shall be allocated to the Assigning Partner based upon the number of days in such fiscal period between the last fiscal period end of the Partnership and the effective date of such Assigning Partner's withdrawal or transfer, as applicable (the "**Allocated Income**"). For purposes solely of federal and provincial taxation, the Allocated Income shall be allocated, for both federal and provincial purposes, in accordance with section 96 of the ITA such that:

- (a) the Allocated Income shall be included in the Assigning Partner's income for the year as if it were a member of the Partnership at the end of the fiscal period in which the Assigning Partner withdrew from the Partnership; and
- (b) the Assigning Partner shall be deemed to be a Partner of the Partnership at the end of such fiscal period.

5.6 Acquisition of Partnership Interests

If at any time during a fiscal period of the Partnership, a Partner shall be admitted to the Partnership in accordance with the provisions of this Agreement, such Partner's share of the Net Income or Net Loss in respect of such fiscal period, determined as at the end of such fiscal period (or at such other time stipulated by the General Partner), shall be allocated to such Partner based upon the number of days in such fiscal period between the date that such Partner was admitted to the Partnership (the "**Admission Date**") and the end of such fiscal period that such Partner was a Partner of the Partnership and otherwise in accordance with the provisions of this Agreement. In the case of any Partner who is admitted as a Partner pursuant to a subscription for LP Units, unless otherwise agreed to in writing between such Partner and the General Partner, and notwithstanding the actual date that such Partner was admitted to the Partnership, for the purposes of this Section, the Admission Date for such Partner shall be deemed to be the date that the subscription price for such LP Units shall have been paid in full.

5.7 Partner Filings

Each Partner shall prepare and file on a timely basis such tax returns required to be filed under the ITA or other applicable law, and shall include in its computation of income its share of the income or loss of the Partnership as may be determined and allocated to it pursuant to this Article 5. The General Partner will file, on behalf of itself and the Limited Partners, annual partnership information returns required to be filed under the ITA and any other applicable tax legislation in respect of the Partnership.

5.8 Withholdings

The General Partner may deduct or withhold from distributions payable to any Partner all amounts required by applicable law to be withheld from such distributions. To the extent that an amount is so deducted or withheld, such amount shall be treated for all purposes as having been paid to the Partner in respect of which such deduction and withholding was made.

ARTICLE 6 – DISTRIBUTIONS

6.1 Restriction on Distributions

So long as any obligation remains outstanding under the Notes, the Partnership will not make any distribution to the Limited Partners or the General Partner or make any redemption of LP Units, other than a Tax Distribution. For greater certainty, the payment of salaries, bonuses and commissions from time to time to the officers and employees of the Partnership or the General Partner, in each case in the ordinary course of business and at reasonable levels, and the payment of the Asset Management Fee, the Development Management Fee and the Operations

Management Fee, and the reasonable expenses of the General Partner in connection with the Project, shall not constitute distributions (the “**Negative Covenant**”).

6.2 Limitation on Distributions

Except as otherwise expressly set out herein, the Partnership shall not make any distributions to any Partner if the making of such distribution would render the Partnership in breach of either (i) any agreements to which the Partnership may be a party with any of its lenders, or (ii) the Act.

6.3 Distribution Waterfall

Subject to the Negative Covenant and the payment of the Asset Management Fee, the Development Management Fee and the Operations Management Fee, and the payment of any other expenses of the General Partner and the Partnership, including in connection with the Project, the General Partner may distribute surplus cash of the Partnership to the Partners as and when the General Partner determines that the Partnership has surplus cash available to distribute, in accordance with the following order of priority:

- A.** first, the Tax Distribution to the holders of the applicable Partnership Units;
- B.** Provided the Notes have been redeemed and are no longer outstanding obligations of the Partnership
 - (i) second, to the holders of Preferred Units in an amount equal to the Preferred Unit Redemption Amount;
 - (ii) third, provided the Preferred Units have been redeemed and are no longer outstanding obligations of the Partnership, to the holders of Class A Subordinated Preferred Units in amount per unit equal to the Class A Subordinated Preferred Unit Redemption Amount, following which the Class A Subordinated Preferred Units will be automatically redeemed;
 - (iii) fourth, provided the Preferred Units and Class A Subordinated Preferred Units have been redeemed and are no longer outstanding obligations of the Partnership, to the holders of Class B Subordinated Preferred Units in amount per unit equal to the Class B Subordinated Preferred Unit Redemption Amount, following which the Class B Subordinated Preferred Units will be automatically redeemed; and
 - (iv) fifth, provided the Preferred Units, the Class A Subordinated Preferred Units and the Class B Subordinated Preferred Units have been redeemed and are no longer outstanding obligations of the Partnership, to the holders of

Common LP Units and to the General Partner pro rata based on the number of outstanding Common LP Units and GP Units taken as a whole.

6.4 Repayment

If, as determined by the General Partner, any Partner has received by way of distribution an amount which is in excess of his or her entitlement, such Partner shall forthwith reimburse the Partnership the excess amount upon receipt of a notice from the General Partner setting out the excess amount received by the Partner. If the excess amount is not repaid to the Partnership within ten days of the Partner's receipt of such notice, the Partner shall, in addition to his obligation to repay the excess amount, pay interest on the excess amount at a rate equal to the prime lending rate of the Royal Bank of Canada plus 5% per annum, compounded monthly, from the date the Partner received the notice from the General Partner until the excess amount is repaid.

6.5 Refinancing

Upon any refinancing of the debt obligations of the Partnership which results, in the sole determination of the General Partner, in surplus cash becoming available for distribution among the Limited Partners, such surplus shall, to the extent determined to be distributable by the General Partner, be used to repay the senior debt of the Partnership and the remainder to redeem the Notes and the Preferred Units, subject only to any Tax Distribution; and then any remainder in accordance with section 6.3.

ARTICLE 7 – MANAGEMENT OF THE PARTNERSHIP

7.1 General Partner

- (a) The General Partner is hereby given full, complete and exclusive authority, and has the obligation, to control, manage, administer, conduct and operate or cease operations of the Business and to represent the Partnership and shall have all power and authority to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or other document necessary for or incidental to such purpose for and on behalf of and in the name of the Partnership. Without limiting the generality of the foregoing, the General Partner shall have the authority:
 - (i) to retain managers, including a Related Party, to manage the Business, at commercially reasonable remuneration and upon such commercially reasonable terms and conditions as may be determined by the General Partner;
 - (ii) to arrange credit lines with bankers;
 - (iii) to retain accountants for the Partnership;

- (iv) to engage such arm's length professional advisors as the General Partner reasonably considers advisable in order to perform its duties hereunder;
 - (v) to execute and carry out all other agreements which require execution by or on behalf of the Partnership;
 - (vi) to defend on behalf of the Partnership any and all actions and other proceedings brought against the Partnership or with respect to the Business and to settle on such terms as it deems advisable all such actions;
 - (vii) to hold assets of the Partnership in the name of the General Partner or such other nominee as may be determined by the General Partner from time to time as trustee for and on behalf of the Partnership;
 - (viii) to invest funds not immediately required for the Business in short-term securities of or guaranteed by the Government of Canada, the government of any Canadian province or a Canadian chartered bank;
 - (ix) issuing Partnership Units and any other securities of the Partnership;
 - (x) to purchase Partnership Units for cancellation by agreement with any Partner, where deemed appropriate by the General Partner;
 - (xi) to sell, lease, exchange or dispose of any or all of the property and assets of the Partnership, including the Project;
 - (xii) to execute any and all other deeds, documents and instruments and to perform all acts as may be necessary or desirable to carry out the intent and purpose of this Agreement, including, without limitation, retaining any qualified agents to carry out any of the foregoing; and
 - (xiii) to borrow money upon the credit of the Partnership or the credit of the General Partner on behalf of the Partnership or otherwise; to issue, reissue, sell or pledge debt obligations of the Partnership or the General Partner on behalf of the Partnership; to give a guarantee of the Partnership or the General Partner on behalf of the Partnership; to mortgage, hypothecate, pledge or otherwise create a security interest in all or any of the property and assets of the Partnership, provided that any such borrowings, debt obligations and security interests shall relate to the Business.
- (b) The General Partner's sole remuneration for the services provided hereunder shall be limited to its entitlement to an allocation of Net Income

or Net Loss as provided for in Article 5 and to distributions as provided for in Article 6; provided, however, the Partnership shall be required to reimburse the General Partner for any expenses or disbursements which are incurred by the General Partner in the performance of its duties.

- (c) The powers of the General Partner to represent the Partnership with third parties are unrestricted and no person dealing with the Partnership shall be required to inquire into the authority of the General Partner to take any act or proceeding, to make any decision or to execute and deliver any instrument, deed, agreement or other document for or on behalf of or in the name of the Partnership.

7.2 Board of Directors

The General Partner confirms that its board of directors (the “**Board**”) will initially be comprised of four directors, two of whom will be nominees of Chancery and initially be Steve Suske and Jessica Zhang and two of whom will be nominees of Hillspport and initially be Josh Skaist and Samuel Schuster. The Chair of the Board will be Steve Suske so long as he is a director of the Board. The Chair will not have a casting vote.

Each of the nomination rights conferred in the Limited Partnership Agreement, will survive for so long as each of Chancery and Hillspport (each a “**Nominating Entity**”), as applicable, have an interest in the Partnership as a Limited Partner, and any nominees of such Nominating Entity shall resign immediately upon such Nominating Entity ceasing to, directly or indirectly, have an interest in the Limited Partnership as a Limited Partner.

7.3 Development Management Fee

In accordance with the terms and provisions of the Development Management Agreement, the Limited Partnership shall pay the Development Manager, in consideration of the performance by the Development Manager of the Development Services during the Construction Period, a fee equal to \$1,000,000 plus applicable taxes (the “**Development Management Fee**”). The Development Management Fee will be earned and due in 36 equal monthly payments during the first 36 months of the Construction Period, provided that if construction and lease-up of the Project is completed prior to the expiry of such 36-month period then the full amount of the outstanding unpaid balance of the Development Management Fee will become immediately due and payable. The Development Management Fee will accrue and be payable upon each draw of hard costs funding. To the extent the Partnership’s cash on hand is insufficient to pay the Development Management Fee payable on such date, then such fee shall accrue and remain an outstanding liability of the Partnership until paid.

The Partnership shall also pay to the Development Manager all amounts properly payable as goods and services taxes, calculated in accordance with applicable legislation. The Partnership shall reimburse the Development Manager for all reasonable out-of-pocket expenses incurred in connection with the performance of the Services; however, expenses in excess of \$10,000 require prior approval by the General Partner, acting reasonably, with the exclusion of any fees paid or payable to third party subcontractors.

7.4 Operations Management Fee

In accordance with the terms and provisions of the Property Management Agreement, the Limited Partnership shall pay the Property Manager, in consideration of the performance by the Property Manager of the Management Services during the term of the Property Management Agreement, a fee equal to the greater of (i) 4% of Gross Receipts of the Project for the immediately preceding calendar month, where Gross Receipts means the aggregate of all rent, parking rents, rent for storage space, laundry and cable revenues, collected chargebacks and ancillary expense payments and all other sums required to be paid by the occupants of the Project and any other revenues and monies received in connection with or incidental to the operations of the Project; and (ii) \$10,000 per month, in each case payable in equal monthly installments in arrears on the first day of each month for the period in question (the “**Operations Management Fee**”). The Operations Management Fee will accrue and be payable monthly on the first day of each month. To the extent the Limited Partnership’s cash on hand is insufficient to pay the Operations Management Fee payable on such date, then such fee shall accrue and remain outstanding liabilities of the Limited Partnership until paid.

The Limited Partnership shall reimburse the Property Manager for all reasonable out-of-pocket expenses incurred in connection with the performance of services associated with the operations of the Project.

7.5 Asset Management Fee

In accordance with the terms and provisions of the Asset Management Agreement, the Partnership shall pay the Asset Manager, in consideration of the performance by the Asset Manager of the Asset Management Services during the term of the Asset Management Agreement, (i) an upfront consulting fee of \$200,000.00, and (ii) an annual fee equal to 2% of the Capital Contribution of all Limited Partners, plus applicable taxes (the “**Asset Management Fee**”). The Asset Management Fee will be payable monthly, with the first monthly installment expected to occurring one month following the date of the Asset Management Agreement and continue until the latter of receipt of an occupancy permit or first resident admission. To the extent cash flow is insufficient to pay the Asset Management Fee payable in any monthly period, then such fee shall accrue and remain an outstanding liability of the Partnership until paid. The Asset Management Fee will be an expense of the Limited Partnership and payable prior to any distributions.

For purposes of calculating the Asset Management Fee hereunder, the capital contribution of all Limited Partners and the aggregate principal amount of the Notes outstanding shall be determined quarterly, in advance by the Partnership. Throughout the term of this Agreement, the Partnership shall also pay to the Asset Manager all amounts properly payable as Goods and Services Taxes/Harmonized Sales Tax, calculated in accordance with applicable legislation. The Partnership shall reimburse the Asset Manager for all reasonable out-of-pocket expenses incurred in connection with the performance of the Services, provided that any expense in excess of \$10,000.00 (excluding any fees paid or payable to third party subcontractors) shall require prior approval of the Partnership, acting reasonably.

7.6 Transactions Including Related Parties

The validity of any transaction, agreement or payment involving the Partnership and any Related Party of the General Partner shall not be invalidated or otherwise affected by reason of the relationship between the General Partner and such Related Party or by reason of the approval of the said transaction, agreement or payment by the directors of the General Partner, all or some of whom may be officers, directors or Limited Partners of or otherwise interested in or related to such Related Party, provided that the terms of such transaction, agreement or payment are commercially reasonable.

7.7 Partnership Opportunities

Except as may be required by law, the General Partner will not be required to devote the efforts of its directors, officers or agents, or employees exclusively to or for the benefit of the Partnership and each may, directly or indirectly (either alone or with others, including through a Related Party), acquire, carry on or engage in such other businesses, ventures and activities as it considers appropriate whether or not similar to or competitive with the Business and, except as may exist at law, neither the Partnership nor any Partner will have any right, by virtue of this Agreement or the partnership relation created hereby, in or in relation to such other businesses, ventures or activities or to any income, proceeds or profits derived therefrom. Except as may be required by law, neither the General Partner nor its directors, officers, or Related Parties will be required to offer or make available to the Partnership any property or asset or business or investment opportunity which it may determine to acquire, carry on or engage in for its separate account.

7.8 Sale of the Business

- (a) Notwithstanding anything in this Agreement to the contrary, the General Partner has the power and authority for and on behalf of the Partnership to sell all or substantially all of the property and assets of the Partnership, provided that until the expiry of two (2) years following Stabilization no sale of the Project or any part thereof may be effected without the prior written consent of Hillsport. Notwithstanding the foregoing, in the event the Partnership has insufficient funds to repay and/or redeem the Notes when due or redeem the Preferred Units when required as outlined in Section 3.14, the consent of Hillsport will not be required if the sale of the property and/or assets of the Partnership is the only viable option in order to fund the such obligations. The terms of any sale, including purchase price, and the identity of the purchaser, provided that the purchaser shall not be a Related Party of the General Partner unless the purchase price is supported by an independent valuation, shall be determined by the General Partner at its sole and absolute discretion.
- (b) Nothing in Section 7.8(a) shall restrict Hillsport in the exercise of its rights as a shareholder of the General Partner.

7.9 Resignation of the General Partner

The General Partner shall not sell, assign or otherwise dispose of its rights and obligations under this Agreement (other than to an Affiliate as provided in Section 7.12). The

General Partner may resign as general partner of the Partnership on not less than ninety (90) days' prior written notice thereof to the Limited Partners and such resignation shall become effective upon the expiration of the 90-day notice period.

7.10 Deemed Resignation of the General Partner

The General Partner shall, on the effective date determined in accordance with Section 7.11, be deemed to resign as general partner of the Partnership in the event of:

- (a) the bankruptcy, involuntary dissolution, liquidation or winding-up of the General Partner (or the commencement of any act or proceeding in connection therewith which is not contested in good faith by the General Partner);
- (b) the appointment of a trustee, receiver or receiver and manager of the affairs or properties of the General Partner; or
- (c) if a mortgagee or other encumbrancer shall take possession of the property or assets of the General Partner or a substantial part thereof, or if a writ of execution, attachment or similar process is issued or levied against all or substantially all of the property or assets of the General Partner (and such writ of execution, attachment or similar process is not released, satisfied, discharged, vacated or stayed within thirty (30) days after its entry, commencement or levy, as the case may be).

The General Partner shall forthwith advise the Limited Partners by written notice of the occurrence of any event referred to in this Section 7.10.

7.11 Effective Date of Deemed Resignation of the General Partner

In the event of the deemed resignation of the General Partner as the general partner of the Partnership by virtue of the provisions of Section 7.10, the General Partner shall be deemed to have resigned and shall cease to be the general partner of the Partnership upon the expiration of ninety (90) days from the date of the giving of the notice of an occurrence of an event referred to in Section 7.10.

7.12 Effect of Resignation

- (a) Effective upon the resignation of the General Partner as contemplated in Sections 7.9 and 7.10, the holders of Common LP Units will appoint by a Special Resolution of the holders of the Common LP Units a new the general partner of the Partnership.
- (b) If the holders of Common LP Units fail to appoint a new general partner as contemplated pursuant to Section 7.12(a), the holders of Preferred Units will appoint by a Special Resolution of the holders of the Preferred Units a new the general partner of the Partnership.
- (c) Upon the resignation of the General Partner pursuant to Sections 7.9 and 7.10, the Partnership shall release and hold harmless the General Partner

then resigning, from all claims, actions, costs, demands, losses, damages and expenses with respect to events which occur in relation to the Partnership after the effective date of such resignation.

7.13 Assignment by the General Partner

The General Partner may assign its rights and obligations under this Agreement to an Affiliate upon ninety (90) days' prior written notice to the Limited Partners, provided that (i) the Affiliate complies with all requirements hereof relating to the General Partner, (ii) the interests of the Limited Partners are not impaired by such assignment, and (iii) the General Partner shall remain jointly and severally liable with such assignee for the obligations of the general partner of the Partnership.

7.14 Removal of General Partner

- (a) The General Partner may be removed or replaced by a Special Resolution of the holders of Preferred Units if the General Partner is guilty of fraud, wilful misconduct or gross negligence as determined by a court of competent jurisdiction by final and non-appealable judgement.
- (b) Any removal of the General Partner pursuant to Section 7.14(a) must also provide for the election and admission of a new general partner of the Partnership approved by a Special Resolution of the holders of Preferred Units. Any removal under Section 7.14(a) will be effective concurrently with the election and admission of the successor general partner to the Partnership.

7.15 Restrictions Upon the General Partner

The General Partner will not:

- (a) cause the Partnership to guarantee the obligations or liabilities of any person or make loans to the General Partner, or any Affiliate of the General Partner, provided that the General Partner may cause the Partnership to grant a guarantee, make loans or otherwise provide financial assistance to the General Partner, a subsidiary of the general Partner or an Affiliate of the General Partner where such guarantee, loan or financial assistance is given in connection with or in furtherance of the Business;
- (b) commingle the funds of the Partnership with the funds of the General Partner or any other person; and
- (c) cause the Partnership to extend a loan or loans to a Related Party.

7.16 Safekeeping of Assets; Title to Assets

The General Partner shall have a fiduciary responsibility for the safekeeping and use of all funds and assets of the Partnership, whether or not in its immediate possession or control, and

will not employ or permit another person to employ such funds or assets except for the exclusive benefit of the Partnership and in trust therefor. The General Partner hereby declares that title to all Partnership assets now or hereafter held by it or by its nominee is held in trust for the benefit of the Partnership. The General Partner will execute additional declarations of trust in favour of the Partnership and cause such declarations to be delivered, filed or registered whenever and wherever the General Partner considers the same advisable or necessary for the protection of the interests of the Partnership.

7.17 Commissions and Expenses

As part of the expenses of the Partnership, the General Partner may pay or cause to be paid out of the Partnership's property and assets, the reasonable fees, costs and expenses incurred in connection with the issuance of LP Units, including (without limitation) brokerage commissions, fees of accountants, lawyers and other agents, consultants and professional advisors employed by or on behalf of the Partnership.

ARTICLE 8 – RELATIONS BETWEEN THE PARTNERS

8.1 Limitations on the Authority of the Limited Partner

None of the Limited Partners shall be entitled to:

- (a) take part in the control or the management of the business of the Partnership;
- (b) execute any document which binds or purports to bind the Partnership or any of the Partners as such;
- (c) purport to have the power or authority to bind the Partnership or any of the Partners as such; and
- (d) undertake any obligation or responsibility on behalf of the Partnership.

8.2 Liability of General Partner

The General Partner shall be liable to third parties for the debts, liabilities and obligations of the Partnership.

8.3 Exercise of Powers and Discharge of Duties by General Partner

The General Partner shall exercise its powers and discharge its duties under this Agreement honestly, in good faith and in the best interests of the Partnership, and of the Limited Partners and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person providing services of a similar nature would exercise in comparable circumstances.

8.4 Limitation of Liability of General Partner

The General Partner shall not be liable to the Limited Partners and/or the Partnership for any acts, omissions or errors in judgment, except those resulting from the fraud, gross negligence

or wilful misconduct of the General Partner or the material breach of its obligations or duties hereunder.

8.5 Limited Liability of the Limited Partners

None of the Limited Partners shall be liable for any of the debts, liabilities and obligations of the Partnership except to the extent of the value of money and other property or assets contributed or to be contributed by such Limited Partner, as the case may be, as reflected in the Register from time to time or such other amount as would have been the limit of liability of such Limited Partner had such record been amended in accordance with the Act.

8.6 Indemnity of the Limited Partners by General Partner

The General Partner shall indemnify and hold harmless each Limited Partner for such debts, liabilities and obligations of the Partnership if such Limited Partner's liability is not limited in the manner provided for in this Agreement due to an act or omission by the General Partner which causes such Limited Partner, as the case may be, to lose the protection of limited liability afforded by the Act.

8.7 Indemnity

The General Partner will indemnify and save harmless the Partnership from and against any and all costs, damages, liabilities and expenses incurred by the Partnership as a result of any breach by the General Partner of its duties under this Agreement, including reasonable legal expenses incurred by the Partnership in defending an action based in whole or in part upon an allegation that the General Partner has been guilty of such breach if such defence is substantially unsuccessful.

ARTICLE 9 – BOOKS, RECORDS AND FINANCIAL INFORMATION

9.1 Books of Account

The General Partner shall cause to be kept or maintained, complete books of account and records of the Partnership and its business and operations and financial affairs at the principal place of business of the Partnership.

9.2 Reporting

Within 90 days following the expiry of every fiscal year of the Partnership, the General Partner shall deliver or cause to be delivered to the Limited Partners annual review engagement financial statements.

ARTICLE 10 – MEETINGS OF PARTNERS AND POWERS EXERCISABLE THEREAT

10.1 Meetings

The Partnership will not be required to hold annual general meetings, but the General Partner may at any time call a meeting of Limited Partners to obtain approval of the matters in 2.6, 3.9, 7.14, 11.2 and 15.2 that require a Special Resolution. Except for Sections 2.6, 3.9, 7.14,

11.2 and 15.2, the Limited Partners shall have no right to vote on any other matters unless specifically provided for by the General Partner. Such meetings of Limited Partners will be held at a place in Canada designated by the General Partner.

10.2 Notice of Meeting

Notice of any meeting shall be given to each Limited Partner entitled to vote at such meeting by prepaid registered mail or by personal delivery not less than 10 days prior to such meeting, and shall state:

- (a) the time, date and place of such meeting; and
- (b) in general terms, the nature of the business to be transacted at the meeting,

which notice shall be accompanied by a form of proxy.

10.3 Chairman

An officer or director of the General Partner, as determined by the General Partner, shall be the Chairman of all meetings of Partners.

10.4 Quorum

A quorum at any meeting of Partners shall consist of not less than one representative of the Limited Partners entitled to vote at such meeting, present in person and holding or representing by proxy, in the aggregate, not less than 51% of the total number of votes entitled to be cast at such meeting.

10.5 Voting Rights

Neither the Preferred Units nor the Subordinated Preferred Units shall be entitled to vote at any meeting of Partners other than in respect of the matters described in Sections 2.6, 3.9, 7.14, 11.2 and 15.2, as applicable. In such circumstances, each holder of a Preferred Unit and Subordinated Preferred Units shall have one vote at such meeting for every Preferred Unit and Subordinated Preferred Units held, as applicable.

10.6 Appointment of Proxy

Any Partner entitled to vote at a meeting of Partners may attend any meeting of Partners personally or may be represented by proxy, and any such proxy may be, but is not required to be, a Partner.

10.7 Validity

The Chairman of the meeting shall determine the validity of all instruments of proxy to be utilized at such meeting.

10.8 Right to Attend Meetings

Officers and directors of the General Partner shall have the right to attend any meeting of Partners.

10.9 Conduct of Meetings

To the extent that the rules and procedures for the conduct of a meeting of the Partners are not described in this Agreement, such rules and procedures shall be determined by the Chairman of the meeting, acting reasonably and in accordance with customary practice.

10.10 Resolutions Binding

Any resolution passed in accordance with this Agreement shall be binding on all Partners and their respective heirs, executors, administrators, other personal legal representatives, successors and assigns, whether or not such Partner is present or represented by proxy at the meeting at which such resolution is passed and whether or not such Partner voted against such resolution.

ARTICLE 11 – TRANSFER OR ENCUMBRANCE OF INTEREST

11.1 Transfer or Encumbrance of Partnership Interest

Except as otherwise expressly permitted herein, none of a Partner's Partnership Interest shall be either directly or indirectly (including by way of corporate reorganization, amalgamation or otherwise), in whole or in part, transferred, sold, assigned, exchanged or in any manner disposed of or pledged or in any manner encumbered (other than in favour of the General Partner) without the prior written consent of the General Partner and upon such reasonable terms as the General Partner may require, provided that such consent may be withheld for any reason. Nothing in this Article 11 shall prohibit a Limited Partner from transferring its Partnership Interest to an Affiliate of the Limited Partner where there is no change in beneficial ownership of the Partnership Interest and provided the representations and warranties in Section 2.8 are true with respect to such entity.

11.2 Transfer by General Partner

Except as expressly provided for in this Agreement and Section 11.1, the General Partner shall not be entitled to either directly or indirectly (including by way of corporate reorganization, amalgamation or otherwise) transfer, sell, assign, exchange or in any manner dispose of its interest in the Partnership as the General Partner unless the General Partner has received the approval of the holders of Preferred Units given by Special Resolution or such disposition is to an Affiliate of the General Partner.

ARTICLE 12 – DISSOLUTION AND/OR TERMINATION OF PARTNERSHIP

12.1 Events of Dissolution

The affairs of the Partnership shall be wound-up, its assets liquidated and the Partnership shall thereafter be dissolved, as soon as practicable, upon the earliest of (the “**Termination Date**”):

- (a) the date selected by the General Partner following the disposition of substantially all of the assets of the Partnership; and
- (b) the dissolution of the Partnership by operation of law.

12.2 Death or Withdrawal of a Limited Partner

For greater certainty, the death or withdrawal of any Limited Partner will not be deemed to dissolve the Partnership as between the General Partner and the remaining Partners.

12.3 Events not Causing Dissolution

Subject to Section 12.1, the Partnership shall not be dissolved or terminated by it ceasing to carry on the Business or by the resignation, removal, bankruptcy, insolvency, amalgamation, dissolution, liquidation, winding-up or receivership of the General Partner (except in the circumstances as provided for herein) or of any Limited Partner.

12.4 Receiver

On dissolution of the Partnership, the General Partner shall act as the receiver (the “**Receiver**”) of the Partnership. The Receiver shall prepare a statement of financial position of the Partnership and a copy of such statement shall be forwarded to each Partner. The Receiver shall proceed diligently to wind-up the business of the Partnership, and to distribute the net proceeds from the sale of property and assets thereof in accordance with Section 12.5. During the course of such liquidation, the Receiver shall, if it sees fit so to do, operate the Business and in doing so shall be vested with all the powers and authorities of the General Partner in relation to the Partnership under the terms of this Agreement. The Receiver shall be paid its reasonable fees and disbursements incurred in carrying out its duties as such.

12.5 Distribution of Assets on Sale, Liquidation or Dissolution

All property and assets of the Partnership available for distribution on a sale, liquidation or dissolution of the Partnership shall be distributed in the following order of priority:

- (a) to pay the expenses of liquidation and the debts and liabilities of the Partnership to its creditors, including without limitation the holders of the Notes;
- (b) in the case of a liquidation or dissolution, to provide for reserves which the Receiver considers reasonably necessary for any contingent or unforeseen liability or obligation of the Partnership provided, however, that any such reserve shall be paid over by the Receiver to an escrow agent to be held by

such escrow agent for the purpose of the payment of such liabilities or obligations of the Partnership and any balance remaining shall be distributed at such time as the Receiver reasonably determines in the manner hereinafter provided;

- (c) to repay the Notes;
- (d) to fund, on a *pro rata* basis, the Preferred Unit Redemption;
- (e) to fund, on a *pro rata* basis, the Class A Subordinated Preferred Unit Redemption;
- (f) to fund, on a *pro rata* basis, the Class B Subordinated Preferred Unit Redemption; and
- (g) to distribute the balance, if any, to the holders of Common LP Units and to the General Partner pro rata based on the number of outstanding Common LP Units and GP Units taken as a whole.

ARTICLE 13 – POWER OF ATTORNEY

13.1 Grant of Power of Attorney

Each Limited Partner hereby agrees to be bound by the terms of this Agreement, as from time to time amended and in effect, and expressly ratifies and confirms the power of attorney given to the General Partner therein and each Limited Partner hereby irrevocably nominates, constitutes and appoints the General Partner, with full power of substitution, as his or her or its true and lawful attorney and agent, with full power and authority in his or her or its name, place and stead to execute, swear to, acknowledge, deliver, make, record and file, and perform the Partnership's obligations when, as and where required or appropriate, any and all of the following:

- (a) this Agreement and counterparts thereof, and all documents and instruments necessary or appropriate to form, qualify or continue the qualification of the Partnership as a valid and subsisting limited partnership in any jurisdiction where the Partnership may carry on business or own or lease property in order to establish or maintain the limited liability of the Limited Partners and to comply with the applicable laws of any such jurisdiction;
- (b) all documents, instruments and certificates necessary to reflect any amendments to this Agreement which are approved pursuant to Article 15 hereof;
- (c) all conveyances, agreements, documents and other instruments necessary to facilitate and implement the dissolution and termination of the Partnership, if such dissolution and termination of the Partnership is authorized pursuant to this Agreement, including the cancellation of any securities and the distribution of the property and assets of the Partnership;

- (d) all instruments, deeds, agreements or documents executed by the General Partner in carrying on the business of the Partnership as authorized in this Agreement, including those necessary to purchase, sell, or hold the Partnership's property and assets;
- (e) all applications, elections, determinations or designations under the ITA or any other taxation or other legislation or similar laws of Canada or of any other jurisdiction in respect of the affairs of the Partnership or of a Limited Partner's interest in the Partnership, including all applications, elections, determinations or designations under the ITA or other legislation or similar laws of Canada or of any other jurisdiction;
- (f) any instrument or document which may be required to effect the continuation of the Partnership, or the admission of an additional or substitute Limited Partner or General Partner; and
- (g) any instrument or document required or appropriate to be filed with any governmental body or respecting the business, property and assets of the Partnership or this Agreement,

but the foregoing grant of authority shall not include the authority to take any action that would reasonably be expected to prejudice the rights of any Limited Partner other than as may be expressly permitted under this Agreement, including, but not limited to the following: modifying in any manner the terms of the LP Units or the rights and obligations of Limited Partner; imposing additional restrictions on the LP Units or making the rights of the LP Unit holders subject to the rights of holders of any other class of securities; executing any proxy on behalf of such Limited Partner or voting in respect of any Special Resolution on behalf of such Limited Partner.

The General Partner, by executing this Agreement, shall be deemed to have executed it on its own behalf and, by virtue of the power of attorney granted hereunder, on behalf of each of the Limited Partners reflected on the Register which includes for greater certainty all the holders of Preferred Units.

13.2 Survival of Power of Attorney

The power of attorney granted herein is intended to be and is hereby deemed to have been made in accordance with the *Powers of Attorney Act* (Ontario), is granted for value received and coupled with an interest, is irrevocable and will survive the death, disability, legal incapacity, mental infirmity or incompetence, or bankruptcy of a Limited Partner or the transfer or assignment by such Limited Partner of all or part of his or her or its interest in the Partnership and binds the heirs, executors, administrators, and other legal representatives and successors and assigns of such Limited Partner, and may be exercised by the General Partner on behalf of such Limited Partner in executing any instrument or document by listing all the Limited Partners thereon and executing such instrument or document with a single signature as attorney and agent for all of them. Each Limited Partner agrees to be bound by any representations and actions made or taken by the General Partner pursuant to this power of attorney permitted by this Agreement and hereby waives any and all defences which may be available to contest, negate or disaffirm any such action of the General Partner taken in good faith under this power of attorney. Each Limited Partner declares that this power of attorney shall survive and may be exercised

during any legal incapacity, mental infirmity, incompetence, or bankruptcy on the Limited Partner's part. This power of attorney shall continue on as long as the attorney and agent is the General Partner of the Partnership, and shall terminate thereafter with respect to that attorney or agent upon substitution therefor of a substitute general partner but shall continue in respect of the substitute general partner.

ARTICLE 14 – RESTRICTIONS

14.1 No Winding-Up

In recognition of the fact that this Agreement sets out the complete understanding of the Partners as to their rights and remedies as between themselves and that any action taken by a Partner to dissolve the Partnership would render securities which the Partnership intends to issue unenforceable, each Partner hereby agrees that under no circumstances will it initiate any proceedings to dissolve the Partnership under the provisions of the Act or otherwise except as expressly provided herein and instead will look solely to its rights as provided hereunder.

14.2 Compliance with Lender Requirements

The parties hereto acknowledge and agree that no provision of this Agreement is to be effective, in any event or circumstance, if giving effect thereto would render the Partnership in breach of any of its covenants or obligations to any of its lenders.

ARTICLE 15 – AMENDMENTS

15.1 Amendments by the General Partner

The General Partner may make the following amendments to this Agreement in its sole discretion and without the approval of the Limited Partners:

- (a) amendments aimed at ensuring continuing compliance with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over the General Partner or over the Partnership;
- (b) amendments which, in the reasonable opinion of the General Partner, provide additional protection for Limited Partners and are not prejudicial to the Limited Partners;
- (c) amendments to remove any conflicts or inconsistencies in this Agreement or to make minor corrections which are, in the opinion of the General Partner, necessary or desirable and not prejudicial to the Limited Partners;
- (d) amendments of a minor or clerical nature or to correct typographical mistakes, ambiguities or manifest omissions or errors, which amendments, in the opinion of the General Partner, are necessary or desirable and not prejudicial to the Limited Partners;
- (e) amendments which, in the opinion of the General Partner,
 - (i) are necessary, or

- (ii) desirable and not prejudicial to the Limited Partners,
as a result of changes in taxation or other laws;
- (f) subject to maintaining the priority of the Preferred Units and the Class A Subordinated Preferred Units; and
- (g) amendments for any purpose (except one in respect of which Limited Partner approval is specifically otherwise required) which, in the opinion of the General Partner, are not prejudicial to the Limited Partners and are necessary or desirable,

but notwithstanding the foregoing, no such amendment shall modify the right to vote attached to any LP Unit or reduce the equal undivided interest in the property and assets of the Partnership or the entitlement to distributions from the Partnership provided hereunder represented by any LP Unit without the consent of the Limited Partners pursuant to this Agreement.

15.2 Matters requiring a Special Resolution

Subject to Section 10.5, none of the following shall be effected by the General Partner unless the same has been duly approved by Special Resolution:

- (a) any amendment to this Section 15.2;
- (b) any amendment to this Agreement that would negatively alter the specific rights or business terms of a class of LP Units in which case such Special Resolution must be approved by the holders of the affected Class of LP Units; or
- (c) any matter required to be passed by a Special Resolution under this Agreement, as may be amended and restated from time to time.

ARTICLE 16 – GENERAL SALE PROVISIONS

16.1 No Encumbrances

Any Partner who is transferring its LP Units pursuant to any of the provisions hereof permitting or requiring the transfer of such LP Units (the “**Vendor**”), shall do all things necessary to transfer the LP Units to be sold or transferred pursuant to this Agreement (the “**Subject Units**”) free and clear of any claims, liens, encumbrances and security interests of whatsoever nature. The Vendor hereby warrants to the Partner or Partners acquiring the Subject Units (the “**Subject Units Purchaser**”) that, at closing of the transaction of purchase and sale, the Subject Units Purchaser will acquire good and marketable title to the Subject Units, free and clear of any claims, liens, encumbrances and security interests of whatsoever nature. The Vendor hereby agrees to indemnify and save harmless the Subject Units Purchaser from and against any and all claims, actions, demands, costs, expenses, damages and losses suffered or incurred by the Subject Units Purchaser as a result of there being any lien, claim, encumbrance or security interest upon or any defect in the title of the Vendor to the Subject Units. Provided that if, at the Time of Closing (as hereinafter defined), the Subject Units are not free and clear of all claims, liens, security interests and encumbrances whatsoever, the Subject Units Purchaser may, at its

sole and unfettered discretion and without prejudice to any other rights which he may have, purchase the Subject Units subject to such claims, liens, security interests and encumbrances. In that event, the Subject Units Purchaser shall, at the Time of Closing, assume all obligations and liabilities with respect to such claims, liens, security interests and encumbrances and the purchase price payable by the Subject Units Purchaser for the Subject Units shall be satisfied, in whole or in part, as the case may be, by such assumption. The amount so assumed shall reduce that portion of the purchase price payable at the Time of Closing and thereafter shall reduce payments on account of the said purchase price in order of maturity.

16.2 Closing Date

Each sale of LP Units pursuant to the provisions of this Agreement (which sale is hereinafter called a “Sale”) shall be closed at the offices of the solicitors of the Subject Units Purchaser commencing at 10:00 a.m. (Toronto time) (the “Time of Closing”) on a date (the “Closing Date”) designated by the Subject Units Purchaser by written notice to the Vendor (except where the Closing Date has been expressly hereinbefore provided for, in which case such date shall be the Closing Date) and which shall not be less than thirty-five (35) days and not more than forty-five (45) days after the last of the following events to occur with respect to the applicable Sale:

- (a) the execution of a binding obligation pursuant to this Agreement for the Subject Units Purchaser to purchase and the Vendor to sell the Subject Units; and
- (b) if required, the purchase price of the Subject Units being determined in accordance with this Agreement.

16.3 Conditions of Closing

At the closing of any Sale on the Closing Date, the Vendor shall deliver to the Subject Units Purchaser:

- (a) a certificate or certificates representing the Subject Units, if any, being the subject matter of the Sale duly endorsed for transfer with signature guaranteed, together with such other documents as the solicitor for the Subject Units Purchaser, acting reasonably, may advise or if no certificates were issued for the Subject Units, other evidence of the transfer of the Subject Units;
- (b) evidence reasonably satisfactory to the Subject Units Purchaser that the Vendor is not then a “non-resident” of Canada within the meaning of the ITA or provide the Subject Units Purchaser with a certificate issued pursuant to subsection 116(2) of the ITA with a certificate limit in an amount not less than the purchase price for the Subject Units; provided that if such evidence or certificate is not forthcoming, the Subject Units Purchaser shall be entitled to make the payment of tax required under section 116 of the ITA and to deduct such payment from the purchase price for the Subject Units, the amount deducted to reduce that part of the

purchase price payable at the Time of Closing and thereafter to reduce payments on account of the said purchase price in order of maturity; and

- (c) a release, in form satisfactory to counsel for the Subject Units Purchaser, acting reasonably, in favour of the Subject Units Purchaser, all of the remaining Partners and the Partnership by the Vendor, releasing such releasees from all claims with respect to any matter or thing arising up to and including the Time of Closing.

16.4 Failure to Close

If, at the Time of Closing, the Vendor fails to complete the subject transaction of purchase and sale, the Subject Units Purchaser shall have the right, without prejudice to any other rights which it may have, upon payment of that part of the purchase price payable to the Vendor at the Time of Closing (for greater certainty, after deducting the amount of any adjustments or set-offs contemplated hereunder) to the credit of the Vendor in the main branch of the Partnership's bankers in the City of Toronto, and to execute and deliver, on behalf of and in the name of the Vendor, such deeds, transfers, Unit Certificates, resignations or other documents that may be necessary or desirable to complete the subject transaction and the Vendor hereby irrevocably appoints the Subject Units Purchaser its attorney in that behalf in accordance with the *Powers of Attorney Act* (Ontario), as amended, consolidated or superseded.

16.5 Settlement of Indebtedness

At or before the closing of any Sale on the Closing Date:

- (a) the Vendor shall pay and satisfy all indebtedness which the Vendor or any Affiliate of the Vendor, owes to the Partnership or the Subject Units Purchaser or any Affiliate thereof, as the case may be; and
- (b) the Partnership and the Subject Units Purchaser shall pay and satisfy all indebtedness which it owes to the Vendor or any Affiliate of the Vendor.

The Subject Units Purchaser may set off from the purchase price payable at the Time of Closing any amounts owing from the Vendor to the Subject Units Purchaser or from the Vendor to the Partnership and thereafter shall reduce payments on account of the said purchase price in order of maturity by any amounts remaining owing by the Vendor to the Subject Units Purchaser or the Partnership.

ARTICLE 17 – NOTICE

17.1 Notice

Any notice, certificate, request or the like to be given hereunder to any of the parties hereto shall be in writing delivered personally, sent by facsimile or by courier service or if postal services and deliveries are then operating, mailed by registered mail to the said parties at their respective addresses set forth hereunder, namely:

Limited Partners - at the addresses to be listed opposite each such Limited

Partner's name in the Register

General Partner - 2275 Upper Middle Road East, Suite 100
Oakville, Ontario, L6H 0C3

Attention: Steve Suske

or at such other address as the party to whom such notice, certificate or request is to be given may have designated by notice so given to the other parties hereto. Any notice, certificate or request so delivered or sent by facsimile shall be deemed to have been received by the other party on the day of delivery or sending, or if not a Business Day or if after 5:00 p.m. on a Business Day, on the next Business Day following the day of delivery or sending, if sent by courier shall be deemed to have been received the next Business Day after it is given to such courier service for delivery and if sent by registered mail shall be deemed to have been received on the third Business Day following the postmarked date of the mailing of the same if postal service and deliveries are then operating. Any notice, certificate or request so given addressed to any party hereto shall, in the event of the death of such party, or if such party is dead, be deemed to be given to his personal representative.

ARTICLE 18 – GENERAL

18.1 Severability; Entire Agreement

Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason, such illegality or invalidity shall not affect the validity of the remainder hereof.

This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof. There are no representations (including negligent misrepresentations), warranties or conditions (including any that may be implied by statute), and there are no promises, covenants or agreements (including collateral contracts) in connection with such subject matter, except as are specifically set forth in this Agreement.

18.2 Independent Legal Advice

Each of the Limited Partners hereby acknowledges that McMillan LLP (the “**Counsel**”) has prepared this Agreement on the instructions of the General Partner only and that the Counsel has not acted as legal counsel to the Limited Partners. Each Limited Partner hereby further acknowledges that they may obtain their own independent legal advice concerning the advisability of entering into this Agreement and the subscription agreement for the purchase of LP Units (as applicable) before executing it and each of the Limited Partners confirms that it has either reviewed the agreements with independent legal counsel or has waived the right to such independent legal advice.

18.3 Enurement

This Agreement shall be binding upon and shall, except as herein otherwise provided, enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

18.4 Counterparts etc.

This Agreement may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same Agreement. Delivery of this Agreement may be made by facsimile transmission or other electronic means.

18.5 Governing Law

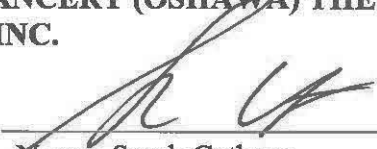
This Agreement shall be governed by and shall be performed, construed and enforced exclusively in accordance with the laws of the Province of Ontario. Any action or proceeding contemplated by any of the parties hereto for the purpose of enforcing this Agreement shall be commenced and continued only in Ontario before the appropriate tribunal having jurisdiction and each of the parties hereto hereby attorn to such jurisdiction.

18.6 Saving Provision Regarding Limited Liability

If any provision of this Agreement has the effect of imposing upon any Limited Partner any of the liabilities or obligations of the General Partner, such provision shall be of no force and effect and shall not be considered a part of this Agreement, but the remainder of this Agreement shall continue in effect.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first written above.

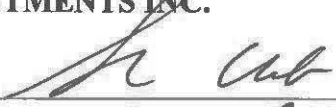
**CHANCERY (OSHAWA) THE BARTLETT
GP INC.**

By: 
Name: Sarah Cathrae
Title: Secretary and Managing Director


HILLSPORT DEVELOPMENTS INC.

By: _____
Name: Josh Skaist
Title: President

**CHANCERY SENIORS HOUSING
INVESTMENTS INC.**

By: 
Name: SARAH CATHRAE
Title: President & OFFICER

CATHRAE CONSULTING INC.

By: 
Name: Sarah Cathrae
Title: President

