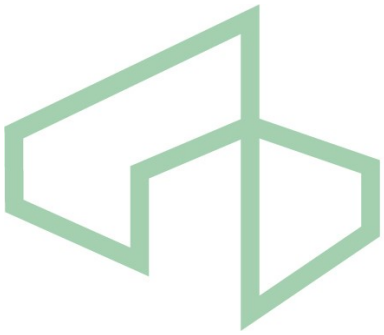


Crombie

Notice of Annual General and Special Meeting and Information Circular

Annual General and Special Meeting of Unitholders

May 6, 2021

INVITATION TO UNITHOLDERS

March 29, 2021

Dear Unitholder:

We are pleased to invite you to join our Board of Trustees and Senior Management Team at our Annual General and Special Meeting of Unitholders of Crombie Real Estate Investment Trust ("**Crombie**"). The meeting will be held virtually on May 6, 2021 at 11:00 a.m. (Atlantic Daylight Time).

As a result of the COVID-19 outbreak, out of concern for the health and well-being of our Unitholders, employees and other stakeholders, and the public health protocols that federal, provincial, and local governments have imposed, we will hold our annual meeting in a virtual only format, which will be conducted via live audio webcast that can be accessed at https://web.lumiagm.com/427301334, Password: crombie2021 (case sensitive). Unitholders will have an equal opportunity to participate at the annual meeting online regardless of their geographic location. At the annual meeting, “non-objecting” beneficial owners and proxy appointees have the opportunity to ask questions and vote on a number of important matters. We encourage you to participate in the annual meeting. In the accompanying Notice of Meeting and Management Information Circular you will find important information and detailed instructions about how to participate at our virtual annual meeting.

The items of business to be considered and voted upon at this meeting are set out in the accompanying Notice of Meeting and Management Information Circular. In addition, this meeting provides you with the opportunity to meet, listen to and ask questions of the people who are responsible for the performance of Crombie.

Crombie is committed to keeping you, our investors, informed about your investment in Crombie. We are also committed to respecting your wishes when you elect not to receive copies of the Annual Report or Quarterly Reports. We want you to know that you have a choice as to whether you receive the Crombie Annual Report. Please read and make your choice accordingly on the enclosed document used for that purpose.

If you are interested in receiving the 2020 Annual Report, copies will be available on our website at http://www.crombiereit.ca, or from the SEDAR website (http://www.sedar.com), or you can write to the following address and request a copy:

Crombie REIT
610 East River Road, Suite 200
New Glasgow, NS B2H 3S2
Attention: Clinton Keay, CPA, CA, Chief Financial Officer and Secretary

Email: investing@crombie.ca

Sincerely,

(signed) "Michael Knowlton"

Michael Knowlton

Chair

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that an Annual General and Special Meeting (the "**Meeting**") of the Unitholders of Crombie Real Estate Investment Trust ("**Crombie**") will be held on Thursday, the 6th day of May, 2021, at 11:00 a.m. (Atlantic Daylight Time). The Meeting will be a virtual only meeting via live audio webcast online at https://web.lumiagm.com/427301334.

The Meeting will be held for the following purposes:

- To receive and consider the Financial Statements of Crombie for the year ended December 31, 2020, together with the report of the auditors thereon and the related Management Discussion and Analysis;
- To elect Trustees for 2021;
- To appoint the auditors for 2021;
- To authorize the Trustees to fix the remuneration of the auditors;
- To consider an advisory resolution on executive compensation;
- To consider, and if thought advisable, to pass a special resolution authorizing amendments to Crombie's declaration of trust, as more particularly set forth in the Circular; and
- To transact such other business as may properly come before the Meeting.

Unitholders who cannot attend the Meeting are requested to complete, sign, date, and return the enclosed voting instruction form in accordance with the instructions provided. The accompanying Management Information Circular (the "**Circular**") provides further information regarding proxies and the matters to be considered at the Meeting and is deemed to form part of this Notice.

As a result of the continued COVID-19 pandemic, out of concern for the health and well-being of our Unitholders, employees and other stakeholders, and the public health protocols that federal, provincial, and local governments have imposed, we will hold our annual meeting in a virtual only format, which will be conducted via live audio webcast that can be accessed at https://web.lumiagm.com/427301334, Password: crombie2021 (case sensitive). Unitholders will have an equal opportunity to participate at the annual meeting online regardless of their geographic location.

“Non-objecting” non-registered (or beneficial) holders and proxy appointees have the opportunity to attend the Meeting, ask questions and vote, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the Circular. “Objecting” non-registered (or beneficial) shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote or ask questions at the Meeting.

Dated at New Glasgow, Nova Scotia, this 29th day of March, 2021.

BY ORDER OF THE BOARD OF TRUSTEES

(signed) "Clinton Keay"

Clinton Keay, CPA, CA

Chief Financial Officer and Secretary

TABLE OF CONTENTS

INVITATION TO UNITHOLDERS ii
NOTICE OF ANNUAL GENERAL MEETING OF UNITHOLDERS iii
TABLE OF CONTENTS iv
PART ONE - VOTING INFORMATION 1
Purpose of Meeting 1
Date, Time and Place of Meeting 1
Proxy-Related Materials 1
Solicitation of Proxies 1
Appointment and Revocation of Proxies 1
Voting of Units Represented by Proxies 1
Non-Registered Unitholders 2
Instructions on Voting at the Meeting 2
How to Vote 3
Objecting Beneficial Owners/Appointees Obtaining a Control Number to Vote during the Meeting 3
Record Date and Unitholders Entitled to Vote 3
Voting Units and Principal Holders Thereof 4
PART TWO - BUSINESS OF THE MEETING 4
Financial Statements 4
Election and Appointment of the Board of Trustees 4
Appointment of Auditor 13
Approval of Auditors Fees 14
Executive Compensation Advisory Vote 14
PART THREE - UNITHOLDER ENGAGEMENT & ESG 15
PART FOUR - TRUSTEE COMPENSATION AND EQUITY OWNERSHIP 15
Total Compensation of Board of Trustees 15
Trustee Unit Ownership Guidelines 16
PART FIVE - SPECIAL BUSINESS OF THE MEETING 17
PART SIX - COMPENSATION DISCUSSION AND ANALYSIS 19
Report of the Human Resource Committee 19
COVID-19 20
Diversity, Equity and Inclusion 20
Succession Planning 21
Compensation Philosophy 21
Compensation and Risk 22
Compensation and Performance Benchmarking 24
Components of Executive Compensation 25
2020 Compensation Decisions 29
2020 Compensation Decisions for Named Executive Officers 33
Summary Compensation Table 36
Performance Graph 37
A Look Back at CEO Compensation and Unitholder Return 38
President and CEO Compensation: Look Back Table 38
Pension Plan, Benefits, and Other Compensation 39
Equity Incentive Plans 43
PART SEVEN - OTHER INFORMATION 52
APPENDIX A - STATEMENT OF GOVERNANCE PRACTICES 54
APPENDIX B - MANDATE OF THE BOARD OF TRUSTEES 60
APPENDIX C - AMENDMENTS TO DECLARATION OF TRUST 63
APPENDIX D - BLACKLINE TO DECLARATION OF TRUST 64

PART ONE - VOTING INFORMATION

Purpose of the Meeting

The items of business to be considered and voted upon at this annual general and special meeting, or any adjournment thereof, (the "**Meeting**") of the holders (collectively "**Unitholders**") of units ("**Units**") of Crombie and special voting units ("**Special Voting Units**") of Crombie, are set out in the accompanying Notice of Meeting.

Date, Time and Place of Meeting

The Meeting will be held on Thursday, the 6th day of May, 2021, at 11:00 a.m. (Atlantic Daylight Time). The Meeting will be a virtual only meeting via live audio webcast online at https://web.lumiagm.com/427301334.

As a result of the COVID-19 outbreak, out of concern for the health and well-being of our Unitholders, employees and other stakeholders, and the public health protocols that federal, provincial, and local governments have imposed, Crombie's Trustees determined that it was in the best interests of Crombie and its Unitholders to hold the Meeting in a virtual only format.

Proxy-Related Materials

Crombie is sending proxy-related materials to registered holders and beneficial owners of Units using the notice-and-access method. Under this method, Crombie provides notice that it has posted electronic versions of proxy-related materials on a website for investor review. Should you wish to receive paper copies of the investor materials related to this meeting, please contact AST Trust Company (Canada) at 1-888-433-6443 or fulfilment@astfinancial.com.

Solicitation of Proxies

This Circular is furnished in connection with the solicitation by Management of proxies (hereinafter referred to as the "**Proxy**" or "**Proxies**") from Unitholders for use at the Meeting. It is expected that the solicitation will be primarily by mail, but Proxies may also be solicited personally by the Trustees or officers of Crombie. The cost of such solicitation will be borne by Crombie.

Appointment and Revocation of Proxies

The persons named in the enclosed form of Proxy are Trustees of Crombie. **A Unitholder has the right to appoint a person to represent such Unitholder at the Meeting other than the persons named in the enclosed form of Proxy**. Such right may be exercised by striking out the name of the persons designated and by inserting such other person's name in the blank space provided in the form of Proxy. Failing any designation, one of the persons already named on the Proxy form shall be deemed to have been appointed as the nominee of such Unitholder for the purposes set out in the accompanying Notice of Meeting. To be valid, the form of Proxy must be executed and received by AST Trust Company (Canada) before 11:00 a.m. (Atlantic Daylight Time) on May 5th, 2021. If the Meeting is adjourned or postponed, the proxy must be executed and received by AST Trust Company (Canada) at least 24 hours before the adjourned Meeting.

If the accompanying separate form of Proxy is executed and returned, the Proxy may nevertheless be revoked by an instrument in writing revoking the Proxy and executed by the Unitholder, or by the attorney of the Unitholder authorized in writing, or if the Unitholder is a corporation, under its corporate seal or by an officer or attorney thereof, duly authorized and deposited with the Secretary of Crombie prior to the commencement of the Meeting on the date of the Meeting or any adjournment thereof.

Voting of Units Represented by Proxies

Units represented by Proxy will be voted or withheld from voting in accordance with instructions specified by the Unitholder on the form of Proxy. If no instructions are given by the Unitholder, the Proxy confers discretionary authority upon the Proxy nominees with respect to the matters set out in the Notice of Meeting and other matters that may properly come before the Meeting or any adjournment thereof, but shall not confer authority to vote for the election of any person as a Trustee, unless a bona fide proposed nominee for such election is named in this Circular, or to vote at any meeting other than the Meeting specified in the Notice of Meeting, or any adjournment thereof. **Where either Michael Knowlton or John Eby has been appointed to vote on behalf of another Unitholder, he will vote:**

a. In favour of the election of those persons listed in this Circular as the proposed Trustees for the ensuing year;

b. In favour of the appointment of PricewaterhouseCoopers LLP as auditor for fiscal 2021;

c. In favour of authorizing the Trustees to fix the remuneration of the auditors;

d. In favour of the advisory resolution on executive compensation; and

e. In favour of the special resolution authorizing amendments to Crombie's declaration of trust.

Management has no present knowledge that any business other than that referred to in the accompanying Notice of Meeting will be presented to the Meeting. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the Proxies to vote the Proxies in accordance with what they consider to be in the best interest of Crombie.

Non-Registered Unitholders

Investors in Units are non-registered Unitholders. Unlike some issuers where the names of individual security holders are recorded on a register of holders, the ownership of Units is tracked only through a book-entry only system administered by CDS Clearing and Depository Services Inc. ("**CDS**"). In a book-entry based system, the only registered Unitholder is CDS who acts as clearing agent for the brokers and other intermediaries who, in turn, act on behalf of investors who are the beneficial owners of the Units.

There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "**Objecting Beneficial Owners**") and those who do not object (called "**Non-Objecting Beneficial Owners**").

Non-Objecting Beneficial Owners

If you are a Non-Objecting Beneficial Owner, Crombie will obtain your name and you will be treated as if you are a registered holder. You will receive proxy-related materials including a form of proxy from our transfer agent, AST Trust Company (Canada). The form of proxy will include a control number that you will use to access the Meeting. You may attend the Meeting and vote at the Meeting or you may appoint another person to represent you as proxyholder to vote your Units at the Meeting. You are encouraged to complete and return the enclosed form of proxy to ensure that your vote is counted should your plans to attend change.

Objecting Beneficial Owners

Objecting Beneficial Owners can only exercise their rights as beneficial owners of Units through CDS or a participant in the CDS depository service. This means that in order for Objecting Beneficial Owners to exercise their right to vote their Units at the Meeting, they must carefully review and follow the voting instructions provided by their broker or other intermediary.

Units held by brokers, or their nominees for an Objecting Beneficial Owner, can only be voted or otherwise represented upon the instructions of the Objecting Beneficial Owner. Without specific instructions, the broker/nominees are prohibited from voting or otherwise representing Units for their clients. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Objecting Beneficial Owners in advance of Unitholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Objecting Beneficial Owners in order to ensure that their Units are voted or otherwise represented at the Meeting. Often, the form of proxy supplied to an Objecting Beneficial Owners by its broker is identical to the form of proxy provided to registered Unitholders. However, its purpose is limited to instructing the intermediaries/brokers how to vote on behalf of or otherwise represent the Objecting Beneficial Owner.

Crombie does not intend to pay for a broker or intermediary to forward to Objecting Beneficial Owners the proxy-related materials and voting instruction form. Accordingly, Objecting Beneficial Owners will not receive these materials unless the Objecting Beneficial Owner’s broker or intermediary assumes the cost of delivery.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Objecting Beneficial Owners and asks Objecting Beneficial Owners to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions respecting the Units to be represented at the Meeting. An Objecting Beneficial Owner receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote or otherwise represent Units at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the Units voted or otherwise represented. Accordingly, it is strongly suggested that Objecting Beneficial Owners return their completed proxies as directed by Broadridge well in advance of the Meeting.

Voting in Person by Objecting Beneficial Owners

An Objecting Beneficial Owner who receives a form of proxy or a voting instruction form and wishes to attend and vote at the Meeting should strike out the names of the persons designated in the form of proxy and insert the Objecting Beneficial Owner's name in the blank space provided or, in the case of a voting instruction form, follow the corresponding directions on the form. In either case, an Objecting Beneficial Owner should carefully follow the instructions of their intermediary/broker, including those regarding when and where the proxy or proxy authorization form is to be delivered. If you are an Objecting Beneficial Owner and wish to vote in person at the Meeting, we recommend that you contact your broker or agent well in advance of the Meeting to confirm how you can do so.

Instructions on Voting at the Meeting

Non-Objecting Beneficial Owners and duly appointed proxyholders will be able to attend the virtual meeting, ask questions and vote in real time, provided they are connected to the internet and follow the instructions in this circular. Objecting Beneficial Owner who have not duly appointed themselves as proxyholder will be able to attend the virtual meeting as guests but will not be able to vote or ask questions at the virtual meeting.

Non-Objecting Beneficial Owners will receive a control number on the form of proxy sent to them and may use this control number to attend the virtual meeting, ask questions and vote in real time. Non-Objecting Beneficial Owners and Objecting Beneficial Owners who wish to appoint a person other than the management nominees identified in the form of proxy or voting instruction form (including Objecting Beneficial Owners who wish to appoint themselves to attend the virtual meeting) must take the additional step of registering such proxyholder with our transfer agent, AST Trust Company (Canada), after submitting the form of proxy or voting instruction form. **Failure to register the proxyholder with our transfer agent will result in the proxyholder or Objecting Beneficial Owner not receiving a control number to**

participate in the virtual meeting and only being able to attend as a guest. Guests will be able to listen to the virtual meeting but will not be able to vote.

How to vote

Unitholders have two ways to vote their Units:

- by submitting a proxy or voting instruction form as per instructions indicated
- during the meeting by online ballot through the live webcast platform.

Non-Objecting Beneficial Owners and duly appointed proxyholders (including Objecting Beneficial Owners who have duly appointed themselves as proxyholder) that attend the meeting online will be able to vote by completing a ballot online during the meeting through the live webcast platform.

Guests (including Objecting Beneficial Owners who have not duly appointed themselves as proxyholder) can log into the meeting as set out below. Guests will be able to listen to the meeting but will not be able to vote or ask questions during the meeting.

- Step 1: Log in online at https://web.lumiagm.com/427301334
- Step 2: Follow these instructions:

  Non-Objecting Beneficial Owners: Click “I have a control number” and then enter your control number and password “crombie2021” (case sensitive). The control number located on the form of proxy or in the email notification you received from AST is your control number. If you use your control number to log in to the meeting, any vote you cast at the meeting will revoke any proxy you previously submitted. If you do not wish revoke a previously submitted proxy, you should not vote during the meeting.

  Duly appointed proxyholders (including Objecting Beneficial Owners who have duly appointed themselves as proxyholders): Click “I have a control number” and then enter your control number and password “crombie2021” (case sensitive). Proxyholders who have been duly appointed and registered with AST as described in this circular will receive a control number by email from AST after the proxy voting deadline has passed.

  Guests: Click “Guest” and then complete the online form.

To ensure the optimum experience, virtual participants will need the latest versions of Chrome, Safari, Edge and Firefox (**please do not use Internet Explorer**). Participants should ensure their browser is compatible by logging in early. Please note that internal network security protocols including firewalls and VPN connections may block access to the virtual meeting technology. If during the meeting, participants experience any difficulty connecting or watching the meeting, they should ensure their VPN setting is disabled or use their computer on a network that is not restricted to security settings of a participant’s organization. It is your responsibility to ensure internet connectivity for the duration of the meeting

Objecting Beneficial Owners/Appointees Obtaining a Control Number to Vote during the Meeting

Objecting Beneficial Owners must complete the additional step of registering the proxyholder by calling AST at 1-866-751-6315 (within North America) or 1 (212) 235-5754 (outside of North America) by **no later than 11:00 a.m. (Atlantic Daylight time) on May 5, 2021**. Alternatively, Objecting Beneficial Owners can register your proxyholder online to request a control number at https://lp.astfinancial.com/control-number-request-en.html. Failing to register your proxyholder online will result in the proxyholder not receiving a control number, which is required to vote at the meeting. Objecting Beneficial Owners who have not duly appointed themselves as proxyholder will not be able to vote at the meeting but will be able to participate as a guest.

Record Date and Unitholders Entitled to Vote

Units

The board of trustees of Crombie (the "**Board**" or "**Board of Trustees**") has fixed March 12, 2021 as the record date for the purpose of determining which Unitholders are entitled to receive the Notice of Meeting.

On March 12, 2021, Crombie had 93,554,429 outstanding Units, each carrying the right to one vote per Unit at the Meeting. Any registered Unitholder of record at the time of the Meeting will be entitled to attend and vote at the Meeting either in person virtually or by Proxy. See "Voting of Units Represented by Proxies" and "Non-Registered Unitholders" for information regarding the voting of Units at the Meeting.

Special Voting Units

On March 12, 2021, Crombie had 64,736,511 outstanding Special Voting Units, each carrying the right to one vote per Special Voting Unit. Special Voting Units may only be issued in connection with or in relation to Class B Limited Partnership Units ("**Class B LP Units**") of Crombie Limited Partnership ("**Crombie LP**") for the purpose of providing voting rights with respect to Crombie to the holders of such securities. Special Voting Units are issued in conjunction with all Class B LP Units, and are evidenced only by the certificates representing such Class B LP Units. All of the outstanding Special Voting Units are held indirectly by Empire Company Limited ("**Empire**").

Voting Units and Principal Holders Thereof

The Trustees and management do not know of any person or company beneficially owning, directly or indirectly, or exercising control or direction over more than 10% of the Units. Empire currently holds 64,736,511 Special Voting Units and 909,090 Units of Crombie, representing 41.5% of the outstanding voting units of Crombie.

PART TWO - BUSINESS OF THE MEETING

Financial Statements

The audited consolidated financial statements of Crombie for the year ended December 31, 2020, and the report of the auditor thereon will be tabled at the Meeting. These audited consolidated financial statements were mailed to Unitholders with this Notice of Meeting and Circular. Additional copies of the audited consolidated financial statements may be obtained from the Secretary of Crombie upon request and will be available at the Meeting.

Election and Appointment of the Board of Trustees

ECL Right to Appoint Trustees

Pursuant to the Declaration of Trust of Crombie dated as of January 1, 2006, as amended and restated from time to time (the "**Declaration of Trust**"), ECL Properties Limited ("**ECL Properties**"), a wholly-owned direct subsidiary of Empire and the direct parent of ECL Developments Limited ("**ECL**"), has an exclusive right to appoint certain Trustees ("**ECL Trustees**") based on the proportion of outstanding Units and Special Voting Units held, directly or indirectly, by ECL Properties at the time of such appointment and the size of the Board at such time, all in accordance with the following table. ECL Trustees are required to meet the qualification requirements as set out in the Declaration of Trust.

ECL's Proportion of Outstanding Units and Special Voting Units Held	Total Number of Trustees of Crombie	Number of ECL Appointees
Greater than 30%	Greater than 10	5
	10	4
	7 to 9	3
	5 to 6	2
	Less than 5	1
20% - 30%	Greater than 10	4
	10	3
	7 to 9	2
	Less than 7	1
10% - 19.99%	10 or greater than 10	2
	Less than 10	1
Less than 10%	Any	—

Based on the current Board size and ECL Properties' ownership of 41.5% of the outstanding Units and Special Voting Units combined, ECL Properties has the right to appoint five Trustees.

ECL Appointed Trustees

ECL intends to exercise its exclusive right to appoint the following three Trustees (the "**ECL Trustees**"), each to hold office until the next annual meeting or until his or her successor is elected or appointed. **Unitholders do not have the right to vote on the appointment of the ECL Trustees**. In the opinion of the Board, the ECL Trustees are well-qualified to act as Trustees for the ensuing year. Each of the ECL Trustees has established their eligibility and willingness to serve. ECL retains the right to appoint an additional two trustees at a later date.

	Jim M. Dickson is the Chair of Empire Company Limited. He is counsel to the law firm of Stewart McKelvey, with over 30 years of experience practicing primarily in the areas of mergers and acquisitions, corporate finance and securities. Mr. Dickson serves as a director of Empire Company Limited and Sobeys Inc. He is the past Chair of the Board of Regents of Mount Allison University, past Chair of the IWK Health Centre Foundation and was a director of Clearwater Seafoods Incorporated. Mr. Dickson holds a Certificate in Engineering from Mount Allison University, a Bachelor of Civil Engineering from the Technical University of Nova Scotia and a Bachelor of Laws from the University of Calgary. He is a professional engineer and was appointed Queen's Counsel in 2010.		
Jim M. Dickson Age 63 Resident of Halifax, NS, Canada Trustee since 2017 **Independent Trustee**	**Committee Membership:** Mr. Dickson is a member of the Investment Committee and the Governance and Nominating Committee.		
	Other Public Board Membership: Empire Company Limited and Sobeys Inc.		
	Unitholdings (Units and Deferred Units): 36,344 (Satisfies Unit ownership guidelines)(1)		
Experience	**Board & Committee Attendance**		
CEO/Senior Executive Financial/Accounting Governance	Board	14 of 14	100%
	Governance and Nominating	3 of 3	100%
	Investment	4 of 4	100%

	Jana Sobey is currently the Vice President of Merchandising, Community, Thrifty Foods & Field for Sobeys Inc., a position she has held since 2017. A fourth generation Sobey family member in the business, Jana began her career with Sobeys at age 14 as a cashier. She has held consecutively senior roles within the company in the areas of merchandising, marketing, human resources and most recently as a VP Operations in Western Canada from 2016 to 2017 and Director, Employee & Customer Engagement from 2013 to 2016. Jana holds a Bachelor of Commerce degree and a Masters of Arts in Consulting & Entrepreneurship and is the past Chair of the Grocery Industry Foundation of Atlantic Canada and past Trustee of the Aberdeen Health Foundation Board in Stellarton, Nova Scotia.		
Jana Sobey Age 45 Resident of Toronto, ON, Canada Trustee since 2019 **Independent Trustee**	**Committee Membership:** Mrs. Sobey is a member of the Human Resources Committee and the Governance and Nominating Committee.		
	Other Public Board Membership: None		
	Unitholdings (Units and Deferred Units): 0 (Satisfies Unit ownership guidelines)(1)		
Experience	**Board & Committee Attendance**		
Senior Executive Governance	Board	14 of 14	100%
	Human Resources	5 of 5	100%
	Governance & Nominating	3 of 3	100%

	Paul Sobey was the President & Chief Executive Officer of Empire Company Limited from 1998 until his retirement in December 2013 after 31 years with the company. He holds a Bachelor of Commerce degree from Dalhousie University, and graduated from the Harvard Business School's Advanced Management Program. He received an honourary Doctorate of Commerce from Saint Mary's University and is a Fellow of the Institute of Chartered Professional Accountants of Nova Scotia. Mr. Sobey received the Queen Elizabeth II Diamond Jubilee Medal. Mr. Sobey sits on the boards of Empire Company Limited and Sobeys Inc. He previously served as the Audit Committee Chair and a member of the board of directors for the Bank of Nova Scotia, Chairman of Wajax Income Fund (now Wajax Corporation), a director of Emera Inc., and a member of the Board of Governors and Chancellor of Saint Mary's University in Halifax, Nova Scotia.		
Paul D. Sobey Age 64 Resident of Chance Harbour, NS, Canada Trustee since 2006 **Independent Trustee**	**Committee Membership:** Mr. Sobey is a member of the Audit Committee and Human Resource Committee.		
	Other Public Board Membership: Empire Company Limited and Sobeys Inc.		
	Unitholdings (Units and Deferred Units): 65,199 (Satisfies Unit ownership guidelines)[1]		
Experience	**Board & Committee Attendance**		
CEO/Senior Executive Financial/Accounting Human Resources	Board	14 of 14	100%
	Audit	2 of 2	100%
	Human Resources	5 of 5	100%

[1] Unit ownership guidelines stipulate that each Trustee must own Crombie Units or Deferred Units with a market value of greater than $160,000, which is a proxy for four times the annual Trustee retainer of $40,000. This requirement must be met within five years of the Trustee becoming a member of the Board. In the event the market value of a Trustee's unit holdings declines below four times the annual retainer (currently $160,000), the Trustee will have three years to meet the unit ownership guidelines.

Nominees

There are seven Trustees to be elected at the Meeting, each to hold office until the next annual meeting or until his or her successor is elected or appointed. Unless authority to vote on the election of Trustees is withheld, **it is the intention of persons named in the enclosed form of Proxy to vote the Units represented thereby in favour of the seven nominees listed below.**

The Governance and Nominating Committee of the Board reviews annually the qualifications of persons proposed for election to the Board and submits its recommendation to the Board for consideration. The persons proposed for nominations are, in the opinion of the Board, well-qualified to act as Trustees for the ensuing year. Each Trustee has established his or her eligibility and willingness to serve.

Majority Voting Policy

The Board has adopted a majority voting policy that requires, in an uncontested election of Trustees, any nominee who received a greater number of votes "withheld" than votes "for" to tender a resignation to the Board promptly following the Meeting. The Governance and Nominating Committee will consider the offer of resignation, and except in special circumstances, will recommend that the Board accept the resignation. The Board will make its decision and announce it in a press release within 90 days following the Meeting, including the reasons for rejecting the resignation, if applicable. Following are the voting results from the 2020 Annual General Meeting held May 7, 2020.

Nominee	For	Withhold
Paul V. Beesley	105,478,621 (99.89%)	113,541(0.11%)
Donald Clow	105,493,897 (99.91%)	98,265 (0.09%)
John Eby	105,451,398 (99.87%)	140,764 (0.13%)
J. Michael Knowlton	105,490,902 (99.90%)	101,260 (0.10%)
Barbara Palk	105,464,805 (99.88%)	127,357 (0.12%)
Jason Shannon	105,486,403 (99.90%)	105,759 (0.10%)
Karen Weaver	92,030,101 (87.16%)	13,562,061 (12.84%)

The seven nominees for election to the Board are as follows:

	Paul Beesley has served as a corporate director since 2018. He was Chief Financial Officer of Hudson's Bay Company from 2014 until his retirement in 2017. Prior to joining HBC, he held the position of Executive Vice President and Chief Financial Officer at Empire Company Limited from 2000 until 2014. Paul sits on the Board of Orlando Corporation and the Board of Governors for Dalhousie University. He holds various designations including ICD.D, Chartered Professional Accountant (CPA, CA), a MBA from Saint Mary's University and a B.Sc. from Dalhousie University in addition to having completed the Advanced Management Program at Harvard Business School.		
Paul V. Beesley Age 63 Resident of Halifax, NS Trustee since 2019 **Independent Trustee**	**Committee Membership:** Mr. Beesley is a member of the Audit Committee (Chair) and the Investment Committee.		
	Other Public Board Membership: None		
	Unitholdings (Units and Deferred Units): 21,745 (Satisfies Unit ownership guidelines)[1]		
Experience	**Board & Committee Attendance**		
Senior Executive Financial/Accounting Real Estate	Board	14 of 14	100%
	Audit	4 of 4	100%
	Human Resources	3 of 3	100%
	Investment	4 of 4	100%

	Donald Clow was appointed President and Chief Executive Officer of Crombie in 2009. Prior to joining Crombie, Mr. Clow held the position of President, ECL Developments Limited, the real estate development subsidiary of Empire for two years. Previous to Empire, he was President of Southwest Properties, a residential and commercial real estate development company in Halifax. Mr. Clow is a member of the Board of Governors of Acadia University and is on the Board of Directors of the QE2 Foundation. Mr. Clow served as a member of the Board of Trustees of Granite Real Estate Investment Trust from 2016 to 2019. Mr. Clow graduated from Acadia University with a BBA, earned his Chartered Professional Accountant (CPA, CA) designation with KPMG and was designated a Fellow Chartered Professional Accountant (FCPA, FCA) in 2002. Mr. Clow is a graduate of the YPO President's Program at Harvard Business School and the Director's Education Program at the Rotman School of Business receiving the ICD.D designation in 2014. Mr. Clow attended the CEO President's Seminar at Harvard Business School in 2017, 2019, 2020, and 2021. He speaks regularly at Canadian real estate industry events.		
Donald E. Clow Age 59 Resident of Halifax, NS, Canada Trustee since 2009 **Trustee, President and CEO**	**Committee Membership:** Mr. Clow is a member of the Investment Committee.		
	Other Public Board Membership: None		
	Unitholdings (Units and Deferred Units): 614,931[2] (Satisfies Unit ownership guidelines)[1]		
Experience	**Board & Committee Attendance**		
Financial/Accounting Real Estate	Board	14 of 14	100%
	Investment	4 of 4	100%

	John Eby has served as a corporate director since 2005. He was Vice-Chairman of Scotia Capital from 2000 until his retirement in 2006 and for 10 years prior thereto had been Senior Vice President, Corporate and Energy Banking, The Bank of Nova Scotia. He is also a director of Wajax Corporation. Mr. Eby received his BA and MBA in finance from Queen's University. Mr. Eby is the founder and CEO of Developing Scholars, a not-for-profit organization that promotes educational initiatives in Guatemala.		
John Eby Age 69 Resident of Toronto, ON, Canada Trustee since 2008 **Independent Trustee**	**Committee Membership:** Mr. Eby is a member of the Audit Committee and the Governance and Nominating Committee (Chair).		
	Other Public Board Membership: Wajax Corporation		
	Unitholdings (Units and Deferred Units): 59,092 (Satisfies Unit ownership guidelines)[1]		
Experience	**Board & Committee Attendance**		
Finance Governance Legal	Board	14 of 14	100%
	Audit	4 of 4	100%
	Governance and Nominating	3 of 3	100%

	Michael Knowlton was appointed Chair of Crombie in May 2019 and has served as a corporate director since 2011. He retired from Dundee Realty Corporation as President of Dundee REIT in May 2011 after 13 years of service. From December 1998 until May 2011 he held increasingly senior executive positions culminating in becoming President of Dundee REIT. Mr. Knowlton is a director of Tricon Capital Group Inc. and a trustee of Dream Industrial REIT. Mr. Knowlton served as a trustee of Dream Global REIT from 2016 to 2019. Mr. Knowlton received his B.Sc. (Engineering) and MBA from Queen's University, earned his Chartered Professional Accountant (CPA,CA) designation in 1977 and his ICD.D designation in 2011.		
J. Michael Knowlton Age 69 Resident of Toronto, ON, Canada Trustee since 2011 **Independent Trustee and Chair**	**Committee Membership:** None		
	Other Public Board Membership: Tricon Capital Group Inc., and Dream Industrial REIT		
	Unitholdings (Units and Deferred Units): 56,143 (Satisfies Unit ownership guidelines)[1]		
Experience	**Board & Committee Attendance**		
Senior Executive Financial/Accounting Real Estate	Board	14 of 14	100%

	Barbara Palk has served as a corporate director since 2012. She retired as President of TD Asset Management Inc. in 2010, following a 30-year career in institutional and investment management. She currently serves on the board of First National Financial Corporation where she chairs the Governance Committee. Her previous boards include Ontario Teachers' Pension Plan where she chaired the Investment Committee, TD Asset Management USA Funds Inc., Canadian Coalition of Good Governance where she chaired the Governance Committee, Greenwood College School, the Investment Counseling Association of Canada, the Perimeter Institute, the Shaw Festival, Unicef Canada and Queen's University where she chaired the Board of Trustees. Ms. Palk is a member of the Institute of Corporate Directors, a Fellow of the Canadian Securities Institute and is a CFA® charterholder. Ms. Palk also holds a Bachelor of Arts (Honours, Economics) degree from Queen's University and has received the ICD.D designation.		
Barbara Palk Age 69 Resident of Toronto, ON, Canada Trustee Since 2014 **Independent Trustee**	**Committee Membership:** Ms. Palk is a member of the Human Resources Committee (Chair), the Audit Committee and the Governance and Nominating Committee.		
	Other Public Board Membership: First National Financial Corporation		
	Unitholdings (Units and Deferred Units): 29,795 (Satisfies Unit ownership guidelines)(1)		
Experience	**Board & Committee Attendance**		
Senior Executive Corporate Director Human Resources Governance	Board	14 of 14	100%
	Human Resources	5 of 5	100%
	Governance and Nominating	1 of 1	100%
	Audit	4 of 4	100%

	Jason Shannon is the President and COO of Shannex Incorporated which today serves over 5,000 seniors across its seniors living platform which includes nursing homes and luxury seniors living residences under the Parkland Retirement Living brand. Mr. Shannon has held progressively senior roles with Shannex Incorporated since joining in 1999. Prior to joining Shannex, he practiced law with Stewart McKelvey. He is currently a member of the board of Atlantic Corporation Limited and advises several other private technology companies. He is past director of the Loran Scholars Foundation, the Health Association of Nova Scotia, Chair of the Nova Scotia Continuing Care Council, Atlantic Institute of Market Studies and the Atlantic Institute of Aging. Mr. Shannon holds both a Bachelor of Commerce and a Bachelor of Laws from Dalhousie University.		
Jason P. Shannon Age 49 Resident of Bedford, NS, Canada Trustee since 2016 **Independent Trustee**	**Committee Membership:** Mr. Shannon is a member of the Audit Committee and the Investment Committee (Chair).		
	Other Public Board Membership: None		
	Unitholdings (Units and Deferred Units): 99,365 (Satisfies Unit ownership guidelines)(1)		
Experience	**Board & Committee Attendance**		
CEO/Senior Executive Human Resources Financial/Accounting	Board	13 of 14	93%
	Investment	4 of 4	100%
	Audit	4 of 4	100%

	Karen Weaver is currently the President and CEO of MCAN Mortgage Corporation, having been appointed in May 2019. Prior to that, Ms. Weaver was Interim CEO of MCAN Mortgage Corporation since October 2018. Ms. Weaver was the Executive Vice President and Chief Financial Officer of D+H Corporation from 2014 to 2017 and the Executive Vice President and Chief Financial Officer of First Capital Realty, Inc from 2004 to 2014. Prior to this, she served as the Chief Financial Officer and Senior Vice President at Brookfield Property Corporation from 2000 to 2003. Ms. Weaver was a Trustee of Northwest Healthcare Properties REIT until 2021 and is a member of the Board of Directors for MCAP Commercial LP. Ms. Weaver holds a BBA from Old Dominion University and an ICD.D designation from the Institute of Corporate Directors and is a licensed public accountant, retired, from Washington State, USA.
Karen Weaver Age 62 Resident of Clarksburg, ON, Canada **Independent Trustee**	**Committee Membership:** Ms. Weaver is a member of the Governance and Nominating Committee, Investment Committee and Human Resources Committee.
	Other Public Board Membership: MCAN Mortgage Corporation
	Unitholdings (Units and Deferred Units): 20,000 (Satisfies Unit ownership guidelines)[1]

Experience	**Board & Committee Attendance**		
Senior Executive Financial/Accounting Governance	Board	8 of 8	100%
	Governance and Nominating	1 of 1	100%
	Investment	2 of 2	100%
	Human Resources	2 of 2	100%

Total number of Units and Deferred Units held by all Trustees:	1,002,614[2]
Total market value of Units and Deferred Units held by all Trustees:	$15,520,465[2] [3]

(1) Unit ownership guidelines stipulate that each Trustee must own Crombie Units or Deferred Units with a market value of greater than $160,000, which is a proxy for four times the annual Trustee retainer of $40,000. This requirement must be met within five years of the Trustee becoming a member of the Board. In the event the market value of a Trustee's unit holdings declines below four times the annual retainer (currently $160,000), the Trustee will have three years to meet the unit ownership guidelines. The President and CEO is required to own Crombie Units or Deferred Units or their equivalent with a market value greater than three times base salary.

(2) Mr. Clow's Unit Ownership count includes 125,400 Restricted Units awarded under Crombie's LTIP and 331,095 Deferred Units. For further description of the Restricted Units and Deferred Units, see "Equity Incentive Plans" in Part Six of this Circular.

(3) Based on market value of Units as of March 12, 2021 of $15.48.

No nominee is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including a personal holding company), that:

(a) was subject to an order (as defined in Form 51-102 F5 of National Instrument 51-102 - *Continuous Disclosure Obligations*) that was issued while the trustee or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order (as defined in Form 51-102 F5 of National Instrument 51-102 - *Continuous Disclosure* Obligations) that was issued after the trustee or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No nominee is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director or executive officer of any company (including a personal holding company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. No nominee has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the trustee, executive officer or unitholder.

No nominee has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Committee Membership and Record of Attendance

The following tables summarize the meetings of the Board and its Committees held for the fiscal year ended December 31, 2020, and the attendance of the individual Trustees of Crombie at such meetings:

Board	14
Audit Committee	4
Human Resources Committee	5
Governance and Nominating Committee	3
Investment Committee	4

Trustee	Independent	Board Meeting Attendance	Committee Membership	Committee Meetings Attendance
Paul V. Beesley[1]	Yes	14/14	Audit Human Resources Investment	4/4 3/3 4/4
Donald E. Clow	No	14/14	Investment	4/4
Jim M. Dickson	Yes	14/14	Investment Governance and Nominating	4/4 3/3
John Eby	Yes	14/14	Audit Governance and Nominating	4/4 3/3
J. Michael Knowlton	Yes	14/14	-	-
Barbara Palk[2]	Yes	14/14	Human Resources Governance and Nominating Audit	5/5 1/1 4/4
Jason P. Shannon	Yes	13/14	Audit Investment	4/4 4/4
Paul D. Sobey[3]	Yes	14/14	Audit Human Resources	2/2 5/5
Jana Sobey	Yes	14/14	Human Resources Governance and Nominating	5/5 3/3
Elisabeth Stroback[4]	Yes	6/6	Governance and Nominating Investment	2/2 2/2
Karen Weaver[5]	Yes	8/8	Governance and Nominating Investment Human Resources	1/1 2/2 2/2

(1) Paul V. Beesley was a member of the Human Resources Committee until May 2020.
(2) Barb Palk joined the Governance and Nominating Committee in May 2020.
(3) Paul Sobey joined the Audit Committee in May 2020.
(4) Elisabeth Stroback retired from the Board of Trustees in May 2020.
(5) Karen Weaver was elected to the Board in May 2020.

Trustee Skills

Crombie reviews the skills and areas of expertise of its trustees in a number of areas critical to the Board's oversight function to ensure that there is appropriate diversity of experience. The Governance and Nominating Committee is responsible for ensuring the Board and each of its Committees has the appropriate mix of skills, experience and expertise. The Governance and Nominating Committee reviews the Committee member composition annually and considers the current Committee compositions to have the appropriate mix of skills, education and expertise required for each Committee and the Board overall to execute their respective mandates. Crombie considers the following core skills and areas of expertise when evaluating committee membership and candidates for the Board:

Skill/Experience	Description
Accounting and Financial Literacy	Senior executive experience in financial accounting and reporting as well as familiarity with internal controls
Acquisitions, Dispositions and Mergers & Acquisitions	Senior executive experience in acquiring and/or disposing of real estate or mergers and acquisitions
Business Leadership and Strategy	Senior executive experience in leadership role and strategy development
Finance, Financing and Investment Banking	Senior executive experience in corporate finance, including understanding of various methods of financing and working with investment banking partners to access financing sources
Governance	Prior or current experience as a board member of a Canadian organization (public, private or non-profit)
Real Estate Development and Relationship Management	Senior executive experience in real estate development, either retail, office or residential where developing relationships with various partners is critical
Retail Real Estate and Operations	Senior executive experience managing or operating retail real estate assets or portfolios
Risk Management	Senior executive experience in managing enterprise-wide risk within all facets of an organization
Talent Management and Succession Planning	Senior executive experience or board compensation committee participation with an understanding of attraction and retention of key employees and establishment of succession plans for critical roles

	Accounting	Acquisitions, Dispositions and M&A	Business Leadership & Strategy	Finance	Governance	Real Estate Development	Retail Real Estate	Risk Management	Talent Management
Paul V. Beesley	✓	✓	✓	✓	✓		✓	✓	
Donald E. Clow	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jim M. Dickson	✓	✓	✓	✓	✓	✓	✓	✓	✓
John Eby	✓	✓	✓	✓	✓			✓	✓
J. Michael Knowlton	✓	✓	✓	✓	✓	✓	✓		
Barbara Palk	✓		✓	✓	✓			✓	✓
Jason P. Shannon	✓	✓	✓			✓		✓	✓
Jana Sobey	✓		✓		✓		✓	✓	✓
Paul D. Sobey	✓	✓	✓	✓	✓	✓	✓	✓	✓
Karen Weaver	✓	✓	✓	✓	✓	✓	✓	✓	✓
Number of Trustees	10	8	10	8	9	6	7	9	8

Trustee Orientation

Trustee orientation is a priority to ensure new Trustees are fully aligned with the strategy and business priorities at the earliest opportunity. New Trustees are oriented initially by the Chair and Secretary, and receive a copy of the Board and Committee mandates, key strategy documents and minutes of the four most recent Board and committee meetings and access to all public filings. Key management representatives arrange meetings on key priorities, management initiatives, and general operational issues. In addition, new Trustees are briefed on the Code of Conduct and Ethics, and asked to attest to its provisions.

Continuing Education

The Board and committees receive presentations on topical issues when making key business decisions, during strategic planning meetings and in response to Trustee requests. Trustees also attend external conferences and seminars. Trustees identify educational needs through the Board and committee process and self-assessment surveys. The Secretary arranges internal presentations for the Board after consulting with the Board or committee chairs and Lead Trustee, and notifies Trustees of pertinent conferences, seminars and other educational opportunities. The Audit Committee has an ongoing education program, while the other committees receive education on relevant matters that are identified by the committee, committee chair, Secretary or management. Crombie pays the fees and expenses for Trustees to attend conferences or other events that are important for enhancing their knowledge for serving on the Board. The following table details our Trustee development program in 2020.

Topic	Presented/Hosted By	Attended By
MD&A Disclosures	Deloitte	Full Board
Sustainable Investing	Willis Towers Watson	Full Board
Real Property Valuations during COVID	Altus Group	Full Board

Trustee Retirement

Crombie does not have a formal retirement policy to dictate the timing of Trustee renewal.

Audit Committee Information

In accordance with National Instrument 52-110 - *Audit Committees*, information relating to Crombie's audit committee is disclosed under the heading "Audit Committee Information" in Crombie's Annual Information Form for the fiscal year ended December 31, 2020.

Trustee Independence, Non-Independence and Other Relationships

For a Trustee to be considered independent, based on securities laws and disclosure requirements, the Board must determine that the Trustee does not have any relationship with Crombie, either directly or indirectly which could be reasonably expected to interfere with the exercise of the Trustee's independent judgment.

The Board is responsible for applying the definition of "Independent Trustee" to the circumstances of each individual Trustee, and for disclosing annually whether the Board has a majority of Independent Trustees and an analysis of the application of the principles supporting this conclusion.

The Board considers the following six Trustees proposed for election to be independent: John Eby, Paul V. Beesley, J. Michael Knowlton, Barbara Palk, Jason P. Shannon and Karen Weaver. The Board also considers all ECL appointees: Jim M. Dickson, Jana Sobey and Paul Sobey to be independent. Following the Annual General and Special Meeting, assuming all nominees are elected to the Board, nine out of ten Trustees will be independent with Donald E. Clow the only Trustee deemed non-independent.

In light of general guidelines and other literature, the Board considers that Donald E. Clow has a material relationship with Crombie and is therefore non-independent. Donald E. Clow is considered to be non-independent because of his position as President and CEO of Crombie.

The Board uses the definition of independent found in National Instrument 52-110 -" Audit Committees" when determining whether an individual trustee is independent. With that definition in mind, the Board considers ECL appointed trustee Paul Sobey to be independent. With his finance and accounting background and his extensive experience as former Audit Chair of the Bank of Nova Scotia, the Board is comfortable with Mr. Sobey participation as a member of Crombie's Audit Committee and its Human Resources Committee. As outlined in Appendix A - Statement of Governance Practices, Mr. Sobey must abstain from voting on any matters related to ECL that come before the Board or any committee on which he serves.

The Board also considers ECL appointed trustee Jana Sobey to be independent. While Jana Sobey is an active employee of Sobeys Inc, a wholly owned subsidiary of ECL, her position as Vice President of Merchandising, Community, Thrifty Foods & Field does not afford her the opportunity to influence ECL's investment in Crombie. As outlined in Appendix A - Statement of Governance Practices, Ms. Sobey must abstain from voting on any matters related to ECL that come before the Board or any committee on which she serves.

Appointment of Auditor

PricewaterhouseCoopers LLP was first appointed as external auditor to Crombie on May 5, 2016.

The Audit Committee has reviewed the independence and performance of PricewaterhouseCoopers LLP as external auditor of Crombie. Based on this review, it has recommended to the Board of Trustees and the Board of Trustees is recommending that PricewaterhouseCoopers LLP be reappointed, subject to Unitholder approval at the Meeting.

Based on the Board's recommendation, the persons named in the enclosed Proxy form intend to vote the Units represented thereby FOR the appointment of PricewaterhouseCoopers LLP as auditor of Crombie, to hold office until the next annual meeting of Unitholders. Below is the voting results from the 2020 Annual General Meeting held May 7, 2020.

	For	Withhold
Appointment of PricewaterhouseCoopers LLP, as auditors of Crombie REIT for the 2020 fiscal year	104,416,081 (98.87%)	1,197,447 (1.13%)

Approval of Auditors Fees

The persons named in the enclosed Proxy form intend to vote the Units represented thereby FOR the authorization of the Trustees to fix the remuneration of the auditor as the Trustees deem appropriate. Below is the voting results from the 2020 Annual General Meeting held May 7, 2020.

	For	Against
Authorize the Board of Trustees to fix the remuneration of PricewaterhouseCoopers LLP, as auditors of Crombie REIT for the 2020 fiscal year	104,422,016 (98.86%)	1,201,366 (1.14%)

The following table details the fees billed by Crombie's External Auditors in each of the last two fiscal years.

Fees Billed	Year ended December 31, 2020	Year ended December 31, 2019
Audit Fees	$ 310,000	$ 378,000
Audit Related Fees	144,309	58,235
Tax Fees	125,760	167,750
Other	$ 24,800	$ —
Total Fees	**$ 604,869**	**$ 603,985**

Audit fees include annual audit and quarterly reviews of Crombie's financial statements. Audit related fees include services related to the issue of units and debentures, fees related to discussion of accounting issues and disclosures, tenant cost recovery statements and French translation services. Tax fees include tax planning and project based assignments related to regulatory compliance and in 2019 work related to Crombie's special distribution paid to Unitholders. Other fees includes work related to various transactions during 2020.

Executive Compensation Advisory Vote

The Board of Trustees, on the recommendation of the Human Resources Committee (the "**HRC**"), has determined that it is appropriate to hold a non-binding advisory vote relating to executive compensation. As a Unitholder, you may vote "For" or "Against" Crombie's approach to executive compensation through the following resolution:

Resolved, on an advisory basis and not to diminish the role and responsibilities of the Board of Trustees, that the Unitholders accept the approach to executive compensation disclosed in this Management Information Circular for the Meeting of Unitholders on **May 6, 2021**.

Since the vote is advisory, it will not be binding on the Board. However, the Board and, in particular, the HRC, will consider the outcome of the vote as part of its ongoing review of executive compensation.

Below is the voting results of the 2020 Annual General Meeting of Unitholders held May 7, 2020.

	For	Against
Vote to accept the approach to executive compensation disclosed in the Management Information Circular dated March 29, 2020	101,987,411 (96.59%)	3,599,056 (3.41%)

The Compensation Discussion & Analysis section of this Circular describes our compensation practices for the named executive officers ("**NEOs**"). The executive compensation is designed to be aligned with performance, drive our strategic initiatives and align with the interests of our Unitholders.

PART THREE - UNITHOLDER ENGAGEMENT & ESG

Unitholder Engagement

The Board of Trustees' believes that it is important to have constructive engagement directly with its Unitholders to allow and encourage Unitholders to express their views on governance and other important matters directly to the Board outside of the annual general meeting. These discussions are intended to be an interchange of views about governance and disclosure matters that are within the public domain and will not include a discussion of undisclosed material facts or material changes.

The Chair of the Board of Trustees will act as the point of contact for Unitholders wishing to engage directly with the Board of Trustees. Examples of engagement practices include meeting with the Company's larger Unitholders and/or organizations representing groups of Unitholders, as well as ensuring smaller Unitholders also have a means of communicating with the Board on an ongoing basis. Unitholders who wish to communicate directly with the Board of Trustees can email the Chair of the Board of Trustees at chair@crombie.ca.

The Board recognizes that Unitholder engagement is an evolving practice in Canada and globally and will review our Unitholder engagement practices annually to ensure that they are effective in achieving our objectives.

ESG

Crombie has been and remains committed to embedding sustainability principles into the way we do business, our decision-making processes, and everyday activities. In order to better understand sustainability performance at Crombie, we are committed to improving the measurement of our baseline performance in all three categories of sustainability (environmental, social, and governance). We are developing the policies and procedures that will set the targets and actionable processes necessary to achieve our short- and long-term ESG goals. Our sustainability agenda is a critical component of our culture. To date, we have committed to the GRESB framework for reporting. Our commitment is being led from the top with The Board of Trustees actively engaging with senior management to shape Crombie's ESG strategy. The Board of Trustees receives regular updates on progress.

We have implemented many programs over the last 15 years that focused on reducing our carbon footprint and other environmental impacts in properties that we own and operate. In 2020 in collaboration with Empire, LED retrofits were completed at 147 of our properties across the country. Additionally, Clean St. John's awarded Avalon Mall the Golden Broom Corporate Award in 2020. Sustainable design and construction is embedded in our development process and our recently completed Davie Street development adheres to this and is built to LEED Gold equivalent.

From a social perspective, Crombie has consistently won Atlantic Canadian and Nova Scotian Employer of the Year awards as a result of our commitment to our people and culture. In 2020, we also won a Top Canadian Small and Medium Enterprise award. Diversity Equity and Inclusion at Crombie is of utmost importance, and in 2020 we updated our Diversity, Equity and Inclusion Policy to include goals, accountabilities, and commitments, we held virtual inclusion conversations, and we signed the BlackNorth Pledge. We are focused on improving employee engagement and ensuring the health,safety and well-being of our tenants, customers and employees.

Crombie has always believed in strong corporate governance and ethics. While we have a strategic relationship with Empire, who owns a 41.5% interest in Crombie, we have taken every effort to maintain our independence. Three of the ten trustees are appointed by Empire and must abstain from voting on related party transactions with Empire Company Limited. The remaining seven trustees, including the board chair, are elected by Unitholders.

2021 will be transformational for our ESG program. We will report publicly our ESG strategy and operating model, our priority ESG objectives, and we will publish an ESG Report with commitments that authentically reflect our values. We will report our performance in alignment with the GRESB framework, which is an investor-grade, industry-recognized tool specifically designed to measure ESG performance in real estate. We are currently collecting and reviewing relevant information, which will be used to highlight existing best practices, which are significant but unreported, and identify areas where we have opportunity to improve our performance. We look forward to continuing work with our Board of Trustees to develop comprehensive ESG measurement and reporting.

Please see Crombie's 2020 Annual Report for additional information on ESG at Crombie.

PART FOUR - TRUSTEE COMPENSATION AND EQUITY OWNERSHIP

Total Compensation of Board of Trustees

The Board of Trustees' compensation is designed to attract and retain talented and experienced Trustees who will act in the long-term interests of Crombie and its Unitholders. Compensation is paid only to non-employee and non-officer Trustees, except for Jana Sobey, whose compensation is paid to Empire. Donald Clow, President & Chief Executive Officer of Crombie, receives no compensation directly related to his role as Trustee. Annually, the Governance and Nominating Committee completes a trustee compensation review against a group of peers to ensure Crombie's trustee compensation is in line with that of other public real estate entities. In 2020, the Governance and Nominating Committee did not recommend any changes to the trustee compensation in light of the COVID-19 pandemic.

Trustees are reimbursed for travel and other expenses incurred for attendance at Board and committee meetings.

Elements of Compensation	Amount of Annual Compensation ($)	Fees Earned Per In-Person Meeting ($)	Fees Earned Per Teleconference Meeting ($)
Board Chair	$115,000	—	—
Non-Chair Annual Retainer	$40,000	—	—
Annual Deferred Unit Grant	$25,000	—	—
Lead Trustee(if applicable)	$15,000	—	—
Audit Chair	$17,500	—	—
Governance & Nominating Chair	$10,000	—	—
Investment Chair	$10,000	—	—
Human Resource Chair	$12,000	—	—
Board Meeting	—	$1,500	$1,000
Audit Committee Meeting	—	$2,000	$1,000
Other Committee Meeting	—	$1,500	$1,000

The trustee compensation table for the Board of Trustees details the annual compensation paid to each trustee during the fiscal year ended December 31, 2020. For 2020, the Trustees received In-Person Meeting fees for the quarter end related Committee and Board meetings which were held virtually after February due to the longer duration of and preparation for the meetings.

Name	Cash Fees earned ($)	Unit based awards ($)	Option based awards ($)	Non-equity incentive plan compensation ($)	Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
Paul V. Beesley	$ 92,000	$ 25,000	—	—	—	—	$ 117,000
Donald E. Clow	—	—	—	—	—	—	$ —
Jim M. Dickson	$ 49,500	$ 41,500	—	—	—	—	$ 91,000
John Eby	$ 39,000	$ 64,000	—	—	—	—	$ 103,000
J. Michael Knowlton	$ 86,250	$ 25,000	—	—	—	—	$ 111,250
Barbara Palk	$ 84,000	$ 25,000	—	—	—	—	$ 109,000
Jason P. Shannon	—	$ 106,500	—	—	—	—	$ 106,500
Paul D. Sobey	$ 66,500	$ 25,000	—	—	—	—	$ 91,500
Jana Sobey[1]	$ 67,000	$ —	—	—	—	—	$ 67,000
Elisabeth Stroback[2]	$ 14,500	$ —	—	—	—	—	$ 14,500
Karen Weaver[3]	$ 54,500	$ —	—	—	—	—	$ 54,500

(1) As Jana Sobey is a full time employee of Sobeys Inc., a wholly owned subsidiary of Empire, her trustee fees are paid to Empire.
(2) Elisabeth Stroback retired from the Board of Trustees in May 2020.
(3) Karen Weaver joined the Board of Trustees in May 2020.

Compensation for the Board of Trustees is payable in the form of cash for an annual retainer, an annual Deferred Unit grant, meetings fees, and, as applicable, committee chair retainers. However, Trustees may elect to receive some or all compensation in the form of Deferred Units under the Deferred Unit Plan described below under the heading “Equity Incentive Plans”.

Trustee Unit Ownership Guidelines

Each Trustee is expected to hold a minimum number of Units and Deferred Units having a total market value equal to four times the amount of the annual retainer (currently $40,000 for an aggregate of $160,000) paid to a non-management Trustee. This guideline should be met by the fifth anniversary of joining the Board. In the event the market value of a Trustee's unit holdings declines below 4x the annual retainer (currently $160,000), the Trustee will have three years to meet the unit ownership guidelines. See "Business of the Meeting - Election and Appointment of the Board of Trustees" for information relating to the Units and Deferred Units held by each Trustee and the status of each Trustee’s compliance with the ownership objective. The ownership guidelines for the President and CEO is outlined in the section “Compensation Discussion & Analysis - Equity Ownership Guidelines Policy”.

Trustees were eligible to take their compensation under the Deferred Unit Plan beginning in August 2013. Any Deferred Units will be counted as part of the minimum Units that they are expected to hold. Individual Trustees utilizing the Deferred Units may be able to defer payment of personal income taxes on their Board compensation until the Deferred Units are redeemed in accordance with their terms.

	Number of Units Owned[1]	Number of Deferred Units Owned	Total Units and Deferred Units Owned	Value at March 12, 2021[1]	Unit Ownership Requirement Status
Paul V. Beelsey	18,000	3,745	21,745	$336,613	Met/In Compliance
Donald E. Clow[2]	283,836	331,095	614,931	$9,519,132	Met/In Compliance
Jim M. Dickson	24,074	12,270	36,344	$562,605	Met/In Compliance
John Eby	14,700	44,392	59,092	$914,744	Met/In Compliance
J. Michael Knowlton	40,820	15,323	56,143	$869,094	Met/In Compliance
Barbara Palk	16,000	13,795	29,795	$461,227	Met/In Compliance
Jason P. Shannon	61,058	38,307	99,365	$1,538,170	Met/In Compliance
Jana Sobey[3]	—	—	—	$—	Met/In Compliance
Paul D. Sobey	55,000	10,199	65,199	$1,009,281	Met/In Compliance
Karen Weaver	20,000	—	20,000	$309,600	Met/In Compliance

(1) Based on Market Value of Units as of March 12, 2021 of $15.48.
(2) Donald E. Clow's Number of Units Owned includes 125,400 Restricted Units issued under Crombie's LTIP.
(3) Jana Sobey joined the board in May 2019. She has until May 2024 to meet Unit Ownership Requirements.

The following table provides a detailed reconciliation of the number of Units owned and the value by type of Unit (Units, Restricted Units, Deferred Units and Performance Units) by the President and CEO.

Type	# of Equivalent Units	Value
REIT Units	158,436	$ 2,452,589
Restricted Units (RUs)	125,400	$ 1,941,192
Deferred Units (DUs)	331,095	$ 5,125,351
Total Holdings excluding PUs	**614,931**	**$ 9,519,132**
Performance Units (PUs)	100,623	$ 1,557,644
Total Holdings including PUs	**715,554**	**$ 11,076,776**

PART FIVE - SPECIAL BUSINESS OF THE MEETING

Amendments to the Declaration of Trust

Crombie REIT has evolved from its initial public offering ("**IPO**") in 2006 as a primarily retail-focused REIT. Today, Crombie remains focused on owning grocery-anchored retail properties, but its strategy has expanded to own, operate and develop mixed-use development properties, including residential rental and retail-related industrial properties. Crombie REIT has grown from holding $800 million in assets at its IPO to over $4.8 billion in assets today. In addition, income tax rules applicable to real estate investment trusts have evolved since Crombie's initial public offering to allow greater flexibility for development and other activities. As a result, the Board of Trustees determined that it was appropriate to update Crombie's Declaration of Trust to align with its current size, strategy and its current operating environment.

The Board of Trustees, in conjunction with external legal counsel, has completed a review of Crombie's Declaration of Trust along with those of several of its peers. This review identified several opportunities to update and modernize Crombie's Declaration of Trust so that it is more in line with Crombie's peers and with current market practices.

The proposed changes to the Declaration of Trust will improve flexibility and enhance Crombie's ability to efficiently execute its Board approved business strategy, while maintaining necessary Board governance and oversight to protect unitholders' interests through the use of internal operating guidelines, policies and mandates.

Proposed Amendments

Unitholders will be asked to consider and, if thought fit, to pass a resolution approving amendments to the Declaration of Trust as shown in the consolidated blackline of the amended and restated Declaration of Trust attached as Appendix D to this Circular. More particularly, the changes can be grouped as clarifying amendments affecting governance and special approvals, amendments to Investment Guidelines and Operating Policies to bring these guidelines and policies more in line with Crombie's peers and to provide flexibility appropriate to Crombie's size, current business model and applicable tax rules, amendments to clarify the Trustees discretion to declare and pay distributions and amendments of a housekeeping nature.

The proposed amendments affecting governance and special approvals include changes to Section 4.2 Independent Trustee Matters to clarify and clearly express the ability to delegate certain approvals to a committee consisting of Independent Trustees. Consistent with the ability of directors to delegate authority under the Canada Business Corporations Act, the Declaration of Trust in Sections 4.3(l), 10.1 and 10.2 give the Trustees a general power of delegation of authority, while retaining overall responsibility for actions taken under delegated authority. Such delegation can allow for more efficient decision-making in circumstances where convening a meeting of the all Trustees or all Independent Trustees may be cumbersome and not necessary to satisfy the requirements of good governance. The proposed changes clarify the application of the principle of delegation to matters that require the approval of Independent Trustees under the Declaration of Trust. Changes to Section 4.12 Related Party Transactions will similarly clarify the ability of Trustees to delegate authority and to clarify the effect of references to applicable securities rules.

Other proposed governance changes include changes to Section 4.2 delete a requirement that amendments to certain specified agreements require approval of Independent Trustees, as this requirement was also covered elsewhere in a more general provision of Section 4.2, and the agreements identified are no longer considered to be material to Crombie, changes to Section 5.3 Lead Trustee to remove the requirement to appoint a Lead Trustee to lead proceedings of the Independent Trustees if the Chair of the Board of Trustees also satisfies the requirements of the position, and to also exclude ECL Trustees from the position of Lead Trustee, changes to Sections 8.6 Quorum and 8.18 Meaning of "Special Resolution" to add a requirement that a minimum of 25% of the outstanding Units of Crombie be represented in person or by proxy in order for quorum to be established for a meeting of Unitholders and changes to Section 10.1 increasing the required minimum numbers of independent and non-ECL Trustees on the Governance and Nominating Committee, the Human Resources Committee and the Investment Committee.

Changes to Sections 6.1 Investment Guidelines are proposed to more expressly address investments in raw land for development and to provide for the ability to make a small amount of investments that do not comply with the Investment Guidelines, subject always to compliance with specified investment flow-through trust or partnership ("**SIFT**") rules. Changes to Sections 6.2 Operating Policies are proposed to increase the proportion of Crombie's assets that may be leased to any person other than Sobeys to 20% of gross book value, in line with Crombie's competitors, and to remove restrictions on the amount of indebtedness that may be secured by an individual property or pool of properties and to remove restrictions on the ability to delegate approval of transactions, as these restrictions are not found in the declarations of trust of Crombie's competitors.

With these changes Crombie still must comply with the *Income Tax Act* (Canada) (the "**Tax Act**"). This includes requirements that Crombie qualifies as a "mutual fund trust" as defined in the Tax Act, and ensuring that the SIFT Regime (as described in more detail below) under the Tax Act is not applicable to Crombie.

The following summary of these rules is of a general nature only and is based upon the current provisions of the Tax Act and the Regulations, and all proposals to amend the Tax Act and the Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof. A taxation regime in the Tax Act applies to SIFTs. If a real estate investment trust (a "**REIT**") were to become subject to this regime (the "**SIFT Regime**"), a REIT would generally be taxed in a manner similar to corporations on income from business carried on in Canada by a REIT, and on income (other than taxable dividends) or capital gains from non-portfolio properties (as defined in the Tax Act), at a combined federal/provincial tax rate similar to that of a corporation. Allocations or distributions of income and capital gains that are subject to the SIFT Rules will be taxed as a dividend from a taxable Canadian corporation in the hands of the beneficiaries or partners of the SIFT.

The SIFT Regime is not applicable to a real estate investment trust that meets certain specified criteria relating to the nature of its income and investments (a "Non-SIFT REIT"). In particular, to qualify under the Tax Act for the exception under the SIFT Regime applicable to a Non-SIFT REIT (the "REIT Exception") in a particular taxation year (i) not less than 90% of the fair market value of all the Non-SIFT REIT's "non-portfolio property" must be "qualified REIT properties", (ii) not less than 90% of the Non-SIFT REIT's "gross REIT revenues" for the taxation year must be derived from one or more of the following: "rent from real or immovable properties"; interest; capital gains from dispositions of "real or immovable properties"; dividends; royalties; and gains from the disposition of certain real estate inventory properties which are contiguous to "real or immovable property" and that are necessary and incidental to the holding of such property.; (iii) not less than 75% of the Non-SIFT REIT's "gross REIT revenues" for the taxation year must be derived from one or more of the following: "rent from real or immovable properties", interest from mortgages, or hypothecs, on "real or immovable properties"; and capital gains from dispositions of "real or immovable properties"; and (iv) at no time in the taxation year may the total fair market value of all properties held by the Non-SIFT REIT, each of which is a "real or immovable property", indebtedness of a Canadian corporation represented by a bankers' acceptance, cash (including bank deposits or deposits with a credit union), or, generally, a debt obligation of a government in Canada or certain other public bodies, be less than 75% of the fair market value of all the Non-SIFT REIT's issued and outstanding Units at that time. The definition of "qualified REIT property" includes property held by the Non-SIFT REIT that is: "real or immovable property" and capital property of the Non-SIFT REIT; a security of a "subject entity" that is a nominee holder of legal title of certain real or immovable property; tangible personal property (or corporeal moveable property) that is ancillary to the earning by the Non-SIFT REIT of (a) rent from "real or immovable property" or (b) capital gains from the disposition of such properties. Interest or other distributions received from a subsidiary generally will be deemed to be "rent from real or immovable property" to the extent that the distribution may reasonably be considered to be derived from such rent.

The proposed amendments affecting distributions are found in Section 12.1 Distributions and Section 12.3 Payment of Distributions to add clarity to the Trustees discretion to declare distributions payable to Unitholders on dates other than regular monthly distribution dates, and to pay such distributions in forms other than cash, if deemed to be in the best interests of Crombie.

Other proposed amendments are of a housekeeping nature, removing unused definitions, improving consistency throughout the Declaration of Trust and clarifying in Section 14.1 Amendments by the Trustees the scope of amendments that may be made in the future by the Trustees without requiring Unitholder approval.

Proposed Amendments

The foregoing proposed changes, pursuant to section 14.3 of the Declaration of Trust, require the approval of two-thirds of the votes cast at a meeting of Unitholders because they add to the rights, privileges, restrictions or conditions attached to the Units and modify certain Operating Policies in Section 6.2 of the Declaration of Trust. Accordingly, Unitholders of the Trust will be asked to pass a special resolution in the form set out in Appendix C to this Information Circular, to authorize and approve the foregoing amendments to the Declaration of Trust. Implementation of this amendment is subject to TSX approval of the amendments.

On any vote that may be called relating to the authorization and approval of the foregoing transactions and amendments to the Declaration of Trust, the Units represented by proxies in favour of management nominees will be voted in favour of the authorization and approval of such transactions and amendments, unless a Unitholder specifies in his or her proxy that his or her Units are to be voted against such transactions and amendments to the Declaration of Trust.

PART SIX - COMPENSATION DISCUSSION AND ANALYSIS

The Statement of Executive Compensation is intended to provide Crombie's unitholders with a description of the processes and decisions involved in the design, oversight and payout of its compensation programs for Named Executive Officers (NEOs) for 2020. For the year ending December 31, 2020, the NEOs were:

- Donald Clow, President & CEO
- Glenn Hynes, EVP and Chief Operating Officer
- Clinton Keay, Chief Financial Officer & Secretary
- John Barnoski, EVP Corporate Development
- Arie Bitton, SVP Leasing & Operations

The Executive Committee includes Cheryl Fraser along with Don Clow, Clinton Keay, Glenn Hynes, and John Barnoski. Cheryl Fraser's compensation is presented as information.

Role, Composition and Experience of the Human Resources Committee ("HRC")

The Board has delegated to the HRC responsibility for recommending to the Board for approval and implementing compensation policies, programs and plans for Crombie executives. For the 2020 compensation decisions, the HRC consisted of the following directors: Barbara Palk (Chair), Paul Sobey, Jana Sobey, and Karen Weaver. All members of the HRC are independent within the meaning of applicable securities laws governing the disclosure of corporate governance practices and the HRC has the right composition of competencies to fulfil their role.

Trustee	CEO/Executive	Governance	HR/Employee Engagement	Executive Compensation
Barbara Palk	✓	✓	✓	✓
Paul Sobey	✓	✓	✓	✓
Jana Sobey		✓	✓	✓
Karen Weaver	✓	✓	✓	✓

Human Resources Committee

In 2020, the HRC, in accordance with its mandate and in addition to the COVID-19 situation, focused on:

- The compensation philosophy, structure and process for executives including base salary, annual and long-term incentive plans, benefits, pension, and perquisites;
- Succession planning, talent management, and development relating to executives, including appointments, reassignments, and terminations;
- Benchmarking compensation with a robust set of peer comparators and conducting reviews of realized and realizable compensation in relation to peer comparators;

- Setting the annual performance goals and objectives (the Balanced Scorecard) and reviewing the mid-year and annual performance evaluation of executives;
- Diversity, equity and inclusion within the Board and the executive bench including the Diversity, Equity and Inclusion policy, its goals and objectives;
- Quarterly financial performance attribution analysis in conjunction with the Audit Committee;
- Organizational culture including the quarterly review of a culture dashboard;
- Employee engagement metrics and survey results;
- Executive compensation policies including:
    - Unit Ownership
    - Change of Control
    - Termination
    - Claw Back
    - Anti-Hedging
    - Non-solicitation and Non-Competition
- The Code of Business Conduct & Ethics; and
- Occupational Health & Safety

In 2020, the HRC also reviewed its mandate and brought better clarity to the role of the Committee in working with its independent advisor and added the role and responsibilities of the Committee with respect to Environmental, Social and Governance (ESG) matters.

COVID-19

In March 2020, the outbreak of the coronavirus (COVID-19), was declared a worldwide pandemic. States of emergency were declared across Canada with varying degrees of mandatory business closures and operating restrictions resulting in a complete economic slowdown. The duration and impact of the resulting emergency measures taken to prevent the spread of the virus remain uncertain and vary from province to province.

Crombie is committed to the health and safety of our employees, tenants, customers and communities. Our pandemic planning team, consisting of cross-functional leadership across the organization, has been managing our response to the pandemic as it progresses. During 2020, and until the date of printing, business needs are continually reviewed and everyone in our organization is empowered to take actions as they relate to prevention and vigilance and to respond to confirmed or suspected cases of COVID-19 in our offices or on our properties across the country.

In early March, following guidelines provided by the most trusted sources, we asked our employees to cancel all work-related travel, reinforced the need to practice physical distancing and good sanitation, and to stay home and consult a physician if feeling ill. We asked almost all of our employees to work remotely, providing technology to make this happen successfully within five days. Training was provided where required. Employees were also provided with an allowance for additional office equipment or supplies to ensure everyone had the materials and equipment necessary to effectively work remotely. We kept a small team at our properties to keep our essential service tenants (grocery stores, pharmacies and banks) open and safe, providing these employees with *Thank You* pay for their extraordinary efforts. We continually provided employees and tenants with up-to-day information on the virus using information from federal and provincial health authorities. We also provided our employees and their families with access to mental health supports and tools. Our property-based employees returned with additional training when restrictions were eased; our office-based employees remain, for the most part, working remotely.

Employee engagement was vital to ensuring success in advancing our strategy. While additional measures and actions were required to respond to COVID-19, our strategy remained unchanged. Five pulse surveys and one extensive engagement survey were conducted. Participation in the surveys remained high at over 70% of the employee population, and the results were consistently positive and showed continuous improvement over time. Employee engagement and productivity remained high even with the remote working environment.
Our business continuity planning contains steps to mitigate the risk of business interruption and to provide the consistent level of service that our tenants and customers are accustom to. We created and announced the Crombie Values Small Business (CVSB) program to provide rent deferral to tenants in need. We worked on behalf of our tenants to ensure that they had access to the federal CECRA program. When the re-opening of some businesses and services started in summer of 2020, we worked with our tenants to provide tools and solutions to enable them to operate on an e-commerce platform.

The HRC was kept abreast of all actions related to COVID-19 and the forecasted impacts to the 2020 corporate and individual performance objective, and performance results for executives. While COVID-19 did have a relative negative impact on some of Crombie's corporate results, the actions taken to mitigate risk for the short, medium and longer-term were exemplary. Crombie remains in a strong financial position, has a growing unencumbered asset pool, strong liquidity, solid collections, proven entrepreneurial management team and an engaged and resilient workforce. Our strategy remains unchanged.

Diversity, Equity and Inclusion

Crombie considers gender and other forms of diversity in its workforce and on its Board of Trustees as key to success and has a policy in place to provide guidelines. Crombie prioritizes diversity, equity and inclusion and is committed to creating and maintaining a diverse, inclusive and collaborative culture that is free of barriers and drives competitive advantage and business sustainability for the future.

Crombie strives to create an inclusive environment where individuals from a wide variety of backgrounds are recognized, respected and valued and individual differences and creativity of thought are viewed as strengths. The individual differences, life experiences, knowledge,

capabilities and talents that our employees bring to their work, enhance our culture, brand and reputation; improve organizational performance and effectiveness; drive growth; and, enhance employee engagement.

The HRC renewed its diversity, equity and inclusion policy and aspirational goals in 2020. Initially this policy and framework focused on gender diversity only. However, our focus has been expanding over the last two years to encompass a range of diverse groups including but not limited to race, gender, sexuality, and disability. Recent global events have further prioritized our work in this area. Aspirational goals have been set for the recruitment of trustees and employees as follows:

- Minimum of 40% of Senior Leadership successors are women or other diverse groups over rolling three- year period;
- 50% of internal leadership development program participants are women and/or from diverse groups; and
- Minimum one qualified diverse candidate short-listed for every leadership, professional and Trustee recruitment.

The Committee reviews diversity and monitors key performance indicators ("KPIs") quarterly and provides direction if required. Management has placed a strong focus on diversity, equity and inclusion. KPIs include, but are not limited to, diversity progress with respect to the following:

- The number of women or other diverse groups in leadership and management roles;
- The number of women or other diverse groups in future leader development programs;
- Recruitment of women or other diverse groups into executive, senior management and Trustee positions; and
- The number of women or other diverse groups in Crombie's succession planning pipeline.

As of December 31, 2020, 20% of the Executive Committee of Crombie are women, 25% of the senior leadership team (Senior Vice Presidents and Vice Presidents) are women or other diverse groups and 35% of employees at the Director level are women or other diverse groups. In the past year, 75% of promotions in the organization were awarded to women or other diverse groups and over 56% of participants in Crombie's internal leadership development program are women or other diverse groups. With respect to equity, women are paid the same as men in comparable roles. To ensure we are continuously working toward this priority, Diversity, Equity and Inclusion metrics are reported quarterly to the HRC and the Board. A complete full scale review and report of trends is completed annually.

Succession Planning

Succession planning is critical to Crombie's long-term sustainable growth. The HRC is responsible for monitoring, reviewing and providing guidance in respect of succession planning for executives. This includes preparing for planned and unplanned executive transitions, employee movements, retirements and voluntary and involuntary exits, as well as the development of special retention arrangements. The Committee oversees a structured succession planning and assessment process for key executive roles that involves identifying and categorizing the degree of readiness of internal succession candidates. The talent strategy used to guide Crombie's succession planning work is fully aligned with the overall corporate strategy.

Each year, the Committee reviews the updated structured succession plan for leadership positions at the Vice President level and above. Internal candidates are identified as successors in one or more of the positions, as well as the leadership development that is required to increase readiness. Succession plans also include actions to accelerate key talent internally, broaden diversity, or to address succession gaps in a particular role through recruitment outsourcing. The Committee reviewed the succession plan twice during 2020.

Compensation Philosophy and Process

The philosophy of Crombie's executive compensation program is to provide compensation to attract, motivate and retain a highly skilled executive team and directly align their compensation to the attainment of both corporate and personal performance objectives. Crombie's approach is to encourage management to make decisions and take actions that will create long-term sustainable growth and result in long-term unitholder value creation.

To accomplish long-term sustainable growth, while discouraging excessive risk taking, the executive compensation program has been designed under the direction of the HRC based on the following principles:

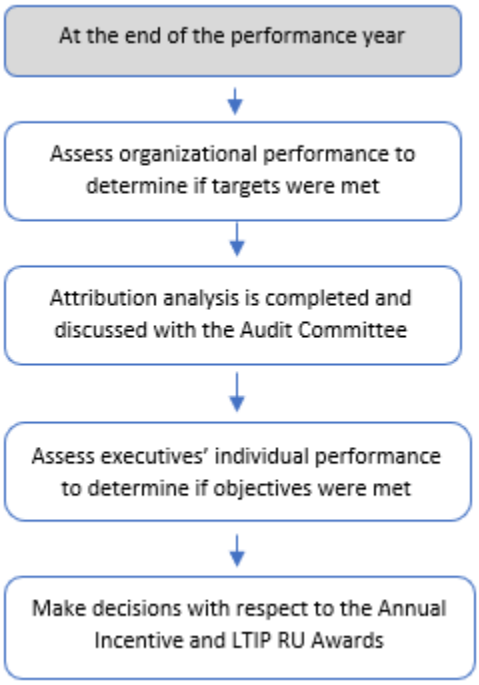
- Provide executives with compensation which is benchmarked to market peers;
- Attract and retain leadership talent required to drive results;
- Reflect a pay for performance philosophy;
- Align executives' interests with those of the unitholders;
- Reflect high standards of good governance; and
- Be easily understood by our unitholders.

The HRC has determined that the principles to compensate executive management should be identical to those applicable to all senior management, except that:

- Executives should have a greater portion of their pay at risk than other employees;
- Executive compensation should reflect the longer-term results of Crombie;
- A significant portion of executives' compensation should be based on the results of the entire organization and is at-risk; and
- A significant portion of executives' compensation should mirror the experience of unitholders and is at-risk.

The equity mix of at-risk pay varies by role but generally increases as seniority increases. HRC believes that at-risk pay encourages retention, aligns employees' interests with unitholders' interests to seek sustainable value over the long term.

The HRC has established the following process to review executive compensation annually, which is outlined below. All components of the compensation of the CEO and NEOs / direct reports of the CEOs are subject to the approval of the Board.



Compensation and Risk

The HRC is actively involved in the risk oversight of Crombie's compensation practices and is satisfied that there are no inherent risks presented by Crombie's current compensation practices that would have a material adverse effect on the organization.

In keeping with the above-noted compensation principles, and as described in more detail in the section of this Circular entitled "Components of Executive Compensation", Crombie's executive compensation is weighed toward at-risk compensation of medium and longer-term results, thereby reducing the incentive to take undue risks. This is intended to solidify alignment between executive compensation and unitholder interests.

The Board provides regular oversight of Crombie's risk management practices, and delegates to the HRC the responsibility to provide ongoing compensation and people management risk conversations at the Committee to:

- Bring greater inclusiveness / collaboration between management and Trustees;
- Provide risk oversight to identify and assess the risks relevant to the Committee's work; and
- Ensure the Committee and the Board incorporates a regular (throughout the year) dialogue / update on its individual risk oversight accountability priorities.

The HRC focuses on people management risks and collaborates with the Audit Committee and the Board as a whole on business risk, culture risk and reputational risk. It ensures the organization has the talent required at all levels, with appropriate segregation of duties and oversight of activities. People management risks include the following:

- **People and Talent Risks** which include attracting, engaging, retaining and developing qualified people at all levels, ensuring that capability and capacity are always present. It also includes ensuring appropriate prevention, monitoring and response to inappropriate behavior;
- **Succession Planning Risks** includes ensuring there is a plan for emergency step up, as well as longer term succession replacement for the CEO and NEOs;
- **Health and Safety Risks** which include maintaining a healthy, safe and effective workplace for employees, and complying with appropriate regulations; and

- **Compensation Risks** which include oversight of Crombie's compensation practices, to attract talent and drive performance and to identify and mitigate policies and practices that encourage inappropriate or excessive risks including fraud or manipulations of results.

The following practices mitigate risk associated with executive compensation:

- A balanced approach to variable incentive compensation with a mix of qualitative and quantitative objectives including both relative and absolute performance targets;
- A performance based LTIP in which RUs and PUs are granted/awarded with vesting after approximately three years and metrics are based on both relative and absolute performance results;
- Final AIP awards that are not determined until the completion of the audit of Crombie's consolidated annual financial statements;
- Financial performance attribution analysis reviewed quarterly by both the HRC and Audit Committee to identify and better understand the source of Crombie's earnings;
- Crombie's Auditor is engaged to review and confirm Management's calculations of the AIP and LTIP awards prior to payment; and
- Board and HRC discretion to determine the amount, if any, of awards pursuant to Crombie's incentive programs.

The Board believes that the following policies further mitigate risk associated with the executive compensation program.

Reimbursement of Incentives and Equity-Based Compensation (Clawback Policy)

The Board may, in its sole discretion, to the full extent permitted by governing laws and to the extent it determines that it is the best interest of the Trust to do so, require reimbursement under certain circumstances of all or a portion of AIP or LTIP incentive compensation received by certain designated executives including the CEO and CFO. Specifically, the Board may seek reimbursement of full or partial compensation to a maximum of the amount of the AIP or the LTIP during the year(s) affected, from an executive or former executive in a situation where:

- the amount of the incentive compensation was calculated based upon or contingent on the achievement of certain financial results that were subsequently the subject of, affected by the reinstatement of all or a portion of the Trust's financial statements and the incentive compensation award would have been lower had the financial results been properly reported;
- the executive or former executive engaged in theft, embezzlement, fraud or similar activities related to the finances of the Company during their employment with Crombie REIT; and
- the executive or former executive violated the Code of Business Conduct and Ethics during their employment with Crombie REIT that was discovered during or within 12 months subsequent to their employment resulting in damage to the Company's financial situation or reputation.

Hedging Policy

All insiders, officers and others who are routinely in possession of undisclosed material information ("Restricted Person(s)") are prohibited from entering into transactions that have the effect of hedging the economic value of any direct or indirect interests of the Restricted Person in equity or other security of Crombie. This restriction on hedging prohibits: (i) short selling of any security of Crombie or (ii) selling a call or buying a put on any security of Crombie.

The organization does not condone such activity at any level of the organization. Knowledge of such behavior should be escalated and addressed. Failure to comply with this policy could result in termination of employment with cause.

Unit Ownership Policy

The Board on the recommendation of the HRC introduced unit ownership guidelines for the NEOs that became effective in 2014. Executive unit ownership aligns the interest of our executives with the interests of our unitholders. Crombie's unit ownership guidelines are tied to the executive's participation in the LTIP which is design to allow participants to achieve their respective unit ownership requirements within five (5) years, assuming target performance.

The CEO is required to own units valued at five (5) times base salary and must be compliant within 5 years from the date of appointment. NEOs are required to own units valued at two (2) times base salary and must be compliant within five (5) years from the date of naming as a NEO. Restricted Units, Deferred Units, EUPP units and personally acquired units are defined as units for the purpose of ownership. It is the policy that the CEO must retain, until one year following resignation or retirement, unit ownership in the equivalent to one (1) times base salary.

Advisor to the Human Resources Committee

When deemed appropriate, the HRC may retain the services of an external compensation consultant to provide independent advice and information on:

- Crombie's compensation practices and program design;
- Appropriate total compensation levels based on competitive practices and benchmark analysis;
- Updates on ongoing trends in executive compensation design and governance; and

- Other information in support of evaluating compensation recommendations and making effective decisions pertaining to executive compensation.

In 2020, the HRC retained Hugessen Consulting Inc. to review the pay package for some members of the executive team, advise on the peer compensation and performance peer comparator groups, benchmark total compensation against peers in our compensation comparator group and determine target positioning, to advise on proxy season trends, to advise on industry practices related to COVID-19 which affect compensation and unitholder return, to advise on Crombie's compensation practices, to review the Statement of Executive Compensation section of the management information circular prepared in connection with the AGM in respect of 2020 to occur in May 2021, and to provide ongoing advice to the HRC and other Board members.

While the HRC receives information and advice from Hugessen Consulting Inc. on matters of executive compensation, the Committee formulates its own recommendations and decisions which may reflect considerations other than Hugessen Consulting Inc.'s information and advice.

Executive Compensation-Related Fees	Year ended December 31, 2020	Year ended December 31, 2019
Hugessen Consultants	$ 80,893	$ 126,219
Total Fees	**$ 80,893**	**$ 126,219**

Compensation and Performance Benchmarking

Annually, in establishing total direct compensation (base salary, plus AIP, plus LTIP), with the advice from its independent consultant, the HRC conducts an independent review of the peer comparators to be used to benchmark compensation, as well as those to be used to benchmark relative performance using Total Unitholder Return (TUR).

Compensation Comparator Group

In establishing the compensation comparator peers, a review of REITs and similar organization was conducted and those which came close to Crombie in terms of Total Enterprise Value, Market Cap, Total Assets and Revenue were identified as the peer comparators. The publicly disclosed executive compensation of the group is used to benchmark Crombie. Further, a review of these proposed comparators is conducted to determine whether the roles of the executives align with those at Crombie. To provide additional context and remain aware of broader market trends, the HRC also considers survey data from broader industry samples in assessing the competitiveness of Crombie's executive compensation.

Crombie's strategy and talent competency needs have changed significantly with its move into major developments in 2016. Crombie is nearing completion of its first seven major development projects with another ten in planning. Although the Compensation Peer Group has not significantly changed for 2020, a review will be completed in 2021 concurrent with the completion of the first seven major development projects. For 2020, Northview Apartment REIT was removed as it was acquired in November 2020.

For 2020, the compensation peer group was:

- Allied Properties REIT
- Artis REIT
- Boardwalk REIT
- Canadian Apartments (CAP) REIT
- CT REIT
- Cominar REIT
- Dream Office REIT
- First Capital REIT
- Granite REIT
- Killam Apartment REIT
- Melcor Developments Ltd.
- Morguard Corporation
- SmartCentres REIT

Performance Comparator Group

The performance comparator group is used to benchmark relative TUR performance as a key metric of the LTIP. The performance comparator group consists of companies which are market competitors in the same or similar business as Crombie. They include grocery-related retail REITs, retail REITs with similar tenants and mixed-use development REITs. They include market competitors which are significantly larger in size and scope to Crombie. These larger companies are too large to be considered peer comparators to benchmark compensation. Only one change was made to the peer group in 2020; Dream Office REIT was removed on the advice of our independent compensation advisor due to a change in Dream Office's business environment. A review of the performance peers will be completed in 2021 concurrent with the completion of the first six (6) major development projects.

For 2020, the performance peer group was:

- Allied Properties REIT
- Choice Properties REIT
- CT REIT
- SmartCentres REIT
- First Capital REIT
- Morguard Corporation
- Plaza Retail REIT
- RioCan REIT

Components of Executive Compensation

The key elements of Crombie's compensation program for executives are: base salary, Annual Incentive Plan (AIP) Award, Long Term Incentive Plan (LTIP) Awards including a Restricted Unit (RU) Plan Grant and a Performance Unit (PU) Plan Grant. Benefits, pension and perquisites are not, in aggregate, a material element of total compensation.

These elements provide in aggregate a total compensation package that is designed to attract and retain highly skilled individuals while also creating a strong incentive to align efforts and motivate executives to deliver corporate performance that creates long-term unitholder value. The base salary portion of executive compensation is fixed while the AIP and LTIP portions are variable. The total package of the incentive programs is weighted towards the variable incentive portion thereby putting a significant portion of the executive's pay at-risk.

Further, the total value of the compensation package that is at risk for the CEO, as well as each NEO / direct report to the CEO for 2020 at target is illustrated in the table below:

Position	Base Salary	AIP	LTIP RU	LTIP PU	Pension	Total Pay at Risk
Donald E. Clow President & CEO	27%	27%	19%	18%	8%	73%
Clinton Keay CFO & Secretary	41%	21%	23%	14%	2%	59%
Glenn Hynes EVP & COO	40%	20%	22%	13%	6%	60%
John Barnoski EVP, Corporate Development	47%	19%	19%	12%	4%	53%
Arie Bitton (1) SVP, Leasing & Operations	52%	21%	14%	9%	5%	48%
Cheryl Fraser Chief Talent Officer & VP Communications	52%	21%	14%	9%	5%	48%

(1) Figures do not include Arie Bitton's signing bonus or special RU issuance for comparison purposes.

Overview of Components

Components of Executive and NEO Compensation				
Component	Form		Time Period	Objective
Base Salary	Cash		Annual	Reflects the executives' scope of responsibility, performance, and contribution.
Variable Compensation	AIP	Cash	Annual	Reflects the achievement of specific corporate and individual quantitative and qualitative performance targets in each fiscal year.
	LTIP	Restricted Units (RUs)	Multi Year	Motivates and rewards executives for alignment with long term growth through unit-based awards and performance targets that are key drivers of corporate strategy and unitholder return
		Performance Units (PUs)	Multi Year	
Other Elements				
Pension & Benefits	The pension and benefit plans are designed to attract and provide long term retention of executives and consist of the following components: Defined Contribution and SERP, Health, Dental, and Life Insurance.			
Perquisites	Limited perquisites are provided which include a company leased vehicle and membership allowance.			

Fixed Compensation

Base Salary	Base salary reflects the executives' scope of responsibility, performance, and contribution.

Base salaries for NEOs were set on an individual basis and not within formalized salary ranges. Base salaries compensate NEOs for the role they perform, its complexity and impact to the REIT's business strategy, and the level of risk inherent in the role. Crombie's base salaries are benchmarked at or below the median of the peer compensation comparators.

Short Term Variable Incentive

AIP	The Annual Incentive Plan is designed to reward executives for achieving and exceeding annual performance goals.

The annual incentive awards to executives are predominately based on predetermined performance targets for the year. Achievement of target performance results in incentive payouts at target levels. If performance exceeds the predetermined performance target levels, the plan provides for enhanced payouts up to specified maximum levels. It is also possible to receive no payment under the plan.

On the approval of the HRC and the Board, specific quantitative and qualitative performance objectives are established. These objectives are linked to the strategy, annual operating budget, and longer-term forecasts for which milestone results are required annually. Each executive has a target award (% of base salary) and targets are reviewed annually to ensure ongoing market competitiveness. The minimum incentive payment under the AIP is zero when company, business group, and/or individual performance are below minimum performance thresholds. The maximum incentive achievable for exceeding corporate, real estate, and individual performance objectives is 200% of the target payout. Individual performance objectives are intended to be challenging, but achievable at target.

Each quarter and on an annual basis, HRC and Audit Committee review a financial performance attribution analysis to support the quantitative and qualitative analysis of Crombie's earnings.

Actual payout is determined by the achievement of predetermined quantitative and qualitative objectives. The metrics used in the AIP purposefully differ from those used in the LTIP plans. In order to qualify for award payment, employees must be actively employed by Crombie REIT at the time the award is paid. Employees who are inactive at the time of award due to retirement remain eligible to qualify for an award payment.

Position	AIP (as a % of base salary)		Performance Objectives					
	AIP Target	AIP Maximum	FFO/Unit	NOI	Debt to GFV	G&A	Real Estate[1]	Individual
President & CEO	100%	200%	40%		10%	5%	25%	20%
CFO & Secretary	50%	100%	40%		10%	5%	25%	20%
EVP & COO	50%	100%	25%	10%		5%	40%	20%
EVP, Corporate Development	40%	80%	20%			5%	50%	25%
SVP, Leasing & Operations	40%	80%	20%	15%		5%	40%	20%
Chief Talent Officer & VP Communications	40%	80%	40%		10%	5%	25%	20%

[1] Please see the 2020 Compensation Decision section for details on the real estate objectives

Long Term Variable Incentive

LTIP	The primary goal of the LTIP is to motivate executives to build value for Crombie by linking a significant portion of their total compensation to the achievement of long-term financial performance objectives.

There are two components to Crombie's LTIP: A Restricted Unit (RU) Plan and a Performance Unit (PU) Plan. In 2020, the President and CEO received 50% of his long-term incentives in RUs and 50% in PUs. All other NEO's receive 60% in RUs and 40% in PUs. Targets are rounded and may vary slightly, higher or lower, from the targeted 60%/40% split. The long-term incentive plan at Crombie is strongly aligned with long-term performance as both the RU and PU are performance conditioned.

Summary of 2020 Grants				
	Grant Date	Performance Period	Criteria	Vesting
Restricted Unit Plan	February 26, 2021	January 1, 2020 to December 31, 2020	Relative TUR (33%) Absolute AFFO (33%) SANOI (33%)	September 30, 2023
Performance Unit Plan	February 27, 2020	January 1, 2020 to December 31, 2022	Relative TUR (50%) Target AFFO (50%)	December 31, 2022

Restricted Unit Plan (RU)

The RU Plan motivates and rewards executives for alignment with long term sustainable growth through unit-based awards and performance targets over a three-year period that are key drivers of corporate strategy.

The Restricted Unit Plan is designed to enable and support Crombie's business strategy and financial results by focusing the executive on the long-term growth of the business; provide a component of total compensation that reflects performance over a three-year period compared with business competitors and the growth of the business; and motivate executives to achieve a focus on long term strategic thinking that will increase unitholder value.

Sizing of the RU award is based on performance outcomes for the year of the grant and the two years prior.

The award is made in March of the year following the close of the performance period. The RUs cliff vest 29 months following the date of grant. The RUs are credited with notional distributions paid on units for the period when the RUs are vesting. Vested RUs are settled via cash based on the share price at the date of vest. The NEOs may elect at the time of grant to convert vested RUs into DUs at the time of payout, however DUs can only be cashed out after retirement or departure of the NEO from Crombie.

The grant targets and maximums for the 2020 LTIP - RU were as follows:

Position	LTIP RU Grant Target	LTIP RU Grant Maximum
	(as a % of base salary)	
President & CEO	70%	140%
CFO & Secretary	55%	110%
EVP & COO	55%	110%
EVP, Corporate Development	40%	80%
SVP, Leasing & Operations	27%	54%
Chief Talent Officer & VP Communications	27%	54%

Performance Unit Plan (PU)

The PU Plan motivates and rewards executives for alignment with long-term growth through unit-based awards and performance targets that are key drivers of corporate strategy and value creation for unitholders. The Performance Unit Plan is designed to ensure alignment with strategy and long-term value creation; ensure that the metrics incentivize the right behavior on strategy; and provide realizable compensation only if results are achieved.

The award is based on results from two metrics which are given the same weight:

- Total Unitholder Return (TUR) relative to peer performance comparators (50%) at the end of a 3-year period; and
- AFFO (target results for the end of a three-year period; 50%).

The PUs awarded in early 2020 to NEOs have a performance period of 2020 to 2022 and will pay out (depending on performance) in early 2023. Results below threshold set for the above metrics will result in zero payout under the PU plan. The PUs are credited with notional distributions paid on units for the period when the PUs are granted. PUs are settled via cash payment unless the executive elected when granted to convert the vested PUs into DUs at the time of payout. DUs can only be cashed out after retirement or departure of the NEO from Crombie.

Variable Compensation Changes for 2021

The relative weighting of RUs and PUs for the NEOs/CEO direct reports is being adjusted to 50% RUs and 50% PUs in 2021

Position	LTIP PU Grant Target	LTIP PU Grant Maximum
	(as a % of base salary)	
President & CEO	70%	140%
CFO & Secretary	44%	88%
EVP & COO	44%	88%
EVP, Corporate Development	40%	80%
SVP, Leasing & Operations	22.5%	54%
Chief Talent Officer & VP Communications	22.5%	54%

Pension and Benefits

Executives participate in a defined contribution pension plan (the "**Executive Plan**") that is registered under the Nova Scotia Pension Benefits Act and the *Income Tax Act*. Contributions are subject to limits under the *Income Tax Act*. Upon retirement, the executive's credits in the plan may be used to, among other things, purchase an annuity that provides pension income payable during the lifetime of the retiree and surviving spouse. If elected by the retiree, the pension income may have certain guaranteed payment periods.

Currently each member is required to contribute $3,500 annually to the Executive Plan. The company contributes an amount equal to twelve (12) percent of each member's salary. In addition, members may make additional unmatched contributions; however, all contributions are capped by the maximum permitted by the Canada Revenue Agency (**CRA**).

Supplemental Executive Retirement Plan (SERP)

The President & CEO, CFO & Secretary and the EVP & COO participate in the SERP. Under the provisions of this plan, the annual pension payable at age 65 is equal to two percent of the final average base earnings multiplied by years of credited services (to a maximum of 30 years), offset by the deemed retirement income provided under the defined contribution pension plan and deferred profit sharing plan. For the purpose of calculating the deemed retirement income provided under the defined contribution plan and deferred profit sharing plan, the assumptions stipulated in the SERP plan text are used, including an assumed annuity conversion discount rate of 7.0%. The final average earnings are 12 times the average of the 60 highest months of eligible earnings.

Employee contributions, if required, pay for part of the cost of the benefit, and the employer contributions fund the balance. The employer contributions are not specified or defined within the plan text; they are based on the result of actuarial valuations which determine the level of funding required to meet the total obligation as estimated at the time of the valuation. Once participants attain age of 55 and 5 years of continuous service, they can retire. The total pension payable is reduced by 5/12% for each month by which the early retirement precedes age 60 (62 for a member who was designated as a member on or after June 25, 2009). The normal form of pension payment is a 60% joint and survivor pension.

Executive Unit Purchase Plan

Until 2014, Crombie could provide executives with a loan to finance the purchase of units under the executive unit purchase plan (the "**EUPP**") with LTIP awards reducing the outstanding loan balance. The amount of the loan, the interest rate, the maturity date, and any other terms and conditions relating to each loan were determined by the HRC. The final award under the EUPP was made in March 2014. Participants in the EUPP transitioned to the RU Plan beginning in 2015. Any remaining loans associated with the EUPP are required to be repaid by the end of 2022, with Crombie holding Units as security. As at December 31, 2020, $1,206,566 remains outstanding on the loans.

2020 Compensation Decisions

Year in Review

Crombie's results for 2020 were strong despite the COVID-19 pandemic. The strategy remained unchanged. This resulted in Crombie remaining in the top quartile of the Canadian REIT Index, as well as the top quartile of our direct performance peers for 2020 and over the last 10 years. The overall impact of the pandemic on our units was slight compared to many of our peers in the REIT space.

While COVID-19 had a material impact on FFO and AFFO with results below threshold; without it, FFO and AFFO would have been above target. Although these metrics were not achieved, we are nevertheless pleased with the proactive scenario planning and significant management steps taken to ensure:

- Rent collections were maximized;
- Tenants were supported with CVSB program, rent abatements and communications support, as well as the attention to health and safety, cleaning, sanitation and PPE at the properties to remain open as much as possible;
- A continued solid balance sheet and financial condition;
- Enhancement of available liquidity, bringing it to a minimum of $400M throughout the year;
- Working remotely was implemented successfully for the majority of our employees with engagement continuing to be strong and productivity high; and
- Our employees, tenants and customers were safe when at our properties. In 2020, we did not have a case of COVID-19 in our employee population.

With this proactive planning and execution, we were in a strong position to continue to focus on capital allocation to:

- Advance our initiatives with Empire/Sobeys including acquisitions, modernizations and redevelopments;
- Continue the execution of our first seven major development projects; and
- Continue our pre-planning/entitlement of the next ten major development projects.

The HRC, in accordance with its mandate, has the ability to apply discretion to the calculation of AIP, LTIP-RU and LTIP-PU awards of NEOs. Management holds the discretion for non-NEOs.

<u>FFO/Unit</u>

FFO/Unit was negatively impacted by the following COVID-19 related elements:

- $9.8M in bad debt expense
- $1.0M in rent abatements
- $2.7M in lost parking revenue
- $1.5M in organizational realignment severance costs resulting from actions to reduce G&A expenses in June as a defensive move during the pandemic.

Taking into account management's recommendation, HRC, for the NEOs, adjusted FFO/unit for these COVID-19 related elements bringing the FFO/unit from 94.06% achievement or 14.4% of target to 100% of target.

It did not seem appropriate to negatively affect the FFO/unit payout given the relative impact to our unit-price over the pandemic, the significant added accountabilities, expectations, responsibilities and challenges during COVID. Throughout the pandemic, Crombie maintained a strong financial condition, heightened available liquidity, enhanced operational performance, resilience and engagement of the team.

National Net Operating Income

National Net Operating Income was also affected by bad debt expense, rent abatements, and parking revenue. However, HRC did not exclude these elements from the calculation for AIP-NOI resulting in 92.42% achievement or 24.3% of target. This affected two NEOs - the EVP & COO, and the SVP, Leasing & Operations.

Debt to Gross Fair Value (**"Debt to GFV"**)

Debt to GFV was calculated to be 160% of target however, given COVID-19, the HRC upon Management's recommendation made the decision to reduce and pay at target.

LTIP Restricted Unit (RU) Plan and the LTIP Performance Unit (PU) Plan

No discretion was applied to the LTIP- RU plan even though AFFO/unit and Same Asset Net Operating Income (SANOI) were negatively affected by:

- $9.8M in bad debt expense
- $2.3M in rent abatements
- $2.7M in parking revenue
- $1.5M in organizational realignment severance costs resulting from actions to reduce G&A expenses in June as a defensive move during the pandemic.

No discretion was applied to the 2020 payout of the 2018-2020 PU Plan Award.

The impact of COVID-19 and the resulting use of discretion as it relates to the **Annual Incentive (AIP) Award** is outlined below.

Base Salary

Base salaries were set at the beginning of the year for 2020 having regard to factors set out in the section of this circular entitled "Components of Executive Compensation". The were no adjustments to base salaries of executives during the year.

Annual Incentive (AIP) Award

The AIP Award is based on attainment of the Board-approved performance targets established at the beginning of the year. As described in the Components of Executive Compensation section of this Circular, the performance targets, elements and weightings vary by executive role.

Corporate Performance

The table below sets out the corporate performance metrics and fiscal 2020 actual performance.

2020 Corporate Financial Component of Annual Incentive Plan							
Performance Metrics	**Zero Payout**	**Threshold**	**Target**	**Max**	**Achievement**	**Payout as % Target**	**Actually Paid**
FFO/Unit vs. Budget	$1.026	$1.083	$1.140	$1.254	92.4%	14.4%	100.0%
Debt to GFV	>52.0%	52.0%	49-50%	<48%	48.8%[1]	160.0%[2]	100.0%
NOI	$256M	$270M	$284M	$298M	$267.6M or 94.1% of target[3]	24.4%	24.4%
General & Admin Expense	>5.2%	5.2%	4.7 - 5%	4.2%	4.7%[4]	100%	100%

[1] Debt/GFV is debt to gross fair value of assets & net of cash
[2] Debt to GFV was calculated to be 160% of target however, given COVID-19, the HRC made the decision to pay at target.
[3] Excluding unit-based compensation

Performance between achievement levels is calculated as follows: Threshold 30%; Target 100%, and Maximum 200%. FFO/unit was slightly below threshold. It is for this reason that a 92.4% achievement in FFO/unit vs. Budget resulted in a 14.40% payout. A similar calculation can be made for NOI.

Real Estate Performance

Real Estate objectives are both specific, measurable factors with supporting qualitative factors that are under the direct management responsibility of the position. Real Estate component performance metrics and weightings vary by executive and are weighted as determined by the Board of Trustees.

2020 Corporate Real Estate Components of Annual Incentive Plan

2020 Corporate Real Estate Component of Annual Incentive Plan		
Performance Metric		
Capital Planning and Financing	Capital plan is managed according to the plan approved by the Board. Risks are mitigated. The plan is financed through a combination or debt, equity and capital recycling. In 2020, with the COVID-19 pandemic, additional defensive safeguards were put in place to allow the Strategy to remain unchanged, for Crombie's six (6) major development projects to continue with minimal adjustment, and for Crombie's next seven opportunities to continue through the planning/entitlement process. Liquidity remained at or above $400M.	Exceeded Expectation
Maximize Empire Partnership	Aligning strategies with Empire to maximize value creation including modernizations, FreshCo conversions and Farm Boy Expansions, Land-Use Intensifications and unlocking major developments. In 2020, Empire related forecasts remained at target and had only slight change due to the operational challenges of COVID-19.	At Target – Met Expectations
Acquisitions	Acquisitions and other transactions are planned at $100M - $150M.	At Target – Met Expectations
Development	Major Developments and redevelopments are executed on time and on budget. Through 2020 and 2021 expected to reach completion on approximately $600M of construction and development with anticipated NAV creation of $150-$300M. In addition, the pipeline is being backfilled with another seven projects.	Met Expectations
Leasing and Operations	Leasing and Operational targets are met or exceeded. In 2020, COVID-19 had an impact on all our operations. By the end of the year, 98% of Tenants were open; 98% of rent was collected; Occupancy was at 96.3%. Essential services make up 68% of Annual Minimum Rent placing Crombie in a strong long-term position. Tenants in need were supported with Crombie Values Small Business and CECRA Programs. 286 Tenant applications at 72 properties were submitted to CECRA.	Met Expectations
People	Right people right place right time. Crombie's strong leadership and deep bench, its attention to culture and values, and its skilled workforce enabled an effective response to COVID-19 (mobilize, stabilize, normalize) while continuing to successful advance all aspects of Crombie's strategy.	Exceeded Expectations

Individual Performance

The individual performance component consists of objectives which are measurable, but which allow for some qualitative judgment. They are aligned with strategy and include expected leadership capabilities, as well as individual customer/stakeholder, financial, operational and people objectives. Balanced scorecards set out the expectations annually and payouts must receive approval of the HRC and Board of Trustees.

For the NEO's and direct reports of the CEO, the weights given to the individual level performance metrics in respect of 2020 are in the range of 20%- 25%. In light of COVID-19, HRC made the decision to pull back the individual performance results for the President & CEO, CFO & Secretary, and the EVP & COO from 135% of target, 135% of target and 135% of target to 100% of target, 100% of target, and 120% of target respectively. As outlined in the chart below, based on these weightings, the overall achievement of target percentage of the individual performance component for 2020 are as follows: Mr. Clow - 100%, Mr. Keay- 100%, Mr. Hynes - 120%, Mr. Barnoski - 160%, Mr. Bitton- 180%, and Ms. Fraser - 160%.

In addition, the Real Estate metrics for the President & CEO, CFO & Secretary, and the EVP & COO referenced in the Real Estate Performance section above were pulled back to 100% of target, 100% of target, and 110% of target respectively. These metrics were originally assessed at 135% of target for the President & CEO, 140% of target for the CFO & Secretary, and 135% of target for the EVP & COO.

These two adjustments ensured the Annual Incentive Plan total award as a percentage of target did not exceed 100% for these three NEOs. These adjustments should not take away from the exemplary leadership and direction these individuals provided the organization during the crisis resulting from COVID-19, but rather serves to recognize the corporate performance metrics and impacts due to COVID-19. Table 1 below outlines what the 2020 AIP awards would have been for the President & CEO, CFO & Secretary, and EVP & COO using the originally assessed, unadjusted individual performance and real estate performance results. Table 2 below outlines the total actual 2020 awards paid to the NEOs factoring in the adjusted individual performance and real estate performance results for the President & CEO, CFO & Secretary, and EVP & COO.

The move to target for FFO/unit, and adjustment for the President & CEO, CFO & Secretary and the EVP & COO resulted in a year over year compensation reduction. In addition, management applied discretion to FFO/unit and NOI for the non-NEOs resulting in the compensation experience for non-NEOs in aggregate being more positive than for the NEOs.

Table 1: 2020 Annual Incentive Plan Payouts (unadjusted Individual Performance & Real Estate results)

			Weighting			Payout as % of Target								
Name	AIP Target (% of Base Salary)	AIP Target ($)	Financial	Real Estate	Individual Performance	FFO/ Unit vs. Budget (%)	Debt to GFV (%)	NOI (%)	G&A (%)	Achievement of Real Estate Component (%)	Achievement of Individual Performance Component (%)	Total Payout Percent (% of Base Salary)	Payout as % of AIP Target (%)	Total Award with unadjusted performance[1]
Donald E. Clow	100%	$680,000	55%	25%	20%	100%	100%		100%	135%	135%	116%	116%	$787,100
Clinton Keay	50%	$208,079	55%	25%	20%	100%	100%		100%	140%	135%	59%	117%	$243,454
Glenn Hynes	50%	$225,000	40%	40%	20%	100%		24%	100%	135%	135%	57%	113%	$255,231

[1] This column denotes the awards that would have been paid to the President & CEO, CFO & Secretary, and EVP & COO had the HRC not decided to reduce individual performance and real estate performance scores in appreciation of the impact of COVID-19 on corporate financial results.

Table 2: 2020 Annual Incentive Plan Payouts

			Weighting			Payout as % of Target								
Name	AIP Target (% of Base Salary)	AIP Target ($)	Financial	Real Estate	Individual Performance	FFO/ Unit vs. Budget (%)	Debt to GFV (%)	NOI (%)	G&A (%)	Adjusted Achievement of Real Estate Component (%)	Adjusted Achievement of Individual Performance Component (%)	Total Payout Percent (% of Base Salary)	Payout as % of AIP Target (%)	Actual 2020 Award Paid
Donald E. Clow	100%	$680,000	55%	25%	20%	100%	100%		100%	100%	100%	100%	100%	$680,000
Clinton Keay	50%	$208,079	55%	25%	20%	100%	100%		100%	100%	100%	50%	100%	$208,080
Glenn Hynes	50%	$225,000	40%	40%	20%	100%		24%	100%	110%	120%	50%	100%	$225,981
John Barnoski	40%	$124,000	25%	50%	25%	100%			100%	160%	160%	58%	145%	$179,800
Arie Bitton	40%	$108,000	40%	40%	20%	100%		24%	100%	140%	180%	48%	121%	$130,306
Cheryl Fraser	40%	$109,200	55%	25%	20%	100%	100%		100%	160%	160%	51%	127%	$138,684

LTIP – Restricted Unit Grant

LTIP-RU award size is determined by taking 33.33% of the achievement in each of the measures in the following table:

2020 LTIP Corporate Performance Weighting

Metric	Threshold	Target	Maximum	2020 Actual	Achievement
Total Relative Unitholder Return (TUR)	2nd lowest of comparators	Midpoint of comparators	2nd highest of comparators	3rd highest of comparators	150.0%
AFFO per Unit	$0.934	$0.983	$1.032	$0.880	—%
Same Asset NOI[1]	$242.4M	$246.0M	$249.7M	$237.5M	—%
Average					50.0%

[1] Same Asset NOI achievement based on actual results vs budget for those assets that are considered Same Asset as of December 31, 2020

LTIP - RU award grants are determined by averaging the current year results with those of the previous two years.

2020			
2018	**2019**	**2020**	**2020 Grant Size**
140.92%	136.40%	50.00%	109.11%

2020 LTIP (RU) Grant						
Name	**LTI-RU Target (% of Base Salary)**	**RU Target ($)**	**2020 Achievement (%)**	**Total Payout Percent (% of Base Salary)**	**2020 Restricted Unit Award ($)**	**Actual 2020 Restricted Units Awarded [(1)]**
Donald E. Clow	70%	$476,000	109.11%	76.38%	$519,352	36,035
Clinton Keay	55%	$228,887	109.11%	60.01%	$249,734	17,328
Glenn Hynes	55%	$247,500	109.11%	60.01%	$270,041	18,737
John Barnoski	40%	$124,000	109.11%	43.64%	$135,293	9,387
Arie Bitton	27%	$72,900	109.11%	29.46%	$79,539	5,519
Cheryl Fraser	27%	$73,710	109.11%	29.46%	$80,423	5,580

(1) Based on 5 day volume weighed average price as of February 26, 2021 of $14.4124

LTIP - Performance Units

2020 PU grants vest December 31, 2022 and payout depending on unit price at the date of vest and performance results.

2020 LTIP (PU) Grants		
Name	**Performance Unit Award**	**Grant[1]**
Donald E. Clow	$451,500	28,528
Clinton Keay	$137,333	8,677
Glenn Hynes	$148,500	9,383
John Barnoski	$80,600	5,092
Arie Bitton	$46,800	2,957
Cheryl Fraser	$49,140	3,105

(1) Based on 5 day volume weighed average price as of February 27, 2020 of $15.8261.

2020 Compensation Decisions for Named Executive Officers

Halifax, NS, Canada
Service: 12 years
Age: 59

DONALD E. CLOW
President & CEO

Donald Clow was appointed President and Chief Executive Officer of Crombie in 2009. Prior to joining Crombie, Mr. Clow held the position of President, ECL Developments Limited, the real estate development subsidiary of Empire for two years. Previous to Empire, he was President of Southwest Properties, a residential and commercial real estate development company in Halifax. Mr. Clow is a member of the Board of Governors of Acadia University and is on the Board of Directors of the QE2 Foundation. Mr. Clow served as a member of the Board of Trustees of Granite Real Estate Investment Trust from 2016 to 2019. Mr. Clow graduated from Acadia University with a BBA, earned his Chartered Professional Accountant (CPA, CA) designation with KPMG and was designated a Fellow Chartered Professional Accountant (FCPA, FCA) in 2002. Mr. Clow is a graduate of the YPO President's Program at Harvard Business School and the Director's Education Program at the Rotman School of Business receiving the ICD.D designation in 2014. Mr. Clow attended the CEO President's Seminar at Harvard Business School in 2017, 2019, 2020, and 2021. He speaks regularly at Canadian real estate industry events.

The performance analysis and evaluation for the President & CEO was conducted by the Chair of the Board, In doing so, the Chair conducted interviews with all Board Trustees and executives reporting to the President & CEO.

In 2020, Mr. Clow's base salary increased to $680,000 and his AIP remained at 100% of base salary. His LTIP-RU at target was 70% of base salary and his LTIP-PU grant at target was 70% of base salary. Mr. Clow's AIP award is based on the following results: Real Estate, FFO/ Unit

vs Budget, Debt to GFV, G&A and Individual Qualitative performance. The AIP payout for 2020 was $680,000. As outlined in the Components of Executive Compensation section, this payout would have been well above target had the impacts of COVID-19 not weighed on both the corporate financial results, as well as the fact that Mr. Clow's individual performance and real estate performance metrics were pulled back to target in appreciation of the difficulties resulting from COVID-19. This should not detract from the exemplary leadership demonstrated by Mr. Clow throughout the global pandemic to ensure our core services and strategy remained unchanged. Mr Clow's LTIP-RU grant for 2020 was $519,351. Mr. Clow was also awarded $451,500 in PUs which will vest in three years subject to meeting certain corporate performance objectives. In 2020, Mr. Clow earned $2,330,851 in total compensation excluding employer pension contributions of $210,830.

New Glasgow, NS, Canada
Service: 1.6 years
Age: 56

CLINTON KEAY
CFO & Secretary

Clinton Keay was appointed Chief Financial Officer and Secretary of Crombie REIT on May 15, 2019. Prior to this role, he was Executive Vice President IT and Transformation for Sobeys Inc., where he oversaw company efforts to restructure the way it does business. Mr. Keay is a Chartered Professional Accountant (CPA, CA) who joined Sobeys Inc. in 1989 and held a number of progressively senior finance roles before being appointed Senior Vice President & Chief Information Officer in 2002, Executive Vice President Finance for Empire in 2014, and Interim Chief Financial Officer at Empire. (July 2016-April 2017). Mr. Keay is a Business Administration graduate of St. Francis Xavier University with an Honours in Accounting. Mr. Keay is a Director of the Royal Nova Scotia International Tattoo Society and a Director of Aberdeen Health Foundation.

In 2020, Mr. Keay's annual base salary was $416,160. Mr. Keay's AIP award is based on the following results: Real Estate, FFO/ Unit vs Budget, Debt to GFV, G&A and Individual Qualitative performance. The AIP payout for 2020 was $208,080. As outlined in the Components of Executive Compensation section, this payout would have been well above target had the impacts of COVID-19 not weighed on both the corporate financial results, as well as the fact that Mr. Keay's individual performance and real estate performance metrics were pulled back to target in appreciation of the difficulties resulting from COVID-19. This should not detract from the exemplary leadership demonstrated by Mr. Keay throughout the global pandemic to ensure our core services and strategy remained unchanged. Mr. Keay's LTIP-RU grant for 2020 was $249,734. Mr. Keay was also awarded $137,333 in PUs which will vest in three years subject to meeting certain corporate performance objectives. In 2020, Mr. Keay earned $1,011,307 in total compensation excluding employer pension contributions of $24,330.

New Glasgow, NS, Canada
Service: 11 years
Age: 58

GLENN HYNES
EVP & COO

Glenn Hynes was promoted to Executive Vice President and Chief Operating Officer on November 15, 2018, while continuing to serve as Chief Financial Officer and Secretary until May 15, 2019. Mr. Hynes joined Crombie as Chief Financial Officer and Secretary in 2010 and was named Executive Vice President, Chief Financial Officer and Secretary effective March 1, 2014. Prior to joining Crombie, Mr. Hynes held the position of Chief Financial Officer and Partner of Bluewave Energy LP; a national fuel distribution business. From 1996 to 2006, he held several executive positions with Sobeys Inc. including Executive Vice President and Chief Financial Officer (2001 - 2005) and Executive Vice President and Chief Development Officer (2005 - 2006). Mr. Hynes also acted as Chief Financial Officer of Crombie from February 2006 to June 2006, which included the time of Crombie's initial public offering. Mr. Hynes is a graduate of the University of Prince Edward Island with a Bachelor of Business Administration and earned his Chartered Professional Accountant (CPA, CA) designation. He is former Chair of the Atlantic Provinces Economic Council (APEC). He was designated a Fellow Chartered Professional Accountant (FCPA, FCA) in 2011, received the ICD.D designation in 2014 and is a 2017 graduate of the Advanced Management Program at Harvard Business School. He received the UPEI Distinguished Alumnus Award in 2002 and Canada's Top 40 Under 40 Award in 2000.

In 2020, Mr. Hynes' base salary was $450,000. Mr. Hynes' AIP award is based on the following results: Real Estate, FFO/ Unit vs Budget, NOI, G&A and Individual Qualitative performance. The AIP payout for 2020 was $225,981. As outlined in the Components of Executive Compensation section, this payout would have been well above target had the impacts of COVID-19 not weighed on both the corporate financial results, as well as the fact that Mr. Hynes' individual performance and real estate performance metrics were pulled back in appreciation of the difficulties resulting from COVID-19. This should not detract from the exemplary leadership demonstrated by Mr. Hynes throughout the global pandemic to ensure our core services and strategy remained unchanged. Mr Hynes' LTIP-RU grant for 2020 was $270,041. Mr. Hynes was also awarded $148,500 in PUs which will vest in three years subject to meeting certain corporate performance objectives. In 2020, Mr. Hynes earned $1,094,522 in total compensation excluding employer pension contributions of $64,730.

JOHN BARNOSKI
EVP, Corporate Development

John Barnoski was appointed Executive Vice President, Corporate Development in August 2019, having joined Crombie REIT in July 2015 as Vice President, Corporate Development and later serving as Senior Vice President, Corporate Development. Mr. Barnoski leads the company's national corporate development program, responsible for major development acquisitions and dispositions, and strategic asset management, with an increased focus on joint ventures. Mr. Barnoski has an extensive career in the real estate industry. An 18 year veteran of Shoppers Drug Mart, Mr. Barnoski held the position of National Vice President of Real Estate at Shoppers from 2012 until joining Crombie. Mr. Barnoski held numerous progressively expanding roles within the real estate function of the F.W. Woolworth Company prior to joining Shoppers. John is a graduate of Schulich's Executive Development Program and holds a Diploma in Assessment, Appraisal & Real Estate Management, a P1 License from the Law Society of Upper Canada and an A.I.M.A. designation from the Institute of Assessors.

Bowmanville, ON, Canada
Service: 5 years
Age: 48

In 2020 Mr. Barnoski's base salary was $310,000. Mr. Barnoski's AIP award is based on the following results: Real Estate, FFO/ Unit vs Budget, G&A and Individual Qualitative performance. The AIP payout for 2020 was $179,800. Mr. Barnoski's LTIP-RU grant for 2020 was $135,293. Mr. Barnoski was also awarded $80,600 in PUs which will vest in three years subject to meeting certain corporate performance objectives. In 2020, Mr. Barnoski earned $705,693 in total compensation excluding employer pension contributions of $24,330.

ARIE BITTON
SVP, Leasing & Operations

Arie Bitton joined Crombie in 2019. As Senior Vice President, Leasing and Operations, he is primarily responsible for Crombie REIT's leasing, portfolio management, and operations teams, overseeing all properties in Crombie's portfolio. Prior to joining Crombie, Mr. Bitton was the Vice President, Real Estate at Shoppers Drug Mart/Loblaw Companies Limited, with portfolio responsibility for 1,200+ pharmacy and other retail locations. Mr. Bitton held roles of increasing responsibility at RioCan Real Estate Investment Trust prior to joining Shoppers Drug Mart. Mr. Bitton is a graduate of York University, Honours in Business & Society. Mr. Bitton brings over 17 years of commercial real estate experience with perspectives from both the tenant and landlord sides, and a proven leadership track record.

Thornhill, ON, Canada
Service: 2 years
Age: 40

In 2020 Mr. Bitton's base salary was $270,000. Mr. Bitton's AIP award is based on the following results: Real Estate, FFO/ Unit vs Budget, NOI, G&A and Individual Qualitative performance. The AIP payout for 2020 was $130,306. Mr. Bitton's LTIP-RU grant for 2020 was $79,539. Mr. Bitton was also awarded $46,800 in PUs which will vest in three years subject to meeting certain corporate performance objectives. Mr. Bitton was also awarded $75,000 in RUs in 2020 as a component of the signing bonus negotiated when he joined the organization. In 2020, Mr. Bitton earned $601,645 in total compensation excluding employer pension contributions of $24,330.

Ottawa, ON Canada
Service: 8.5 years
Age: 63

CHERYL FRASER
Chief Talent Officer & VP Communications

Cheryl Fraser is Crombie's Chief Talent Officer and Vice President, Communications. Prior to joining Crombie, Ms. Fraser was Assistant Commissioner and Chief Human Resource Officer for the Canada Revenue Agency. In addition, Ms. Fraser held Assistant Deputy Minister positions in the Correctional Service of Canada, Treasury Board Secretariat and Fisheries and Oceans. Ms. Fraser serves as a Director of Concentra Bank, Mental Health Commission of Canada, the Aberdeen Health Foundation and the Atlantic Provinces Economic Council.Ms. Fraser was previously Chair of the Board of the YMCA of Pictou County. Ms. Fraser is a graduate of ICD-Rotman, Directors Education Program, and holds a Masters of Environmental Studies and a Bachelor of Science from Dalhousie University. To celebrate her exceptional career accomplishments, she received the Queen's Diamond Jubilee Medal in 2012.

In 2020, Ms. Fraser's base salary was $273,000. Ms. Fraser's AIP award is based on the following results: Real Estate, FFO/ Unit vs Budget, Debt to GFV, G&A and Individual Qualitative performance. The AIP payout for 2020 was $138,684. Ms. Fraser's LTIP-RU grant for 2020 was $80,423. Ms. Fraser was also awarded $49,140 in PUs which will vest in three years subject to meeting certain corporate performance objectives. In 2020, Ms. Fraser earned $541,247 in total compensation excluding employer pension contributions of $24,330.

Summary Compensation Table

The following table details annual and long term compensation awarded during the three fiscal years ended December 31, 2020 for the President and CEO, CFO and Secretary and the three other most highly compensated executives, as well as any additional direct reports of the President and CEO. The summary compensation table is laid out as prescribed by the Canadian Securities Administrators.

Name and Principal Position	Year	Salary ($)	Unit based awards ($)		Option based awards ($)	Non-equity incentive plan compensation ($)		Pension Value ($)	All Other Compensation ($) [1]	Total Compensation ($)
			RU	PU		Annual incentive plans	Long-term incentive plans			
Donald E. Clow President & CEO	2020	$680,000	$519,351	$451,500	$—	$680,000	$—	$210,830	$—	$2,541,681
	2019	$645,000	$597,290	$451,500	$—	$891,777	$—	$112,130	$—	$2,697,697
	2018	$645,000	$596,612	$450,000	$—	$917,384	$—	$155,000	$—	$2,763,996
Clinton Keay[2] CFO & Secretary	2020	$416,160	$249,734	$137,333	$—	$208,080	$—	$24,330	$—	$1,035,637
	2019	$252,901	$190,803	$137,332	$—	$151,783	$—	$132,503	$—	$865,322
Glenn Hynes [3] EVP & COO	2020	$450,000	$270,041	$148,500	$—	$225,981	$—	$64,730	$—	$1,159,252
	2019	$450,000	$327,418	$129,723	$—	$275,850	$—	$188,330	$75,000	$1,446,321
	2018	$393,102	$285,694	$130,344	$—	$293,313	$—	$69,600	$—	$1,172,053
John Barnoski[4] EVP, Corporate Development	2020	$310,000	$135,293	$80,600	$—	$179,800	$—	$24,330	$—	$730,023
	2019	$310,000	$131,322	$58,823	$—	$205,071	$—	$23,730	$—	$728,946
	2018	$272,201	$97,115	$47,220	$—	$155,492	$—	$23,000	$—	$595,028
Arie Bitton[5] SVP, Leasing & Operations	2020	$270,000	$79,539	$46,800	$—	$130,306	$—	$24,330	$75,000	$625,975
	2019	$204,000	$76,838	$46,800	$—	$101,435	$—	$23,730	$175,000	$627,803
Cheryl Fraser [6] Chief Talent Officer & VP Communications	2020	$273,000	$80,423	$49,140	$—	$138,684	$—	$24,330	$—	$565,577
	2019	$273,000	$97,511	$44,095	$—	$141,152	$—	$23,730	$50,000	$629,488
	2018	$244,973	$87,400	$44,497	$—	$109,206	$—	$23,000	$—	$509,076

[1] The aggregate amount of annual compensation paid to any NEO in the form of perquisites and/or other personal benefits, securities or property do not exceed the lesser of $50,000 or 10% of the total salary for the fiscal year.

[2] Clinton Keay was hired May 15, 2019, therefore his 2019 salary is prorated to reflect earnings in the year. Pension reflects SERP and CRA max contributions for time at Crombie.

[3] Glenn Hynes received special award for RU and PU in August 2019 in amount of $37,500 each in recognition of serving in dual roles until a replacement CFO was appointed.

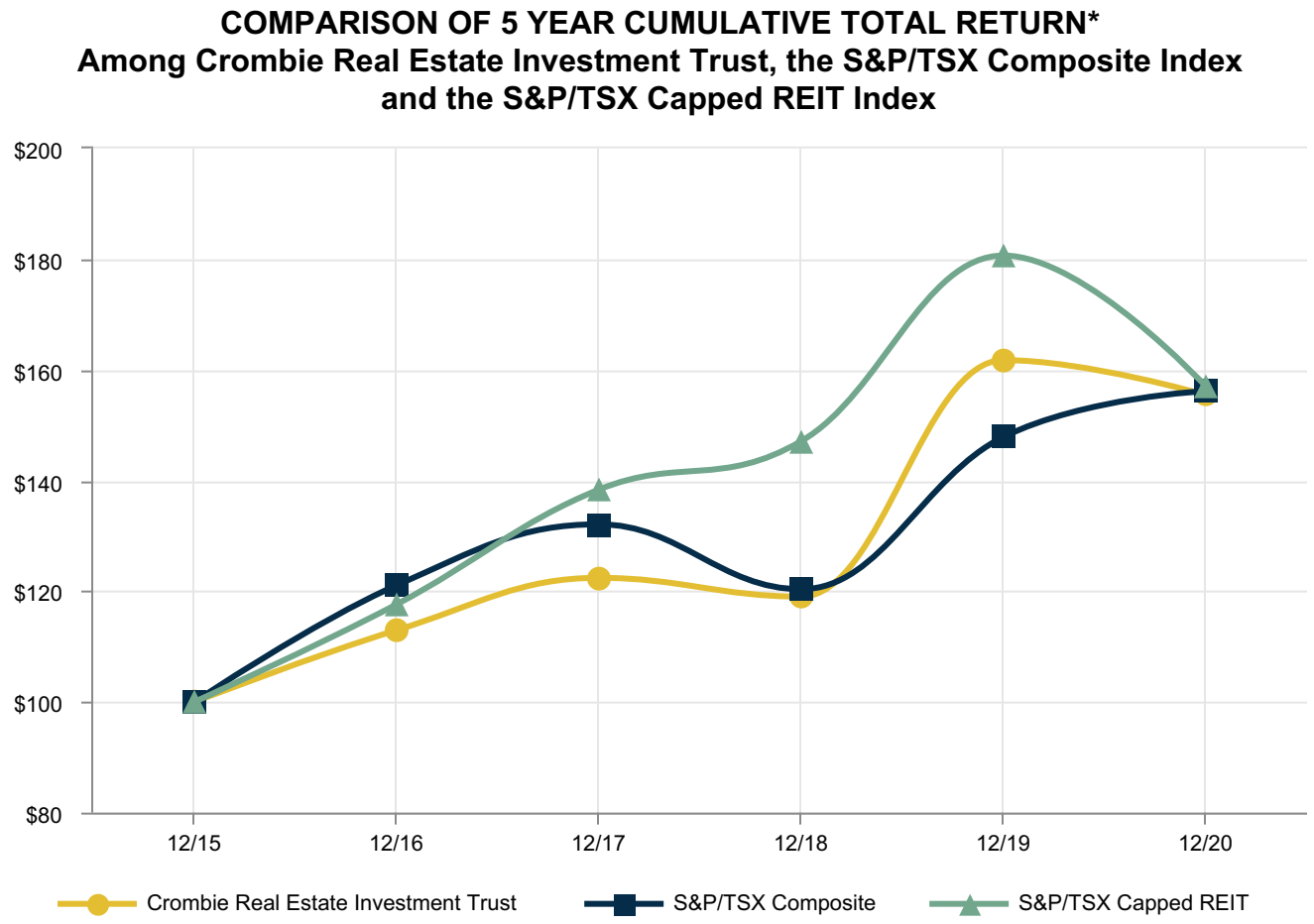
[4] John Barnoski LTIP targets changed in August 2019. Ru changed from 25% to 40% and PU from 18% to 26%.

[5] Arie Bitton was hired March 4, 2019, therefore his 2019 salary is prorated to reflect earnings in the year. In 2019 Mr. Bitton received $175,000 in other compensation as part of his offer on hire: $100,000 signing bonus and $75,000 in RUs.

[6] Cheryl Fraser received special award for RU and PU in August 2019 in amount of $25,000 each in recognition of serving in dual roles.

Performance Graph

The following performance graph shows the cumulative five year TUR for Crombie compared to the performance of the S&P/TSX Composite Index and S&P/TSX Capped REIT Index. The graph shows the cumulative return for an investment of $100 during the five most recently completed calendar years invested in Crombie Units, the S&P/TSX Composite Index and the S&P/TSX Capped REIT Index.



* $100 invested on 12/31/15 in stock or index, including reinvestment of dividends. Fiscal year ending December 31.

The performance graph above shows Crombie's sustained performance has been relatively consistent with the S&P/TSX Capped REIT Index, which includes many of Crombie's direct business competitors. Crombie had strong total unit return performance in 2020 compared to the S&P/TSX Capped REIT Index and lagged the S&P/TSX Composite.

A Look Back at CEO Compensation and Unitholder Return

Crombie believes that the President and CEO's total compensation package provides alignment to unitholder value and ensures that the executives are aligned with both the short term and long term interests of Crombie's unitholders.

President and CEO Compensation: Look Back Table

The HRC recommends to the Board the compensation of the President and CEO and ensures Crombie's compensation philosophy aligns the interests of the President and CEO and the balance of Crombie's executives with those of the unitholders.

The following table compares the total direct compensation awarded to the President and CEO in each of the last five years with the value of total direct compensation realized or realizable as of March 12, 2021. The total direct compensation awarded includes base salary, AIP Award (in cash), LTIP Awards (awarded in RUs and starting in 2017 - RUs and PUs). The actual total direct compensation value realized or realizable includes base salary and AIP awards (in cash) and the value of LTIP awards received/granted valued as of March 12, 2021. On average, the value of the President and CEO's total direct compensation awarded over the past five years that has been realized (or remains realizable) as of March 12, 2021 ranges between 2.52% to 21.40% higher than the original award value depending on the year of award. The change in realized or realizable total direct compensation is driven by two key items: 1) Unit price changes from the date of award, and 2) additional PUs and RUs being awarded as distributions accrue on the original awards at the same rate distributions are paid on units. The recent fluctuations in Crombie's unit price as a result of concerns around COVID-19's impact on the economy, as well as COVID-19 impacts on key financial metrics of the business were also taken into consideration when determining Mr. Clow's 2020 AIP award. As previously stated, Mr. Clow's individual performance and real estate performance results were pulled back from 135% of target, to target (100%) for both components to acknowledge the impact COVID-19 had on the organization and ensure the Annual Incentive Plan total award as a percentage of target did not exceed 100% for the President & CEO. This adjustment should not take away from the exemplary leadership and direction Mr. Clow provided the organization during the crisis resulting from COVID-19, but rather serves to not turn a blind eye to corporate performance metrics and impacts due to COVID-19 and recognizes the fact that FFO/unit was adjusted to target for the AIP.

Year	Total Direct Compensation Awarded[1]	Actual Total Direct Compensation Value Realized or Realizable as of March 12, 2021[2]	Value of $100 of Direct Compensation Awarded[3]
2016	$ 1,846,421	$ 2,060,785	$ 111.61
2017	$ 2,090,585	$ 2,507,308	$ 119.93
2018	$ 2,608,996	$ 3,167,296	$ 121.40
2019	$ 2,585,567	$ 2,735,449	$ 105.80
2020	$ 2,330,841	$ 2,389,511	$ 102.52
Average			$ 112.25

(1) Includes Base Salary, AIP awarded (in cash) and LTIP Awarded (including RUs and PUs).

(2) Includes Base Salary, AIP Awarded (in cash) and LTIP Awards (RUs and PUs) at Unit Price as of March 12, 2021 of $15.48.

(3) Represents the actual value realized (or realizable) as of March 12, 2021 for each $100 awarded to the President and CEO in total compensation awarded during the fiscal year indicated.

Pension Plan, Benefits, and Other Compensation

Incentive Plan Awards

The following charts summarize each NEO's outstanding, unvested unit-based awards, as well as the non-equity incentive plan compensation earned during the year. Crombie does not have option-based awards.

	Unit-based Awards	
Name and Principal Position (a)	Number of units that have not vested[1] (#) (f)	Market or payout value of unit-based awards that have not vested[2] ($) (g)
Donald E. Clow President & CEO	155,354	2,229,330
Clinton Keay CFO & Secretary	31,999	459,186
Glenn Hynes EVP & COO	70,844	1,016,611
John Barnoski EVP, Corporate Development	26,736	383,662
Arie Bitton SVP, Leasing & Operations	23,074	331,112
Cheryl Fraser Chief Talent Officer & VP Communications	23,995	344,328

(1) Unit-based award amounts represent RUs granted for LTIP awards earned in 2018, 2019 and PUs granted under LTIP in 2019 and 2020.

(2) Based on market value of units as of December 31, 2020 of $14.35.

Name and Principal Position	Unit based awards - value vested during the year[1] ($)	Non-equity incentive plan compensation - value earned during the year[2] ($)
Donald E. Clow President & CEO	$1,605,055	$680,000
Clinton Keay CFO & Secretary	$—	$208,080
Glenn Hynes EVP & COO	$616,759	$225,981
John Barnoski EVP, Corporate Development	$196,007	$179,800
Arie Bitton SVP, Leasing & Operations	$—	$130,306
Cheryl Fraser Chief Talent Officer & VP Communications	$180,160	$138,684

(1) Amounts reflect the vesting of the 2017 RU grants on September 30, 2020 (market value at time of vesting was $13.0521 per Unit) and the vesting of the 2017 PU grants on December 31, 2020 (market value at time of vesting was $14.3977 per Unit).

(2) Non-Equity Incentive Plan Compensation amounts represents the AIP payout to each NEO earned during 2020.

Termination and Change of Control Benefits

The table below summarizes the termination and change of control benefits provided under each plan in situations that result in cessation of employment or change of control. These provisions were reviewed and updated in 2020.

Type of Compensation	Retirement	Resignation	Termination w/o cause	Termination with cause	Change of Control
Annual incentive Plan	**eligible for** pro-rated award	forfeited/no payment	forfeited	forfeited/no payment	Human Resources Committee discretion
Restricted Unit Plan	**not eligible** to receive an immediate pension under the Executive or Senior Management Pension Plans- Entitled to a pro-rated share of the Participant's unvested Award **eligible** to receive an immediate pension at retirement under the Executive and Senior Management Pension Plans and is a “Good Leaver” - RUs will continue to vest according to the vesting provision of the plan	forfeited/no payment	entitled to a pro-rated share of the Participant's unvested Award.	forfeited/no payment	Human Resources Committee discretion Upon Change of Control, should the Participant have “good reason” for termination, the provisions of termination without cause will apply,
Performance Unit Plan	**not eligible** to receive an immediate pension under the Executive or Senior Management Pension Plans- Entitled to a pro-rated share of the Participant's unvested Award **eligible** to receive an immediate pension at retirement under the Executive and Senior Management Pension Plans and is a “Good Leaver” - PUs will continue to vest according to the vesting provision of the plan	forfeited	entitled to a pro-rated share of the Participant's unvested Award.	forfeited	Human Resources Committee discretion Upon Change of Control, should the Participant have “good reason” for termination, the provisions of termination without cause will apply,

The HRC has discretion to make adjustments to the general plan provisions for a particular executive if considered appropriate in the circumstances and that would align with unitholders.

Board Endorsement

The Trustees, with the support of the HRC, gave careful consideration to the compensation decisions for each component of the NEOs compensation and the aggregate effect of these decisions, and is satisfied they are fair and reasonable in the context of both the absolute and relative performance of Crombie and the compensation practices among Crombie's identified peers.

The Trustees, with the support of the HRC, also carefully reviewed and approved the compensation programs for executives, as described in this Information Circular. The Board has implemented a policy which limits the aggregate amount of Deferred Units, Restricted Units and Performance Units issued under the respective plans to not exceed 5% of total units outstanding. The aggregate amount of Deferred Units, Restricted Units and Performance Units outstanding was 1,410,162, representing approximately 0.9% of the Units outstanding on March 12, 2021.

Executive Pension

Defined Contribution Plan

Name and Principal Position	**Accumulated value at start of year ($)**	**Compensatory ($)**	**Accumulated value at end of year ($)**
Donald E. Clow President & CEO	$480,640	$24,330	$542,207
Clinton Keay CFO & Secretary	$19,457	$24,330	$80,278
Glenn Hynes EVP & COO	$351,725	$24,330	$405,591
John Barnoski EVP, Corporate Development	$143,472	$24,330	$185,947
Arie Bitton SVP, Leasing & Operations	$24,360	$24,330	$59,829
Cheryl Fraser Chief Talent Officer & VP Communications	$230,848	$24,330	$258,856

The Accumulated value at start of year column shows the balance for each NEO as of January 1, 2020. The Accumulated value at end of year column shows the balance for each NEO as of December 31, 2020. The Compensatory column represents the amount that Crombie has contributed to each NEOs defined contribution pension plan for 2020. Since Crombie makes a payment for NEOs in January, the Accumulated value column will understate the value in the NEO's pension plan, as a portion of 2020 payments are not shown until the 2021 fiscal year. Clinton Keay values represent the amount accumulated since joining Crombie REIT.

The summary pension table that follows for NEOs and direct reports of the President and CEO details defined benefit pension expense accrued during the fiscal year ending December 31, 2020. The summary pension table is laid out as prescribed by the Canadian Securities Administrators.

Defined Benefit Plan

Name and Principal Position	Number of years credited service	Annual benefits payable ($)		Accrued obligation at start of year ($)	Compensatory change ($)	Non-compensatory change ($)	Accrued obligation at end of year ($)
		At year end	At age 65				
Donald E. Clow President & Chief Executive Officer	13.92	$98,600	$150,000	$2,063,000	$186,500	$276,100	$2,525,600
Clinton Keay CFO & Secretary[1]	1.6 (30.00)	$—	$—	$156,100	$(117,200)	$(38,290)	$—
Glenn Hynes EVP & COO	10.50	$23,100	$49,200	$714,300	$40,400	$83,100	$837,800
John Barnoski EVP, Corporate Development	—	$—	$—	$—	$—	$—	$—
Arie Bitton SVP, Leasing & Operations	—	$—	$—	$—	$—	$—	$—
Cheryl Fraser Chief Talent Officer & VP Communications	—	$—	$—	$—	$—	$—	$—

(1) Mr. Keay obtained 30 years credited service under his prior employment with Empire Company Limited. Only compensatory and non-compensatory changes are accruing with Crombie.

The accrued obligation at start of year column shows the balance for each NEO as of January 1, 2020. The accrued obligation at end of year column shows the balance for each NEO as of December 31, 2020. The compensatory change column represents the amount that Crombie has contributed to each NEOs defined benefit pension plan for 2020. The non-compensatory change column represents all other changes in the accrued obligation that are not included in the compensatory column.

The values presented above have been calculated using the same actuarial assumptions as those used and described in the company's financial statements. The annual lifetime benefit payable at age 65 was calculated taking into account future service, but assuming no salary increases.

Indebtedness of Trustees, Officers and Employees

The following table sets out the aggregate indebtedness at March 12, 2021 to Crombie and its subsidiaries of all executive officers, directors, employees, former executive officers and Trustees of Crombie or its subsidiaries.

Purpose	Aggregate Indebtedness to Crombie or its Subsidiaries	Aggregate Indebtedness to Another Entity Guaranteed or Supported by Crombie or its Subsidiaries
Unit purchases	$1,200,786	Nil
Other	Nil	Nil

The following tables set out information for each individual who is, or at any time during the most recently completed financial year was, a Trustee or executive officer of Crombie, each proposed nominee for election as a Trustee of Crombie, and each associate of any such Trustee, executive officer or proposed nominee who is, or at any time since the beginning of the most recently completed financial year of Crombie has been, indebted to Crombie or any of its subsidiaries. No such persons have indebtedness to another entity which is or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit, or other similar arrangement or understanding provided by Crombie or any of its subsidiaries. Routine indebtedness is excluded from the tables. These loans will be paid out by December 31, 2022 .

Table of Indebtedness of Trustees and Executive Officers

Name and Principal Position	Involvement of Crombie	Largest Amount Outstanding During Fiscal 2020 $	Amount Outstanding as at March 12, 2021 $	Financially Assisted Securities Purchased During Fiscal 2020 #	Security For Indebtedness as at December 31, 2020 #	Amount Forgiven During 2020 $
Donald E. Clow President and CEO	Lender	$829,349	$799,570	0 Units	52,404 Units	$Nil
Glenn Hynes EVP & COO	Lender	$416,110	$401,216	0 Units	26,293 Units	$Nil

Equity Compensation Plan Information

The following table sets out aggregate information relating to all compensation plans of Crombie:

Plan Category	Number of Securities to be issued upon exercise of outstanding Options, Warrants and Rights (A)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (B)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in Column A) (C)
Equity Compensation Plans Approved by Security holders	Nil	N/A	1,246,322 [(1)]
Equity Compensation Plans Not Approved by Security holders	Nil	N/A	Nil
Total	Nil	N/A	1,246,322 [(1)]

(1) Of the total, 329,190 Units available for issuance under the EUPP and 917,132 Units available for issuance under the DU Plan.

The total number of awards made or approved under the EUPP as of March 12, 2021 is 420,810, representing approximately 0.3% of the Units outstanding as of March 12, 2021. Reference is made to "Executive Unit Purchase Plan" of this Circular for details relating to the EUPP. The EUPP has been discontinued effective December 31, 2014.

The total number of DUs outstanding or approved under the DU Plan as of March 12, 2021 is 695,320, representing approximately 0.4% of the Units outstanding as of March 12, 2021. The total number of Units issued for the redemption of DUs under the DU plan is 82,868 Units. Reference is made to "Deferred Unit Plan" of this Circular for details relating to the DU Plan.

Equity Incentive Plans

Deferred Unit Plan

The Deferred Unit Plan (the "**DUP**") is designed to promote a greater alignment of interests between the Trustees, officers and employees of Crombie or its subsidiaries (such persons, together with Empire which receives trustee fees on behalf of certain Trustees appointed by it, are collectively referred to as "**Eligible Persons**"), Empire and the Unitholders.

Each Eligible Person may elect to be a participant (a "**Participant**") of the DUP. The participation in the DUP is voluntary unless the Board or Committee decides that special compensation is to be provided as Deferred Units. The Board has awarded annual DU grants of $12,500 in DUs each year from 2013 to 2015. In February 2016, the Board approved an additional grant of $7,500 awarded in February 2016 for the 2015 fiscal year and increased the DU grant to $20,000 for the 2016 fiscal year. In each of 2017-2020, a DU grant of $25,000 was awarded. A Participant may elect to receive up to one hundred percent (100%) of eligible compensation in the form of "Deferred Units" in lieu of cash.

Eligible compensation generally includes:

i. Board and committee fees; and

ii. any bonus or other fee that is determined by the Board or Committee to be eligible.

The number of Deferred Units (including fractional Deferred Units) granted at any particular time will be calculated by dividing the value to be received by the Market Value (as defined below) of a Unit on the award date. "Market Value" means the volume weighted average price of all Units traded on the Toronto Stock Exchange for the five trading days immediately preceding the relevant date. Participants in the RU Plan and the PU Plan may elect to convert all or a portion of their RUs and PUs to Deferred Units on a one to one basis in accordance with the terms of those plans.

Deferred Units are not Units and do not entitle a Participant to any Unitholder rights, including voting rights, distribution entitlements (other than as set out below) or rights on liquidation. Upon redemption, a Participant will receive the net value of the vested DUs being redeemed, with the net value determined by multiplying the number of DUs redeemed by the REIT Unit's market price on redemption date, less applicable withholding taxes. The Participant may elect to receive this net amount as a cash payment or instead receive Crombie REIT Units for redeemed DUs after deducting applicable withholding taxes. Fractional Units may be issued under the DUP.

Whenever cash distributions are paid on the Units, additional Deferred Units will be credited to the Participant's Deferred Unit account. The number of such additional Deferred Units is determined by multiplying

i. the number of Deferred Units in the Participant's Deferred Unit account on the record date for the payment of the distribution by

ii. the distribution paid per Unit divided by the Market Value of a Unit on the distribution payment date. Additional Deferred Units vest on the same basis as the underlying Deferred Units.

Unless otherwise determined by the Committee, Deferred Units are fully vested at the time they are allocated. The Committee may in its discretion impose vesting or other terms or conditions on Deferred Units. Unvested Deferred Units vest immediately prior to any change of control.

Vested Deferred Units may be redeemed on the date specified by a Participant in a written notice of redemption. Unvested Deferred Units vest on termination of the Participant's employment (other than for cause), failure to be reappointed as a Trustee, retirement, or death. Where the Participant's employment is terminated for cause or the Participant voluntarily resigns, unvested Deferred Units are cancelled. Vested Deferred Units may be redeemed at any time prior to and will be redeemable for cash for a period ending on December 10 of the calendar year following the calendar year in which the Participant ceases to be an Eligible Person.

A Participant who elects to receive a cash payment on redemption of Deferred Units will receive a cash payment, net of any applicable withholding taxes, equal to

i. the number of Deferred Units multiplied by

ii. the Market Value of the Deferred Units on the Redemption Date.

A Participant who elects to receive Units on redemption of Deferred Units may elect to use the after tax proceeds from the Deferred Units to acquire Units at their market value at the redemption date.

Upon payment in full of the value of the Deferred Units, the Deferred Units will be cancelled.

1,000,000 Units are authorized for issuance upon the redemption of all Deferred Units granted under the DUP as at March 19, 2020. The number of Units issuable to insiders of Crombie pursuant to outstanding Deferred Units together with Units issuable pursuant to any other compensation arrangements may not exceed 10% of the then outstanding Units. The number of Units issued to insiders of Crombie pursuant to outstanding Deferred Units together with Units issuable pursuant to any other compensation arrangements, within any one year period, may not exceed 10% of the then outstanding Units.

Deferred Units are not transferrable except on the death of a Participant, or to a Participant's spouse, a trustee acting for their benefit, a subsidiary or holding entity, a RRSP, RRIF, or TFSA.

Unitholder approval is not required for any amendment to the DUP except an amendment that:

i. increases the number of Units reserved for issuance under the DUP;

ii. increases the amount payable upon redemption of a Deferred Unit;

iii. extends eligibility to participate in the DUP to persons not currently eligible to participate;

iv. amends the assignability provisions of the DUP;

v. increases or eliminates the insider participation limits;
vi. permits awards, other than those entitlements specifically contemplated in the DUP, to be made; and
vii. any amendment to the amending provisions.

Unitholder approval is not required for amendments to the Deferred Unit Plan to do the following:

i. reduce the number of Units issuable under the DUP;
ii. increase or decrease the maximum number of Units any single Participant is entitled to receive under the DUP;
iii. any amendment pertaining to vesting provisions;
iv. any amendment to the terms of the DUP relating to the effect of termination or cessation of employment or death of a Participant on the right to redeem Deferred Units;
v. any amendment pertaining to the assignability of Deferred Units;
vi. any decrease in the amount payable upon redemption of the Deferred Unit;
vii. amend the process by which a Participant can redeem a Deferred Unit;
viii. add and/or amend any form of financial assistance provision to the Deferred Unit Plan;
ix. amend the eligibility requirement for participants in the Deferred Unit Plan;
x. allocate and reallocate among the security compensation arrangements the number of Units issuable to Participants pursuant to the DUP;
xi. any amendment as may be necessary or desirable to bring the DUP into compliance with securities, corporate or tax laws and the rules and policies of any Stock Exchange upon which the Units are from time to time listed;
xii. any amendment to add covenants of Crombie for the protection of Participants, provided that the Committee and/or the Board shall be of the good faith opinion that such additions are not prejudicial to the rights or interest of the Participants;
xiii. any amendment not inconsistent with the DUP which is necessary or desirable with respect to matters or questions, which in the good faith opinion of the Committee and/or the Board, having in mind the best interests of the Participants, it may be expedient to make, provided that the Committee and/or the Board are of the opinion that such amendments and modifications are not prejudicial to the interests of the Participants; and
xiv. any changes or corrections which, on the advice of counsel to Crombie, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Committee and/or the Board is of the opinion that such changes or corrections are not prejudicial to the rights and interest of the Participants.

The burn rate for the DU Plan is defined as the net total number of DUs granted in a fiscal year, divided by the weighted average number of Units outstanding (including Special Voting Units) for the fiscal year. The increase in the DU burn rate in 2017 and 2018 is the result of certain Crombie employees electing to convert their 2014 and 2015 RU grants which vested in September 2017 and September 2018 into DUs. The increase in DU Burn Rate in 2020 is due to the conversion of 2018 PU grants which vested on December 31, 2020 for select NEOs.

	2016	**2017**	**2018**	**2019**	**2020**
DU Burn Rate	0.03 %	0.09 %	0.10 %	0.07 %	0.13 %

Restricted Unit Plan

The Restricted Unit Plan (the "**RU Plan**") is a performance conditioned plan designed to: promote a greater alignment of interests between the executives and employees of Crombie, stakeholders and the holders of REIT Units; and assist Crombie in attracting, retaining and rewarding key executives and employees.

The Plan shall be administered by the HRC. The HRC shall have the power, where consistent with the general purpose and intent of the RU plan, and subject to the specific provisions of the RU plan, to:

i. establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the RU plan;
ii. interpret and construe the RU plan and to determine all questions arising out of the RU plan and any award granted pursuant to the RU plan, and any such interpretation, construction or determination made by the Committee shall be final, binding and conclusive for all purposes; and
iii. prescribe the form of the instruments relating to the grant, vesting or payout of awards, if any.

The members of the HRC are authorized to sign and execute all instruments and documents and to do all things necessary or desirable for carrying the RU plan into effect or to carry out the provisions hereof. The HRC may delegate to any officer of Crombie the authority to sign and execute notices, instruments and other documents under the RU plan.

It is intended that the RU Plan will not constitute a "salary deferral arrangement" with respect to a Participant as such term is defined in subsection 248 (1) of the *Income Tax Act* (Canada) and for Canadian tax purposes, the value of the RUs granted under the Plan, including

additional RUs credited for distribution equivalents, will not be included in a Participant's taxable income in Canada until the calendar year in which the payout amount is paid, or in the event of a conversion of RUs into DUs, until the calendar year such DUs are redeemed.

The HRC shall have the authority, as it determines appropriate from time to time, and in its sole discretion to grant any award in whole or in part and to determine the vesting schedule of RUs granted under each such Award.

Eligible employees may elect each calendar year to participate in the RU Plan and receive all, or if permitted by the HRC a portion at the participation level of their choice, of their eligible remuneration in the form of an allocation of RUs. An election may be made with respect to the eligible remuneration of a single calendar year or may continue and automatically renew from year to year unless terminated or changed for a subsequent calendar year by the last business day prior to commencement of that calendar year. Any election to participate in the RU Plan and, if applicable, to elect a participation level or to terminate or change a prior continuing form of election, shall be made by election notice in writing.

Any election to participate will be made no later than the last business day of a calendar year with respect to the eligible remuneration for the next following calendar year. Once an election is made to participate with respect to a calendar year, it is irrevocable with respect to the eligible remuneration for that calendar year.

If the RU Plan is to commence operation other than at the beginning of a calendar year, or if a person becomes an eligible employee during a calendar year, any election to participate must be made before any eligible remuneration has accrued or become payable to the eligible employee in respect of the period in which the eligible employee's participation in and allocation of eligible remuneration to the RU Plan is to begin. Such election will apply and be irrevocable with respect to the eligible remuneration for the balance of the calendar year.
Awards may be granted to eligible employees who have elected to participate in the RU Plan.

Unless otherwise determined by the HRC, the HRC may make annual awards to participants in respect of services rendered or to be rendered by the participant in that particular calendar year or future years. For each award, the HRC shall determine the number of RUs to be granted to each participant, which number may include fractional RUs. All awards made to a participant shall be made on or before March 31st of the first calendar year of the applicable term, unless otherwise approved by the HRC.

Unless otherwise determined by the HRC, each award shall have a term (the "**Term**") of less than three years commencing on the day that the HRC approves the award in the first calendar year of such Term and ending on the final day of the third quarter of the third calendar year of such Term (the "**Vesting Date**").

Unless specifically provided for in the RU Plan or determined by the HRC, Crombie will not contribute any amounts to a third party or otherwise set aside any amounts to fund the amounts payable under the RU Plan. Unless otherwise provided in this RU Plan, all RUs shall vest on the Vesting Date.

The number of RUs which vest for each participant shall be determined by adding the number of RUs awarded to that participant to the number of RUs or fractions thereof that would be credited to such participant upon the payment of distributions by Crombie on the REIT Units, based on the number of additional REIT Units a participant would have received had the vested RUs been treated as REIT Units under a distribution reinvestment plan during the Term (collectively, the "**Vested RUs**").

On the Vesting Date, each participant shall be entitled to receive an amount net of applicable taxes equal to the number of Vested RUs held by the participant multiplied by the market value on the Vesting Date (the "**Payout Amount**"). Unless otherwise provided in this RU Plan, the Payout Amount shall be paid to each participant within 90 days of the Vesting Date and after the approval of the HRC, but, in any event, not later than December 31st of the year in which the Vesting Date occurs (the "**Payment Deadline Date**").

Unless otherwise provided in this RU Plan, the Payout Amount payable to each participant shall be paid, subject to applicable withholding taxes as required by applicable legislation, by Crombie in cash in the currency of Canada. Crombie shall not issue any REIT Units or other securities of Crombie from treasury for the purpose of this RU Plan.

For greater certainty, no amount will be paid to, or in respect of, a participant under the RU Plan or pursuant to any other arrangement, and no additional RUs will be granted to a participant to compensate the participant for any downward fluctuations in the price of a REIT Unit nor will any other form of benefit be conferred upon, or in respect of, a participant for such a purpose.

A participant who is actively employed by Crombie and who has been invited by the HRC at the time of granting the RUs to convert RUs into DUs, may irrevocably elect in writing to convert some or all of the RUs granted under an award to the participant that would otherwise vest on the Vesting Date (including additional RUs that would be credited for distribution equivalents) into DUs under the DU Plan. The election in respect of any RUs must be made no later than 60 days prior to the Vesting Date of a particular award or such earlier or later time as the HRC may determine from time to time in consultation with its tax advisers.

RUs for which an election to convert into DUs is made will be cancelled, with the result that the participant will not be entitled to payment of the Payout Amount in respect of those RUs.

If a participant has made an election, a number of DUs equal to the number of RUs that are cancelled as a result of the election will be granted by the HRC on the Vesting Date of the particular award covering the cancelled RUs, provided that the RUs would otherwise have vested on such Vesting Date. The award of DUs will be granted under, and will be subject to, the terms and conditions of the DU Plan.

Unless otherwise determined by the HRC, the only participants who are eligible to make an election to convert RUs into DUs, are those who, on the Vesting Date, are actively employed by Crombie or of an employer that is an entity related to Crombie, as determined in accordance with section 251 of the *Income Tax Act* (Canada). If a participant is not actively employed by an employer prior to the Vesting Date but after an election has been made, such election and conversion shall be null and void.

Each participant who has not attained at the close of business on the day that is one year prior to the Vesting Date, or if such day is not a business day, the close of business on the first subsequent business day, an equity value which is equal to or greater than such participant's minimum equity ownership threshold, if any, shall be deemed for all purposes hereof, unless the provisions have been waived in whole or in part by the HRC with respect to such participant, (i) to have been invited by the HRC to convert RUs into DUs, and (ii) to have irrevocably elected to convert into DUs all of the RUs granted under an award that would otherwise vest on the next Vesting Date, all in accordance with the DU Plan and the terms hereof.

To the extent that a participant may otherwise be entitled to RUs granted, but not vested under an award, the following provisions shall apply to each award except as may otherwise be determined by the HRC from time to time:

i. If, before the Vesting Date, the employment of a participant by the employer is terminated (i) by the employer without cause, (ii) by the employer, subject to applicable human rights legislation, by reason of the disability of the participant, or (iii) by reason of the death of the participant subject to the terms and conditions of the plan, such participant or, if the participant is deceased, the legal personal representative(s) of the estate of the participant, shall be entitled to a pro-rated share of the participant's unvested award determined by the HRC and based on length of service between the start of the Term and the date of termination or death of the participant or such longer period of time determined by the HRC. The HRC may, in its sole discretion, permit the payout of the pro-rated, unvested award on the date of termination or delay its determination of the Payout Amount and the payout thereof until not later than the Payment Deadline Date.

ii. If, before the Vesting Date, the employment of a participant by the employer is terminated (i) by the voluntary resignation of the participant (other than retirement, but including constructive dismissal), or (ii) by the employer for cause, such award shall expire and terminate simultaneously with the act or event which causes the termination and such participant shall not be entitled to any Payout Amount, or other compensation, damages, or any other payments for the termination of such unvested award. Provided, however, that the HRC may in its sole discretion determine to pay such amount as the HRC determines appropriate in the circumstances of the termination (including, where the HRC determines appropriate, full payment of the award). The HRC may, in its sole discretion, permit any payout of the unvested award on the date of termination or delay its determination of the Payout Amount and the payout thereof until not later than the Payment Deadline Date.

iii. If, before the Vesting Date, the employment of a participant by the employer is terminated by reason of the retirement of the participant, such participant (i) where the participant is a "Good Leaver", RUs will continue to vest according to the provisions of the plan and payouts will be in accordance with the provisions of the plan; (ii) where a participant is not a "Good Leaver" the participant shall be entitled to a pro-rated share of the participant's unvested award determined by the HRC and based on length of service between the start of the Term and the effective date of the participant's retirement. Provided, however, the HRC may in its sole discretion, determine to pay such amounts as the HRC determines appropriate in the circumstances of the termination (including, where the HRC determines appropriate, full payment of the award). The HRC may, in its sole discretion, permit any payout of the unvested award on the date of termination or delay its determination of the Payout Amount and the payout thereof until not later than the Payment Deadline Date.

If upon a Change of Control, there is no longer a public market for the REIT Units to determine market value, then the Board will determine and fix the Payout Amount as it deems appropriate. In addition, the HRC will determine the timing of payment of the Payout Amount and whether there are any ongoing employment or other terms and conditions that would apply up to the regular Vesting Date.

Appropriate adjustments to the unvested RUs notionally granted under outstanding awards shall be made, if required, to give effect to adjustments in the number of REIT Units resulting from subdivisions, consolidations or re-classifications of the REIT Units or other relevant changes in the capital of Crombie, as the HRC in its sole discretion deems advisable.

A RU is under no circumstances considered to be a REIT Unit or entitles any participant to exercise voting rights or any other rights or entitlements associated with a REIT Unit.

From time to time, the Board may amend any of the provisions of the RU Plan or terminate the RU Plan, provided that any amendment of the provisions of the RU Plan or any termination of the Plan shall not divest any participant of awards granted to the participant nor, in the event of termination of the RU Plan, otherwise affect the rights of a participant holding an award at the time of such termination without his consent.

Performance Unit Plan

The Performance Unit Plan (the "**PU Plan**"), in conjunction with the RU Plan, is designed to: promote a greater alignment of interests between the executives of Crombie, its stakeholders and holders of REIT units; and assist Crombie in attracting, retaining and rewarding key executives.

The PU Plan shall be administered by the HRC. The HRC shall have the power, where consistent with the general purpose and intent of the PU Plan, and subject to the specific provisions of the PU Plan, to:

i. establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the PU Plan;
ii. interpret and construe the PU Plan and to determine all questions arising out of the PU Plan and any award granted pursuant to the PU Plan, and any such interpretation, construction or determination made by the Committee shall be final, binding and conclusive for all purposes; and
iii. prescribe the form of the instruments relating to the grant, vesting or payout of awards, if any.

The members of the HRC are authorized to sign and execute all instruments and documents and to do all things necessary or desirable for carrying the PU Plan into effect or to carry out the provisions hereof. The HRC may delegate to any officer of Crombie the authority to sign and execute notices, instruments and other documents under the PU Plan.

It is intended that the PU Plan will not constitute a "salary deferral arrangement" with respect to a Participant as such term is defined in subsection 248 (1) of the *Income Tax Act* (Canada) and for Canadian tax purposes, the value of the PUs granted under the PU Plan, including additional PUs credited for distribution equivalents, will not be included in a Participant's taxable income in Canada until the calendar year in which the payout amount is paid, or in the event of a conversion of PUs into DUs, until the calendar year such DUs are redeemed.

The HRC shall have the authority, in consultation with the CEO, to determine the performance measures against which Crombie's performance will be measured over the set term, and set such performance levels for each performance measure that it, in the HRC's sole discretion, determines appropriate. The HRC shall also have the authority, in consultation with the CEO, to set adjustment factors to be applied in order to determine the number of PUs that will vest on achievement of each performance level.

Eligible employees may elect each calendar year to participate in the PU Plan and receive all, or if permitted by the HRC a portion at the participation level of their choice, of their eligible remuneration in the form of an allocation of PUs. An election may be made with respect to the eligible remuneration of a single calendar year or may continue and automatically renew from year to year unless terminated or changed for a subsequent calendar year by the last business day prior to commencement of that calendar year. Any election to participate in the PU Plan and, if applicable, to elect a participation level or to terminate or change a prior continuing form of election, shall be made by election notice in writing.

Any election to participate will be made no later than the last business day of a calendar year with respect to the eligible remuneration for the next following calendar year. Once an election is made to participate with respect to a calendar year, it is irrevocable with respect to the eligible remuneration for that calendar year.

If the PU Plan is to commence operation other than at the beginning of a calendar year, or if a person becomes an eligible employee during a calendar year, any election to participate must be made before any eligible remuneration has accrued or become payable to the eligible employee in respect of the period in which the eligible employee's participation in and allocation of eligible remuneration to the PU Plan is to begin. Such election will apply and be irrevocable with respect to the eligible remuneration for the balance of the calendar year.

Awards may be granted to eligible employees who have elected to participate in the PU Plan. Unless otherwise determined by the HRC, the HRC may make annual awards to participants in respect of services rendered or to be rendered by the participant in that particular calendar year or future years. For each award, the HRC shall determine the number of PUs to be granted to each participant, which number may include fractional PUs. All awards made to a participant shall be made on or before March 31st of the first calendar year of the applicable term, unless otherwise approved by the HRC.

Unless otherwise determined by the HRC, each award shall have a term (the "**PU Term**") of three years commencing on the day that the HRC approves the award in the first calendar year of such PU Term and ending on the final day the third calendar year of such PU Term (the "**PU Vesting Date**").

Unless specifically provided for in the PU Plan or determined by the HRC, Crombie will not contribute any amounts to a third party or otherwise set aside any amounts to fund the amounts payable under the PU Plan.
The number of PUs that vest on the PU Vesting Date under an award shall be dependent upon the achievement of the performance measures applicable to such award.

The number of PUs which vest for each participant shall be determined by (i) multiplying the number of PUs granted under the award by an adjustment factor applicable to the performance level achieved, and (ii) adding the number of PUs or fractions thereof that would be credited to such participant upon the payment of distributions by Crombie on the REIT Units, based on the number of additional REIT Units a participant would have received had the vested PUs been treated as REIT Units under a distribution reinvestment plan during the PU Term (collectively, the "**Vested PUs**").

On the PU Vesting Date, each participant shall be entitled to receive an amount net of applicable taxes equal to the number of Vested PUs held by the participant multiplied by the market value on the PU Vesting Date (the "**PU Payout Amount**").

Unless otherwise provided in this PU Plan, the PU Payout Amount shall be paid to each participant within 180 days of the PU Vesting Date and after the approval of the HRC, but, in any event, not later than December 31st of the year after which the PU Vesting Date occurs (the "**PU Payment Deadline Date**").

Unless otherwise provided in this PU Plan, the PU Payout Amount payable to each participant shall be paid, subject to applicable withholding taxes as required by applicable legislation, by Crombie in cash in the currency of Canada. Crombie shall not issue any REIT Units or other securities of Crombie from treasury for the purpose of this PU Plan.

For greater certainty, no amount will be paid to, or in respect of, a participant under the PU Plan or pursuant to any other arrangement, and no additional PUs will be granted to a participant to compensate the participant for any downward fluctuations in the price of a REIT Unit nor will any other form of benefit be conferred upon, or in respect of, a participant for such a purpose.

A participant who is actively employed by Crombie and who has been invited by the HRC at the time of granting the PUs to convert PUs into DUs, may irrevocably elect in writing to convert some or all of the PUs granted under an award to the participant that would otherwise vest on the PU Vesting Date (including additional PUs that would be credited for distribution equivalents) into DUs under the DU Plan. The election in respect of any PUs must be made no later than 60 days prior to the PU Vesting Date of a particular award or such earlier or later time as the HRC may determine from time to time in consultation with its tax advisers.

PUs for which an election to convert into DUs is made will be cancelled, with the result that the participant will not be entitled to payment of the PU Payout Amount in respect of those PUs.

If a participant has made an election, a number of DUs equal to the number of PUs that are cancelled as a result of the election will be granted by the HRC on the PU Vesting Date of the particular award covering the cancelled PUs, provided that the PUs would otherwise have vested on such PU Vesting Date. The award of DUs will be granted under, and will be subject to, the terms and conditions of the DU Plan.

Unless otherwise determined by the HRC, the only participants who are eligible to make an election to convert PUs into DUs, are those who, on the PU Vesting Date, are actively employed by Crombie or of an employer that is an entity related to Crombie, as determined in accordance with section 251 of the *Income Tax Act* (Canada). Ifa participant is not actively employed by an employer prior to the PU Vesting Date but after an election has been made, such election and conversion shall be null and void.

Each participant who has not attained at the close of business on the day that is one year prior to the PU Vesting Date, or if such day is not a business day, the close of business on the first subsequent business day, an equity value which is equal to or greater than such participant's minimum equity ownership threshold, if any, shall be deemed for all purposes hereof, unless the provisions have been waived in whole or in part by the HRC with respect to such participant, (i) to have been invited by the HRC to convert PUs into DUs, and (ii) to have irrevocably elected to convert into DUs all of the PUs granted under an award that would otherwise vest on the next PU Vesting Date, all in accordance with the DU Plan and the terms hereof.

To the extent that a participant may otherwise be entitled to PUs granted, but not vested under an award, the following provisions shall apply to each award except as may otherwise be determined by the HRC from time to time:

i. If, before the Vesting Date, the employment of a participant by the employer is terminated (i) by the employer without cause, (ii) by the employer, subject to applicable human rights legislation, by reason of the disability of the participant, or (iii) by reason of the death of the participant subject to the terms and conditions of the plan, such participant or, if the participant is deceased, the legal personal representative(s) of the estate of the participant, shall be entitled to a pro-rated share of the participant's unvested award determined by the HRC and based on length of service between the start of the Term and the date of termination or death of the participant or such longer period of time determined by the HRC. The HRC may, in its sole discretion, permit the payout of the pro-rated, unvested award on the date of termination or delay its determination of the Payout Amount and the payout thereof until not later than the Payment Deadline Date.

ii. If, before the Vesting Date, the employment of a participant by the employer shall be terminated (i) by the voluntary resignation of the participant (other than retirement, but including constructive dismissal), or (ii) by the employer for cause, such award shall expire and terminate simultaneously with the act or event which causes the termination and such participant shall not be entitled to any PU Payout Amount, or other compensation, damages, or any other payments for the termination of such unvested award. Provided, however, that the HRC may in its sole discretion determine to pay such amount as the HRC determines appropriate in the circumstances of the termination (including, where the HRC determines appropriate, full payment of the award). The HRC may, in its sole discretion, permit any payout of the unvested award on the date of termination or delay its determination of the PU Payout Amount and the payout thereof until not later than the PU Payment Deadline Date.

iii. If, before the Vesting Date, the employment of a participant by the employer is terminated by reason of the retirement of the participant, such participant (i) where the participant is a "Good Leaver", RUs will continue to vest according to the provisions of the plan and payouts will be in accordance with the provisions of the plan; (ii) where a participant is not a "Good Leaver" the participant shall be entitled to a pro-rated share of the participant's unvested award determined by the HRC and based on length of service between the start of the Term and the effective date of the participant's retirement. Provided, however, the HRC may in its sole discretion, determine to pay such amounts as the HRC determines appropriate in the circumstances of the termination (including, where the HRC determines appropriate, full payment of the award). The HRC may, in its sole discretion, permit any payout of the unvested award on the date of termination or delay its determination of the Payout Amount and the payout thereof until not later than the Payment Deadline Date.

If upon a Change of Control, there is no longer a public market for the REIT Units to determine market value, then the HRC will determine and fix the PU Payout Amount as it deems appropriate. In addition, the HRC will determine the timing of payment of the PU Payout Amount and whether there are any ongoing employment or other terms and conditions that would apply up to the regular PU Vesting Date.

Appropriate adjustments to the unvested PUs notionally granted under outstanding awards shall be made, if required, to give effect to adjustments in the number of REIT Units resulting from subdivisions, consolidations or re-classifications of the REIT Units or other relevant changes in the capital of Crombie, as the HRC in its sole discretion deems advisable.

A PU is under no circumstances considered to be a REIT Unit or entitles any participant to exercise voting rights or any other rights or entitlements associated with a REIT Unit.

From time to time, the Board may amend any of the provisions of the PU Plan or terminate the PU Plan, provided that any amendment of the provisions of the PU Plan or any termination of the Plan shall not divest any participant of awards granted to him nor, in the event of termination of the PU Plan, otherwise affect the rights of a participant holding an award at the time of such termination without his consent.

Executive Unit Purchase Plan

The EUPP is binding upon Crombie and its successors and assigns. The interest of any participant under the EUPP is not transferable or alienable by the participant either by assignment or in any other manner whatsoever and, during their lifetime, shall be vested only in the participant, but shall enure to the benefit of and be binding upon the legal personal representative of the participant.

Each loan advanced pursuant to the EUPP is payable on the earlier of the date of demand for repayment and eight years from the date on which the loan was made (the "**Maturity Date**"). Each loan currently bears interest at a rate of 1% per annum. All loans must be paid by the end of 2022.

Units subscribed for with the proceeds of a loan ("**Pledged units**") and any units issued as stock distributions on such units ("**Stock Distribution units**") are held by the trustee of the EUPP in trust for the participant as security for the repayment of the loan. The participant is only entitled to transfer such units as are represented by certificates that have been delivered by the trustee of the EUPP to the participant. The participant is entitled to exercise all voting rights in respect of Pledged units and Pledged units remain the property of the participant, subject to the security interest of Crombie or its subsidiaries.

The loan is repaid through the application of the after-tax amount of all distributions received on the Pledged units as payments on interest and principal. Each participant is entitled, on or before the 30th day prior to the Maturity Date, to elect to take delivery from the trustee of the EUPP of certificates representing up to and including 100% of the participant's Pledged units, as well as Stock Distribution units, if any, which have been issued to the participant with respect to the Pledged units that are the subject matter of an election. An election to take delivery shall be made by written notice to Crombie, indicating the aggregate percentage of the participant's Pledged units that the participant has elected to receive, together with payment. Unless otherwise determined by the HRC, all, or the balance of a loan, shall mature and be payable on the earliest of:

i. six months (or such other date as may be agreed upon by the HRC and the participant) following the date of retirement or permanent disability of the participant;
ii. six months following the date of death of the participant;
iii. 30 days following the termination of employment of the participant, for any other reason; and
iv. the Maturity Date.

Upon receipt of the payment required on the loan, if any, by a participant who ceases to be employed by Crombie, or a subsidiary of Crombie, for any reason other than death, Crombie shall, on the 10th business day following the receipt of payment, deliver to the participant a certificate for any remaining units. Fractional units will be rounded up to the next whole. In the event that the market value of the remaining units is less than the payment required on the loan, Crombie may purchase the remaining units being paid by forgiveness of amounts payable on the loan. To the extent that the outstanding loan amount exceeds the repurchase price of the remaining units, Crombie may cancel the remaining portion of the loan in part or in full. Such cancellation of the loan will be an additional (taxable) benefit to the participant. The personal representative of a deceased participant is entitled, for a period ending on the earlier of:

i. six months following the date of death of such participant, and
ii. 30 days preceding the Maturity Date, to elect to take delivery of certificates representing in the aggregate up to 100% of all the participant's remaining units.

If the personal representative of a deceased participant does not exercise this right within the prescribed time, the personal representative shall be deemed to have elected not to take delivery and shall be deemed to have sold and shall be bound to sell and Crombie shall be deemed to have purchased and shall be bound to purchase the participant's remaining units for an aggregate purchase price equal to the principal amount outstanding under the loan. The payment of the aggregate purchase price for such units shall be satisfied by the cancellation of the loan. On the later of the Maturity Date and the expiry of five years following the date on which units were last issued to a participant, each participant who is identified as a senior executive is entitled to sell to Crombie his or her remaining units for an aggregate purchase price equal to the repurchase price of the units on the date of sale. The payment of the aggregate purchase price for such units shall be satisfied by the forgiveness of amounts payable on the loan. To the extent that the outstanding loan amount exceeds the repurchase price of the remaining units, Crombie may cancel the remaining portion of the loan in part or in full. Such cancellation of the loan shall be an additional (taxable) benefit to the participant.

From time to time the Board of Trustees may, subject to necessary regulatory approval from administrative bodies with jurisdiction over the EUPP, terminate the EUPP and/or amend any of the provisions of the EUPP, provided that any amendment of the provisions of the EUPP or any termination of the EUPP shall not:

i. divest any participant of his entitlement to the participant's pledged units and stock distribution units as provided in the EUPP or of any rights a participant may have in respect of the participant's pledged units and the stock distribution units, or
ii. have the effect of altering the terms of repayment of any loan made to a participant, without the prior written consent of the participant.

Without limiting the generality of the foregoing, the Board of Trustees may make the following types of amendments to the provisions of the EUPP without unitholder approval:

i. reduce the number of units issuable under the EUPP;
ii. increase or decrease the maximum number of units any single participant is entitled to receive under the EUPP;
iii. any amendment to the terms of the EUPP relating to the effect of termination, cessation or death of a participant;
iv. any amendment pertaining to the assignability of grants required for estate planning purposes;
v. increase an award price;
vi. add and/or amend any form of financial assistance provision to the EUPP;
vii. amend the eligibility requirements for participants in the EUPP;
viii. any amendment as may be necessary or desirable to bring the EUPP into compliance with securities, corporate or tax laws and the rules and policies of any stock exchange upon which the units are from time to time listed;
ix. any amendment to add covenants of Crombie for the protection of participants, provided that the HRC shall be of the good faith opinion that such additions will not be prejudicial to the rights or interest of the participants;
x. any amendment not inconsistent with the EUPP as may be necessary or desirable with respect to matters or questions, which in the good faith opinion of the HRC, having in mind the best interests of the participants, it may be expedient to make, provided that the HRC shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the participants; or
xi. any such changes or corrections which, in the advice of counsel to Crombie, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the HRC shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interest of the participants.

Notwithstanding any other provision of the EUPP, none of the following amendments shall be made to the EUPP without approval of the unitholders:

i. amendments to the EUPP which would increase the number of units issuable under the EUPP;
ii. amendments to the EUPP which would result in a reduction in the exercise price, or cancellation and reissue, of awards;
iii. any amendment to the EUPP to increase the maximum limit of the number of units that may be: (a) issued to insiders within any one year period, or (b) issuable to insiders, at any time;
iv. any amendment to the EUPP adding participants that may permit the introduction or re-introduction of non-employee trustees on a discretionary basis;
v. any amendment to the EUPP allowing awards granted under EUPPs to be transferable or assignable other than for normal estate settlement purposes; or
vi. any amendment to the amending provisions of the EUPP.

The total number of Units available under the EUPP is 750,000, which represents less than 0.5% of the Units outstanding as of March 12, 2021. The total number of Units issued or approved under the EUPP as of March 12, 2021 is 420,810 Units, which represents less than 0.3% of the Units outstanding as of March 12, 2021. Units are issued from treasury and no fractional units may be purchased or issued. Awards allow executives to purchase units at a price not less than the average of the daily high and low board lot trading prices per unit on the TSX for the five trading days preceding the date of allotment.

The EUPP has been discontinued effective December 31, 2014. All outstanding loans under the EUPP are required to be repaid over a transitional period not to exceed 8 years with an interest rate of 1% applicable to these outstanding loans.

PART SEVEN - OTHER INFORMATION

Interest of Informed Persons in Material Transactions

As at December 31, 2019, Empire, through its wholly-owned subsidiary ECL, holds a 41.5% indirect interest in Crombie. Crombie acquired from subsidiaries of Empire the initial 44 commercial properties on March 23, 2006, two additional commercial properties in 2007, 61 commercial properties on April 22, 2008, 17 commercial properties in 2010, eight commercial properties in 2011, two commercial properties in 2012, 73 commercial properties in 2013, nine commercial properties in 2014, four commercial properties in 2015, 23 commercial properties in 2016, one commercial property plus one development property in 2017, 10 commercial properties in 2018, two development properties in 2019 and two commercial properties in 2020. In 2016, Crombie sold one commercial property to subsidiaries of Empire. The purchase price for each property acquired by Crombie from subsidiaries of Empire was fair market value determined by external appraisals and approved by the Independent Elected Trustees of Crombie.

During the year ended December 31, 2020, Crombie issued 85,433 (December 31, 2019 - 65,721) Class B LP Units to ECLD under the distribution reinvestment plan.

Reference is made to Crombie's Annual Information Form for the fiscal year ended December 31, 2020 for further information relating to the transactions noted above, a copy of which has been filed on SEDAR (www.sedar.com) and may be obtained, without charge, by contacting the Secretary of Crombie at 610 East River Road, Suite 200, New Glasgow, Nova Scotia B2H 3S2.

Management Agreement

Crombie provides property management, leasing services and environmental management to specific properties owned by certain subsidiaries of Empire on a fee for services basis pursuant to a Management Agreement effective January 1, 2016. Revenue generated under the Management Agreement is being recognized as a reduction of general and administrative expenses. This agreement replaces the previous cost sharing arrangement covered by a Management Cost Sharing Agreement.

Trustees' and Officers' Insurance

Crombie carries trustees' and officers' liability insurance. Under this insurance coverage, Crombie is reimbursed for insured claims where payments have been made under indemnity provisions on behalf of its Trustees and officers contained in the Declaration of Trust, subject to a deductible for each loss, which is paid by Crombie. Individual Trustees and officers are also reimbursed for insured claims arising during the performance of their duties for which they are not indemnified by Crombie. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts. The Declaration of Trust provides for the indemnification in certain circumstances of Trustees and officers from and against liability and costs in respect of any action or suit against them in respect of the execution of their duties of office. Premiums and other costs of the insurance of approximately $0.1 million per year are paid by Crombie.

Governance

The Board of Trustees and management of Crombie believe that the highest standards of governance are essential in the effective management of Crombie as well as the ability to build long term value for customers, business partners, employees and investors.

In accordance with National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), Crombie annually discloses information related to its system of governance. The discussion provides information relating to Crombie's governance practices as required by National Policy 58-201 - *Corporate Governance Guidelines*, NI 58-101 and National Instrument 52-110 - *Audit Committees*. Crombie's disclosure addressing each of these guidelines and instruments is set out in Appendix A to this Circular.

Pursuant to its mandate, the Board of Trustees oversees the management of the business affairs of Crombie, discharging its responsibilities either directly or through its Committees, with the goal of building sustainable worth for all of Crombie's stakeholders. The Board of Trustee's mandate is attached as Appendix B of this Circular.

Auditors, Transfer Agent and Registrar

The auditors of Crombie are PricewaterhouseCoopers LLP, Chartered Professional Accountants, Halifax, Nova Scotia.

The Transfer Agent and Registrar for the Units is AST Trust Company (Canada).

Additional Information

Financial information is provided in Crombie's consolidated financial statements and Management's Discussion and Analysis for its most recently completed financial year.

Crombie has filed with certain securities regulatory authorities an Annual Information Form in respect of its most recently completed financial year, thereby permitting Crombie to use a short form prospectus for the distribution of securities.

Additional information relating to Crombie, including a copy of Crombie's consolidated financial statements and Management's Discussion and Analysis, as well as Crombie's most recent Annual Information Form together with a copy of the other documents incorporated by reference therein are incorporated by reference into this Circular, may be obtained, without charge, from the SEDAR website (www.sedar.com) or by contacting the Secretary of Crombie at 610 East River Road, New Glasgow, Nova Scotia B2H 3S2.

Trustees' Approval

The contents and the sending of this Circular have been approved by the Board of Trustees of Crombie.

(signed) "*Clinton Keay*"

Clinton Keay, CPA, CA
Chief Financial Officer and Secretary
March 29, 2021

APPENDIX A - STATEMENT OF GOVERNANCE PRACTICES

Crombie's disclosure of governance practices are substantially in alignment with NP 58-201 "Corporate Governance Guidelines". In addition, this appendix discloses Crombie's current governance practices in accordance with the requirements of NI 58-101 "Disclosure of Corporate Governance Practices".

1. Board of Trustees

a. Disclose the identity of Trustees who are independent.

The Board has determined that all of the Trustees of Crombie with the exception of Donald E. Clow are independent. See "Business of the Meeting - Election and Appointment of the Board of Trustees -- Trustee Independence and Other Relationships" section of this Circular.

b. Disclose the identity of Trustees who are not independent and describe the basis for that determination.

See "Business of the Meeting - Election and Appointment of the Board of Trustees - Trustee Independence and Other Relationships" section of this Circular. Donald E. Clow is not independent because he is the President & CEO.

c. Disclose whether or not a majority of Trustees are independent.

The majority of Trustees are independent. 9 out of 10 Trustees are independent.

d. If a Trustee is presently a Trustee or Director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the Trustee and the other issuer.

All of the Trusteeships and Directorships of the Trustees with other public entities are disclosed in this Circular under the heading "Business of the Meeting - Election and Appointment of the Board of Trustees".

e. Disclose whether or not the independent Trustees hold regularly scheduled meetings at which non-independent Trustees and members of management are not in attendance. If the independent Trustees hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent Trustees do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent Trustees.

The Trustees meet without management present at every meeting of the Board and its Committees. The elected independent Trustees also meet without Management and ECL appointed Trustees at each Board meeting. During fiscal 2020, the Board held in camera meetings of solely independent elected Trustees at each meeting.

f. Disclose whether or not the chair of the Board is an independent Trustee. If the Board has a chair or lead Trustee who is an independent Trustee, disclose the identity of the independent chair or Lead Trustee, and describe his or her role and responsibilities.

Michael Knowlton, the Chair, is an elected independent Trustee.

Amongst other things, the Chair is expected to:

- Provide leadership to ensure effective functioning of the Board;
- Lead in the assessment of Board and Committee performance;
- Assist the Human Resources Committee in monitoring and evaluating the performance of the Chief Executive Officer and senior officers of Crombie;
- Monitor Crombie's Diversity, Equity and Inclusion Policy;
- Lead the Board and Committees in ensuring succession plans are in place at the senior management level; and
- Act as an effective liaison among the Board and management.

a. Disclose the attendance record of each Trustee for all Board meetings held since the beginning of the issuer's most recently completed financial year.

The attendance record of each Trustee for Board and Committee meetings during fiscal 2020 is disclosed in this Circular under the heading "Business of the Meeting - Election and Appointment of the Board of Trustees - Committee Membership and Record of Attendance".

2. Board Mandate

a. Disclose the text of the Board's written mandate. The mandate should explicitly acknowledge responsibility for the stewardship of the issuer.

The written Board Mandate is disclosed in Appendix "B" to this Circular which confirms the Board's explicit responsibility.

3. Position Descriptions

a. Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.

The Board has developed a written position description for the Chair of the Board, each Committee Chair and the Lead Trustee (if applicable). There are written mandates for each Committee which delineate the responsibilities of each Committee with which the chair thereof is responsible to comply. Each Committee and the Board must review and approve the mandates annually and forward same to the Governance & Nominating Committee. There is not currently a need for the Lead Trustee role.

b. Disclose whether or not the Board and CEO have developed a written position description for the CEO. The Board should also approve the corporate goals and objectives that the CEO is responsible for meeting. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.

The Board has developed a written position description for the CEO. The description is reviewed annually against both best practices and the requirements of Crombie. Approving the corporate goals and objectives is part of the mandate of the Board.

Amongst other items, the CEO is expected to:

- Develop and recommend to the Board a long-term strategy and vision for Crombie that leads to creation of Unitholder value;
- Develop and recommend to the Board annual business plans and budgets that support Crombie's long-term strategy;
- Consistently strive to achieve Crombie's financial and operating goals and objectives;
- Ensure culture and talent are aligned with the strategy and business plans and that succession plans are robust;
- Manage Crombie's Diversity, Equity and Inclusion Policy;
- Provide leadership on Environmental, Social and Governance (ESG) responsibilities; and
- Complete a Balanced Scorecard for Board approval that includes key financial, operational, customer and people objectives.

4. Orientation and Continuing Education

a. Briefly describe what measures the Board takes to orient new Trustees regarding:

i. the role of the Board, its companies and its Trustees; and,

ii. the nature and operation of the issuer's business.

Crombie provides a detailed and customized orientation to new Trustees which include meetings with senior management for orientation information on Board operation and policies, as well as current and historical data pertaining to the operation of Crombie and an assessment of current strategic opportunities and issues facing Crombie. New Trustees are also given property tours and a review of Board and Committee Mandates, the Code of Business Conduct and, policies and other relevant information. Each Trustee receives a Trustee Handbook which contains this key information.

b. Briefly describe what measures, if any, the board takes to provide continuing education for its Trustees. If the board does not provide continuing education, describe how the board ensures that its Trustees maintain the skill and knowledge necessary to meet their obligations as Trustees.

The Trustees are provided with written and oral presentations which continue to educate them on Crombie's operations. Crombie encourages participation of Trustees in continuing Trustee education programs offered at university and supports them by reimbursing

tuition and out-of-pocket expenses. Crombie has a Board membership in the Institute of Corporate Directors (ICD) which gives Trustees access to governance information, networking opportunities and other derived benefits. This is reviewed on an annual basis.

5. Ethical Business Conduct

a. Disclose whether or not the Board has adopted a written code of business conduct and ethics for the Trustees, Officers and employees. If the Board has adopted a written code:

i. disclose how a person or company may obtain a copy of the Code;

ii. describe how the Board monitors compliance with its code or, if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and

iii. provide a cross reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a Trustee or executive officer that constitutes a departure from the code.

The Board has adopted a written Code of Business Conduct and Ethics for all Trustees, Officers and employees of Crombie, which cover all of the elements recommended by NP 58-201. Trustees receive and sign off annually on the Code of Business Conduct and Ethics.

- The codes are available on Crombie's website, www.crombiereit.ca, or on SEDAR at www.sedar.com;
- The Board, through the Audit Committee, receives reports of unethical behaviour received through the ethics line and otherwise. The Governance and Nominating Committee annually review the Code of Business Conduct and Ethics and update as appropriate; and
- The Board is not aware of any departure from the code by any Trustee or executive officer. Accordingly, no material change report has been required to be filed.

b. Describe any steps the Board takes to ensure Trustees exercise independent judgment in considering transactions and agreements in respect of which a Trustee or executive officer has a material interest.

The Code of Business Conduct and Ethics expressly addresses this issue by requiring Trustees to avoid any situation where there might be a conflict, or the appearance of a conflict, between their personal interests and the performance of their duties as Trustees. Trustees are required to inform the Board of any such situation and to withdraw from participating in associated decision-making. The Declaration of Trust also expressly requires that a majority of the elected independent Trustees approve any transaction with: (i) ECL, (ii) any Trustee or (iii) any other entity for which any Trustee serves on its Board.

c. Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.

The Board encourages a culture of ethical conduct by appointing officers of high integrity and monitoring their performance so as to set an example for all employees.

6. Nomination of Trustees

a. Describe the process by which the Board identifies new candidates for Board nomination.

The Governance and Nominating Committee is responsible for identifying new candidates for the Board. It annually identifies Trustee skill, experience and diversity needs, having regard to projected retirements, and oversees a Trustee recruitment search and nomination process leading to recommendations to the Board for consideration and recommendation for election by the Unitholders. A Trustee competency matrix is maintained to ensure strong alignment between critical Company competencies and individual Trustee strengths. In addition, the Governance and Nominating Committee believes greater participation from women on our Board is important. See response to Item 12(a) for greater details.

b. Disclose whether or not the Board has a nominating committee composed entirely of independent Trustees.

The Governance and Nominating Committee is composed entirely of independent Trustees.

c. The Nominating committee should have a written charter that clearly establishes its purpose, responsibilities, member qualifications, member appointment and removal, structure and operations, manner of reporting to the Board, etc. In addition, the Nominating Committee should be given authority to engage and compensate any outside advisor that it determines to be necessary to carry out its duties.

The Governance and Nominating Committee mandate encompasses these responsibilities and provides for the effective functioning of the Committee.

d. Prior to nominating or appointing individuals as Trustees, the Board should adopt a process involving the following steps: competency/skill assessment of what is required, what exists, gaps, etc. The Board should also consider the appropriate size of the Board.

The Governance and Nominating Committee monitors the composition of the Board and identifies the needs and any gaps that may exist in terms of skills, experience and diversity of incumbent Board members. This is incorporated in a Trustee competency matrix. The Committee also considers the appropriate size of the Board.

e. The Nominating committee should be responsible for identifying individuals qualified to become new Board members and recommending to the Board the new Trustee nominees for the AGM of Unitholders.

The Governance and Nominating Committee undertakes, on an ongoing basis, the responsibility of identifying prospective Board members. It recommends new nominees to the Board.

f. In making its recommendations, the Nominating committee should consider: Competencies and skills necessary, current assessment of competencies and skills and those of Trustee nominees.

In fulfilling its responsibilities, the Governance and Nominating Committee seeks to ensure there is an appropriate mix of competencies, skills and diversity on the Board. It regularly performs a gap analysis to ensure any such opportunities are incorporated in future Trustee searches.

7. Compensation

a. Describe the process by which the Board determines the compensation for the issuer's Trustees and Officers.

The Governance and Nominating Committee annually reviews the compensation of Trustees in relation to published surveys, other public company disclosures and private polls of entities comparable to Crombie in either size or activities, and recommends adjustments thereto for adoption by the Board. Annually, the HRC receives independent advice from Hugessen Consultants on the compensation of certain officers in relation to comparator organizations. The annual and long term performance targets are approved and set by the Board in advance of the fiscal year. The Restricted Unit performance targets are developed by the Board for three fiscal years ended with the current fiscal year and evaluated by the Committee. The Performance Unit targets are developed by the Board for the fiscal year three years into the future.

Reference is made to the disclosure in this circular under the heading "Compensation Discussion and Analysis" and "Total Compensation of Board of Trustees" for additional information on compensation for Crombie's Trustees and Officers.

b. Disclose whether or not the Board has a compensation committee composed entirely of independent Trustees. If the Board does not have a compensation committee composed entirely of independent Trustees, describe what steps the Board takes to ensure an objective process for determining such compensation.

The Human Resources Committee acts as a compensation committee in respect of executive compensation. The Human Resources Committee is comprised entirely of independent Trustees. The Committee makes its recommendations to the Board following its objective review of compensation having regard to the advice and recommendations of consultants where appropriate to ensure an independent and objective assessment of executive compensation. In addition, non-independent members are excused from the meeting when the committee is discussing agenda items for which they are not independent.

c. If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.

The Human Resources Committee is responsible for monitoring the compensation practices and policies of Crombie and making recommendations to the Board with respect thereto. Administration and management of the Restricted Unit Plan and the Performance Unit Plan are the responsibility of the Committee.

The Committee is responsible for:

- Recruitment, development and retention of Crombie's workforce;
- Crombie's Diversity, Equity and Inclusion Policy;
- Appointment, performance evaluation and compensation of the CEO and Executives;
- Compensation philosophy and structure for Executives including annual and long term incentive plans, benefits, pensions and perquisites;
- Succession planning, talent management and development relating to Executives, including appointments, reassignments and terminations;
- Ownership of culture; and,
- Ownership guidelines for Executives.

a. If a compensation consultant or advisor has been retained to assist in determining compensation for any of the issuer's Trustees and Officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been

retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.

No specific consultant or advisor has been retained to assist in determining compensation for Trustees. Hugessen Consulting was engaged to review and provide recommendations to the HRC on executive compensation.

8. Other Board Committees

a. If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

In addition to the Audit Committee, Governance and Nominating Committee and Human Resources Committee, the Board has appointed an Investment Committee. The Investment Committee is responsible for approving acquisitions, dispositions or developments proposed by management of Crombie with a value greater than $5 million per transaction, provided that the Committee's authority shall be limited to the approval of individual transactions of up to $100 million. Transaction activity in excess of the Investment Committee's authority level shall receive the Committee's full consideration but will be advanced to the full Board of Trustees for approval. Any related party transactions must be approved by a majority of independent trustees of the Board with any conflicted trustee in the transaction required to declare such conflict of interest and abstain from voting on such related party transaction. For greater certainty, any property transactions made between Crombie and Empire or its affiliated companies must be approved by a majority of the independent and elected Trustees (i.e. non-ECL appointed trustees).

9. Assessments

a. Disclose whether or not the Board, its committees and individual Trustees are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees and its individual Trustees are performing effectively.

The Governance and Nominating Committee is responsible for regular assessment of the effectiveness and contribution of the Board, its Committees and individual Trustees. It carries out this responsibility through annual confidential surveys of each Trustee regarding his or her views on the effectiveness of the Board and its Committees. Aggregate results of the survey are summarized and reviewed in detail with the Governance and Nominating Committee and the Board. An action plan is developed and implemented to address any issues raised by Trustees. Individual conversations are held between each Trustee and the Chair of the Board and the Chair of the Governance and Nominating Committee.

10. Director Term Limits and Other Mechanisms of Board Renewal

a. Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.

The Company has not adopted term limits for the Trustees as it believes Board renewal is better achieved through other means. The Board constantly evaluates and compares the core competencies required to oversee the business and its strategy against the competencies residing with its Trustees. The Board utilizes a skills matrix to ensure the Board possesses requisite knowledge and expertise. The skills matrix was also utilized when selecting recent new appointees which is a proxy for Board renewal. The Board has annual processes in place to evaluate Board, Committee and Trustee effectiveness and uses this insight in guiding Board renewal decisions. The tenure of all Trustees is disclosed in the Management Information Circular.

11. Policies Regarding the Representation of Women on the Board

a. Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.

b. If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy

i. A short summary of its objectives and key provisions,

ii. The measures taken to ensure that the policy has been effectively implemented,

iii. Annual and cumulative progress by the issuer in achieving the objectives of the policy, and

iv. Whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.

The HRC renewed its diversity, equity, and inclusion policy and aspirational goals in 2020. Initially, this policy and framework focused on gender diversity. However, our focus has been expanding over the last two years to encompass a range of diverse groups including but not limited to race, gender, sexuality, and disability. Recent global events have further prioritized our work in this area. Aspirational goals have been set for the recruitment of Trustees and employees as follows:

- Minimum of 40% of Senior Leadership successors are women or other diverse groups over rolling three-year period.
- 50% of internal leadership development program participants are women and/or from diverse groups.

- Minimum one qualified diverse candidate short-listed for every leadership, professional, and Trustee recruitment.

The Committee reviews diversity and monitors key performance indicators ("KPIs") quarterly and provides direction, if required. Management has placed a strong focus on diversity, equity, and inclusion. KPIs include, but are not limited to, diversity progress with respect to the following:

- The number of women or other diverse groups in leadership and management roles;
- The number of women or other diverse groups in future leader development programs;
- Recruitment of women or other diverse groups into executive, senior management and Trustee positions; and,
- The number of women or other diverse groups in Crombie's succession planning pipeline.

12. Consideration of the Representation of Women in the Director Identification and Selection Process

a. Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.

The Board is committed to renewal through adding the best possible competencies that align with Company priorities. The Governance & Nominating Committee believes that stronger participation by women and diverse groups on our Board is an important objective and ensures that women and diverse candidates are short listed for each trustee search. If a woman or diverse candidate is not selected, the Board must be satisfied with the objective reasons provided to support the determination. See Section 11 for Crombie's aspirational goals.

13. Consideration Given to the Representation of Women in Executive Officer Appointments

a. Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.

The Company is committed to excellence through adding the best possible talent to its executive team. The Board and the CEO believes that stronger participation by women and diverse groups on our executive team is an important objective and ensures that women are short listed for each executive search. The Company is proactively identifying women and diverse leaders for leadership training programs and development opportunities, and identifying and removing obstacles which may otherwise limit a their ability to be successful in senior executive roles. See Section 11 for Crombie's aspirational goals.

14. Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

a. For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.

b. Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.

c. Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.

d. If the issuer has adopted a target referred to in either (b) or (c), disclose:

   i. the target, and

   ii. the annual and cumulative progress of the issuer in achieving the target.

The Company believes its diversity, equity and inclusion policy has achieved good results to date and will assist in increasing the number of women and diverse groups in both management and executive positions over time. The Board has adopted aspirational goals for women and diverse groups Board participation or executive officer participation as the Board believes that optimal Board or Management performance is achieved through diversity. The Company is committed to having many potential women and diverse candidates for Board and Executive Officer positions. See Section 11 for Crombie's aspirational goals.

15. Number of Women on the Board and in Executive Officer Positions

a. Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.

b. Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.

As of March 29, 2021, three of Crombie's 10 Trustees (30%) and one of Crombie's five executive (20%) are women.

APPENDIX B - MANDATE OF THE BOARD OF TRUSTEES

Management of the REIT is vested in the Board of Trustees, subject to the provisions of applicable statutes and the Declaration of Trust of the REIT.

The Board of Trustees of the REIT shall have explicit responsibility for the stewardship of the REIT including the strategic planning process, approval of the strategic plan, the identification of principal risks and implementation of systems to manage these risks, succession planning, CEO performance, leasing, major and non-major development, acquisitions, dispositions and joint venture partnerships, communications & reporting and the integrity of the REIT's internal control and management information systems. The Board discharges certain of its responsibilities through delegation to its committees as more particularly set out in the committee mandates.

The following points outline the key principles or guidelines governing how the Board will operate to carry out its overall stewardship responsibility:

Chair

The Board has adopted a policy of appointing a Lead Trustee if the Chair is not independent or elected.

Board Meetings

The Board shall hold regular meetings at least once in each fiscal quarter, with additional meetings held as and when necessary. The Board shall function with a non-management chair and shall meet periodically without management present to ensure that the Board functions independently of management. At each Board meeting, in-camera meetings will take place as follows: 1) Full Board; 2) Full Board excluding management (i.e. CEO); 3) Independent elected Trustees; 4) Independent elected Trustees and CEO; and 5) Full Board reconvenes. The Board shall maintain a policy which permits individual Trustees to engage outside advisors at the cost of the REIT, provided that approval is first obtained from the Governance and Nominating Committee.

The Board appreciates having certain members of senior management attend each Board meeting to provide information and opinion to assist the Trustees in their deliberations. Management attendees will be excused for any agenda items which are reserved for discussion among Trustees only.

Board Contacts with Senior Management

All of the Trustees shall have open access to the REIT's senior management. It is expected that Trustees will exercise judgement to ensure that such contact does not distract management from the REIT's business operations. Written communications from Trustees to members of management will normally be copied to the CEO.

Board Meeting Agendas and Information

The Chair and the Lead Trustee, in consultation with the CEO and Corporate Secretary, will develop the agenda for each Board meeting. Agendas will be distributed to the Trustees before each meeting, and all Board members shall be free to suggest additions to the agenda in advance of the meeting.

Information and reports pertaining to Board meeting agenda items will be circulated to the Trustees in advance of the meeting. Reports may be presented during the meeting by members of the Board, management and/or staff, or by invited outside advisors. It is recognized that under some circumstances, due to the confidential nature of matters to be discussed at a meeting, it will not be prudent or appropriate to distribute written materials in advance.

Committees

The Board will establish committees of its members to address specific matters. In particular, four Board committees shall be established: the Human Resources Committee, the Audit Committee, the Investment Committee and the Governance and Nominating Committee. All members of the committees shall be non-management trustees (except that the CEO will be a member of the Investment Committee). Each committee shall operate according to a written mandate approved by the Board. All members of the Audit and Governance & Nominating Committees shall be independent Trustees. Each Committee has a written mandate that is reviewed and approved annually.

Committee Meetings

No Management trustee shall be a voting member of a committee (except that the CEO will be a voting member of the Investment Committee) but may attend all meetings as a non-voting, non-quorum member. The schedule and agenda for meetings of each committee will be determined by the committee Chair in consultation with management, the Board Chair and committee members. Each committee will report to the Board on the results of each committee meeting. The Chair of the Board and Lead Trustee if there is one, will be non-voting, non-quorum members of each Committee.

Size of the Board

The Board ordinarily consists of twelve Trustees. This ensures a diversity of membership, expertise and opinion, as well as efficient operation and decision making. The Governance and Nominating Committee will review the size of the Board annually and make recommendations to the Board when it believes a change would be in the best interests of the REIT. The Board's maximum size is currently twelve Trustees per the Declaration of Trust.

Review of Independence of Trustees

The Governance and Nominating Committee will review on an annual basis any relationships between Trustees and the REIT which might be construed in any way to compromise the designation of any Trustee as being independent of the REIT. The objective of such review will be to determine the existence of any relationships, to ensure that the composition of the Board remains such that the majority of the Trustees are independent and that where any relationships exist, the Trustee is acting appropriately.

Trustees Who Change Their Present Job Responsibility

The Board shall maintain a policy which requires that a Trustee who makes a change in principal occupation will offer a resignation to the Board for consideration. It is not intended that Trustees who retire or whose professional positions change should necessarily leave the Board. The Board will take the opportunity to review, through the Governance and Nominating Committee, the continued appropriateness of Board membership under such circumstances.

Governance

The REIT shall make full and complete disclosure of its system of governance on an annual basis in its annual report or annual information circular. The Board, through the Governance and Nominating Committee, shall have responsibility for developing the REIT's approach to corporate governance, including the responsibility for this disclosure.

Board Assessment

The Board is responsible for assessing and developing its effectiveness.

The Board, through the Governance and Nominating Committee shall engage management to establish and conduct orientation for new recruits to the Board.

The Governance and Nominating Committee shall implement a process for assessing the effectiveness of the Board as a whole, the committees and the contributions of individual Trustees. The Board shall assess Trustees on an ongoing basis, including annual formal surveys of Trustees and ongoing assessments by the Chair of the Board and the Chair of the Governance and Nominating Committee.

The Governance and Nominating Committee, in consultation with the Chair of the Board, recommends educational programs for all Trustees.

The Governance and Nominating Committee shall also be responsible for recommending proposals to the Board concerning compensation of Trustees, including the adequacy and form of compensation.

The Governance and Nominating Committee shall have responsibility for the nominating function for elected Trustees of the REIT by recommending suitable candidates / nominees for election as Trustees. This process shall include a determination of the attributes, competencies, skills and personal qualities required of new Trustees to ensure ongoing renewal and diversity of the Board.

Strategic Planning

Management is responsible for the development of individual business unit and corporate strategic plans which consider, among other things, the opportunities and risks of the business, and for the implementation of strategic plans. The Board shall be responsible for the adoption of a strategic planning process and the approval of strategic plans, long term goals and objectives of the REIT developed by management. The Board shall monitor senior management's implementation of the plans and shall assess the achievement of the REIT's goals and objectives on an ongoing basis.

Managing Risk

The Board shall have overall responsibility for creation and oversight of its Risk Appetite Framework ("**RAF**"), assessing the principal risks facing the REIT, delegation of risk management oversight to Committees & Board, ensuring the implementation of the appropriate strategies and systems to manage such risks, and reviewing any material legal matters.

Each Committee and the Board itself is assigned oversight responsibility of key risks identified in the RAF. The Audit Committee has primary responsibility to review and approve risk management policies as recommended by management, shall receive reports from management on the risk profile of the REIT, risk mitigation activities & accepted risk thresholds and shall provide direction with respect to improvements to risk mitigation or changes to risk thresholds. The Audit Committee shall report its recommendations on such matters to the full Board on a regular basis. Each Board Committee also has specific risk oversight responsibility for key risks applicable to their mandates and shall report on such matters to the full Board on a regular basis.

Management, Human Resources and Succession Planning

The Board selects, appoints and evaluates the performance of the CEO, and establishes appropriate compensation. In consultation with the CEO and the Human Resources Committee, the Board appoints all officers of the REIT and oversees the terms of employment, organization, training, development, evaluation, diversity and succession of executives reporting to the CEO specifically including the overall salary increase, incentive programs and awards made pursuant thereto for those executives (in addition to the CEO) whose compensation is subject to public disclosure.

The Board's evaluation of the performance of senior management, including approving the appointment of senior executives of the REIT will include reviewing their performance against the objective of maximizing the value of the REIT for all stakeholders, measuring their contribution to that objective, and overseeing compensation policies.

Communications and Reporting

The Board approves the content of the REIT's major communications to unitholders and the investing public including the Annual Report, Management Information Circular, the Annual Information Form, acquisition press releases and any prospectuses which may be issued. The Audit Committee shall review and recommend to the Board the approval of the quarterly and annual financial statements (including the Management Discussion & Analysis) and press releases relating to financial matters. The Board also has responsibility for monitoring all of the REIT's external communications. However, the Board believes that it is the function of management to speak for the REIT in its communications with the investment community, the media, customers, suppliers, employees, governments and the general public.

The Board shall have responsibility for reviewing the REIT's policies and practices with respect to disclosure of financial and other information including insider reporting and trading. The Board shall approve and monitor the disclosure policies designed to assist the REIT in meeting its objective of providing timely, consistent and credible dissemination of information, consistent with disclosure requirements under applicable securities law. The Board shall review the REIT's policies relating to communication and disclosure on an annual basis.

Generally, communications from unitholders and the investment community will be directed to the Chief Financial Officer, who will coordinate an appropriate response depending on the nature of the communication. It is expected, if communications from stakeholders are made to the Chair or other individual trustees, management will be informed and consulted to determine an appropriate response.

Internal Control and Management Information Systems

The Board has responsibility for the integrity of the REIT's internal control and management information systems.

The Audit Committee has responsibility for ensuring internal controls are appropriately designed, implemented and monitored and for ensuring that management and financial reporting is complete and accurate, even though management may be charged with developing and implementing the necessary procedures.

Property Acquisitions, Dispositions, Developments and Operations

All material matters relating to the REIT and its business require the prior approval of the Board. In particular, acquisitions, dispositions, development projects and capital expenditures or commitments in excess of certain dollar thresholds set out in the Investment Committee Mandate must be approved by the Board and/or the Investment Committee in advance. Management is authorized to act, without Board approval, on all ordinary course matters relating to the REIT's business.

The Board shall be responsible for monitoring the composition and operating performance of Crombie's portfolio to ensure it aligns with Crombie's strategic objectives and is managed in a reasonable and prudent manner with the objective of enhancing unitholder value. Management will regularly update the Board on material aspects of the following:

- portfolio diversification by property type, quality and geographic location;
- joint venture partnerships;
- tenant diversification and credit risk;
- lease maturity exposure and new leasing activity;
- occupancy, rental and tenant cost recovery results;
- environmental risks and issues;
- Environmental, Social and Governance matters;
- maintenance capital expenditures and deferred maintenance issues;
- property development, redevelopment and land use intensification; and
- ongoing property valuation risks, opportunities and issues.

Governance, Integrity and Corporate Conduct

The Board oversees the ethical, legal and corporate social responsibility conduct of the REIT. The Board oversees the development of the REIT's corporate governance policies, principles and guidelines. The Board develops and monitors compliance with the REIT's Code of Business Conduct and Ethics for trustees, officers and employees.

Reviewed: February 25, 2021

APPENDIX C - SPECIAL RESOLUTION OF UNITHOLDERS APPROVING AMENDMENTS TO DECLARATION OF TRUST

RECITAL

Capitalized terms used and not defined in this Special Resolution have the respective meanings given to them in the management information circular of Crombie Real Estate Investment Trust ("Crombie") dated March 29, 2021 (the "Circular") with respect to the Annual and Special Meeting of Unitholders to be held on May 6, 2021.

BE IT RESOLVED AS A SPECIAL RESOLUTION OF UNITHOLDERS THAT:

1. The amendments to the Declaration of Trust and the amendment and restatement of the Declaration of Trust, substantially as described in the Circular and reflected in the blackline of the Declaration of Trust attached thereto, be and they are hereby authorized and approved;
2. The Trustees are hereby authorized to execute and deliver an amended and restated Declaration of Trust to give effect to the foregoing resolution and to approve, execute and deliver such further documents, agreements, certificates and instruments and take any and all such further actions in connection with the foregoing resolution, as the Trustees consider necessary or desirable.
3. Notwithstanding that this resolution has been approved by the Unitholders, the Trustees are hereby authorized, in their discretion and without further notice to or approval of the Unitholders, to determine not to proceed with the amendments to the Declaration of Trust described in this resolution and revoke this resolution before it is acted upon.

APPENDIX D - BLACKLINE TO DECLARATION OF TRUST

The following is a blackline evidencing the proposed amendments to the Declaration of Trust:

~~EXECUTION COPY~~

CROMBIE REAL ESTATE INVESTMENT TRUST

AMENDED AND RESTATED

DECLARATION OF TRUST

dated as of ~~March 27, 2020~~ _____, 2021

TABLE OF CONTENTS

Page

ARTICLE 1 THE TRUST AND DEFINITIONS 1
- 1.1 Definitions and Interpretation 1
- 1.2 Tax Act 8
- 1.3 Day Not a Business Day ~~9~~8
- 1.4 Time of Essence ~~9~~8
- 1.5 Applications to Court ~~9~~8

ARTICLE 2 DECLARATION OF TRUST ~~9~~8
- 2.1 Establishment of the Trust ~~9~~8
- 2.2 Initial Contribution ~~9~~8
- 2.3 Name 9
- 2.4 Use of Name ~~10~~9
- 2.5 Office ~~10~~9
- 2.6 Nature of the Trust ~~10~~9
- 2.7 Rights of Unitholders 10

ARTICLE 3 TRUSTEES AND OFFICERS ~~11~~10
- 3.1 Number ~~11~~10
- 3.2 Term ~~11~~10
- 3.3 Qualifications of Trustees ~~11~~10
- 3.4 Residency of Trustees ~~11~~10
- 3.5 Election of Trustees ~~12~~11
- 3.6 Independent Trustees ~~12~~11
- 3.7 Resignations, Removal, Incapacity and Death of Trustees ~~12~~11
- 3.8 Appointment of Trustees ~~13~~12
- 3.9 Consent to Act ~~14~~13
- 3.10 Failure to Elect Minimum Number of Trustees ~~15~~14
- 3.11 Ceasing to Hold Office ~~15~~14
- 3.12 Vacancies by Trustees ~~16~~15
- 3.13 Successor and Additional Trustees ~~16~~15
- 3.14 Compensation and Other Remuneration ~~16~~15
- 3.15 Validity of Acts ~~17~~16

ARTICLE 4 TRUSTEES' POWERS AND DUTIES ~~17~~16
- 4.1 General Powers ~~17~~16
- 4.2 Independent Trustee Matters ~~17~~16
- 4.3 Specific Powers and Authorities ~~18~~17
- 4.4 Further Powers of the Trustees ~~21~~20
- 4.5 Banking ~~22~~21
- 4.6 Standard of Care ~~22~~21
- 4.7 Fees and Expenses ~~23~~21
- 4.8 Reliance Upon Trustees ~~23~~22
- 4.9 Determinations of Trustees Binding ~~23~~22
- 4.10 Limitations on Liability of Trustees ~~23~~22
- 4.11 Conflict of Interest ~~24~~23
- 4.12 Related Party Transactions ~~26~~25
- 4.13 Conditions Precedent ~~27~~26

ARTICLE 5 OFFICERS OF THE TRUST ~~27~~26
5.1 General ~~27~~26
5.2 Chair of Trustees ~~28~~26
5.3 Lead Trustee ~~28~~27
5.4 Senior Management ~~28~~27
5.5 Term of Office ~~29~~27
5.6 Independent Contractors ~~29~~27

ARTICLE 6 INVESTMENT GUIDELINES AND OPERATING POLICIES ~~29~~28
6.1 Investment Guidelines ~~29~~28
6.2 Operating Policies ~~31~~30
6.3 Amendments to Investment Guidelines and Operating Policies ~~33~~32
6.4 Application of Investment Guidelines and Operating Policies ~~33~~32
6.5 Regulatory Matters ~~34~~32
6.6 Approval Rights ~~34~~32

ARTICLE 7 UNITS ~~34~~32
7.1 Units ~~34~~32
7.2 Special Voting Units and Class C Special Voting Units ~~34~~33
7.3 Trust Units ~~35~~33
7.4 Consideration for Units ~~35~~34
7.5 Pre-Emptive Rights ~~35~~34
7.6 Fractional Units ~~36~~34
7.7 Automatic Consolidation of Trust Units ~~36~~34
7.8 Allotment and Issue ~~36~~34
7.9 Rights, Warrants and Options ~~37~~35
7.10 Commissions and Discounts ~~37~~35
7.11 Transferability ~~37~~35
7.12 Transfer of Units ~~37~~35
7.13 Non-Resident Ownership Constraint ~~38~~36
7.14 Book Based System and Non-Certificated Inventory System ~~40~~38
7.15 Redemption of Trust Units ~~41~~39
7.16 Certificate Fee ~~45~~43
7.17 Form of Unit Certificate ~~45~~43
7.18 Trust Unit Certificates ~~45~~43
7.19 Contents of Trust Unit Certificates ~~46~~43
7.20 Register of Unitholders ~~46~~44
7.21 Successors in Interest to Unitholders ~~47~~44
7.22 Units Held Jointly or in Fiduciary Capacity ~~47~~45
7.23 Performance of Trusts ~~47~~45
7.24 Lost Unit Certificates ~~47~~45
7.25 Death of Unitholders ~~48~~46
7.26 Unclaimed Payments ~~48~~46
7.27 Repurchase of Units ~~48~~46
7.28 Take-Over Bids ~~48~~46

ARTICLE 8 MEETINGS OF UNITHOLDERS ~~51~~49
8.1 Annual Meeting ~~51~~49
8.2 Other Meetings ~~51~~49
8.3 Notice of Meeting of Unitholders ~~52~~50
8.4 Chairperson ~~53~~50

8.5 Unitholder Proposals ~~53~~50
8.6 Quorum ~~55~~53
8.7 Voting ~~56~~53
8.8 Matters on which Unitholders Shall Vote ~~56~~54
8.9 Record Dates ~~57~~54
8.10 Proxies ~~57~~54
8.11 Court Requisitioned Meetings ~~58~~55
8.12 Personal Representatives ~~58~~55
8.13 Attendance by Others ~~58~~56
8.14 Conduct of Meetings ~~58~~56
8.15 Binding Effect of Resolutions ~~59~~56
8.16 Resolution in Lieu of Meeting ~~59~~56
8.17 Actions by Unitholders ~~59~~56
8.18 Meaning of "Special Resolution" ~~59~~56
8.19 Meaning of "Outstanding" ~~60~~57
8.20 Meetings by Telephone, Electronic or Other Communications Facility ~~60~~57

ARTICLE 9 MEETINGS OF THE TRUSTEES ~~60~~58
9.1 Trustees May Act Without Meeting ~~60~~58
9.2 Notice of Meeting ~~60~~58
9.3 Place of Meeting ~~61~~58
9.4 Chair ~~61~~58
9.5 Quorum ~~61~~58
9.6 Adjourned Meeting ~~61~~59
9.7 Voting at Meetings ~~61~~59
9.8 Meeting by Telephone ~~62~~ or Other Communication Facilities 59

ARTICLE 10 COMMITTEES OF TRUSTEES ~~62~~59
10.1 General ~~62~~59
10.2 Additional Committees ~~63~~60
10.3 Procedure ~~63~~60

ARTICLE 11 UNITHOLDER REMEDIES ~~63~~60
11.1 Dissent and Appraisal Rights ~~63~~60
11.2 Oppression Remedy ~~67~~64

ARTICLE 12 DISTRIBUTIONS ~~68~~65
12.1 Distributions ~~68~~65
12.2 Allocation ~~69~~66
12.3 Payment of Distributions ~~69~~67
12.4 Income Tax Matters ~~70~~68
12.5 Designations ~~71~~68
12.6 Definitions ~~71~~68

ARTICLE 13 FEES AND EXPENSES ~~71~~68
13.1 Expenses ~~71~~68
13.2 Payment of Real Property and Brokerage Commissions ~~72~~69
13.3 Asset Management, Development, Leasing and Financing Fees ~~72~~69

ARTICLE 14 AMENDMENTS TO THE DECLARATION OF TRUST ~~72~~69
14.1 Amendments by the Trustees ~~72~~69
14.2 Amendments by Unitholders ~~73~~70

14.3 Approval by Special Resolution ~~73~~70
14.4 No Termination ~~74~~71
14.5 Trustees to Sign Amendment ~~74~~71
14.6 Restriction on Amendments Affecting Certain Rights of ECL ~~74~~71

ARTICLE 15 SUPPLEMENTAL INDENTURES ~~74~~71
15.1 Provision for Supplemental Indentures for Certain Purposes ~~74~~71

ARTICLE 16 TERMINATION OF THE TRUST ~~75~~71
16.1 Duration of the Trust ~~75~~71
16.2 Termination ~~75~~72
16.3 Effect of Termination ~~75~~72
16.4 Procedure Upon Termination ~~75~~72
16.5 Powers of the Trustees Upon Termination ~~75~~72
16.6 Further Notice to Unitholders ~~75~~72
16.7 Responsibility of the Trustees after Sale and Conversion ~~76~~72

ARTICLE 17 LIABILITIES OF TRUSTEES AND OTHERS ~~76~~73
17.1 Liability and Indemnification of the Trustees ~~76~~73
17.2 Indemnification of Trustees ~~76~~ and Officers 73
17.3 Contractual Obligations of the Trust ~~77~~73
17.4 Liability of the Trustees ~~77~~74
17.5 Reliance Upon Advice ~~77~~74
17.6 Liability of Unitholders and Others ~~77~~74

ARTICLE 18 GENERAL ~~78~~75
18.1 Execution of Instruments ~~78~~75
18.2 Manner of Giving Notice ~~78~~75
18.3 Failure to Give Notice ~~79~~75
18.4 Joint Holders ~~79~~76
18.5 Subsidiary Holding Trust Units ~~79~~76
18.6 Service of Notice ~~79~~76
18.7 Trust Auditors ~~79~~76
18.8 Fiscal Year ~~79~~76
18.9 Reports to Unitholders ~~80~~76
18.10 Trust Property to be Kept Separate ~~80~~76
18.11 Electronic Documents ~~80~~77
18.12 Trustees May hold Units ~~80~~77
18.13 Trust Records ~~80~~77
18.14 Right to Inspect Documents ~~80~~77
18.15 Taxation Information ~~81~~77
18.16 Consolidations ~~81~~77
18.17 Counterparts ~~81~~78
18.18 Severability ~~81~~78
18.19 Headings for Reference Only ~~81~~78
18.20 Governing Law ~~81~~78

CROMBIE REAL ESTATE INVESTMENT TRUST

THIS ~~NINTH~~TENTH AMENDED AND RESTATED DECLARATION OF TRUST made in ~~Stellarton~~New Glasgow, Nova Scotia as of the ~~27~~__th day of ~~March, 2020.~~_____, 2021.

RECITALS

WHEREAS the Trust was established pursuant to a declaration of trust dated the 1st day of January, 2006 under the name "**Crombie Real Estate Investment Trust**", as amended and restated effective as of the 24th day of January, 2006, as of the 23rd day of March, 2006, as of the 8th day of November, 2007, as of the 14th day of April, 2008, as of 7th day of May, 2009, as of the 5th day of November, 2009, as of the 14th day of May, ~~2014 and~~2014, as of the 30th day of June, ~~2017~~2017, and, as of the 27th day of March, 2020 (the "**Original Declaration of Trust**");

AND WHEREAS the Trust Unitholders and the Trustees desire that the Trust shall qualify as a "mutual fund trust" pursuant to Subsection 132(6) of the Tax Act;

AND WHEREAS for greater certainty, the restatement of this Declaration of Trust shall not be deemed to constitute a termination of the Trust or a resettlement of the Original Declaration of Trust or the Trust created thereby;

AND WHEREAS the Trustees wish to amend and restate the Original Declaration of Trust by executing this amended and restated Declaration of Trust;

AND WHEREAS the parties hereto desire to set out the agreements, terms and conditions which shall govern their mutual and respective rights, powers and obligations with respect to the settlement and administration of the Trust;

NOW THEREFORE, the undersigned Trustees, being all of the Trustees, hereby confirm and declare that they agree with the Trust Unitholders to hold in trust, as trustees, the Initial Contribution and any and all other property, real, personal or otherwise, tangible or intangible, which has been at the date hereof or is hereafter transferred, conveyed or paid to or otherwise received by them as Trustees or to which the Trust is otherwise entitled and all rents, income, profits and gains therefrom for the benefit of the Unitholders hereunder in accordance with and subject to the express provisions of this Declaration of Trust, as follows:

ARTICLE 1
THE TRUST AND DEFINITIONS

1.1 Definitions and Interpretation

In this Declaration of Trust, words in the singular number include the plural and words in the plural number include the singular, and the masculine includes the feminine. In this Declaration of Trust, except where the context otherwise requires, the following terms shall have the following meanings:

~~(a) "**Adjusted Unitholders Equity**" means, at any time, the aggregate of the amount of Unitholders' equity, non-controlling interest and the amount of accumulated depreciation and amortization recorded in the books and records of the Trust in respect of its properties, in all cases calculated in accordance with GAAP;~~

(a) ~~(b)~~ "**affiliate**" of a person means any person or company that would be deemed to be an affiliated entity of such person within the meaning of NI 45-106, as replaced or amended from time to time;

(b) ~~(c)~~ "**Annuitant**" means the annuitant or beneficiary of a Plan or any other plan of which a Unitholder acts as trustee or carrier;

(c) ~~(d)~~ "**associate**" when used to indicate a relationship with a person or company has the meaning ascribed thereto in the *Securities Act* (Ontario), as replaced or amended from time to time;

(d) ~~(e)~~ "**Audit Committee**" has the meaning given thereto in Subsection 10.1(a);

(e) ~~(f)~~ "**Auditors**" means the firm of chartered accountants appointed as the auditors of the Trust from time to time in accordance with the provisions hereof;

(f) ~~(g)~~ "**Beneficial Owner**" has the meaning given thereto in Section 7.14;

(g) ~~(h)~~ "**Book-Entry System**" means the record-entry securities transfer and pledge system known, as of the date hereof, by such name, which is administered by CDS in accordance with the operating rules and procedures of the Securities Settlement Service of CDS in force from time to time, or any successor system which CDS may offer from time to time.

(h) ~~(i)~~ "**Business Day**" means any day other than a Saturday, Sunday or statutory holiday in the Provinces of Ontario or Nova Scotia;

(i) ~~(j)~~ "**CDS**" means The Canadian Depository for Securities Limited and its successors;

(j) ~~(k)~~ "**CDS Participant**" means a broker, dealer, bank, other financial institution or other person who, directly or indirectly, from time to time, effects book-based transfers with CDS and pledges of securities deposited with CDS;

(k) ~~(l)~~ "**Chair**", "**President**", "**Lead Trustee**", "**Vice-Chair**", "**Chief Executive Officer**", "**Chief Financial Officer**", "**Chief Operating Officer**", "**Treasurer**" and "**Secretary**" mean the person(s) holding the respective office from time to time if so elected, appointed, engaged or employed by the Trustees;

(l) ~~(m)~~ "**Class B Exchange Agreement**" means the amended and restated exchange agreement entered into on June 30, 2017 among the Trust, Crombie General Partner Limited, the Limited Partnership and ECL, as such agreement may be amended, supplemented or amended and restated from time to time;

(m) ~~(n)~~ "**Class B LP Unit~~"~~**" means a class B limited partnership unit of the Limited Partnership;

(n) ~~(o)~~ "**Class C Exchange Agreement**" means the agreement to be entered into among the Trust, Crombie General Partner Limited, the Limited Partnership and any holder of a Class C LP Unit in the Limited Partnership and any other parties agreeing to be bound by such agreement regarding the exchange rights attaching to the Class C LP Units in the Limited Partnership, as such agreement may be amended, supplemented or amended and restated from time to time;

(o) ~~(p)~~ "**Class C LP Unit~~"~~" means a class C limited partnership unit of the Limited Partnership;

(p) ~~(q)~~ "**Class C Special Voting Units**" means the special voting units of the Trust attached to the class C limited partnership units of the Limited Partnership;

(q) ~~(r)~~ "**Consolidation**" means a consolidation, combination or reduction (other than by way of redemption or purchase) in outstanding Trust Units into a lesser number of Trust Units;

(r) ~~(s)~~ "**court**" means a court having jurisdiction in the province of the Trust~~'~~'s principal office;

(s) ~~(t)~~ "**Declaration of Trust**" means this amended and restated declaration of Trust as amended, supplemented or amended and restated from time to time;

(t) ~~(u)~~ "**dissenting offeree**" means, where a take-over bid is made for all of the Trust Units other than those held by the offeror (its affiliates and associates), a holder of Trust Units who does not accept the take-over bid and includes a subsequent holder of those Trust Units who acquires them from the first mentioned holder;

(u) ~~(v)~~ "**Distribution Date**" means, in respect of any Distribution Period and subject to Section 12.1, on or about the 15th day of the immediately following month;

(v) ~~(w)~~ "**Distribution Period**" means each calendar month in each calendar year from and including the first day thereof and to and including the last day thereof whether or not such days are Business Days;

(w) ~~(x)~~ "**ECL**" means ECL Developments Limited, a company existing under the laws of the Province of Nova Scotia (as assignee of ECL Properties Limited), or its assignee;

(x) ~~(y)~~ "**ECL Trustees**" has the meaning given thereto in Subsection 3.8(b);

(y) ~~(z)~~ "**Empire**" means Empire Company Limited, a company existing under the laws of Nova Scotia;

(z) ~~(aa)~~ "**environmental assessment**" or "**ESA**" means an environmental assessment conducted by an independent and experienced environmental consultant;

(aa) ~~(bb)~~ "**Exchange Agreements**" means the Class B Exchange Agreement and the Class C Exchange Agreement;

(bb) ~~(cc)~~ "**Exchangeable Units**" means the Class B LP Units and the Class C LP Units;

(cc) ~~(dd)~~ "**Fiscal Year**" means each fiscal year of the Trust;

(dd) ~~(ee)~~ "**generally accepted accounting principles**" or "**GAAP**" means ~~Canadian generally accepted accounting principles determined with reference to the Handbook of the Canadian Institute of Chartered~~International Financial Reporting Standards, issued by the International Accounting Standards Committee, and as adopted by the Chartered Professional Accountants of Canada, as amended from time to time. Except as otherwise specified, all accounting terms used in this Declaration of Trust shall be construed in accordance with GAAP;

(ee) ~~(ff)~~ "**Global Unit Certificate**" has the meaning given thereto in Section 7.14;

(ff) ~~(gg)~~ "**going-private transaction**" means an arrangement, consolidation or other transaction involving the Trust, other than an acquisition pursuant to Section 7.28, that results in the interest of a holder of participating securities of the Trust being terminated without the consent of the holder and without the substitution of an interest of equivalent value in participating securities of the Trust or of a person that succeeds to the business of the Trust, which participating securities have rights and privileges that are equal to or greater than the affected participating securities;

(gg) ~~(hh)~~ "**Governance and Nominating Committee**" has the meaning given thereto in Subsection 10.1(b);

(hh) ~~(ii)~~ "**Gross Book Value**" means, at any time, the book value of the assets of the Trust and its consolidated subsidiaries, as shown on its then most recent consolidated balance sheet, plus accumulated depreciation and amortization in respect of the Trust~~'~~'s properties (and related intangible assets) shown thereon or in the notes thereto, less (i) the amount of any receivable reflecting interest rate subsidies on any debt assumed by the Trust and (ii) the amount of future income tax liability arising out of the fair value adjustment in respect of the indirect acquisitions of certain properties; provided, however, if approved by a majority of the Independent Trustees, the appraised value of the assets of the Trust and its consolidated subsidiaries may be used instead of book value;

~~(jj) "**Head Lease**" means the head lease agreement entered into on March 23, 2006, between Crombie Developments Limited, as lessor, and ECL, as lessee, in respect of the Highland Square Mall, as such agreement may be amended, supplemented or amended and restated from time to time;~~

(ii) ~~(kk)~~ "**herein**", "**hereof'**, "**hereby**", "**hereunder**", "**this Declaration of Trust**", "**this Declaration**" and similar expressions refer to this Declaration of Trust and include every instrument supplemental or ancillary to or in implementation of this Declaration of Trust and, except where the context otherwise requires, does not refer to any particular article, section or other portion hereof or thereof;

(jj) ~~(ll)~~ "**Human Resources Committee**" has the meaning given thereto in Subsection 10.1(c);

~~(mm) "**IFRS**" means International Financial Reporting Standards, issued by the International Accounting Standards Committee, and as adopted by the Canadian Institute of Chartered Accountants, as amended from time to time;~~

(kk) ~~(nn)~~ "**including**" means "including, without limitation";

(ll) ~~(oo)~~ "**indebtedness**" means (without duplication) on a consolidated basis

(i) any obligation of the Trust for borrowed money (excluding any premium in respect of indebtedness assumed by the Trust for which the Trust has the benefit of an interest rate subsidy, but only to the extent an amount receivable has been excluded in the calculation of Gross Book Value with respect to such interest rate subsidy);

(ii) any obligation of the Trust incurred in connection with the acquisition of property, assets or business other than the amount of future income tax liability arising out of indirect acquisitions;

(iii) any obligation of the Trust issued or assumed as the deferred purchase price of property;

(iv) any capital lease obligation of the Trust; and

(v) any obligation of the type referred to in clauses (i) through (iv) of another person, the payment of which the Trust has guaranteed or for which the Trust is responsible for or liable,

provided that (A) for the purposes of (i) through (iv), an obligation will constitute indebtedness only to the extent that it would appear as a liability on the consolidated balance sheet of the Trust in accordance with GAAP; and (B) obligations referred to in clauses (i) through (iii) exclude trade accounts payable, distributions payable to Trust Unitholders and accrued liabilities arising in the ordinary course of business.

(mm) ~~(pp)~~ "**Independent Trustee**" means a Trustee who, in relation to the Trust is "independent" within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, as replaced or amended from time to time;~~;~~

(nn) ~~(qq)~~ "**Initial Contribution**" means the amount of $10 for the purpose of establishing the Trust;

(oo) ~~(rr)~~ "**Investment Committee**" has the meaning given thereto in Subsection 10.1(d);

(pp) ~~(ss)~~ **"Limited Partnership**" means Crombie Limited Partnership, a limited partnership formed under the laws of Nova Scotia;

(qq) ~~(tt)~~ "**LP Units**" means the class A, class B and class C limited partnership units of the Limited Partnership;

~~(uu) "**Material Agreements**" means, collectively, the Head Lease, the Omnibus Subsidy Agreement, and the Class B Exchange Agreement;~~

(rr) ~~(vv)~~ "**MI 61-101**" means Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*, as replaced or amended from time to time;

(ss) ~~(ww)~~ "**Monthly Limit**" has the meaning given thereto in Paragraph 7.15(d)(i);

(tt) ~~(xx)~~ "**mortgage**" means any mortgage, charge, hypothec, bond, debenture, note or other evidence of indebtedness, in each case which is directly or indirectly secured by real property;

(uu) ~~(yy)~~ "**NCI**" means the non-certificated inventory system of CDS;

(vv) ~~(zz)~~ "**net realized capital gains of the Trust**" for any period means the amount, if any, by which the amount of the realized capital gains of the Trust for the period exceeds the aggregate of (i) the amount of any realized capital losses of the Trust for the period determined in accordance with the Tax Act, and (ii) the amount of any net capital losses of the Trust carried forward from a previous period to the extent not previously deducted from realized capital gains of the Trust determined in accordance with the Tax Act;

(ww) ~~(aaa)~~ "**NI 45-106**" means National Instrument 45-106 - *Prospectus and Registration Exemptions*, as replaced or amended from time to time;

(xx) ~~(bbb)~~ "**Non-Resident**" means a person who is not a Resident and, for the purposes of Section 7.13, includes a partnership that is not a Canadian partnership within the meaning of the Tax Act;

(yy) ~~(ccc)~~ "**offeree**" means a person to whom a take-over bid is made;

(zz) ~~(ddd)~~ "**offeror**" means a person, other than an agent, who makes a take-over bid; and includes two or more persons who, directly or indirectly:

(i) make a take-over bid jointly or in concert; or

(ii) intend to exercise jointly or in concert voting rights attached to the Trust Units for which a take-over bid is made;

~~(eee) "**Omnibus Subsidy Agreement**" means the omnibus subsidy agreement entered into on March 23, 2006 between ECL, the Limited Partnership and Crombie Developments Limited, as such agreement may be amended, supplemented or amended and restated from time to time;~~

(aaa) ~~(fff)~~ "**Original Declaration of Trust**" has the meaning given thereto in the Recitals;

(bbb) ~~(ggg)~~ "**person**" means and includes any individual, general partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, joint stock company, association, trust, trust company, bank, pension fund, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or other organization or entity, whether or not a legal entity, however designated or constituted;

(ccc) ~~(hhh)~~ "**Plans**" means, collectively, trusts governed by registered retirement savings plans, registered retirement income funds, a registered disability savings plans, a registered education savings plans, tax-free savings accounts or deferred profit sharing plans, each as described in the Tax Act;

(ddd) ~~(iii)~~ "**real property**" means property which in law is real property and includes, whether or not the same would in law be real property, leaseholds, mortgages, undivided joint interests in real property (whether by way of tenancy-in-common, joint tenancy,

co-ownership, joint venture or otherwise), any interests in any of the foregoing and securities of trusts, corporations or partnerships the sole or principal purpose and activity of which is to invest in, hold and deal in real property;

(eee) ~~(jjj)~~ "**Redemption Date**" has the meaning given thereto in Paragraph 7.15(c)(i);

(fff) ~~(kkk)~~ "**Redemption Notes**"" means unsecured subordinated promissory notes of the Trust having a maturity date to be determined at the time of issuance by the Trustees (provided that in no event shall the maturity date be set at a date subsequent to the first Business Day following the fifth anniversary of the date of issuance of such note), bearing interest from the date of issue at a market rate of interest determined at the time of issuance by the Trustees, payable for each month during the term on the 15th day of each subsequent month with all principal being due on maturity, such promissory notes to provide that the Trust shall at any time be allowed to prepay all or any part of the outstanding principal without notice or bonus;

(ggg) ~~(lll)~~ "**Redemption Price**" has the meaning given thereto in Paragraph 7.15(c)(i);

(hhh) ~~(mmm)~~ "**Register**" has the meaning given thereto in Section 7.20;

(iii) ~~(nnn)~~ "**Related Party**" means, with respect to any person, a person who is a "related party" as that term is defined in MI 61-101;

(jjj) ~~(ooo)~~ "**Residents**" means persons who are resident in Canada for purposes of the Tax Act;

(kkk) ~~(ppp)~~ "**Retiring Trustee**" has the meaning given thereto in Section 3.7;

(lll) ~~(qqq)~~ "**Securities Laws**" means, collectively, the applicable securities laws of each of the provinces of Canada and the respective regulations and rules made under those securities laws together with all published policy statements, instruments, blanket orders and rulings of Canadian securities commissions and all discretionary orders or rulings, if any, of Canadian securities commissions made in connection with the transactions contemplated by the Prospectus and this Declaration of Trust;

(mmm) ~~(rrr)~~ "**Sobeys**" means Sobeys Inc., and its subsidiaries;

(nnn) ~~(sss)~~ "**Special Resolution**" has the meaning given thereto in Section 8.18;

(ooo) ~~(ttt)~~ "**Special Voting Units**" means the special voting units of the Trust attached to the class B limited partnership units of the Limited Partnership;

(ppp) ~~(uuu)~~ "**Special Voting Unitholders**" means at any time the holders at that time of one or more Special Voting Units or the Class C Special Voting Units, as shown on the register of such holders maintained by the Transfer Agent on behalf of the Trust;

(qqq) ~~(vvv)~~ "**subsidiary**" and "**subsidiaries**" with the respect to any person means a person who is a "subsidiary" of that first mentioned person as that term is defined in NI 45-106;

(rrr) ~~(www)~~ "**Subsidiary Securities**" means any securities of a subsidiary of the REIT as the Trustees may determine from time to time;

(sss) ~~(xxx)~~ "**take-over bid**" has the meaning given thereto in ~~the *Securities Act* (Ontario)~~National Instrument 62-104 – *Take-Over Bids and Issuer Bids*, as replaced or amended from time to time;

(ttt) ~~(yyy)~~ "**Tax Act"** means the *Income Tax Act* (Canada) and the regulations thereunder, as replaced or amended from time to time;

(uuu) ~~(zzz)~~ "**Taxation Year**" means the taxation year of the Trust for the purposes of the Tax Act;

(vvv) ~~(aaaa)~~ "**Transfer Agent**" means any such company as may from time to time be appointed by the Trust to act as registrar and transfer agent of the Units, together with any sub-transfer agent duly appointed by the Transfer Agent;

(www) ~~(bbbb)~~ "**Trust**" means Crombie Real Estate Investment Trust, a trust created pursuant to the Original Declaration of Trust and governed by this Declaration of Trust pursuant to the laws of the Province of Ontario;

(xxx) ~~(cccc)~~ "**Trust Unit**" means a unit of interest in the Trust but, for greater certainty, excludes a Special Voting Unit and a Class C Special Voting Unit;

(yyy) ~~(dddd)~~ "**Trust Unitholder**" means a person whose name appears on the Register as a holder of one or more Trust Units;

(zzz) ~~(eeee)~~ "**Trustees**" means the trustee or trustees of the Trust holding office under and in accordance with this Declaration of Trust from time to time and "**Trustee**" means any one of them.

(aaaa) ~~(ffff)~~ "**Trustees' Regulations**" means the regulations adopted by the Trustees pursuant to Section 4.4;

(bbbb) ~~(gggg)~~ "**TSX**" means the Toronto Stock Exchange;

(cccc) ~~(hhhh)~~ "**Units**" means, collectively, the Trust Units, the Special Voting Units and the Class C Special Voting Units;

(dddd) ~~(iiii)~~ "**Unit Certificate**" means a certificate, in the form stipulated by Article 7, evidencing one or more Trust Units, issued and certified in accordance with the provisions hereof; and

(eeee) ~~(jjjj)~~ "**Unitholder**" means a person whose name appears on the Register as a holder of one or more Trust Units, Special Voting Units or Class C Special Voting Units~~; and~~.

1.2 Tax Act

Any reference herein to a particular provision of the Tax Act shall include a reference to that provision as it may be replaced, renumbered or amended from time to time. Where there are proposals for amendments to the Tax Act that have not been enacted into law or proclaimed into force on or before the date on which such proposals are to become effective, the Trustees may take such proposals into consideration and apply the provisions hereof as if such proposals had been enacted into law and proclaimed into force.

1.3 Day Not a Business Day

Except as expressly specified in this Declaration of Trust, in the event that any day on which any amount is to be determined or any action is required to be taken hereunder is not a Business Day, then such amount shall be determined or such action shall be required to be taken at or before the requisite time on the next succeeding day that is a Business Day. Notwithstanding the foregoing, this Section 1.3 is not applicable to Sections 12.1, 12.2 and 12.3.

1.4 Time of Essence

Time shall be of essence in this Declaration of Trust.

1.5 Applications to Court

As the rights (including the right to apply to a court) and remedies set out in sections 4.11(j), 7.28, 8.5, 8.11, 11.1 and 11.2 of this Declaration of Trust are not statute-based, all references in this Declaration of Trust to Unitholder rights (or the rights of any other person) that may be enforced by the court or to remedies that may be granted by the court are subject to the court, in its discretion, accepting jurisdiction to consider and determine any proceeding commenced by an eligible Unitholder (or other eligible person as contemplated herein) applying to the court under such sections.

ARTICLE 2
DECLARATION OF TRUST

2.1 Establishment of the Trust

The Trustees hereby agree to hold and administer the property, real, personal or otherwise, tangible or intangible, which has been or is hereafter transferred, conveyed or paid to or otherwise received by the Trust or to which the Trust is otherwise entitled, including the Initial Contribution and all rents, income, profits and gains therefrom in trust for the use and benefit of the Unitholders, their successors, permitted assigns and personal representatives upon the trusts and subject to the terms and conditions hereinafter declared and set forth, such trust to constitute the Trust hereunder.

2.2 Initial Contribution

The Trustees hereby acknowledge and confirm that the initial Unitholder has made the Initial Contribution to the Trustees for the purpose of establishing the Trust.

2.3 Name

The name of the Trust is Crombie Real Estate Investment Trust or, where appropriate, Fonds de placement immobilier Crombie. As far as practicable and except as otherwise provided in this Declaration of Trust, the Trustees shall conduct the affairs of the Trust, hold property, execute all documents and take all legal proceedings under that name. For greater certainty, where any reference is made in this Declaration of Trust, or any other instrument to which the Trust or the Trustees, as trustees of the Trust, are a party, to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against, or a covenant, representation or warranty by or with respect to (i) the Trust; or (ii) the Trustees, such reference shall be construed and applied for all purposes as if it referred to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge

or release to be provided by, a suit or proceeding taken by or against, or a covenant, representation or warranty by or with respect to the Trustees as trustees of the Trust.

2.4 Use of Name

Should the Trustees determine that the use of the name Crombie Real Estate Investment Trust or Fonds de placement immobilier Crombie is not practicable, legal or convenient, they may use such other designation or they may adopt such other name for the Trust as they deem appropriate and the Trust may hold property and conduct its activities under such other designation or name.

2.5 Office

The principal, registered and head office and centre of administration of the Trust shall be located at 610 East River Road, Suite 200, New Glasgow, Nova Scotia, unless changed by the Trustees to another location in Canada. The Trust may have such other offices or places for the conduct of its affairs as the Trustees may from time to time determine as necessary or desirable.

2.6 Nature of the Trust

The Trust is an unincorporated open-end limited purpose trust. The Trust, its Trustees and its property shall be governed by the general law of trusts, except as such general law of trusts has been or is from time to time modified, altered or abridged for trusts or for the Trust by:

(a) applicable laws, regulations or other requirements imposed by applicable securities or other regulatory authorities; and

(b) the terms, conditions and trusts set forth in this Declaration of Trust.

The Trust is not and is not intended to be, shall not be deemed to be and shall not be treated, as a general partnership, limited partnership, syndicate, association, joint venture, company, corporation or joint stock company nor shall the Trustees or the Unitholders or any of them or any officers or other employees of the Trust or any one of them for any purpose be, or be deemed to be, treated in any way whatsoever to be, liable or responsible hereunder as partners or joint venturers. Neither the Trustees nor any officer or other employee of the Trust shall be, or be deemed to be, agents of the Unitholders. The relationship of the Unitholders to the Trustees, to the Trust and to the property of the Trust shall be solely that of beneficiaries of the Trust and their rights shall be limited to those conferred upon them by this Declaration of Trust. In filing a return of income for the Trust with respect to its first taxation year, the Trust shall elect, assuming that the requirements for such election are met, that the Trust shall be deemed a “mutual fund trust” for purposes of the Tax Act throughout such year.

2.7 Rights of Unitholders

The rights of each Unitholder to call for a distribution or division of assets, monies, funds, income and capital gains held, received or realized by the Trustees are limited to those contained herein and, except as provided herein, no Unitholder shall be entitled to call for any partition or division of the Trust’s property or for a distribution of any particular asset forming part of the Trust’s property or of any particular monies or funds received by the Trustees. The legal ownership of the property of the Trust and the right to conduct the activities of the Trust are vested exclusively in the Trustees, and no Unitholder has or is deemed to have any right of ownership in any of the property of the Trust, except as specifically provided herein. Except as specifically provided herein, no Unitholder shall be entitled to interfere with or give any direction to the Trustees with respect to the affairs of the Trust or in connection with the exercise of any powers or authorities conferred upon the Trustees under this Declaration of

Trust. The Units shall be personal property and shall confer upon the holders thereof only the interest and rights specifically set forth in this Declaration of Trust.

ARTICLE 3
TRUSTEES AND OFFICERS

3.1 Number

There shall be a minimum of three and a maximum of 12 Trustees. Subject to Subsection 3.8(b), the number of Trustees within such minimum and maximum numbers may be changed by the Unitholders, unless otherwise provided herein.

3.2 Term

Other than the ECL Trustees, Trustees elected at an annual meeting will be elected for a term expiring at the close of the next annual meeting and will be eligible for re-election. Trustees appointed by the Trustees between meetings of Unitholders in accordance with Subsection 3.9(a) shall be appointed for a term expiring at the conclusion of the next annual meeting and will be eligible for election or re-election, as the case may be.

3.3 Qualifications of Trustees

A Trustee shall be an individual that is at least 18 years of age, not under any legal disability and not found to be of unsound mind or incapable of managing property by a court in Canada or elsewhere, and not have the status of bankrupt.

3.4 Residency of Trustees

A majority of the Trustees must be Residents. If at any time a majority of the Trustees or a majority of the Trustees of any committee of the Trustees are not Residents because of the death, resignation, insolvency, bankruptcy, adjudicated incompetence or incapacity, removal or change in circumstance of any Trustee who was a Resident Trustee, or there are no Trustees who are Residents, the Trustee or Trustees who are Non-Residents shall, immediately before that time, be deemed to have resigned and shall cease to be Trustees with effect from the time of such deemed resignation and the remaining Trustees shall appoint a sufficient number of Resident Trustees to comply with this requirement. If at any time the number of Trustees is less than the number required under this Declaration of Trust and the remaining Trustee or Trustees fail or are unable to act in accordance with Section 3.7 and/or Section 3.12 to appoint one or more additional Trustees or if, upon the resignation or deemed resignation of one or more Trustees there would be no Trustees, then the board of Trustees of the Trust shall appoint one or more Trustees so that following such appointment a majority of the Trustees are Residents and, failing such appointment, any remaining Trustee or Unitholder or officer of the Trust or the Auditors, as the case may be, may apply to a court in the jurisdiction of the Trust'’s principal office for an order appointing one or more Trustees so that following such appointment a majority of the Trustees are Residents, to act until the next annual meeting of Unitholders or on such other terms as the court may order. Any Trustee who is a Resident who proposes to become a Non-Resident shall notify the other Trustees thereof as soon as reasonably practicable and shall resign as a Trustee effective upon the day of such notification and shall be replaced with a Trustee who is a Resident.

3.5 Election of Trustees

Subject to Sections 3.1, 3.3, 3.8 and 3.12, the election of the Trustees shall be by the vote of Unitholders. The appointment or election of any Trustee (other than an individual who is serving as a

Trustee immediately prior to such appointment or election) shall not become effective unless and until such person shall have in writing accepted such appointment or election and agreed to be bound by the terms of this Declaration of Trust.

3.6 Independent Trustees

A majority of the Trustees must be Independent Trustees provided, however, that if at any time a majority of the Trustees are not Independent Trustees because of the death, resignation, bankruptcy, adjudicated incompetence, removal or change in circumstance of any Trustee who was an Independent Trustee, this requirement shall not be applicable for a period of 60 days thereafter, during which time the remaining Trustees shall appoint a sufficient number of Independent Trustees to comply with the requirement.

3.7 Resignations, Removal, Incapacity and Death of Trustees

(a) A Trustee may resign at any time by an instrument in writing signed by the Trustee and delivered or mailed to the board of Trustees or the President or, if there is no President, the Chief Executive Officer, or, if there is no Chief Executive Officer, the Unitholders. A resignation of a Trustee becomes effective at the time a written resignation is received by the Trust upon 30 days' written notice, or at the time specified in the resignation, whichever is later, provided that if, upon the resignation becoming effective, the number of remaining Trustees would be less than the number necessary to constitute a quorum for a meeting of Trustees, the resignation is not effective until the resigning Trustee's successor is duly appointed as a Trustee, except in the case of a deemed resignation under Section 3.4 which shall be effective at the time therein prescribed.

(b) A Trustee may be removed at any time with or without cause by a majority of the votes cast at a meeting of Unitholders called for that purpose or with cause by the resolution passed by an affirmative vote of not less than two-thirds of the remaining Trustees. Any removal of a Trustee shall take effect immediately following the aforesaid vote or resolution or at any later time specified in the notice without need for prior accounting, and any Trustee so removed shall be so notified by the Chief Executive Officer or another officer of the Trust or if there is no officer of the Trust, by any remaining Trustee or if there is no Trustee then remaining, by the Unitholders, following such removal.

(c) Upon the resignation or removal of any Trustee, or such Trustee otherwise ceasing to be a Trustee (in each case, a "**Retiring Trustee**"), such Retiring Trustee shall cease to have the rights, privileges and powers of a Trustee hereunder, shall account to the remaining Trustees as they may require for all property which he or she holds as Trustee and do all such other things as may be required pursuant to Subsection 3.11(b) hereof; provided however that notwithstanding any other provision of this Declaration of Trust, each such Retiring Trustee shall always continue to have the protections afforded to Trustees in Article 17.

(d) Upon the incapacity or death of any Trustee, such Retiring Trustee's legal representative shall execute and deliver on such Trustee's behalf such documents as the remaining Trustees may require as provided in this Section 3.7. In the event that a Trustee or his legal representatives, as applicable, are unable or unwilling to execute and deliver such required documents, each of the remaining Trustees is hereby appointed as the attorney of such Trustee for the purpose of executing and delivering such required documents.

3.8 Appointment of Trustees

(a) Except as otherwise provided herein, Trustees shall be elected (including the re-election of incumbent Trustees) at each annual meeting of Unitholders, and may be elected at a special meeting of Unitholders. Any such election shall be made either by a resolution approved by a majority of the votes cast at a meeting of Unitholders or shall be made by resolution in writing in the manner set out in Section 8.16. Notwithstanding the foregoing:

(i) if no Trustees are elected at the annual meeting of Unitholders held immediately before the term of office of the then existing Trustees expires, such existing Trustees shall continue to hold the office of Trustees under this Declaration of Trust until successors have been appointed or they cease to hold office; and

(ii) the Trustees may, between annual meetings of the Unitholders, appoint one or more additional Trustees to serve until the next annual meeting of Unitholders; provided that the number of additional Trustees so appointed will not at any time exceed one-third of the number of Trustees who held such office at the conclusion of the immediately preceding annual meeting of Unitholders (rounding to the nearest whole number).

(b) ECL shall have the exclusive right to appoint certain Trustees (the "**ECL Trustees**") based on the proportion of outstanding Units held, directly or indirectly, by ECL at the time of such appointments and the size of the board of Trustees at such time, all in accordance with the following table, by written notice delivered or mailed to the Chair of Trustees, the President or the Secretary, to hold office for such period as ECL shall provide, subject to the appointment of any successors by ECL; provided that upon any reduction in the number of Units held by ECL which would result in ECL being entitled to appoint less Trustees than the number of ECL Trustees then in place, ECL shall forthwith deliver to the Chair, the President or the Secretary a written notice specifying the ECL Trustees which ECL shall be required to remove so that the number of ECL Trustees then in place is equal to the number determined in accordance with the following table. ECL Trustees shall be required to meet the requirements of Sections 3.3 and 3.4.

ECL's Proportion of Outstanding Units Held	Total Number of Trustees of the Trust	Number of ECL Appointees
Greater than 30%	Greater than 10	5
	10	4
	7 to 9	3
	5 to 6	2
	Less than 5	1
20% - 30%	Greater than 10	4
	10	3

	7 to 9	2
	Less than 7	1
10% - 19.99%	10 or greater than 10	2
	Less than 10	1
Less than 10%	Any	0

3.9 Consent to Act

(a) A person who is appointed a Trustee hereunder shall not become a Trustee until the person has, either before or after such appointment, executed and delivered to the Trust a consent, or such consent is evidenced in minutes of a meeting of Trustees, substantially in the form as follows:

"To: Crombie Real Estate Investment Trust (the "Trust")
And to: The Trustees thereof

The undersigned hereby certifies that he or she or it is/is not a resident of Canada within the meaning of the *Income Tax Act* (Canada) and consents to act as a Trustee of the Trust and hereby agrees, upon the later of the date of this consent and the date of the undersigned's appointment as a Trustee of the Trust, to thereby become a party, as a Trustee, to the Declaration of Trust dated the 1st day of January, 2006, as amended, supplemented or amended and restated from time to time, constituting the Trust.

Dated:_____

[Signature]

Dated:_____

[Print Name]"

(b) Upon the later of a person being appointed a Trustee hereunder and executing and delivering to the Trust a form of consent substantially as set forth in Subsection 3.9(a), such person shall become a Trustee hereunder and shall be deemed to be a party (as a Trustee) to this Declaration of Trust, as amended, supplemented or amended and restated from time to time.

(c) An act of a Trustee is valid notwithstanding an irregularity in the appointment or election of the Trustee or a defect in the qualification of the Trustee.

3.10 Failure to Elect Minimum Number of Trustees

If a meeting of Unitholders fails to elect the minimum number of Trustees required by this Declaration of Trust by reason of the disqualification or death of any nominee, the Trustees elected at the meeting may exercise all of the powers of the Trustees if the number of Trustees so elected constitutes a quorum.

3.11 Ceasing to Hold Office

(a) A Trustee ceases to hold office when:

(i) the Trustee ceases to be duly qualified to act as a Trustee as provided under Section 3.3;

(ii) the Trustee ceases to be a Trustee in accordance with Section 3.4;

(iii) the Trustee dies or resigns; or

(iv) the Trustee is removed in accordance with Sections 3.7.

(b) Upon a Trustee ceasing to hold office as such hereunder, such Trustee shall cease to be a party (as a Trustee) to this Declaration of Trust; provided, however, that such Trustee shall continue to be entitled to be paid any amounts owing by the Trust to the Trustee and to the benefits of the indemnity provided in Section 17.2. Such Trustee shall execute and deliver such documents as the remaining Trustees shall reasonably require for the conveyance of any Trust property held in that Trustee's name, shall account to the remaining Trustees as they may reasonably require for all property which that Trustee holds as Trustee, shall resign from all directorship or similar positions held by such Trustee in any entity in which the Trust has an interest and shall thereupon be discharged as Trustee. Upon the incapacity or death of any Trustee, his legal representative shall execute and deliver on his behalf such documents as the remaining Trustees may reasonably require as provided in this Subsection 3.11(b). In the event that a Trustee or his legal representatives, as applicable, are unable or unwilling to execute and deliver such required documents, each of the remaining Trustees is hereby appointed as the attorney of such Trustee for the purposes of executing and delivering such required documents. This power of attorney granted to each of the remaining Trustees is not intended to be a continuing power of attorney within the meaning of the *Substitute Decisions Act, 1992* (Ontario), exercisable during a Trustee's incapacity to manage property, or any similar power of attorney under equivalent legislation in any of the provinces or territories of Canada (a "**CPOA**"). The execution of this power of attorney will not terminate any CPOA granted by the Trustee previously and will not be terminated by the execution by the Trustee in the future of a CPOA, and the Trustee hereby agrees not to take any action in future which results in the termination of this power of attorney.

3.12 Vacancies by Trustees

The death, resignation, bankruptcy, adjudicated incompetence or other incapacity to exercise the duties of the office of a Trustee or the removal or other cessation to hold office of a Trustee shall not operate to annul this Declaration of Trust or affect the continuity of the Trust. Until vacancies are filled, the remaining Trustee or Trustees (even if less than a quorum) may exercise the powers of the Trustees hereunder. In the case of a vacancy, the Unitholders or, so long as they constitute a quorum and

a majority of the Trustees constituting such quorum are Residents, a majority of the Trustees continuing in office may fill such vacancy, except a vacancy resulting from an increase in the number of Trustees or from a failure of the Unitholders to elect the minimum number of Trustees fixed by or pursuant to this Declaration of Trust. If there is not such a quorum of Trustees and there is a failure by the Unitholders to elect the minimum number of Trustees required by or pursuant to this Declaration of Trust, the Trustees then in office shall forthwith call a special meeting of Unitholders to fill the vacancy and, if they fail to call a meeting or if there are no Trustees then in office, the meeting may be called by any Unitholder. A Trustee appointed to fill a vacancy holds office, subject to Section 3.7 and Section 3.11, until the close of the next annual meeting of the Unitholders, unless such Trustee is elected at the next annual meeting.

3.13 Successor and Additional Trustees

The right, title and interest of the Trustees in and to the property and assets of the Trust shall vest automatically in all persons who may hereafter become Trustees upon their due election or appointment and qualification and acceptance thereof without any further act and they shall thereupon have all the rights, privileges, powers, obligations and immunities of Trustees hereunder. Such right, title and interest shall vest in the Trustees whether or not conveyancing documents have been executed and delivered pursuant to Section 3.11 or otherwise.

3.14 Compensation and Other Remuneration

Only Trustees who are not employees of and who do not receive salary from the Trust, or any of its subsidiaries shall receive such fees and other reasonable compensation (including, without limitation, fees for serving as Chair of the Trust, for serving as chair of any committee of Trustees and for attendance at each meeting of Trustees and of each committee of Trustees) as the Trustees may determine from time to time, as well as reimbursement of their reasonable travel and out-of-pocket expenses properly incurred in acting as a Trustee.

Each of the Trustees, either directly or indirectly, shall also be entitled to receive remuneration for services rendered to the Trust in any other capacity. Such services may include, without limitation, services as an officer of the Trust, legal, accounting or other professional services or services as a broker, transfer agent or underwriter, whether performed by a Trustee or any Person affiliated with a Trustee. Trustees who are employees of and who receive salary from the Trust or its affiliates shall not be entitled to receive any remuneration for their services as Trustees but shall be entitled to reimbursement from the Trust of their out-of-pocket expenses incurred in acting as a Trustee.

3.15 Validity of Acts

Any act of a Trustee is valid notwithstanding any irregularity in the appointment of the Trustees or a defect in the qualifications of the Trustees.

ARTICLE 4
TRUSTEES' POWERS AND DUTIES

4.1 General Powers

The Trustees, subject only to the terms and conditions contained in this Declaration of Trust, including without limitation, Sections 4.2, 6.1, 6.2 and 8.8, shall have, without further or other authorization and free from any control or direction on the part of the Unitholders full, absolute and exclusive power, control and authority over the assets of the Trust and over the operations of the Trust to the same extent as if the Trustees were the sole and absolute legal and beneficial owners of such assets in their own right, to do all such acts and things as in their sole judgment and discretion are necessary or

incidental to, or desirable for, the carrying out of any of the purposes of the Trust or the conducting of the affairs of the Trust. In construing the provisions of this Declaration of Trust, there shall be a presumption in favour of the power and authority having been granted to the Trustees. The enumeration of any specific power or authority herein shall not be construed as limiting the general powers or authority or any other specified power or authority conferred herein on the Trustees. Except as specifically required by such laws, the Trustees shall in carrying out investment activities not be in any way restricted by the provisions of the laws of any jurisdiction limiting or purporting to limit investments which may be made by trustees. Without limiting the generality of the foregoing, the Trustees may, subject to the terms and conditions contained in this Declaration of Trust, make any investments without being required to adhere to all of, or any particular portion of the investment criteria or diversification requirements set forth in the *Trustee Act* (Ontario), as replaced or amended from time to time, including, without limitation, investments in mutual funds, common trust funds, unit trusts and similar types of investment vehicles, to alter or vary such investments from time to time in a like manner, to retain such investments for such length of time as the Trustees, in their discretion determine and to delegate management and authority to discretionary managers of investment funds as the Trustees in their discretion determine appropriate.

4.2 Independent Trustee Matters

Notwithstanding anything herein to the contrary, the following matters shall require, in addition to the approval of a majority of the Trustees present in person or by phone at a meeting of the board of Trustees, the prior approval of a majority of the Independent Trustees holding office as such at the time (given by vote at a meeting of Trustees or by a written resolution signed by all of the Independent Trustees; provided that, with respect to matters within clauses (a) and (b) below, in addition to any general delegation authority, the Independent Trustees may delegate the authority to provide such prior approval to a committee consisting solely of Independent Trustees or to the Chief Executive Officer of the Trust, in each case if such delegation is approved by a majority of the Independent Trustees holding office as such at the time by vote at a meeting of Trustees or by a written resolution signed by all of the Independent Trustees), in order to become effective:

(a) an acquisition or disposition of a property or an investment in a property, whether by co-investment or otherwise, in which any Related Party has any direct or indirect interest;

~~(b) a material change to any Material Agreement or any renewal, extension or termination thereof or any increase in any fees payable thereunder (including transaction fees);~~

(b) ~~(c)~~ the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by the Trust or any of its subsidiaries, or the making, directly or indirectly, of any co-investment, in each case with (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or other similar capacity;

(c) ~~(d)~~ the refinancing, increase or renewal of any indebtedness owed by or to (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or other similar capacity;

(d) ~~(e)~~ the grant of options or issuing of Units under any option or purchase plan, or any amendment thereto, provided to any Trustee, any officer and/or others;

(e) ~~(f)~~ a change in the number of Trustees;

(f) ~~(g)~~ decisions relating to compensation of Trustees; and

(g) ~~(h)~~ decisions relating to any claims by or against ~~one or more parties to any of the Material Agreements, or any Related Party.~~ any Related Party;

provided, however, that the foregoing shall not apply with respect to any circumstance in respect of which the only parties to the relevant transaction or agreement are (i) the Trust and a wholly-owned Subsidiary or (ii) wholly-owned Subsidiaries of the Trust.

4.3 Specific Powers and Authorities

Subject only to the terms and conditions contained in this Declaration of Trust including, without limitation in Sections 4.2, 6.1, 6.2 and 8.8, and in addition to any powers and authorities conferred by this Declaration of Trust or which the Trustees may have by virtue of any present or future statute or rule of law, the Trustees, without any action or consent by the Unitholders, shall have and may exercise, on behalf of the Trust or otherwise, at any time and from time to time the following powers and authorities which may or may not be exercised by them in their sole judgment and discretion and in such manner and upon such terms and conditions as they may from time to time deem proper:

(a) to retain, invest and re-invest the capital or other funds of the Trust in real or personal property of any kind, all without regard to whether any such properties are authorized by law for the investment of trust funds, and to possess and exercise all the rights, powers and privileges appertaining to the ownership of the property of the Trust and to increase the capital of the Trust at any time by the issuance of additional Units for such consideration as they deem appropriate.

(b) for such consideration as they deem proper, to invest in, purchase or otherwise acquire for cash or other property or through the issuance of Units or through the issuance of notes, debentures, bonds or other obligations or securities of the Trust and hold for investment the entire or any participating interest in any mortgages. In connection with any such investment, purchase or acquisition, the Trustees shall have the power to acquire a share of rents, lease payments or other gross income from or a share of the profits from or a share in the equity or ownership of real property;

(c) to sell, rent, lease, hire, exchange, release, partition, assign, mortgage, pledge, hypothecate, grant security interests in, encumber, negotiate, convey, transfer or otherwise dispose of any or all of the property of the Trust by deeds, trust deeds, assignments, bills of sale, transfers, leases, mortgages, financing statements, security agreements and other instruments for any of such purposes executed and delivered for and on behalf of the Trust by one or more of the Trustees or by a duly authorized officer, employee, agent or any nominee of the Trust;

(d) to enter into leases, contracts, obligations and other agreements for a term extending beyond the term of office of the Trustees and beyond the possible termination of the Trust or for a lesser term;

(e) to borrow money from or incur indebtedness to any person, to guarantee, indemnify or act as surety with respect to payment or performance of obligations of third parties; to enter into other obligations on behalf of the Trust; and to assign, convey, transfer,

mortgage, subordinate, pledge, grant security interests in, encumber or hypothecate the property of the Trust to secure any of the foregoing;

(f) without limit as to amount, to issue any type of debt securities or convertible debt securities and to borrow money or incur any other form of indebtedness for the purpose of carrying out the purposes of the Trust or for other expenses incurred in connection with the Trust and for such purposes may draw, make, execute and issue promissory notes and other negotiable and non-negotiable instruments or securities and evidences of indebtedness, secure the payment of sums so borrowed or indebtedness incurred and mortgage, pledge, assign or grant a security interest in any money owing to the Trust or its property or engage in any other means of financing the Trust;

(g) to lend money or other property of the Trust, whether secured or unsecured;

(h) to incur and pay out of the property of the Trust any charges or expenses and disburse any funds of the Trust, which charges, expenses or disbursements are, in the opinion of the Trustees, necessary or incidental to or desirable for the carrying out of any of the purposes of the Trust or conducting the affairs of the Trust including, without limitation, taxes or other governmental levies, charges and assessments of whatever kind or nature, imposed upon or against the Trustees in connection with the Trust or the property of the Trust or upon or against the property of the Trust or any part thereof and for any of the purposes herein;

(i) to deposit funds of the Trust in banks, trust companies and other depositories, whether or not such deposits will earn interest, the same to be subject to withdrawal on such terms and in such manner and by such person or persons (including, without limitation, any one or more Trustees, officers, agents or representatives) as the Trustees may determine;

(j) to possess and exercise all the rights, powers and privileges appertaining to the ownership of or interest in all or any mortgages or securities, issued or created by, or interest in, any person, forming part of the assets of the Trust, to the same extent that an individual might and, without limiting the generality of the foregoing, to vote or give any consent, request or notice, or waive any notice, either in person or by proxy or power of attorney, with or without power of substitution, to one or more persons, which proxies and powers of attorney may be for meetings or action generally or for any particular meeting or action and may include the exercise of discretionary power;

(k) to exercise any conversion privilege, subscription right, warrant or other right or option available in connection with any property of the Trust at any time held by it and to make payments incidental thereto; to consent, or otherwise participate in or dissent from, the reorganization, consolidation, amalgamation, merger or readjustment of the finances of any person (other than the Trust), any of the securities of which may at any time be held, directly or indirectly, by the Trust, including LP Units, or to the sale, mortgage or lease of the property of any such person; and to do any act with reference thereto, including (without limitation) the delegation of discretionary powers, the exercise of options, the making of agreements or subscriptions and the payment of expenses, assessments or subscriptions which it may consider necessary or advisable in connection therewith;

(l) to elect, appoint, engage or employ officers for the Trust (including, without limitation, the Chair of Trustees, Lead Trustee, Vice-Chair, President, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Secretary, Treasurer and such vice-presidents and other officers as the Trustees may determine), who may be removed

or discharged at the discretion of the Trustees, such officers to have such powers and duties, and to serve such terms as may be prescribed by the Trustees or by the Trustees' Regulations; to engage, appoint, employ or contract with any persons as agents, representatives, employees or independent contractors or otherwise (including, without limitation, real estate advisors, investment advisors, registrars, underwriters, accountants, lawyers, real estate agents, property managers, appraisers, brokers, architects, engineers, construction managers, general contractors or otherwise) in one or more capacities, and to pay compensation from the Trust for services in as many capacities as such persons may be so engaged or employed; and, except as prohibited by law or this Declaration of Trust, to delegate any of the powers and duties of the Trustees (including, without limitation, the power of delegation) to any one or more Trustees, agents, representatives, officers, employees, independent contractors or other persons without regard to whether such power, authority or duty is normally granted or delegated by Trustees;

(m) to collect, sue for and receive sums of money coming due to the Trust, and to engage in, intervene in, prosecute, join, defend, compromise, abandon or adjust, by arbitration or otherwise, any actions, suits, proceedings, disputes, claims, demands or other litigation relating to the Trust, the assets of the Trust or the Trust's affairs, to enter into agreements therefor whether or not any suit is commenced or claim accrued or asserted and, in advance of any controversy, to enter into agreements regarding the arbitration, adjudication or settlement thereof;

(n) to renew, modify, release, compromise, extend, consolidate or cancel, in whole or in part, any obligation to or of the Trust;

(o) to purchase and pay for, out of the assets of the Trust, insurance contracts and policies insuring the assets of the Trust against any and all risks and insuring the Trust and/or any or all of the Trustees, the Unitholders or officers of the Trust against any and all claims and liabilities of any nature asserted by any person arising by reason of any action alleged to have been taken or omitted by the Trust or by the Trustees, the Unitholders or the officers of the Trust;

(p) to cause legal title to any of the assets of the Trust to be held by and/or in the name of the Trustees, or by and/or in the name of the Trust or one or more of the Trustees or any other person, on such terms, in such manner with such powers in such person as the Trustees may determine and with or without disclosure that the Trust or Trustees are interested therein provided, however, that should legal title to any of the assets of the Trust be held by and/or in the name of any person or persons other than the Trust, the Trustees shall require such person or persons to execute a declaration of trust acknowledging that legal title to such assets is held in trust for the benefit of the Trust;

(q) to determine conclusively the allocation to capital, income or other appropriate accounts for all receipts, expenses, disbursements and, property of the Trust;

(r) to issue Units for such consideration as the Trustees may deem appropriate in their sole discretion, such issuance to be subject to the terms and conditions of this Declaration of Trust;

(s) to make or cause to be made application for the listing on any stock exchange of any Units or other securities of the Trust, and to do all things which in the opinion of the Trustees may be necessary or desirable to effect or maintain such listing or listings;

(t) to prepare, sign and file or cause to be prepared, signed and filed any prospectus, offering memorandum or similar document, and any amendment thereto and all agreements contemplated therein or ancillary thereto or relating to or resulting from any offerings of the Units or other securities issued or held by the Trust and to pay the cost thereof and related thereto out of the property of the Trust whether or not such offering is or was of direct benefit to the Trust or those persons (if any) who were Unitholders immediately prior to such offering;

(u) in addition to the mandatory indemnification provided for in ~~Section~~Sections 17.1, 17.2 and 17.3, to the extent permitted by law, to indemnify, or enter into agreements with respect to the indemnification of any person with whom the Trust has dealings including, without limitation, the Trustees, the depository, the Transfer Agent or any escrow agent, to such extent as the Trustees shall determine;

(v) to determine conclusively the value of any or all of the property of the Trust from time to time and, in determining such value, to consider such information and advice as the Trustees, in their sole judgment, may deem material and reliable;

(w) to do all such acts and things and to exercise such powers as may be delegated to the Trustees by any person who co-owns real property with the Trust; and

(x) to do all such other acts and things as are incidental to the foregoing, and to exercise all powers that are necessary or useful to carry on the business of the Trust, to promote any of the purposes for which the Trust is formed and to carry out the provisions of this Declaration of Trust.

4.4 Further Powers of the Trustees

The Trustees shall have the power to prescribe any form provided for or contemplated by this Declaration of Trust. The Trustees may make, adopt, amend, or repeal regulations containing provisions relating to the Trust, the conduct of its affairs, the rights or powers of the Trustees and the rights or powers of the Unitholders or officers, provided that such regulations shall not be inconsistent with law or with this Declaration of Trust and not, in the opinion of the Trustees, prejudicial to Unitholders. The Trustees shall also be entitled to make any reasonable decisions, designations or determinations not inconsistent with law or with this Declaration of Trust which they may determine are necessary or desirable in interpreting, applying or administering this Declaration of Trust or in administering, managing or operating the Trust. To the extent of any inconsistency between this Declaration of Trust and any regulation, decision, designation or determination made by the Trustees, this Declaration of Trust shall prevail and such regulation, decision, designation or determination shall be deemed to be modified to eliminate such inconsistency. Any regulations, decisions, designations or determinations made in accordance with this Section 4.4 shall be conclusive and binding upon all persons affected thereby.

Subject to any agreement between the Trust and any Trustee and subject as otherwise herein provided, the Trustees may from time to time in their discretion appoint, employ, invest in, contract or deal with any person including, without limitation, any affiliate of any of them and any person in which any one or more of them may be directly or indirectly interested and, without limiting the generality of the foregoing, any Trustee may purchase, hold, sell, invest in or otherwise deal with real property or other property of the same class and nature as may be held by the Trustees as property of the Trust, whether for the Trustee's own account or for the account of another (in a fiduciary capacity or otherwise), without being liable to account therefor and without being in breach of his duties and responsibilities hereunder.

4.5 Banking

The banking activities of the Trust, or any part thereof, including, but without restricting the generality of the foregoing, the operation of the Trust's accounts; the making, signing, drawing, accepting, endorsing, negotiation, lodging, depositing or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money; the giving of receipts for orders relating to any property of the Trust; the execution of any agreement relating to any property of the Trust; the execution of any agreement relating to any such banking activities and defining the rights and powers of the parties thereto; and the authorizing of any officer of such bank to do any act or thing on the Trust's behalf to facilitate such banking activities, shall be transacted with such bank, trust company, or other firm or corporation carrying on a banking business as the Trustees may designate, appoint or authorize from time to time and shall be transacted on the Trust's behalf by one or more officers of the Trust as the Trustees may designate, appoint or authorize from time to time.

4.6 Standard of Care

The exclusive standard of care required of the Trustees in exercising their powers and carrying out their functions hereunder shall be that they exercise their powers and discharge their duties hereunder as Trustees honestly, in good faith and in the best interests of the Trust and the Unitholders and in connection therewith, that they exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Unless otherwise required by law, no Trustee shall be required to give bond, surety or security in any jurisdiction for the performance of any duties or obligations hereunder. The Trustees in their capacity as Trustees shall not be required to devote their entire time to the investments, business or affairs of the Trust.

No Trustee shall be liable in carrying out such Trustee's duties under this Declaration of Trust except in cases where the Trustee fails to act honestly, in good faith and in the best interests of the Trust and the Unitholders or, in connection therewith, fails to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The duties and standard of care of the Trustees provided as aforesaid are intended to be similar to, and not to be any greater than, those imposed on a director of a corporation governed by the *Canada Business Corporations Act*.

4.7 Fees and Expenses

As part of the expenses of the Trust, the Trustees may pay or cause to be paid out of the Trust's property, reasonable fees, costs and expenses incurred in connection with the administration and management of the Trust, including (without limitation) real property and brokerage commissions in respect of investments and dispositions of real property made by the Trust, fees of auditors, accountants, lawyers, engineers, appraisers and other agents, consultants and professional advisors employed by or on behalf of the Trust, fees of stock exchanges and the cost of reporting or giving notices to Unitholders. All costs, charges and expenses properly incurred by the Trustees on behalf of the Trust shall be payable out of the Trust's property.

4.8 Reliance Upon Trustees

Any person dealing with the Trust in respect of any matters pertaining to the assets of the Trust and any right, title or interest therein or to securities of the Trust shall be entitled to rely on a certificate or statutory declaration (including, without limiting the foregoing, a certificate or statutory declaration as to the passing of a resolution of the Trustees) executed by any single Trustee or officer of the Trust or, without limiting the foregoing, such other person as may be authorized by the Trustees as to the capacity, power and authority of the Trustees or any such other person to act for and on behalf and in

the name of the Trust. No person dealing with the Trustees or officers of the Trust shall be bound to see to the application of any funds or property passing into the hands or control of the Trustees. The receipt by or on behalf of the Trustees or officers of the Trust for monies or other consideration shall be binding upon the Trust.

4.9 Determinations of Trustees Binding

All determinations of the Trustees which are made in good faith with respect to any matters relating to the Trust, including, without limitation, whether any particular investment or disposition meets the requirements of this Declaration of Trust, shall be final and conclusive and shall be binding upon the Trust and all Unitholders (and, where the Unitholder is a Plan, or other similar fund or plan registered under the Tax Act, upon plan beneficiaries and plan holders past, present and future) and Units of the Trust shall be issued and sold on the condition and understanding that any and all such determinations shall be binding as aforesaid.

4.10 Limitations on Liability of Trustees

(a) Subject to the standard of care set forth in Section 4.6, none of the Trustees nor any officers, employees or agents of the Trust shall be liable to any Unitholder or any other person in tort, contract or otherwise for any action taken or not taken in good faith in reliance on any documents that are, *prima facie*, properly executed; for any depreciation of, or loss to, the Trust incurred by reason of the sale of any security; for the loss or disposition of monies or securities; for any action or failure to act by any person to whom the Trustees are permitted to delegate and have delegated any of their duties hereunder; or for any other action or failure to act including, without limitation, the failure to compel in any way any former Trustee to redress any breach of trust or any failure by any person to perform obligations or pay monies owed to the Trust, unless such liabilities arise out of a breach of the standard of care, diligence and skill as set out in Section 4.6. If the Trustees have retained an appropriate expert, advisor or legal counsel with respect to any matter connected with their duties under this Declaration of Trust, the Trustees may act or refuse to act based on the advice of such expert, advisor or legal counsel and, notwithstanding any provision of this Declaration of Trust, including, without limitation, the standard of care, diligence and skill set out in Section 4.6 hereof, the Trustees shall not be liable for and shall be fully protected from any action or refusal to act based on the advice of any such expert, advisor or legal counsel which it is reasonable to conclude is within the expertise of such expert or advisor to give.

(b) The Trustees shall not be subject to any personal liability for any debts, liabilities, obligations, claims, demands, judgments, costs, charges or expenses against or with respect to the Trust arising out of anything done or permitted or omitted to be done in respect of the execution of the duties of the office of Trustees for or in respect to the affairs of the Trust unless such Trustee shall have failed to meet the standard of care set out in Section 4.6. No property or assets of the Trustees, owned in their personal capacity or otherwise, will be subject to any levy, execution or other enforcement procedure with regard to any obligations under this Declaration of Trust or under any other related agreements unless such Trustee shall have failed to meet the standard of care set out in Section 4.6. No recourse may be had or taken, directly or indirectly, against the Trustees in their personal capacity or against any incorporator, shareholder, director, officer, employee or agent of the Trustees or any successor of the Trustees unless such Trustee shall have failed to meet the standard of care set out in Section 4.6. The Trust shall be solely liable therefor and resort shall be had solely to the Trust's

property for payment or performance thereof unless such Trustee shall have failed to meet the standard of care set out in Section 4.6.

In the exercise of the powers, authorities or discretion conferred upon the Trustees under this Declaration of Trust, the Trustees are and shall be conclusively deemed to be acting as trustees of the Trust's property.

4.11 Conflict of Interest

If a Trustee or officer of the Trust:

(a) is a party to a material contract or transaction or proposed material contract or transaction with the Trust (or an affiliate thereof), including a material contract or transaction involving the making or disposition of any investment in real property or a joint venture agreement; or

(b) is a director or officer of, or otherwise has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Trust (or an affiliate thereof),

such Trustee or officer of the Trust shall disclose in writing to the Trustees or request to have entered into the minutes of meetings of the Trustees or the Governance and Nominating Committee, as the case maybe, the nature and extent of such interest as follows:

(c) The disclosure required in the case of a Trustee shall be made:

(i) at the meeting of Trustees or the Governance and Nominating Committee, as the case may be, at which a proposed contract or transaction is first considered;

(ii) if the Trustee was not then interested in a proposed contract or transaction, at the first such meeting after he becomes so interested;

(iii) if the Trustee becomes interested after a contract is made or a transaction is entered into, at the first meeting after he becomes so interested; or

(iv) if a person who is interested in a contract or transaction later becomes a Trustee, at the first such meeting after he becomes a Trustee.

(d) The disclosure required in the case of an officer of the Trust who is not a Trustee shall be made:

(i) forthwith after such person becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a meeting of the Trustees or the Governance and Nominating Committee;

(ii) if such person becomes interested after a contract is made or transaction is entered into, forthwith after such person becomes aware that he has become so interested; or

(iii) if a person who is interested in a contract or a transaction later becomes an officer of the Trust, forthwith after he becomes an officer of the Trust.

(e) Notwithstanding Subsections 4.11(a) and 4.11(b), where this section applies to any person in respect of a material contract or transaction or proposed material contract or transaction that, in the ordinary course of the affairs of the Trust, would not require approval by the Trustees or the Unitholders, such person shall disclose in writing to the Trustees or request to have entered into the minutes of meetings of the Trustees the nature and extent of such person's interest forthwith after such person becomes aware of the contract or transaction or proposed contract or transaction.

(f) A Trustee referred to in this Section 4.11 shall not vote on any resolution to approve the said contract or transaction unless the contract or transaction is:

(i) one relating primarily to such Trustee's remuneration as a Trustee, officer, employee or agent of the Trust; or

(ii) one for indemnity of such Trustee under Section 17.1 hereof or the purchase of liability insurance,

provided, however, that the presence of such Trustee at the relevant meeting or the written recognition by such Trustee of any resolution in writing shall be counted toward any quorum requirement or requirement that at least a minimum number of Trustees or Independent Trustees act.

(g) For the purposes hereof, a general notice to the Trustees by a Trustee or an officer of the Trust disclosing that such person is a director or officer of or has a material interest in a person and is to be regarded as interested in any contract made or any transaction entered into with that person, is a sufficient disclosure of interest in relation to any contract so made or transaction so entered into. In the event that a meeting of Unitholders is called to confirm or approve a contract or transaction which is the subject of a general notice to the Trustees, the notice and extent of the interest in the contract or transaction of the person giving such general notice shall be disclosed in reasonable detail in the notice calling the said meeting of Unitholders or in any information circular to be provided by this Declaration of Trust or by law.

(h) Where a material contract is made or a material transaction is entered into between the Trust and a Trustee or an officer of the Trust, or between the Trust and another person in which a Trustee or an officer of the Trust is a director or officer or in which he or she has a material interest:

(i) such person is not accountable to the Trust or to the Unitholders for any profit or gain realized from the contract or transaction; and

(ii) the contract or transaction is neither void nor voidable, by reason only of that relationship or by reason only that such person is present at or is counted to determine the presence of a quorum at the meeting of the Trustees or the Investment Committee or other committee of Trustees that authorized the contract or transaction, if such person disclosed such person's interest in accordance with this Section 4.11, and the contract or transaction was reasonable and fair to the Trust at the time it was so approved.

(i) Notwithstanding anything in this Section 4.11, but without limiting the effect of Subsection 4.11(f) hereof, a Trustee or an officer of the Trust, acting honestly and in good faith, is not accountable to the Trust or to the Unitholders for any profit or gain

realized from any such contract or transaction by reason only of such person holding such office or position, and the contract or transaction, if it was reasonable and fair to the Trust at the time it was approved, is not by reason only of such person's interest therein void or voidable, where:

(i) the contract or transaction is confirmed or approved at a meeting of Unitholders duly called for that purpose; and

(ii) the nature and extent of such person's interest in the contract or transaction are disclosed in reasonable detail in the notice calling the meeting or in any information circular to be provided by this Declaration of Trust or by law.

(j) Subject to Subsections 4.11(f), 4.11(h) and 4.11(i) hereof, where a Trustee or an officer of the Trust fails to disclose such person's interest in a Material Agreement or material contract or transaction in accordance with this Declaration of Trust or otherwise fails to comply with this Section 4.11, the Trustees or any Unitholder, in addition to exercising any other rights, or remedies in connection with such failure exercisable at law or in equity, may apply to a court for an order setting aside the contract or transaction and directing that such person account to the Trust for any profit or gain realized.

4.12 Related Party Transactions

(a) Notwithstanding anything contained elsewhere in this Declaration of Trust to the contrary, the provisions of this Section 4.12 shall apply:

(i) to any person who is a Related Party; and

(ii) to any person who is:

(A) a Trustee or an associate of a Trustee;

(B) a substantial security holder of the Trust or any affiliate of such substantial security holder (where the term "substantial security holder" shall have the meaning ascribed thereto in Part XXI of the *Securities Act* (Ontario)); or

(C) an officer, director or employee of the Trust or of any of its subsidiaries or affiliates

(such persons being referred to herein as a Related Party).

(b) In the event of any proposed purchase or sale of real property from or to a Related Party, the Trust shall comply with the provisions of MI 61-101 requiring the preparation of and provision of an independent valuation (subject to any exemptions from such provisions provided in MI 61-101).

(c) Without limitation and in addition to the requirement, if any, under MI 61-101 or this Declaration of Trust to obtain the approval of Unitholders, or to obtain minority approval within the meaning of MI 61-101, for any related party transaction within the meaning of MI 61-101, the Trust shall not carry out a proposed purchase or sale of real property from or to a Related Party, or otherwise effect a material transaction or enter into a material agreement with a Related Party unless such transaction or agreement is

determined to be on commercially reasonable terms and is approved by a majority of the Trustees who are (i) not parties to such transaction, or (ii) who are not directors, officers or employees of any person (other than the Trust) who is a party, or (iii) who do not have a material interest in, any person (other than the Trust) who is a party to such transaction, or (iv) who were not appointed as a Trustee by a Related Party that is a party to the transaction, or by a committee consisting of Trustees who meet the requirements of clauses (i) – (iv) or by the Chief Executive Officer of the Trust, to which committee or officer of the Trust such authority has been delegated with the approval of a majority of all Trustees who meet the requirements of clauses (i) – (iv).

4.13 Conditions Precedent

The obligation of the Trustees to commence or continue any act, action, suit or proceeding or to represent the Trust in any action, suit or proceeding shall be conditional upon sufficient funds being available to the Trustees from the Trust's property to commence or continue such act, action, suit or proceeding or to represent the Trust in any action, suit or proceeding and an indemnity reasonably satisfactory to the Trustees to protect and hold harmless the Trustees against the costs, charges and expenses and liabilities to be incurred therein and any loss and damage it may suffer by reason thereof. None of the provisions contained in this Declaration of Trust shall require the Trustees to expend or risk their own funds or otherwise incur financial liability in the performance of their duties or in the exercise of any of their rights or powers unless they are given an indemnity and funding satisfactory to the Trustees, acting reasonably.

ARTICLE 5
OFFICERS OF THE TRUST

5.1 General

The Trust shall have a Chair of Trustees, and may have one or more other officers as the Trustees may appoint from time to time, including without limitation a Chief Executive Officer and Chief Financial Officer. Any officer of the Trust, other than the Chair of Trustees may, but need not be, a Trustee. One person may hold two or more offices. Officers of the Trust may be appointed and, without prejudice to rights under any employment contract, removed or discharged, and their powers, responsibilities and remuneration determined by the Trustees and, in the absence of such determination, their responsibilities shall be those usually applicable to the office held. All officers so appointed shall be Residents.

5.2 Chair of Trustees

The Chair of Trustees shall be appointed from among the Trustees provided that the Chair of Trustees shall be a non-executive appointment. When present, the Chair of Trustees shall be chairperson of meetings of Trustees and Unitholders and shall have such other powers and duties as the Trustees may determine from time to time to manage the affairs of the board of Trustees and monitor the effectiveness of the Trustees, subject to those powers granted to the Lead Trustee.

5.3 Lead Trustee

~~The~~In the event that the Chair of Trustees is not an Independent Trustee or is an ECL Trustee, a Lead Trustee shall be appointed from among the Trustees provided that the Lead Trustee must be an Independent Trustee and not an ECL Trustee. The Lead Trustee will act as an effective leader of the board of Trustees in respect of matters required to be considered by the Independent Trustees only or

by the Independent Trustees and the Trustees who are not ECL Trustees, and will ensure that the board of Trustee's agenda will enable it to successfully carry out its duties.

5.4 Senior Management

The responsibilities of senior management of the Trust shall include, but not be limited to, the following activities:

(a) providing the board of Trustees with information and advice relating to the operation of the Trust's properties, acquisitions and financings;

(b) establishing, at least on an annual basis, investment and operating plans for the ensuing period;

(c) conducting and supervising the due diligence required in connection with proposed acquisitions and completing any acquisitions or dispositions;

(d) maintaining the books and financial records of the Trust;

(e) determining and preparing designations, elections and determinations to ~~e~~be made in connection with the income and capital gains of the Trust for tax and accounting purposes;

(f) preparing reports and other information required to be sent to Unitholders and other persons, including investment dealers, lenders and professionals; and

(g) administering or supervising the administration, on behalf of the board of Trustee, of the payment of distributions by the Trust.

5.5 Term of Office

The Chair of Trustees, Lead Trustee and any officer appointed by the Trustees shall hold such position until his or her successor is elected or appointed, provided, without prejudice to rights under any employment contract, that the Trustees may at any time remove an officer from office at any time in their sole discretion.

5.6 Independent Contractors

Any office of the Trust appointed by the Trustees may be held by an individual who is not an employee of the Trust but has been retained by the Trust to hold such office pursuant to an independent service agreement entered into between the Trust and that individual or that individual's employer.

ARTICLE 6
INVESTMENT GUIDELINES AND OPERATING POLICIES

6.1 Investment Guidelines

Notwithstanding any other provision hereof, the assets of the Trust may be invested only with the approval of the Trustees and only in accordance with the following ~~restrictions~~investment guidelines, in addition to any procedures, guidelines and controls adopted by the Trustees from time to time:

(a) the Trust is intended to invest primarily, directly or indirectly (including by investments by its subsidiaries), in interests (including fee ownership and leasehold interests) in income producing real property that is or will be primarily commercial, residential or retail in nature, or a combination thereof, and assets ancillary thereto necessary for the acquisition, holding, development, maintaining, improving, leasing, managing or otherwise dealing with such real estate and such other activities as are consistent with the other investment guidelines of the Trust;

(b) the Trust will not invest in raw land for development, except (i) for the purpose of the renovation or expansion of existing properties of the Trust, or properties adjacent to existing properties of the Trust, or (ii) for the development of new properties which will be capital property of the Trust; provided that the aggregate value of the investments of the Trust in raw land, excluding raw land under development, after giving effect to the proposed investment, will not exceed 10% of Gross Book Value;

(c) ~~(b)~~ notwithstanding anything else contained in the Declaration of Trust, the Trust shall not make or hold, directly or indirectly (including by investments by its subsidiaries), any investment, take any action or omit to take any action where such investment, action or omission would result in:

(i) the Trust not qualifying as a "mutual fund trust" (effective the date it was established and thereafter) or a "unit trust" both within the meaning of the Tax Act;

(ii) Units not qualifying as qualified investments for Plans;

(iii) the Trust not qualifying as a "real estate investment trust" within the meaning of the Tax Act if, as a consequence of the Trust not so qualifying, the Trust or any of its subsidiaries would be liable to pay a tax imposed under either paragraph 122(1)(b) or subsection 197(2) of the Tax Act; or

(iv) the Trust being liable to pay a tax under Part XII.2 of the Tax Act;

(d) ~~(c)~~ the Trust shall not invest, directly or indirectly (including by investments by its subsidiaries), in any interest in a single real property if, after giving effect to the proposed investment, the cost to the Trust of such investment (net of the amount of debt incurred or assumed in connection with such investment) will exceed 15% of Gross Book Value at the time the investment is made;

(e) ~~(d)~~ the Trust may, directly or indirectly (including by investments by its subsidiaries), invest in a joint venture arrangement for the purposes of owning interests or investments otherwise permitted to be held by the Trust; provided that such joint venture arrangement contains terms and conditions which, in the opinion of management, are commercially reasonable, including without limitation such terms and conditions relating to restrictions on the transfer, acquisition and sale of the Trust~~'~~'s and any joint venturer~~'~~'s interest in the joint venture arrangement, provisions to provide liquidity to the Trust, provisions to limit the liability of the Trust and its Unitholders to third parties, and provisions to provide for the participation of the Trust in the management of the joint venture arrangement. For purposes hereof, a joint venture arrangement is an arrangement between the Trust and one or more other persons pursuant to which the Trust, directly or indirectly, conducts an undertaking for one or more of the purposes set out in the investment guidelines of the Trust and in respect of which the Trust may hold its interest jointly or in common or in

another manner with others either directly or through the ownership of securities of a corporation, partnership (general or limited), limited liability company or other entity;

(f) (e) except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province of Canada, short-term government debt securities or money market instruments maturing prior to one year from the date of issue and except as permitted pursuant to the investment guidelines and operating policies of the Trust, the Trust may not hold, directly or indirectly (including by investments by its subsidiaries), securities of a person other than to the extent such securities would constitute an investment in real property (as determined by the Trustees) and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, but in all events subject to Subsection (bc) above, the Trust may acquire securities of other real estate investment trusts, "mutual fund trusts" (as such term is defined in the Tax Act) and "mutual fund corporations" (as such term is defined in the Tax Act);

(g) (f) the Trust shall not invest, directly or indirectly (including by investments by its subsidiaries), in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;

(h) (g) the Trust shall not invest, directly or indirectly (including by investments by its subsidiaries), in operating businesses unless such investment is an indirect investment and is incidental to a transaction:

(A) where revenue will be derived, directly or indirectly, principally from real property; or

(B) which principally involves the ownership, maintenance, development, improvement, leasing or management, directly or indirectly, of real property (in each case as determined by the Trustees);

(i) (h) the Trust may invest, directly or indirectly (including by investments by its subsidiaries), in mortgages and, mortgage bonds (including participating or convertible mortgages) and mezzanine loans and similar instruments where:

(i) the real property which is security therefor is real property which otherwise meets the other investment guidelines of the Trust; and

(ii) the aggregate book value of the investments of the Trust in mortgages, after giving effect to the proposed investment, will not exceed 15% of Gross Book Value;

(j) the Trust may invest an amount (measured as the Trust's proportionate share for investments not wholly-owned by the Trust, directly or indirectly) up to 10% of Gross Book Value of the Trust in investments which do not comply with one or more of paragraphs (a), (b), (e), (f), (h) and (i) of this Section 6.1.

For the purpose of the foregoing restrictionsinvestment guidelines, the assets, liabilities and transactions of a corporation, trust or, partnership, limited liability company or other entity wholly or partially-owned by the Trust, will be deemed to be those of the Trust on a proportionate consolidation basis. In addition, any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement that invests in real property.

6.2 Operating Policies

The operations and affairs of the Trust are to be conducted in accordance with the following policies:

(a) the Trust shall not purchase, sell, market or trade, directly or indirectly (including by investments by its subsidiaries), in currency or interest rate futures contracts otherwise than for hedging purposes where, for the purposes hereof, the term "hedging" has the meaning ascribed thereto by National Instrument 81-102 adopted by the Canadian Securities Administrators, as replaced or amended from time to time;

(b) (i) any written instrument creating an obligation which is or includes the granting by the Trust or subsidiary of a mortgage; and

(ii) to the extent the Trustees determine to be practicable and consistent with their fiduciary duties to act in the best interest of the Unitholders, any written instrument which is, in the judgment of the Trustees, a material obligation,

shall contain a provision, or be subject to an acknowledgement to the effect, that the obligation being created is not personally binding upon, and that resort must not be had to, nor will recourse or satisfaction be sought from, by lawsuit or otherwise the private property of any of the Trustees, Unitholders, annuitants or beneficiaries under a plan of which a Unitholder acts as a trustee or carrier, or officers, employees or agents of the Trust, but that only property of the Trust or a specific portion thereof is bound; the Trust, however, is not required, but must use all reasonable efforts, to comply with this requirement in respect of obligations assumed by the Trust upon the acquisition of real property;

(c) the Trust shall not lease or sublease, directly or indirectly (including by investments by its subsidiaries), to any person (other than Sobeys) any real property, premises or space where that person and its affiliates would, after the contemplated lease or sublease, be leasing or subleasing real property, premises or space having a fair market value net of encumbrances in excess of ~~15~~20% of Gross Book Value;

(d) the limitation contained in Subsection (c) will not apply to the renewal of a lease or sublease and will not apply where the lessee or sublessee is, or where the lease or sublease is guaranteed by: (i) the Government of Canada, any province or territory of Canada, any municipality or city in Canada or any agency or crown corporation thereof; (ii) any entity, of which any of the bonds, debentures or other evidences of indebtedness of, or guaranteed by, such entity, or any of the other securities of such entity, have received and continue to hold, an investment grade rating from a recognized credit rating agency, in each case at the time the lease or sublease is entered into, or at the time other satisfactory leasing or pre-leasing arrangements (as determined by the Trustees) were entered into; or (iii) a Canadian chartered bank or a trust company or insurance company registered or licensed federally or under the laws of a province of Canada;

(e) title to each real property shall be held by and registered in the name of the Trust, the Trustees or a corporation or other entity wholly-owned, directly or indirectly, by the Trust or jointly-owned, directly or indirectly, by the Trust, with joint venturers;

~~(f) the Trust shall not incur or assume any indebtedness (other than by the assumption of existing indebtedness) or renew or refinance any indebtedness under a mortgage on any~~

~~of the real property of the Trust where (i) in the case of an individual property, the total amount of indebtedness, excluding operating lines, secured by mortgages on such property exceeds 75% of the market value of such individual property; or (ii) in the case of more than one property or a pool or portfolio of properties, the total amount of indebtedness, excluding operating lines, secured by mortgages on such properties exceeds 75% of the market value of such properties on an aggregate basis;~~

(f) ~~(g)~~ the Trust shall not incur or assume, directly or indirectly (including by investments by its subsidiaries), any indebtedness if, after giving effect to the incurrence or assumption of such indebtedness, the total indebtedness of the Trust would be more than 60% of Gross Book Value (65% including any convertible debentures of the Trust);

(g) ~~(h)~~ at no time shall the Trust incur, directly or indirectly (including by investments by its subsidiaries), indebtedness aggregating more than 20% of its Gross Book Value (excluding debt with an original maturity of one year or more falling due in the next 12 months or variable rate debt for which the Trust or a subsidiary has entered into interest rate swap agreements to fix the interest rate for a one year period or more) at floating interest rates or having maturities of less than one year unless otherwise approved by the Trustees;

(h) ~~(i)~~ the Trust shall not directly or indirectly (including by investments by its subsidiaries) guarantee any indebtedness or liabilities of any kind of a third party, except indebtedness or liabilities assumed or incurred by an entity in which the Trust holds an interest, directly or indirectly (including by investments by its subsidiaries), or by an entity jointly owned by the Trust or a subsidiary with joint venturers and operated solely for the purpose of holding a particular property or properties, where such indebtedness, if granted by the Trust directly, would cause the Trust to contravene its investment guidelines or operating policies. The Trust is not required but shall use its reasonable best efforts to comply with this requirement (i) in respect of obligations assumed by the Trust pursuant to the acquisition of real property or (ii) if doing so is necessary or desirable in order to further the initiatives of the Trust permitted under the Declaration of Trust;

~~(j) Unless the acquisition or development has been approved by the Investment Committee in accordance with its mandate which had been approved by the Trustees, no acquisition of a value greater than $5 million may be made nor any development undertaken unless and until the officers of the Trust have prepared and presented to the board of Trustees a written report containing their recommendation that the Trust, directly or indirectly (including by investments by its subsidiaries), make the investment together with a financial analysis of the estimated cost and projected return from the investment and such supplementary information and data (including, without limitation, underlying assumptions, proposed financial arrangements and leasing, economic and market data) as is reasonably necessary to the investment decision;~~

(i) ~~(k)~~ the Trust shall directly or indirectly (including by investments by its subsidiaries) obtain and maintain at all times property insurance coverage in respect of potential liabilities of the Trust and the accidental loss of value of the assets of the Trust from risks, in amounts, with such insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors including the practice of owners of comparable properties;

(j) ~~(l) Unless~~unless the requirement for such an appraisal or engineering survey is waived by the Trustees, the Trust shall obtain an independent appraisal of each property it intends to acquire and an engineering survey with respect to the physical condition thereof (including capital replacement programs); and

(k) ~~(m) Unless~~unless the requirement for such environmental site assessment is waived by the Trustees, the Trust shall (i) obtain a Phase I environmental site assessment, or (ii) be entitled to rely on a Phase I environmental site assessment dated no earlier than 24 months prior to receipt by the Trust, of each real property to be acquired by it, and, if the Phase I environmental site assessment report recommends that a further environmental site assessment be conducted, the Trust shall conduct such further environmental site assessments, in each case by an independent and experienced environmental consultant;

For the purpose of the foregoing restrictions, the assets, liabilities and transactions of a corporation, trust or partnership, or other entity wholly or partially-owned by the Trust, will be deemed to be those of the Trust on a proportionate consolidation basis. In addition, any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement that invests in real property.

6.3 Amendments to Investment Guidelines and Operating Policies

All of the investment guidelines set out in Section 6.1 and the operating policies contained in Subsections 6.2(a), 6.2(c), 6.2(d), 6.2(f), 6.2(g), 6.2(h), 6.2(i), 6.2(~~k~~j)~~,~~ and 6.2(~~l) and 6.2(m~~k) may be amended only with the approval of two-thirds of the votes cast by Unitholders at a meeting called for such purpose. The remaining operating policies may be amended with the approval of a majority of the votes cast by Unitholders at a meeting called for such purpose.

6.4 Application of Investment Guidelines and Operating Policies

With respect to the investment guidelines and operating policies contained in Sections 6.1 and 6.2 and where any maximum or minimum percentage limitation is specified in any of the guidelines and policies therein contained, such guidelines and policies shall, unless otherwise specified, be applied on the basis of the relevant amounts calculated immediately after the making of such investment or the taking of such action. Any subsequent change relative to any percentage limitation, which results from a subsequent change in the Gross Book Value, will not require divestiture of any investment.

6.5 Regulatory Matters

If at any time a government or regulatory authority having jurisdiction over the Trust or any property of the Trust shall enact any law, regulation or requirement which is in conflict with any investment guideline of the Trust then in force (other than Subsection 6.1(b)), such guideline in conflict shall, if the Trustees on the advice of legal counsel to the Trust so resolve, be deemed to have been amended to the extent necessary to resolve any such conflict and, notwithstanding anything to the contrary herein contained, any such resolution of the Trustees shall not require the prior approval of Unitholders.

6.6 Approval Rights

For so long as ECL or its affiliates hold or control at least 20% of the outstanding Units, none of the Trust or its subsidiaries may issue any securities that, in the aggregate, would result in the

dilution of ECL's voting interest to a level less than that required to be maintained pursuant to any agreements to which the Trust is a party without the approval of ECL.

ARTICLE 7
UNITS

7.1 Units

(a) The beneficial interests in the Trust shall be divided into interests of three classes, described and designated as "Trust Units", "Special Voting Units" and "Class C Special Voting Units", respectively, which shall be entitled to the rights and subject to the limitations, restrictions and conditions set out herein. Each Trust Unit, Special Voting Unit and Class C Special Voting Unit shall vest indefeasibly in the holder thereof and the interest of each Unitholder shall be determined by the number of Trust Units, Special Voting Units and Class C Special Voting Units registered in the name of the Trust Unitholder and Special Voting Unitholder, respectively.

(b) The interest of each Unitholder shall be determined by the number of Units registered in the name of the Unitholder. The number of Trust Units, Special Voting Units and Class C Special Voting Units that the Trust may issue shall be unlimited.

(c) The issued and outstanding Trust Units, Special Voting Units and Class C Special Voting Units may be subdivided or consolidated from time to time by the Trustees without notice to or approval of the holders of Trust Units, holders of Special Voting Units or holders of Class C Special Voting Units.

7.2 Special Voting Units and Class C Special Voting Units

(a) Special Voting Units and Class C Special Voting Units shall have no economic entitlement in the Trust but shall entitle the holder to one vote per Special Voting Unit or Class C Special Voting Unit at any meeting of the Unitholders. Special Voting Units may only be issued in connection with or in relation to Class B LP Units and Class C Special Voting Units may only be issued in connection with or in relation to Class C LP Units, in each case for the purpose of providing voting rights with respect to the Trust to the holders of such securities.

(b) Special Voting Units and Class C Special Voting Units shall not be transferable separately from the Exchangeable Units to which they are attached and will automatically be transferred upon the transfer of any such Exchangeable Unit.

(c) Upon the exchange or surrender of an Exchangeable Unit for a Trust Unit, the Special Voting Unit or Class C Special Voting Unit attached to such Exchangeable Unit will automatically be redeemed and cancelled for no consideration without any further action of the Trustees, and the former holder of such Special Voting Unit or Class C Special Voting Unit will cease to have any rights with respect thereto.

(d) Concurrently with the issuance of Special Voting Units or Class C Special Voting Units attached to Exchangeable Units issued from time to time by the Limited Partnership, the Trust shall enter into such agreements (including the Exchange Agreements, as applicable, and the agreement of limited partnership of the Limited Partnership) as may be necessary or desirable to properly provide for the terms of the Exchangeable Units,

including to provide for the voting of such Special Voting Units and Class C Special Voting Units .

7.3 Trust Units

Each Trust Unit shall represent a proportionate, undivided beneficial ownership interest in the Trust and shall confer the right to one vote at any meeting of Unitholders and to participate *pro rata* in any distributions by the Trust and, in the event of termination or winding-up of the Trust, in the net assets of the Trust remaining after satisfaction of all liabilities. No Trust Unit shall have any preference or priority over any other. Trust Units shall rank among themselves equally and rateably without discrimination, preference or priority. Trust Units will be fully paid and non-assessable when issued (unless issued on an instalment receipt basis) and are transferable.

7.4 Consideration for Units

No Units shall be issued other than as fully paid and non-assessable. A Unit shall not be fully paid until the consideration therefor has been received in full by or on behalf of the Trust. The consideration for any Unit shall be paid in money or in property or in past services that are not less in value than the fair equivalent of the money that the Trust would have received if the Unit had been issued for money. In determining whether property or past services are the fair equivalent of consideration paid in money, the Trustees may take into account reasonable charges and expenses of organization and reorganization and payments for property and past services reasonably expected to benefit the Trust.

7.5 Pre-Emptive Rights

Subject to any binding agreement entered into by the Trust, no person shall be entitled, as a matter of right, to subscribe for or purchase any Units of the Trust. There are no pre-emptive rights attaching to the Units except as set out in the Exchange Agreements.

7.6 Fractional Units

If as a result of any act of the Trustees hereunder any person becomes entitled to a fraction of a Unit, such person shall not be entitled to receive a certificate therefor. Fractional Units shall not, except to the extent that they may represent in the aggregate one or more whole Units, entitle the holders thereof to notice of or to attend or to vote at, meetings of Unitholders. Subject to the foregoing, such fractional Units shall have attached thereto the rights, restrictions, conditions and limitations attaching to whole Units in the proportion that they bear to a whole Unit.

7.7 Automatic Consolidation of Trust Units

Unless the Trustees determine otherwise, immediately after any pro rata issuance of additional Trust Units to all holders of Trust Units, pursuant to a distribution contemplated by Section 12.3 or otherwise, the number of the outstanding Trust Units will automatically be consolidated such that each such holder will hold after the Consolidation the same number of Trust Units as such holder held before the issuance of additional Trust Units. In this case, each Trust Unit certificate representing the number of Trust Units prior to the issuance of additional Trust Units is deemed to represent the same number of Trust Units after the issuance of additional Trust Units and the Consolidation.

Notwithstanding the foregoing, where tax is required to be withheld from a Unitholder's share of a distribution completed by the issue of Units, the Consolidation will result in such Unitholder holding that number of Units equal to (i) the number of Units held by such Unitholder prior to the issuance plus the number of Units received by such Unitholder in connection with the issuance (net of

the number of whole and part Units withheld on account of withholding taxes) multiplied by (ii) the fraction obtained by dividing the aggregate number of Units outstanding prior to the issuance by the aggregate number of Units that would be outstanding following the issuance and before the Consolidation if no withholding were required in respect of any part of the distribution payable to any Unitholder. Such Unitholder will be required to surrender the Unit certificates, if any, representing such Unitholder's original Units, in exchange for a Unit certificate representing such Unitholder's post-Consolidation Units.

7.8 Allotment and Issue

Subject to approval rights of ECL contained in the Class B Exchange Agreement, the Trustees may allot and issue Units at such time or times and in such manner (including, without limitation, pursuant to any plan from time to time in effect relating to reinvestment by Unitholders of distributions of the Trust in Units and as consideration for the acquisition of new properties or assets, at a price or for such consideration as determined by the Trustees) and for such consideration and to such person, persons or class of persons as the Trustees in their sole discretion shall determine, except that Special Voting Units may only be issued in connection with or in relation to Class B LP Units and Class C Special Voting Units may only be issued in connection with or in relation to Class C LP Units for the purpose of providing voting rights to the holders of such securities with respect to the Trust. In the event that Units are issued in whole or in part for a consideration other than money, the resolution of the Trustees allotting and issuing such Units shall express the fair equivalent in money of the other consideration received. The price or value of the consideration for which Units may be issued will be determined by the Trustees in their sole discretion, generally in consultation with investment dealers or brokers who may act as underwriters in connection with offerings of Units.

7.9 Rights, Warrants and Options

The Trust may create and issue rights, warrants or options or other instruments or securities to subscribe for fully paid Units which rights, warrants, options, instruments or securities may be exercisable at such subscription price or prices and at such time or times as the Trustees may determine. The rights, warrants, options, instruments or securities so created may be issued for such consideration or for no consideration, all as the Trustees may determine. A right, warrant, option, instrument or security shall not be a Unit and a holder thereof shall not be a Unitholder. Upon the approval by the Independent Trustees of any unit option plan for the Trustees, officers and/or employees of the Trust or any subsidiary of the Trust and/or their personal holding companies or family trusts and/or persons who provide services to the Trust (including pursuant to the Management Cost Sharing Agreement), the Governance and Nominating Committee and Human Resources Committee may, upon receiving authority from the Trustees, recommend to the Trustees the granting of options upon the terms and subject to the conditions set forth in such plan.

Subject to the provisions of Article 6 hereof, the Trustees may create and issue indebtedness of the Trust in respect of which interest, premium or principal payable thereon may be paid, at the option of the Trust or the holder, in fully paid Units, or which indebtedness, by its terms, may be convertible into Units at such time and for such prices as the Trustees may determine. Any indebtedness so created shall not be a Unit and a holder thereof shall not be a Unitholder unless and until fully paid Units are issued in accordance with the terms of such indebtedness.

7.10 Commissions and Discounts

The Trustees may provide for the payment of commissions or may allow discounts to persons in consideration of their subscribing or agreeing to subscribe, whether absolutely or

conditionally, for Units or other securities issued by the Trust or of their agreeing to procure subscriptions therefor, whether absolute or conditional.

7.11 Transferability

The Trust Units are freely transferable and, except as stipulated in Section 7.12, the Trustees shall not impose any restriction on the transfer of Trust Units by any Trust Unitholder except with the consent of such Trust Unitholder. Special Voting Units and Class C Special Voting Units will not be transferable separately from the Exchangeable Units to which they are attached and will be automatically transferred upon the transfer of such Exchangeable Unit.

7.12 Transfer of Units

(a) Subject to the provisions of this Article 7, the Units shall be for all purposes of the Trust and this Declaration of Trust, personal and moveable property, and the Units shall be fully transferable without charge as between persons, but no transfer of Units shall be effective as against the Trustees or shall be in any way binding upon the Trustees until the transfer has been recorded on the Register maintained by the Trustees, the Trust or the Transfer Agent. No transfer of a Unit shall be recognized unless such transfer is of a whole Unit.

(b) Subject to the provisions of this Article 7, Units shall be transferable on the Register only by the holders of record thereof or their executors, administrators or other legal representatives or by their agents or attorneys duly authorized in writing, and only upon delivery to the Trust or to the Transfer Agent of the certificate therefor, properly endorsed or accompanied by a duly executed instrument of transfer or power of attorney and accompanied by all necessary transfer or other taxes imposed by law, together with such evidence of the genuineness of such endorsement, execution and authorization and other matters that may reasonably be required by the Trustees or the Transfer Agent. Upon such delivery the transfer shall be recorded on the Register or branch transfer registers and a new Unit Certificate for the Units shall be issued to the transferee and a new Unit Certificate for the balance of Units not transferred shall be issued to the transferor.

(c) Unit Certificates representing any number of Trust Units may be exchanged without charge for Unit Certificates representing an equivalent number of Trust Units in the aggregate. Any exchange of Unit Certificates may be made at the offices of the Trust or the Transfer Agent where registers are maintained for Unit Certificates pursuant to the provisions of this Article 7. Any Unit Certificates tendered for exchange shall be surrendered to the Trustees or appropriate Transfer Agent and then shall be cancelled.

7.13 Non-Resident Ownership Constraint

At no time may Non-Residents be the beneficial owners of more than 49% of the Units then outstanding and the Trustees will inform the Transfer Agent and Registrar of this restriction. The Trustees may require declarations as to the jurisdictions in which beneficial owners of Units are resident. If the Trustees become aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 49% of the Units then outstanding are, or may be, Non-Residents or that such a situation is imminent, the Trustees may make a public announcement thereof and the Transfer Agent shall not accept a subscription for Units from or issue Units to a person unless the person provides a declaration that the person is not a Non-Resident.

If, notwithstanding the foregoing, the Trustees determines that more than 49% of the Units are held by Non-Residents, the Trustees may send a notice to Non-Resident holders of Units, chosen in inverse order to the order of acquisition or registration or in such other manner as the Trustees may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 60 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Trustees with satisfactory evidence that they are not Non-Residents within such period, the Trustees may, on behalf of such Unitholders sell such Units without further notice and, in the interim, must suspend the voting and distribution rights attached to such Units. Upon such sale the affected holders shall cease to be holders of Units and their rights will be limited to receiving the net proceeds of sale, subject to the right to receive payment of any distribution declared by the Trustees which is unpaid and owing to such Unitholders. The Trustees shall have no liability for the amount received provided that they act in good faith.

Special Voting Units (together with the Class B LP Units to which they are attached) may not be transferred to Non-Residents.

For greater certainty, the Trust may sell Units in accordance with the terms hereof despite the fact that the Trust does not possess the Unit Certificate or Unit Certificates, if any, representing the Units at the time of the sale. Where, in accordance with this Section 7.13, Units are sold by the Trust without possession of the Unit Certificate or Unit Certificates, if any, representing the same and, after the sale, a person establishes that it is a bona fide purchaser without notice of the Units from the Unitholder, then, subject to applicable law:

(a) the Trust shall be entitled to treat the Units so purchased by the bona fide purchaser as validly issued and outstanding Units in addition to the Units sold by the Trust; and

(b) notwithstanding any other provisions of this Declaration of Trust, the Trust is entitled to the deposit made with respect to such sale and shall add the amount of the deposit to the capital account maintained by the Trust in respect of outstanding Units.

The Trustees shall have the sole right and authority to make any determination required or contemplated under this Section 7.13. The Trustees shall make all determinations necessary for the administration of the provisions of this Section 7.13 and, without limiting the generality of the foregoing, if the Trustees consider that there are reasonable grounds for believing that a contravention of the non-resident ownership restriction has occurred or will occur, the Trustees shall make a determination with respect to the matter. Any such determination shall be conclusive, final and binding except to the extent modified by any subsequent determination by the Trustees. Notwithstanding the foregoing, the Trustees may delegate, in whole or in part, their power to make a determination to any officer of the Trust.

The transfer of Units shall be restricted such that the Units shall not be transferred except as permitted under U.S. federal and state securities laws, and no Unit shall be subject to registration under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"). The Trust shall not be subject to registration as an "investment company" under the *United States Investment Company Act of 1940*, as amended (the "**U.S. Investment Company Act**"). Each Unit issued to a purchaser within the United States will bear a legend referring to these restrictions. Without the prior written consent of the Trust, no transfer of Units (or any interest therein) shall be permitted (i) within the United States unless the transfer is made in accordance with U.S. federal and state securities laws and the transferee is a "**Qualified Purchaser**" (within the meaning of Section 2(a)(51) of the U.S. Investment Company Act), or (ii) outside the United States unless the transfer is made in accordance with U.S. federal securities laws and such transfer will not result in the Trust being required to register as an "investment company" under the U.S. Investment Company Act.

At no time may a Unitholder (i) within the United States be a person other than a "Qualified Purchaser" (within the meaning of Section 2(a)(51) of the U.S. Investment Company Act), or (ii) outside the United States be a person which by holding Units would cause the Trust to be required to register as an "investment company" under the U.S. Investment Company Act, and the Trustees shall inform the Transfer Agent and Registrar of this restriction. The Trustees shall be authorized to require declarations as to whether any beneficial owner of Units is a "U.S. Person" (within the meaning of Regulation S under the U.S. Securities Act) and such person's status relative to the above described restrictions. If the Trustees become aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that holder of the Units (A) within the United States is not, or may not be, a "Qualified Purchaser" (within the meaning of Section 2(a)(51) of the U.S. Investment Company Act) or (B) outside the United States is, or may be, a "U.S. Person" (within the meaning of Regulation S under the U.S. Securities Act) and, in each case, if this would result in the Trust being required to register as an "investment company" under the U.S. Investment Company Act, or that such a situation is imminent, the Trustees may make a public announcement thereof and the Transfer Agent shall not accept a subscription for Units from or issue or register a transfer of Units to a person unless such person provides a declaration, in form and content satisfactory to the Trustees, that the transfer would not result in the Trust being required to register as an "investment company" under the U.S. Investment Company Act. If, notwithstanding the foregoing, the Trustees determine that the transfer would result in the Trust being required to register as an "investment company" under the U.S. Investment Company Act, the Trustees shall send a notice to the holders of Units proposing such transfers, requiring them to sell their Units or a portion thereof within a specified period of not less than 60 days on a basis that does not result in a contravention of this Section 7.13. The notice shall also require such Unitholder to notify the Trust of the transfer when completed. If the Unitholder receiving such notice has not provided the Trustees with satisfactory evidence that the transfer would not result in the Trust being required to register as an "investment company" under the U.S. Investment Company Act, the Trustees may, on behalf of such Unitholder, sell such Units without further notice and, in the interim, shall suspend the voting and distribution rights attached to such Units. For all purposes of such sale, the Trustees and any Registrar or Transfer Agent shall be deemed to be the agents and lawful attorneys of such Unitholder. Upon such sale, the affected holder shall cease to be a holder of Units and its rights shall be limited to receiving the net proceeds of sale upon surrender of the Unit Certificates representing such Units, subject to the right to receive payment of any distribution declared by the Trustees which is unpaid and owing to such Unitholder. The Trustees shall have no liability for the amount received provided that they act in good faith.

7.14 Book Based System and Non-Certificated Inventory System

The provisions of this Section 7.14 shall not in any way alter the nature of Units or the relationships of a Unitholder to the Trustees and of one Unitholder to another but are intended only to facilitate the issuance of certificates evidencing the ownership of Units, if desirable to issue them to Unitholders, and the recording of all transactions in respect of Units and Unit Certificates whether by the Trust, securities dealers, stock exchanges, transfer agents, registrars or other persons.

Except as otherwise provided below, the Units will be represented in the form of one or more fully registered global unit certificates (each a "**Global Unit Certificate**") held by, or on behalf of, CDS, as depository of the Global Unit Certificates for the participants of CDS, registered in the name of CDS or its nominee, and registration of ownership and transfers of the Units will be effected only through the book-based system administered by CDS.

The Trust may, in its sole discretion, have its Units represented electronically through the NCI system of CDS. If the Units are held electronically through the NCI system of CDS, the Trust, via its Transfer Agent, will electronically transfer the Units registered to CDS or its nominee through the

Global Unit Certificate to the NCI system of CDS, and CDS will credit interests in such Units to the accounts of such current Unitholders.

Except as described below, no purchaser of a Unit will be entitled to a certificate or other instrument from the Trust evidencing that purchaser's ownership thereof, and no holder of a beneficial interest in a Unit (a "**Beneficial Owner**") will be shown on the records maintained by CDS except through book-entry accounts of a participant of CDS acting on behalf of the Beneficial Owners. CDS will be responsible for establishing and maintaining book-entry accounts for its participants having interests in the Global Unit Certificates. Sales of interests in the Global Unit Certificates or electronically through the NCI system of CDS, if applicable, can only be completed through participants in the depository services of CDS.

Units will be issued in fully registered form to holders or their nominees, if any, who purchase the Units pursuant to the private placement of Units made in reliance upon Rule 144A adopted under the *United States Securities Act of 1933*, and to transferees thereof in the United States who purchase such Units in reliance upon such Rule. Likewise, any Units transferred to a transferee within the United States or outside the United States to a "U.S. Person" (within the meaning of Regulation S) will be evidenced in definitive certificates representing any such Units unless the Trust otherwise agrees that such Units need not be evidenced in definitive securities. If any such Units represented by definitive certificates are subsequently traded into Canada or otherwise outside the United States in compliance with Regulation S, the Transfer Agent will deliver a certificate registered in the name of CDS or its nominee representing such Units and, thereafter, registration of ownership and transfers of such Units will be made through the book-based system administered by CDS. Without the prior written consent of the Trust, no Units may be transferred within the United States unless the transferee is a "Qualified Purchaser" (within the meaning of Section 2(a)(51) of the U.S. Investment Company Act) and the transfer is in compliance with U.S. federal and state securities laws. Without the prior written consent of the Trust, no Units may be transferred outside the United States if such transfer would result in the Trust being required to register as an "investment company" under the U.S. Investment Company Act; and (B) unless in accordance with Regulation S under the U.S. Securities Act.

Except in the case of United States purchasers, Units will be issued in fully registered form to holders or their nominees, other than CDS or its nominee, only if: (i) the Trust is required to do so by applicable law; (ii) the depository system of CDS ceases to exist; (iii) the Trust determines that CDS is no longer willing or able or qualified to discharge properly its responsibility as depository and the Trust is unable to locate a qualified successor; or (iv) the Trust at its option elects to terminate the Book-Entry System in respect of the Units through CDS.

All references herein to actions by, notices given or payments made to Unitholders shall, where such Units are held through CDS, refer to actions taken by, or notices given or payments made to, CDS upon instruction from the CDS Participants in accordance with CDS's rules and procedures. For the purposes of any provision hereof requiring or permitting actions with the consent of or at the direction of Unitholders evidencing a specified percentage of the aggregate Units outstanding, such direction or consent may be given by Unitholders acting through CDS and the CDS Participants owning Units evidencing the requisite percentage of the Units. The rights of a Unitholder whose Units are held through CDS shall be exercised only through CDS and the CDS Participants and shall be limited to those established by law and agreements between such Unitholders and CDS and/or the CDS Participants or upon instruction from the CDS Participants. Each of the Transfer Agent and the Trustees may deal with CDS for all purposes (including the making of payments) as the authorized representative of the respective Unitholders and such dealing with CDS shall constitute satisfaction or performance, as applicable, towards their respective obligations hereunder.

For so long as Units are held through CDS, if any notice or other communication is required to be given to Unitholders, the Trustees and the Transfer Agent will give all such notices and communications to CDS.

If CDS resigns or is removed from its responsibilities as depository and the Trustees are unable or do not wish to locate a qualified successor, CDS shall surrender the Global Unit Certificate, or if held electronically through the NCI system of CDS, the Units held by it, to the Transfer Agent with instructions from CDS for registration of Units in the name and in the amounts specified by CDS and the Trust shall issue and the Trustee and Transfer Agent shall execute and deliver the aggregate number of Units then outstanding in the form of definitive Unit Certificates representing such Units.

7.15 Redemption of Trust Units

(a) Each Trust Unitholder shall be entitled to require the Trust to redeem at any time or from time to time at the demand of the Trust Unitholder all or any part of the Trust Units registered in the name of the Trust Unitholder at the prices determined and payable in accordance with the conditions hereinafter provided.

(b)

(i) To exercise a Trust Unitholder's right to require redemption under this Section 7.15, a duly completed and properly executed notice requiring the Trust to redeem Trust Units, in a form reasonably acceptable to the Trustees, together with written instructions as to the number of Trust Units to be redeemed, shall be sent to the Transfer Agent with a copy to the Trust at the head office of the Trust. A Unitholder not otherwise holding a registered Trust Unit certificate that wishes to exercise the redemption right will be required to obtain a redemption notice form from the Unitholder's investment dealer who will be required to deliver the completed redemption notice form to the Trust and to CDS. No form or manner of completion or execution shall be sufficient unless the same is in all respects reasonably acceptable to the Trustees and is accompanied by any further evidence that the Trustees may reasonably require with respect to the identity, capacity or authority of the person giving such notice.

(ii) Upon receipt by the Transfer Agent and the Trust of the notice to redeem Trust Units, the Trust Unitholder shall thereafter cease to have any rights with respect to the Trust Units tendered for redemption (other than to receive the redemption payment therefor) including the right to receive any distributions thereon which are declared payable to the Trust Unitholders of record on a date which is subsequent to the day of receipt by the Trust of such notice. Trust Units shall be considered to be tendered for redemption on the date that the Trust has, to the satisfaction of the Trustees, received the notice and other required documents or evidence as aforesaid.

(c)

(i) Upon receipt by the Transfer Agent and the Trust of the notice to redeem Trust Units in accordance with this Section 7.15, the holder of the Trust Units tendered for redemption shall be entitled to receive a price per Trust Unit (the "**Redemption Price**") equal to the lesser of:

(A) 90% of the "market price" of the Trust Units calculated on the date (the "**Redemption Date**") on which the Trust Units were surrendered for redemption; and

(B) 100% of the "closing market price" on the principal market on which the Trust Units are listed for trading, on the Redemption Date;

For the purposes of this calculation, "**market price**" as at a specified date will be:

(C) an amount equal to the weighted average trading price of a Trust Unit on the principal exchange or market on which the Trust Units are listed or quoted for trading during the period of ~~ten~~10 consecutive trading days ending on such date;

(D) an amount equal to the weighted average of the closing market prices of a Trust Unit on the principal exchange or market on which the Trust Units are listed or quoted for trading during the period of ~~ten~~10 consecutive trading days ending on such date, if the applicable exchange or market does not provide information necessary to compute a weighted average trading price; or

(E) if there was trading on the applicable exchange or market for fewer than five of the ~~ten~~10 trading days, an amount equal to the simple average of the following prices established for each of the ~~ten~~10 consecutive trading days ending on such date: the simple average of the last bid and last asking price of the Trust Units for each day on which there was no trading; the closing price of the Trust Units for each day that there was trading if the exchange or market provides a closing price; and the simple average of the highest and lowest prices of the Trust Units for each day that there was trading, if the market provides only the highest and lowest prices of Trust Units traded on a particular day.

The "**closing market price**" of a Trust Unit for the purpose of the foregoing calculations, as at any date will be:

(F) an amount equal to the weighted average trading price of a Trust Unit on the principal exchange or market on which the Trust Units are listed or quoted for trading on the specified date and the principal exchange or market provides information necessary to compute a weighted average trading price of the Trust Units on the specified date;

(G) an amount equal to the closing price of a Trust Unit on the principal market or exchange if there was a trade on the specified date and the principal exchange or market provides only a closing price of the Trust Units on the specified date;

(H) an amount equal to the simple average of the highest and lowest prices of the Trust Units on the principal market or exchange, if there was trading on the specified date and the principal exchange or market provides only the highest and lowest trading prices of the Trust Units on the specified date; or

(I) the simple average of the last bid and last asking prices of the Trust Units on the principal market or exchange, if there was no trading on the specified date.

If Trust Units are not listed or quoted for trading in a public market, the Redemption Price will be the fair market value of the Trust Units, which will be determined by the Trustees in their sole discretion.

(ii) Subject to Subsections 7.15(d) and 7.15(e), the Redemption Price payable in respect of the Trust Units tendered for redemption during any calendar month shall be paid by cheque, drawn on a Canadian chartered bank or a trust company in lawful money of Canada, payable at par to, or to the order of, the Unitholder who exercised the right of redemption within 30 days after the end of the calendar month in which the Trust Units were tendered for redemption. Payments made by the Trust of the Redemption Price are conclusively deemed to have been made upon the mailing of a cheque in a postage prepaid envelope addressed to the former Unitholder unless such cheque is dishonoured upon presentment. Upon such payment, the Trust shall be discharged from all liability to the former Unitholder in respect of the Trust Units so redeemed.

(d) Paragraph 7.15(c)(ii) shall not be applicable to Trust Units tendered for redemption by a Trust Unitholder, if:

(i) the total amount payable by the Trust pursuant to Subsection 7.15(c) in respect of such Trust Units and all other Trust Units tendered for redemption in the same calendar month exceeds $50,000 (the "**Monthly Limit**"); provided that the Trustees may, in their sole discretion, waive such limitation in respect of all Trust Units tendered for redemption in any calendar month and, in the absence of such a waiver, Trust Units tendered for redemption in any calendar month in which the total amount payable by the Trust pursuant to Paragraph 7.15(c)(ii) exceeds the Monthly Limit will be redeemed for cash pursuant to Paragraph 7.15(c)(ii) and, subject to any applicable regulatory approvals, by a distribution *in specie* of assets held by the Trust on a *pro rata* basis;

(ii) at the time the Trust Units are tendered for redemption, the outstanding Trust Units are not listed for trading on the TSX or traded or quoted on any stock exchange or market which the Trustees consider, in their sole discretion, provides representative fair market value prices for the Trust Units; or

(iii) the normal trading of the outstanding Trust Units is suspended or halted on any stock exchange on which the Trust Units are listed for trading or, if not so listed, on any market on which the Trust Units are quoted for trading, on the Redemption Date for such Trust Units or for more than five trading days during the 10 trading day period commencing immediately after the Redemption Date for such Trust Units.

(e) To the extent that Paragraph 7.15(c)(ii) is not applicable to all of the Trust Units tendered for redemption by a Unitholder pursuant to Subsection 7.15(d), the balance of the Redemption Price per Trust Unit specified in Subsection 7.15(c) shall, subject to receipt of all necessary regulatory approvals (which the Trust shall use reasonable commercial efforts to obtain forthwith), be paid and satisfied by way of the issuance, at the discretion of the Trustees, to such Trust Unitholder of Redemption Notes. Upon such

payment, together with any cash payable to the Trust Unitholder pursuant to Paragraph 7.15(c)(ii), the Trust shall be discharged from all liability to such former Trust Unitholder and any party having a security interest in respect of the Trust Units so redeemed. In the event of the issuance of Redemption Notes, each Redemption Note so issued to the redeeming holder of Trust Units shall be in the principal amount of $100 or such other amount as may be determined by the Trustees. No fractional Redemption Notes shall be issued and where the number of Redemption Notes to be received upon redemption by a holder of Trust Units would otherwise include a fraction, that number shall be rounded down to the next lowest whole number, and the balance shall be paid in cash . The Trustees may deduct or withhold from all payments or other distributions payable to any Trust Unitholder pursuant to this Article VII all amounts required by law to be so withheld.

(f) All Trust Units which are redeemed under this Section 7.15 shall be cancelled and such Trust Units shall no longer be outstanding and shall not be reissued.

(g) At the discretion of the Trustees, the payment of the Redemption Price to any Unitholder as provided in this Section 7.15 may be satisfied *in specie* by the delivery of Subsidiary Securities of the Trust having a fair market value, as determined by the Trustees in their sole discretion, equal to the applicable Redemption Price.

7.16 Certificate Fee

The Trustees may establish a reasonable fee to be charged for every Unit Certificate issued.

7.17 Form of Unit Certificate

The form of certificate representing Trust Units and the instrument of transfer, if any, on the reverse side thereof shall be in such form as is from time to time authorized by the Trustees.

7.18 Trust Unit Certificates

(a) Unit Certificates shall, subject to the provisions hereof, be in such form as is authorized from time to time by the Trustees.

(b) If issued, Unit Certificates are issuable only in fully registered form.

(c) The definitive form of the Unit Certificates shall:

(i) be in the English language or in the English language and the French language;

(ii) be dated as of the date of issue thereof; and

(iii) contain such distinguishing letters and numbers as the Trustees shall prescribe.

(d) In the event that the Unit Certificate is translated into the French language and any provision of the Unit Certificate in the French language shall be susceptible of an interpretation different from the equivalent provision in the English language, the interpretation of such provision in the English language shall be determinative.

(e) Each Unit Certificate shall be signed on behalf of the Trustees and if so decided by the Trustees, signed or certified by the Transfer Agent of the Trust. The signature of the Trustees required to appear on such certificate may be printed, lithographed or otherwise mechanically reproduced thereon and, in such event, certificates so signed are as valid as if they bad been signed manually. If a Unit Certificate contains the printed or mechanically reproduced signature of a person, then the Trust may issue the Unit Certificate even though such person has ceased to be a Trustee or an authorized representative thereof and such Unit Certificate is a valid as if such person continued to be a Trustee or an authorized representative thereof at the date of its issue.

7.19 Contents of Trust Unit Certificates

(a) Until otherwise determined by the Trustees, each Unit Certificate shall legibly set forth on the face thereof, *inter alia*, the following:

(i) the name of the Trust and the words "A trust governed under the laws of the Province of Ontario governed by a Declaration of Trust made the 1st day of January, 2006, as amended from time to time" or words of like effect;

(ii) the name of the person to whom the Unit Certificate is issued as Unitholder;

(iii) the number of Units represented thereby and whether or not the Units represented thereby are fully paid;

(iv) that the Units represented thereby are transferable;

(v) "The Units represented by this certificate are issued upon the terms and subject to the conditions of the Declaration of Trust, which Declaration of Trust is binding upon all holders of Units and, by acceptance of this certificate, the holder assents to the terms and conditions of the Declaration of Trust. A copy of the Declaration of Trust, pursuant to which this certificate and the Units represented thereby are issued, may be obtained by a Unitholder on demand and without fee from the head office of the Trust" or words of like effect; and

(vi) "For information as to personal liability of a Unitholder, see the reverse side of this certificate" or words of like effect.

(b) Until otherwise determined by the Trustees, each such certificate shall legibly set forth on the reverse side thereof, *inter alia*, the following:

(i) "The Declaration of Trust provides that no Unitholder shall be subject to any personal liability whatsoever, in tort, contract or otherwise, to any person in connection with the assets of the Trust or the obligations or the affairs of the Trust and all such persons shall look solely to the assets of the Trust for satisfaction of claims of any nature arising out of or in connection therewith and the assets of the Trust only shall be subject to levy or execution", or words of like effect; and

(ii) appropriate forms of notice of exercise of the right of redemption and of powers of attorney for transferring Units.

The Unit Certificates may be engraved, printed or lithographed, or partly in one form and partly in another, as the Trustees may determine.

7.20 Register of Unitholders

A register (the "**Register**") shall be kept at the principal office of the Trust, which Register shall contain the names and addresses of the Unitholders, the respective numbers of Units held by them, the certificate numbers of certificates representing such Units and a record of all transfers and redemptions thereof, which Register shall be a duplicate of the register maintained by the Transfer Agent. Only Unitholders whose certificates are so recorded shall be entitled to receive distributions or to exercise or enjoy the rights of Unitholders hereunder. The Trustees shall have the right to treat the person registered as a Unitholder on the Register as the owner of such Units for all purposes, including, without limitation, payment of any distribution, giving notice to Unitholders and determining the right to attend and vote at meetings of Unitholders.

7.21 Successors in Interest to Unitholders

Any person purporting to become entitled to any Units as a consequence of the death, bankruptcy or incompetence of any Unitholder or otherwise by operation of law, shall be recorded in the Register as the holder of such Units, but until such record is made, the Unitholder of record shall continue to be and shall be deemed to be the holder of such Units for all purposes whether or not the Trust, the Trustees or the Transfer Agent or registrar of the Trust shall have actual or other notice of such death, bankruptcy, incompetence or other event and any person becoming entitled to such Units shall be bound by every notice or other document in respect of the Units which shall have been duly given to the person from whom such person derives title to such Units. Once such record is made, the Trustees shall deal with the new holder of such units as Unitholder from thereon and shall have no liability to any other person purporting to have been entitled to the Units prior to the making of such record.

7.22 Units Held Jointly or in Fiduciary Capacity

The Trust may treat two or more persons holding any Unit as joint tenants of the entire interest therein unless the ownership is expressly otherwise recorded in the Register, but no entry shall be made in the Register that any person is in any other manner entitled to any future, limited or contingent interest in any Unit; provided, however, that any person recorded in the Register as a Unitholder may, subject to the provisions herein contained, be described in the Register as a fiduciary of any kind and any customary words may be added to the description of the holder to identify the nature of such fiduciary relationship.

7.23 Performance of Trusts

None of the Trustees of the Trust, the officers of the Trust, the Unitholders or the Transfer Agent or other agent of the Trust or the Trustees shall have a duty to inquire into any claim that a transfer of a Unit or other security of the Trust was or would be wrongful or that a particular adverse person is the owner of or has an interest in the Unit or other security or any other adverse claim, or be bound to see to the performance of any trust, express, implied or constructive, or of any charge, pledge or equity to which any of the Units or other securities or any interest therein are or may be subject, or to ascertain or inquire whether any sale or transfer of any such Units or other securities or interest therein by any such Unitholder or holder of such security or his personal representatives is authorized by such trust, charge, pledge or equity, or to recognize any person as having any interest therein, except for the person recorded as Unitholder.

7.24 Lost Unit Certificates

In the event that any Unit Certificate is lost, stolen, destroyed or mutilated, the Trustees may authorize the issuance of a new Unit Certificate for the same number of Trust Units in lieu thereof. The Trustees may in their discretion, before the issuance of such new Unit Certificate, require the owner of the lost, stolen, destroyed or mutilated Unit Certificate, or the legal representative of the owner, to make such affidavit or statutory declaration, setting forth such facts as to the loss, theft, destruction or mutilation as the Trustees or any officers of the Trust deem necessary and may require the applicant to surrender any mutilated Unit Certificate and to require the applicant to supply to the Trust a "lost certificate bond" or similar bond in such reasonable amount as the Trustees direct indemnifying the Trustees or any officers of the Trust and the Transfer Agent for so doing. The Trustees or any officers of the Trust shall have the power to acquire from an insurer or insurers a blanket lost security bond or bonds in respect of the replacement of lost, stolen, destroyed or mutilated Unit Certificates. The Trust shall pay all premiums and other sums of money payable for such purpose out of the property of the Trust with such contribution, if any, by those insured as may be determined by the Trustees or any officers of the Trust. If such blanket lost security bond is acquired, the Trustees or any officers of the Trust may authorize and direct (upon such terms and conditions as they from time to time impose) any registrar, transfer agent, trustee or others to whom the indemnity of such bond extends to take such action to replace such lost, stolen, destroyed or mutilated Unit Certificates without further action or approval by the Trustees or any officers of the Trust.

7.25 Death of Unitholders

The death of a Unitholder during the continuance of the Trust shall not terminate the Trust or give the personal representatives or the heirs of the estate of the deceased Unitholder a right to an accounting or to take any action in the courts or otherwise against other Unitholders or the Trustees, officers of the Trust or the property of the Trust, but shall only entitle the personal representatives or the heirs of the estate of the deceased Unitholder to succeed to all rights of the deceased Unitholder under this Declaration of Trust.

7.26 Unclaimed Payments

In the event that the Trustees hold any amounts to be paid to Trust Unitholders under Article 12 or otherwise because such amounts are unclaimed or cannot be paid for any reason, neither the Trustees nor any distribution disbursing agent shall be under any obligation to invest or reinvest the same and shall only be obligated to hold the same in a current or other non-interest bearing account with a chartered bank or trust company, pending payment to the person or persons entitled thereto. The Trustees shall, as and when required by law, and may at any time prior to such required time, pay all or part of such amounts so held to a court in the province where the Trust has its principal office or to the Public Guardian and Trustee (or other similar government official or agency) in the province where the Trust has its principal office whose receipt shall be a good and sufficient discharge of the obligations of the Trustees.

7.27 Repurchase of Units

The Trust shall be entitled to purchase for cancellation at any time the whole or from time to time any part of the outstanding Units, at a price per Unit and on a basis determined by the Trustees in compliance with all applicable Securities Laws or the rules or policies of any applicable stock exchange.

7.28 Take-Over Bids

(a) If within 120 days after the date of a take-over bid the bid is accepted by the holders of not less than 90% of the Trust Units, other than Trust Units held at the date of the take-over bid by or on behalf of the offeror or an affiliate or associate of the offeror, the offeror is entitled, on complying with this Section 7.28, to acquire the Trust Units held by the dissenting offerees.

(b) An offeror may acquire Trust Units held by a dissenting offeree by sending by registered mail within 60 days after the date of termination of the take-over bid and in any event within 180 days after the date of the take-over bid, an offeror's notice to each dissenting offeree stating that:

(i) the offerees holding more than 90% of the Trust Units to which the bid relates accepted the take-over bid;

(ii) the offeror is bound to take up and pay for or has taken up and paid for the Trust Units of the offerees who accepted the take-over bid;

(iii) a dissenting offeree is required to elect:

(A) to transfer his Trust Units to the offeror on the terms on which the offeror acquired the Trust Units of the offerees who accepted the takeover bid, or

(B) to demand payment of the fair value of his Trust Units in accordance with Subsections 7.28(h) to 7.28(q) by notifying the offeror within 20 days after he receives the offeror's notice;

(iv) a dissenting offeree who does not notify the offeror in accordance with Subparagraph 7.28(b)(iii)(B) is deemed to have elected to transfer his Trust Units to the offeror on the same terms that the offeror acquired the Trust Units from the offerees who accepted the take-over bid; and

(v) a dissenting offeree must send his Trust Units to which the take-over bid relates to the Trust within 20 days after he receives the offeror's notice.

(c) Concurrently with sending the offeror's notice under Subsection 7.28(b), the offeror shall send to the Trust a notice of adverse claim disclosing the name and address of the offeror and the name of the dissenting offeree with respect to each Trust Unit held by a dissenting offeree.

(d) A dissenting offeree to whom an offeror's notice is sent under Subsection 7.28(b) shall, within 20 days after he receives that notice, send his Unit Certificates to the Trust.

(e) Within 20 days after the offeror sends an offeror's notice under Subsection 7.28(b), the offeror shall pay or transfer to the Trust the amount of money or other consideration that the offeror would have had to pay or transfer to a dissenting offeree if the dissenting offeree had elected to accept the take-over bid under Subparagraph 7.28(b)(iii)(A).

(f) The Trust is deemed to hold in trust for the dissenting offeree the money or other consideration it receives under Subsection 7.28(e), and the Trust shall deposit the money

in a separate account in a bank or other body corporate any deposits of which are insured by the Canada Deposit Insurance Corporation or guaranteed by the Québec Deposit Insurance Board, and shall place the other consideration in the custody of a bank or such other body corporate.

(g) Within 30 days after the offeror sends an offeror's notice under Subsection 7.28(b), the Trust shall:

(i) issue to the offeror a Unit Certificate in respect of the Trust Units that were held by dissenting offerees;

(ii) give to each dissenting offeree who elects to accept the take-over bid terms under Subparagraph 7.28(b)(iii)(A) and who sends his Unit Certificates as required under Subsection 7.28(d), the money or other consideration to which he is entitled, disregarding fractional Trust Units, if any, which may be paid for in money; and

(iii) send to each dissenting offeree who has not sent his Unit Certificates as required under Subsection 7.28(d) a notice stating that:

(A) his Trust Units have been cancelled,

(B) the Trust or some designated person holds in trust for him the money or other consideration to which he is entitled as payment for or in exchange for his Trust Units, and

(C) the Trust will, subject to Subsections 7.28(h) to 7.28(q), send that money or other consideration to him forthwith after receiving his Trust Units.

(h) If a dissenting offeree has elected to demand payment of the fair value of his Trust Units under Subparagraph 7.28(b)(iii)(B), the offeror may, within 20 days after it has paid the money or transferred the other consideration, under Subsection 7.28(e), apply to a court to fix the fair value of the Trust Units of that dissenting offeree.

(i) If an offeror fails to apply to a court under Subsection 7.28(h), a dissenting offeree may apply to a court for the same purpose within a further period of 20 days.

(j) Where no application is made to a court under Subsection 7.28(i) within the period set out in that subsection, a dissenting offeree is deemed to have elected to transfer his Trust Units to the offeror on the same terms that the offeror acquired the Trust Units from the offerees who accepted the take-over bid.

(k) An application under Subsections 7.28(h) or 7.28(i) shall be made to a court having jurisdiction in the place where the Trust has its registered office.

(l) A dissenting offeree is not required to give security for costs in an application made under Subsections 7.28(h) or 7.28(i).

(m) On an application under Subsections 7.28(h) or 7.28(i):

(i) all dissenting offerees referred to in Subparagraph 7.28(b)(iii)(B) whose Trust Units have not been acquired by the offeror shall be joined as parties and shall be bound by the decision of the court; and

(ii) the offeror shall notify each affected dissenting offeree of the date, place and consequences of the application and of his right to appear and be heard in person or by counsel.

(n) On an application to a court under Subsections 7.28(h) or 7.28(i) the court may determine whether any other person is a dissenting offeree who should be joined as a party, and the court shall then fix a fair value for the Trust Units of all dissenting offerees.

(o) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the Trust Units of a dissenting offeree.

(p) The final order of the court shall be made against the offeror in favour of each dissenting offeree and for the amount for his Trust Units as fixed by the court.

(q) In connection with proceedings under this Section 7.28, a court may make any order it thinks fit and, without limiting the generality of the foregoing, it may:

(i) fix the amount of money or other consideration that is required to be held in trust under Subsection 7.28(f);

(ii) order that money or other consideration be held in trust by a person other than the Trust; and

(iii) allow a reasonable rate of interest on the amount payable to each dissenting offeree from the date he sends or delivers his Unit Certificates under Subsection 7.28(d) until the date of payment.

ARTICLE 8
MEETINGS OF UNITHOLDERS

8.1 Annual Meeting

There shall be an annual meeting of the Unitholders, commencing in 2007, at such time and place in Canada and for such purposes as the Trustees may prescribe for the purpose of electing Trustees, appointing or removing the Auditors of the Trust and transacting such other business as the Trustees may determine or as may properly be brought before the meeting. The annual meeting of Unitholders shall be held after delivery to the Unitholders of the annual report referred to in Section 18.9 and, in any event, within 180 days after the end of each Fiscal Year.

8.2 Other Meetings

The Trustees shall have power at any time to call special meetings of the Unitholders at such time and place as the Trustees may determine. Unitholders holding in the aggregate not less than 10% of the outstanding Units of the Trust may requisition the Trustees in writing to call a special meeting of the Unitholders for the purposes stated in the requisition. If there are no Trustees, the officers of the Trust shall promptly call a special meeting of the Unitholders for the election of successor Trustees. The requisition shall state in reasonable detail the business proposed to be transacted at the

meeting and shall be sent to each of the Trustees at the principal office of the Trust. Unitholders shall have the right to obtain a list of Unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the *Business Corporations Act* (Ontario). Upon receiving the requisition, the Trustees shall call a meeting of Unitholders to transact the business referred to in the requisition, unless:

(a) a record date for a meeting of the Unitholders has been fixed and notice thereof has been given to each stock exchange in Canada on which the Units are listed for trading;

(b) the Trustees have called a meeting of the Unitholders and have given notice thereof pursuant to Section 8.3; or

(c) in connection with the business as stated in the requisition:

(i) it clearly appears to the Trustees, acting reasonably, that the matter covered by the requisition is submitted by the Unitholder primarily for the purpose of enforcing a personal claim or redressing a personal grievance against the Trust, the Trustees, the officers of the Trust or its security holders, or primarily for the purpose of promoting general economic, political, racial, religious, social or similar causes;

(ii) the Trust, at the Unitholder's request, included a matter covered by a requisition in an information circular relating to a meeting of Unitholders held within two years preceding the receipt of such request, and the Unitholder failed to present the matter, in person or by proxy, at the meeting;

(iii) substantially the same matter covered by the requisition was submitted to Unitholders in an information circular (including a dissident's information circular) relating to a meeting of Unitholders held within two years preceding the receipt of the Unitholder's request and the matter covered by the requisition was defeated; or

(iv) the rights conferred by this Section 8.2 are being abused to secure publicity.

Subject to the foregoing, if the Trustees do not within 21 days after receiving the requisition call a meeting, any Unitholder who signed the requisition may call the meeting in accordance with the provisions of Section 8.3 and Section 8.9 and the Trustees' Regulations, *mutatis mutandis*. If there shall be no Trustees, the officers of the Trust shall promptly call a special meeting of the Unitholders for the election of successor Trustees. The phrase "**meeting of the Unitholders**" wherever it appears in this Declaration of Trust shall mean and include both an annual meeting and any other meeting of Unitholders.

8.3 Notice of Meeting of Unitholders

Notice of all meetings of the Unitholders shall be mailed or delivered by the Trustees to each Trustee and to the Auditors of the Trust not less than 21 nor more than 50 days or within such other number of days as required by law or relevant stock exchange before the meeting. Such notice shall specify the time when, and the place where, such meeting is to be held and shall state briefly the general nature of the business to be transacted at such meeting, and shall otherwise include such information as would be provided to shareholders of a corporation governed by the *Business Corporations Act* (Ontario) in connection with a meeting of shareholders. Notice of any meeting of the Unitholders shall state the purposes of the meeting. Any adjourned meeting, other than a meeting adjourned for lack of a quorum

under Section 8.5, may be held as adjourned without further notice. Notwithstanding the foregoing, a meeting of Unitholders may be held at any time without notice if all the Unitholders are present or represented thereat or those not so present or represented have waived notice. Any Unitholder (or a duly appointed proxy of a Unitholder) may waive any notice required to be given under the provisions of this Section 8.3, and such waiver, whether given before or after the meeting, shall cure any default in the giving of such notice. At any meeting at which a quorum is not present within one-half hour after the time fixed for the holding of such meeting, the meeting, if convened upon the request of the Unitholders, shall be dissolved, but in any other case, the meeting will stand adjourned to a day not less than seven days later and to a place and time as chosen by the chair of the meeting, and if at such adjourned meeting a quorum is not present, the Unitholders present either in person or by proxy shall be deemed to constitute a quorum. Attendance at a meeting of Unitholders shall constitute a waiver of notice unless the Unitholder or other person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not properly called.

8.4 Chairperson

The chairperson of any annual or special meeting shall be the Chair of the Trustees or any other Trustee specified by resolutions of the Trustees or, in the absence of any Trustee, any person appointed as chairperson of the meeting by the Unitholders present.

8.5 Unitholder Proposals

Subject to subsections (a) and (b), a registered holder or beneficial owner of Units that carry a right to vote on matters put before an annual meeting of Unitholders may (i) submit written notice to the Trust of any matter that the person proposes to raise at an annual meeting of Unitholders (a "Proposal") and (ii) discuss at the meeting any matter with respect to which the person would have been entitled to submit a Proposal.

(a) To be eligible to submit a Proposal, a person:

(i) must be, for at least the six-month period immediately before the day on which the person submits the Proposal, the registered holder or the beneficial owner of (i) at least 1% of the total number of outstanding voting Units, as of the day on which the person submits a Proposal, or (ii) voting Units whose fair market value, as determined at the close of business on the day before the person submits the Proposal, is at least $2,000; or

(ii) must have the support of persons who, in the aggregate, and including or not including the person that submits the Proposal, have been, for at least the six-month period immediately before the day on which the person submits the Proposal, the registered holders or beneficial owners of (i) at least 1% of the total number of outstanding voting Units, as of the day on which the person submits the Proposal, or (ii) Units whose fair market value, as determined at the close of business on the day before the person submits the Proposal, is at least $2,000.

(b) A Proposal must be accompanied by the following information:

(i) the name and address of the person submitting the Proposal and the person's supporters, if applicable; and

(ii) the number of Units held or owned by the person submitting the Proposal and the person's supporters, if applicable, and the date the Equity Interests were acquired.

(c) If requested by the Trust within 14 days of the receipt of the Proposal, a person who submits a Proposal must provide proof, within 21 days following the day on which the person receives the Trust's request, or if the request was mailed to the person, within 21 days after the postmark date stamped on the envelope containing the request, that the person meets the requirements set out in subsection (a).

(d) The Trust shall set out the Proposal in its proxy circular delivered in connection with its annual meeting or attach the Proposal thereto.

(e) If so requested by the person who submits the Proposal, the Trust shall include in, or attach to, its proxy circular delivered in connection with its annual meeting, a statement in support of the Proposal by the person and the name and address of the person making the Proposal. The statement and Proposal so included must not exceed 500 words excluding the information required by subsection (b).

(f) A Proposal may include nominations for the election of Trustees if the Proposal is signed by one or more holders of Units representing in the aggregate not less than 10% of the outstanding Units, provided that this subsection (f) shall not limit the right of a Unitholder to make nominations at the meeting.

(g) The Trust shall not be required to comply with subsections (d) and (e) if:

(i) the Proposal is submitted less than 90 days before the anniversary date of the notice of meeting that was sent to Unitholders in connection with the Trust's previous annual meeting of Unitholders;

(ii) it clearly appears that (A) the primary purpose of the Proposal is to enforce a

(iii) personal claim or redress a personal grievance against the Trust, the Trustees, its officers, the Unitholders or other security holders of the Trust, or (B) the Proposal does not relate in a significant way to the business or affairs of the Trust;

(iv) not more than two years preceding the receipt of such Proposal, the proposing person failed to present, in person or by proxy, at a meeting of Unitholders, a Proposal that, at the person's request, had been included in a proxy circular relating to a meeting of the Unitholders;

(v) substantially the same proposal was submitted to Unitholders in a proxy circular relating to a meeting of the Unitholders held within five years preceding the receipt of the Proposal and the matter covered by the Proposal did not receive the required support at that meeting. For the purposes hereof, the required support for a Proposal is:

(A) 3% of the total number of voting Units voted, if the Proposal has been introduced at only one annual meeting of Unitholders;

(B) 6% of the total number of voting Units voted at the last meeting at which the matter was submitted to Unitholders, if the Proposal was introduced at two annual meetings of Unitholders; and

(C) 10% of the total number of voting Units voted at the last meeting at which the matter was submitted to Unitholders, if the Proposal was introduced at three or more annual meetings of Unitholders; or

(v) the rights conferred by this section are being abused to secure publicity.

(h) If a person who submits a Proposal fails to continue to hold or own the number of Units referred to in subsection (a) up to and including the day of the meeting, the Trust is not required to set out in its proxy circular, or attach to it, any proposal submitted by that person for any meeting held within two years following the date of the meeting.

(i) Neither the Trust nor any person acting on its behalf will incur any liability to Unitholders or any other person by reason only of circulating a Proposal or statement in compliance with this section.

(j) If the Trust refuses to include a Proposal in its proxy circular, it shall, within 21 days of the later of receipt of the Proposal or proof of ownership under subsection (c), as the case may be, notify in writing the person submitting the Proposal of its intention to omit the Proposal from the Trust'’s proxy circular and of the reasons for the refusal.

(k) On the application of a person submitting a Proposal who claims to be aggrieved by the Trust'’s refusal under subsection (j), a court may restrain the holding of the meeting to which the Proposal is sought to be presented and make any further order it thinks fit.

(l) The Trust or any person claiming to be aggrieved by a Proposal may apply to a court for an order permitting the Trust to omit the Proposal from the proxy circular, and the court, if it is satisfied that subsection (g) applies, may make such order as it thinks fit.

8.6 Quorum

A quorum for any meeting of the Unitholders shall be individuals present in person or represented by proxy, not being less than two in number and holding in the aggregate not less than 25% of the outstanding Units of the Trust, provided that if the Trust has only one Unitholder, the Unitholder present in person or by proxy constitutes a meeting and a quorum for such meeting. If a quorum is present at the opening of a meeting, the Unitholders may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting. The Chair of any meeting at which a quorum of Unitholders is present may, with the consent of the majority of the Unitholders present in person or by proxy, adjourn at such meeting and no notice of any such adjournment need be given. In the event of such quorum not being present at the appointed place on the date for which the meeting is called within 30 minutes after the time fixed for the holding of such meeting, the meeting, if called by request of Unitholders, shall be terminated and, if otherwise called, shall stand adjourned to such day being not less than ~~7~~seven days later and to such place and time as may be appointed by the chairperson of the meeting. If at such adjourned meeting a quorum as above defined is not present, the Unitholders present either personally or by proxy shall form a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

8.7 Voting

Holders of Units may attend and vote at all meetings of the Unitholders either in person or by proxy. Each Trust Unit shall entitle the holder of record thereof to one vote at all meetings of the Unitholders. Each Special Voting Unit and Class C Special Voting Unit will entitle the holder thereof to that number of votes at any meeting of Unitholders that is equal to the number of Trust Units that may be obtained upon the exchange of the Exchangeable Unit to which such Special Voting Unit or and Class C Special Voting Unit is attached.

Any action to be taken by the Unitholders shall, except as otherwise required by this Declaration of Trust or by law, be authorized when approved by a majority of the votes cast at a meeting of the Unitholders. The Chair of any such meeting shall not have a second or casting vote. Every question submitted to a meeting, other than a Special Resolution, shall, unless a poll vote is demanded, be decided by a show of hands, on which every person present and entitled to vote shall be entitled to one vote.

At any such meeting, unless a poll is demanded, a declaration by the Chair that a resolution has been carried or carried unanimously or by a particular majority, or lost or not carried by a particular majority, shall be conclusive evidence of that fact. If a poll is demanded concerning the election of a chairperson or an adjournment, it shall be taken immediately upon request and, in any other case, it shall be taken at such time as the Chair may direct. The demand for a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question on which the poll has been demanded.

At any meeting of Unitholders, on a show of hands every person who is present and entitled to vote, whether as a Unitholder or as a proxy, shall have one vote. At any meeting of Unitholders on a poll, each Unitholder present in person or represented by a duly appointed proxy shall have one vote for each Unit held on the applicable Record Date, except as otherwise set forth herein.

8.8 Matters on which Unitholders Shall Vote

None of the following shall occur unless the same has been duly approved by the Unitholders at a meeting duly called and held:

(a) except as provided in Sections 3.7, 3.10, 3.6 or 3.12, the appointment, election or removal of Trustees;

(b) except as provided in Section 18.7, the appointment or removal of Auditors;

(c) any amendment to the Declaration of Trust (except as provided in Sections 6.3 or 14.1;

(d) the sale or transfer of the assets of the Trust and its subsidiaries as an entirety or substantially as an entirety (other than as a part of an internal reorganization of the assets of the Trust and its subsidiaries as approved by the Trustees);

(e) the termination of the Trust; or

(f) take any action upon any matter, which under applicable law (including policies of Canadian securities commissions) or applicable stock exchange rules, would require approval by ordinary resolution had the Trust been a reporting issuer (or the equivalent) in the jurisdictions in which the Trust is a reporting issuer (or the equivalent) and had Units been listed for trading on the stock exchanges where the Trust Units are listed for trading, respectively.

Nothing in this Section 8.8, however, shall prevent the Trustees from submitting to a vote of Unitholders any matter which they deem appropriate. Except with respect to the matters specified in Sections 8.8, 14.2, 14.3 and 16.2 or matters submitted to a vote of the Unitholders by the Trustees, no vote of the Unitholders shall in any way bind the Trustees.

8.9 Record Dates

For the purpose of determining the Unitholders who are entitled to receive notice of and vote at any meeting or any adjournment thereof or for the purpose of any other action, the Trustees may from time to time, without notice to the Unitholders, close the transfer books for such period, not exceeding 35 days, as the Trustees may determine; or without closing the transfer books the Trustees may fix a date not more than 60 days prior to the date of any meeting of the Unitholders or other action as a record date for the determination of Unitholders entitled to receive notice of and to vote at such meeting or any adjournment thereof or to be treated as Unitholders of record for purposes of such other action, and any Unitholder who was a Unitholder at the time so fixed shall be entitled to receive notice of and vote at such meeting or any adjournment thereof, even though he has since that date disposed of his Units, and no Unitholder becoming such after that date shall be entitled to receive notice of and vote at such meeting or any adjournment thereof or to be treated as a Unitholder of record for purposes of such other action. If, in the case of any meeting of Unitholders, no record date with respect to voting has been fixed by the Trustees, the record date for voting shall be 5:00 p.m. on the last business day before the meeting.

8.10 Proxies

Whenever the vote or consent of Unitholders is required or permitted under this Declaration of Trust, such vote or consent may be given either directly by the Unitholder or by a proxy in such form as the Trustees may prescribe from time to time or, in the case of a Unitholder who is a body corporate or association, by an individual authorized by the board of directors or governing body of the body corporate or association to represent it at a meeting of the Unitholders. A proxy need not be a Unitholder. The Trustees may solicit such proxies from the Unitholders or any of them in any matter requiring or permitting the Unitholders' vote, approval or consent.

The Trustees may adopt, amend or repeal such rules relating to the appointment of proxyholders and the solicitation, execution, validity, revocation and deposit of proxies, as they in their discretion from time to time determine.

An instrument of proxy executed in compliance with the foregoing shall be valid unless challenged at the time of or prior to its exercise and the person challenging the instrument shall have the burden of proving, to the satisfaction of the chairperson of the meeting at which the instrument is proposed to be used, that the instrument of proxy is invalid. Any decision of the chairperson of the meeting in respect of the validity of an instrument of proxy shall be final and binding upon all persons. An instrument of proxy shall be valid only at the meeting with respect to which it was solicited or any adjournment thereof.

A vote cast in accordance with any proxy shall be valid notwithstanding the death, incapacity, insolvency or bankruptcy of the Unitholder giving the proxy or the revocation of the proxy unless written notice of the death, incapacity, insolvency, bankruptcy or revocation of the proxy has been received by the chairperson of the meeting prior to the time the vote is cast.

8.11 Court Requisitioned Meetings

A Unitholder who is entitled to vote at a meeting of Unitholders may apply to a court to order a meeting of the Unitholders to be called, held, and conducted in the manner that the court directs, if:

(a) it is impracticable to call the meeting within the time or in the manner in which those meetings are to be called pursuant to this Declaration of Trust;

(b) it is impracticable to conduct the meeting in the manner required by this Declaration of Trust; or

(c) the court thinks that the meeting should be called, held and conducted within the time or in the manner it directs for any other reason.

Without restricting the generality of this Section 8.11, the court may order that the quorum required by this Declaration of Trust be varied or dispensed with at a meeting called, held and conducted pursuant to this section.

A meeting called, held and conducted pursuant to this Section 8.11 is for all purposes a meeting of Unitholders duly called, held and conducted.

8.12 Personal Representatives

If a Unitholder is deceased, his personal representative, upon filing with the secretary of the meeting such proof of his appointment as the secretary considers sufficient, shall be entitled to exercise the same voting rights at any meeting of Unitholders as the Unitholder would have been entitled to exercise if he were living and for the purpose of the meeting shall be considered to be a Unitholder. Subject to the provisions of the will of a deceased Unitholder, if there is more than one personal representative, the provisions of Section 7.22 relating to joint holders shall apply. When any Unit is held jointly by several persons, any one of them may vote at any meeting in person or by proxy in respect of such Unit, but if more than one of them shall be present at such meeting in person or by proxy, and such joint owners or their proxies so present disagree as to any vote to be cast, such vote purporting to be executed by or on behalf of a Unitholder shall be deemed valid unless challenged at or prior to its exercise, and the burden of proving invalidity shall rest on the challenger.

8.13 Attendance by Others

Any Trustee, officer of the Trust, officer, director or employee of the operating subsidiaries, representative of the auditors of the Trust or other individual approved by the Trustees may attend and speak at any meeting of Unitholders.

8.14 Conduct of Meetings

To the extent that the rules and procedures for the conduct of a meeting of Unitholders are not prescribed herein, the rules and procedures shall be such reasonable rules and procedures as are determined by the chairperson of the meeting and such rules and procedures shall be binding upon all parties participating in the meeting.

8.15 Binding Effect of Resolutions

Every resolution passed at a meeting in accordance with the provisions of this Article 8 shall be binding upon all Unitholders, whether present at or absent from the meeting. Subject to Section 8.8, no action taken by Unitholders at any meeting of Unitholders shall in any way bind the Trust or the Trustees without approval of the Trustees.

8.16 Resolution in Lieu of Meeting

~~A resolution signed in writing by all of the Unitholders entitled to vote on that resolution at a meeting of Unitholders is as valid as if it had been passed at a meeting of Unitholders.~~ Notwithstanding any other provision of this Declaration of Trust, a resolution in writing executed by Unitholders holding a proportion of the outstanding Units equal to the proportion required to vote in favour thereof at a meeting of Unitholders to approve that resolution is valid as if it had been passed at a meeting of Unitholders.

8.17 Actions by Unitholders

Any action, change, approval, decision or determination required or permitted to be taken or made by the Unitholders hereunder shall be effected by a resolution passed by the Unitholders at a duly constituted meeting (or a ~~Special Resolution~~written resolution in lieu thereof) in accordance with this Article 8.

8.18 Meaning of "Special Resolution"

(a) The expression "**Special Resolution**" when used in this Declaration of Trust means, subject to this Article 8, a resolution proposed to be passed as a special resolution at a meeting of Unitholders (including an adjourned meeting) duly convened for that purpose and held in accordance with the provisions of this Section 8.18 at which ~~two or more individuals present in person or represented by proxy~~a quorum as specified in Section 8.6 is present, and passed by the affirmative votes of the holders of more than 66 2/3% of the Units represented at the meeting and voted on a poll upon such resolution.

(b) Notwithstanding Subsection 8.18(a), if at any meeting of Unitholders at which a Special Resolution is proposed to be passed~~, two individuals are~~ a quorum as specified in Section 8.6 is not present in person or by proxy within 30 minutes after the time appointed for the meeting, then the meeting, if convened by or on the requisition of Unitholders, shall be dissolved, but in any other case it shall stand adjourned to such date, being not less than 21 nor more than 60 days later and to such place and time as may be appointed by the chairperson of the meeting. Not less than 10 days' prior notice shall be given of the time and place of such adjourned meeting in the manner provided in Section 8.3. Such notice shall state that at the adjourned meeting the Unitholders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting, the Unitholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by the requisite vote as provided in Subsection 8.18(a) shall be a Special Resolution within the meaning of this Declaration of Trust.

(c) Votes on a Special Resolution shall always be given on a poll and no demand for a poll on a Special Resolution shall be necessary.

8.19 Meaning of "Outstanding"

Every Unit issued, certified and delivered hereunder shall be deemed to be outstanding until it shall be cancelled or delivered to the Trustees or Transfer Agent for cancellation provided that:

(a) when a new certificate has been issued in substitution for a Unit Certificate which has been lost, stolen, mutilated or destroyed, only one of such Unit Certificates shall be counted for the purposes of determining the number of Units outstanding; and

(b) for the purpose of any provision of this Declaration of Trust entitling holders of outstanding Units to vote, sign consents, requisitions or other instruments or take any action under this Declaration of Trust, Units owned directly or indirectly, legally or equitably, by the Trust or any ~~affiliate~~subsidiary thereof shall be disregarded, except that:

(i) for the purpose of determining whether the Trustees shall be protected in relying on any such vote, consent, requisition or other instrument or action only the Units which the Trustees know are so owned shall be so disregarded; and

(ii) Units so owned which have been pledged in good faith other than to the Trust or ~~an affiliate~~a subsidiary thereof shall not be so disregarded if the pledgee shall establish to the satisfaction of the Trustees the pledgee's right to vote such Units in his or her discretion free from the control of the Trust or any affiliate thereof.

8.20 Meetings by Telephone, Electronic or Other Communications Facility

Any meeting of Unitholders may be held entirely by means of a telephonic, electronic or other communication facility. A person who votes at the meeting or establishes a communications link to the meeting is deemed to be present in person at the meeting. Any such meeting of the Unitholders shall be deemed to be held at the place where the registered office of the Trust is located. The rules and procedures for any meeting of Unitholders held by means of a telephonic, electronic or other communication facility shall be such reasonable rules and procedures as are determined by the Trustees and such rules and procedures shall be binding upon all parties participating in the meeting.

ARTICLE 9
MEETINGS OF THE TRUSTEES

9.1 Trustees May Act Without Meeting

The Trustees may act with or without a meeting. Any action of the Trustees or any committee of the Trustees may be taken at a meeting by vote, or without a meeting by written consent signed by all of the Trustees or the members of the applicable committee, as the case may be.

9.2 Notice of Meeting

Meetings of the Trustees may be held from time to time upon the giving of notice by any Trustee. Regular meetings of the Trustees may be held without call or notice at a time and place fixed in accordance with the Trustees' Regulations. Notice of the time and place of any other meetings shall be mailed or otherwise verbally, by telephone or by other means of communication given not less than 48 hours before the meeting but may be waived in writing by any Trustee either before or after such meeting. Notice of a meeting of Trustees need not specify the purpose of or the business to be transacted at the meeting. If a quorum of Trustees is present, the Trustees may without notice hold a meeting

immediately following an annual meeting of Unitholders. The attendance of a Trustee at a meeting, in person or by ~~telephone~~other means permitted pursuant to Section 9.8 shall constitute a waiver of notice of such meeting except where a Trustee attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened. Each committee of Trustees appointed by the Trustees may adopt its own rules or procedures for the calling, conduct, adjournment and regulation of the meetings of such committees as it sees fit and may amend or repeal such rules or procedures from time to time; provided, however, that the Trustees' Regulations and any such rules or procedures shall not be inconsistent with this Declaration of Trust.

9.3 Place of Meeting

Meetings of the Trustees may be held at any place in Canada. A Trustee who attends a meeting of Trustees, in person or by telephone, is deemed to have consented to the location of the meeting except when he or she attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not lawfully called or convened.

9.4 Chair

The chair of any meeting of the Trustees shall be the Trustee present at the meeting who holds the office of Chair of the Trustees or if such person is not present, the Lead Trustee (if a Lead Trustee has been appointed), or if neither of such persons are present, the Trustees present shall choose one of their number to be chairperson. The Chair of the Trustees and the chairperson of any meeting of Trustees shall be a Resident. In addition, if applicable, in order to transact any matter set out in Section ~~42,~~4.2, a majority of the Independent Trustees or of the Independent Trustees on such committee, as the case may be, must be present at the meeting of the Trustees or of the committee.

9.5 Quorum

A quorum for all meetings of the Trustees or any committee thereof shall be a majority of the Trustees then holding office or of the Trustees on such committee, provided that a majority of the Trustees comprising the quorum must be Residents. Notwithstanding any vacancy among the number of Trustees, a quorum of Trustees may exercise all of the powers of the Trustees.

9.6 Adjourned Meeting

Any meeting of Trustees may be adjourned from time to time by the chairperson of the meeting with the consent of the meeting to a fixed time and place. Further notice of the adjourned meeting need not be given. The adjourned meeting shall be duly constituted if a quorum is present and if it is held in accordance with the terms of the adjournment. If there is not a quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated upon its adjournment.

9.7 Voting at Meetings

(a) Questions arising at any meeting of the Trustees or of a committee of Trustees shall unless otherwise specified herein, be decided by a majority of the votes cast, provided however that the approval required with respect to any matter set out in Section 4.2 shall be only that of a majority of the Independent Trustees who have no interest in such matter.

(b) In the case of an equality of votes at any meeting of Trustees or of a committee of Trustees, the chairperson of the meeting shall not have a second or casting vote in addition to his original vote, if any. The powers of the Trustees may be exercised by

resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all Trustees. Resolutions in writing may be signed in counterparts each of which shall be deemed to be an original and all originals together shall be deemed to be one and the same instrument.

9.8 Meeting by Telephone or Other Communication Facilities

Any Trustee may participate in a meeting of the Trustees or any committee thereof by means of a conference telephone or other communication facilities by means of which all persons participating in the meeting can hear each other and a Trustee so participating shall be considered for the purposes of this Declaration of Trust to be present in person at that meeting.

ARTICLE 10
COMMITTEES OF TRUSTEES

10.1 General

Except as prohibited by law, the Trustees may appoint from among their number a committee of Trustees and may delegate to such committee any of the powers of the Trustees, provided that a majority of the Trustees appointed to any committee, shall be Residents. The Trustees shall have the power to appoint, employ or contract with any person for any matter relating to the Trust or its assets or affairs. For greater certainty, the Trustees may delegate to any person (including, without limitation any one or more officers of the Trust) the power to execute any document or enter into any agreement on behalf of the Trust or exercise any discretion or make any amendment in relation thereto. The Trustees may grant or delegate such authority to an advisor or a committee of Trustees as the Trustees may in their sole discretion deem necessary or desirable without regard to whether such authority is normally granted or delegated by trustees. The Trustees shall have the power to determine the term and compensation of an advisor or any other person whom they may employ or with whom they may contract. The Trustees shall have the power to grant powers of attorney as required in connection with any financing or security relating thereto.

Without in any way limiting the generality of the foregoing, the Trustees shall appoint:

(a) an audit committee (the "**Audit Committee**") to consist of at least three Trustees, all of whom shall be Independent Trustees, and who shall meet any requirements imposed by applicable law for the purpose of membership on such committee;

(b) a governance and nominating committee (the "**Governance and Nominating Committee**") to consist of at least three Trustees, all of whom shall be Independent Trustees and at least a majority of whom shall not be ECL Trustees;

(c) a compensation committee (the "**Human Resources Committee**") to consist of at least three Trustees, ~~the majority~~all of whom shall be Independent Trustees; and

(d) an investment committee (the "**Investment Committee**") to consist of at least five Trustees, at least a majority of whom shall be Independent Trustees and not ECL Trustees. No more than one member of the Investment Committee may be a member of management. At least two Trustees who shall have particular expertise in the area of real estate investment and management and at least two Trustees who shall have particular expertise in the area of corporate finance.

Each of the Audit Committee, the Governance and Nominating Committee, the Human Resources Committee and the Investment Committee shall have the respective powers, rights and responsibilities as the Trustees may approve, all as set out in any written charter for such purpose approved by the Trustees.

10.2 Additional Committees

The Trustees may create such additional committees as they, in their discretion, determine to be necessary or desirable for the purposes of properly governing the affairs of the Trust; provided that the Trustees may not delegate to any committee any powers or authority in respect of which a board of directors of a corporation governed by the *Canada Business Corporations Act* may not so delegate.

10.3 Procedure

Unless otherwise determined by the Trustees, a quorum for meetings of any committee shall be a majority of its members provided that a majority of the Trustees comprising such quorum must be Residents. Each committee shall have the power to appoint its chairperson who must be a Resident and the rules for calling, holding, conducting and adjourning meetings of the committee shall be the same as those governing meetings of the Trustees. Each member of a committee shall serve during the pleasure of the Trustees and, in any event, only so long as he or she shall be a Trustee. The Trustees may fill vacancies in a committee by appointment from among their members. Provided that a quorum is maintained, the committee may continue to exercise its powers notwithstanding any vacancy among its members.

ARTICLE 11
UNITHOLDER REMEDIES

11.1 Dissent and Appraisal Rights

(a) Subject to Section 11.2(e), a Unitholder entitled to vote at a meeting of the Unitholders of the Trust who complies with this Section 11.1 may dissent if the Trust resolves to:

(i) sell, lease or exchange all or substantially all the property and assets of the Trust;

(ii) carry out a going-private transaction; or

(iii) amend this Declaration of Trust to

(A) add, change or remove any provision restricting or constraining the issue, transfer or ownership of the Units;

(B) add, change or remove any restriction on the business that the Trust may carry on;

(C) add, change or remove the rights, privileges, restrictions or conditions attached to the Units of the class held by the dissenting Unitholder;

(D) increase the rights or privileges of any class of units having rights or privileges equal or superior to the class of Units held by the dissenting Unitholder;

(E) create a new class of units equal to or superior to the class of Equity Interests held by the dissenting Unitholder;

(F) make any class of units having rights or privileges inferior to the class of Units held by the dissenting Unitholder superior to that class; or

(G) effect an exchange or create a right of exchange in all or part of a class of Units into the class of Units held by the dissenting Unitholder.

(b) In addition to any other right the Unitholder may have, a Unitholder who complies with this section is entitled, when the action approved by the resolution from which the Unitholder dissents becomes effective, to be paid by the Trust the fair value of the Units held by the Unitholder in respect of which the Unitholder dissents, determined as of the close of business on the day before the resolution was adopted.

(c) A dissenting Unitholder may only claim under this section with respect to all the Units held by the dissenting Unitholder on behalf of any one beneficial owner and registered in the name of the dissenting Unitholder.

(d) A dissenting Unitholder shall send to the Trust, at or before any meeting of Unitholders at which a resolution referred to in subsection (a) is to be voted on, a written objection to the resolution, unless the Trust did not give notice to the Unitholder of the purpose of the meeting and of the Unitholder's right to dissent.

(e) The Trust shall, within 10 days after the Unitholders adopt the resolution, send to each Unitholder who has filed the objection referred to in subsection (d) notice that the resolution has been adopted, but such notice is not required to be sent to any Unitholder who voted for the resolution or who has withdrawn its objection.

(f) A dissenting Unitholder shall, within 20 days after receiving a notice under subsection (e) or, if the Unitholder does not receive such notice, within 20 days after learning that the resolution has been adopted, send to the Trust a written notice containing:

(i) the Unitholder's name and address;

(ii) the number of, and class/series of, Units in respect of which the Unitholder dissents; and

(iii) a demand for payment of the fair value of such Units.

(g) A dissenting Unitholder shall, within 30 days after the sending of a notice under subsection (f), send the certificates representing the Units in respect of which the Unitholder dissents to the Trust or its transfer agent.

(h) A dissenting Unitholder who fails to comply with subsection (g) has no right to make a claim under this section.

(i) The Trust or its transfer agent shall endorse on any certificate received under subsection (g) a notice that the holder is a dissenting Unitholder under this Section 11.1 and shall return forthwith the certificates to the dissenting Unitholder.

(j) On sending a notice under subsection (f), a dissenting Unitholder ceases to have any rights as a Unitholder other than the right to be paid the fair value of its Units as determined under this section except where:

(i) the Unitholder withdraws that notice before the Trust makes an offer under subsection (k);

(ii) the Trust fails to make an offer in accordance with subsection (k) and the dissenting Unitholder withdraws the notice; or

(iii) the Trustees revoke the resolution which gave rise to the dissent rights under this section, and to the extent applicable, terminate the related agreements or abandon a sale, lease or exchange to which the resolution relates,

in which case, the Unitholder'’s rights are reinstated as of the date the notice under subsection (f) was sent.

(k) The Trust shall, not later than 7seven days after the later of the day on which the action approved by the resolution is effective or the day the Trust received the notice referred to in subsection (f), send to each dissenting Unitholder who has sent such notice a written offer to pay for the dissenting Unitholder'’s Units in an amount considered by the Trustees to be the fair value, accompanied by a statement showing how the fair value was determined.

(l) Every offer made under subsection (k) for Units of the same class or series shall be on the same terms.

(m) The Trust shall pay for the Units of a dissenting Unitholder within 10 days after an offer made under subsection (k) has been accepted, but any such offer lapses if the Trust does not receive an acceptance thereof within 30 days after the offer has been made.

(n) Where the Trust fails to make an offer under subsection (k), or if a dissenting Unitholder fails to accept an offer, the Trust may, within 50 days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the Units of any dissenting Unitholder.

(o) If the Trust fails to apply to a court under subsection (n), a dissenting Unitholder may apply to a court for the same purpose within a further period of 20 days or within such further period as a court may allow.

(p) The court where an application under subsection (n) or (o) may be made is a court having jurisdiction in the place where the Trust has its registered office.

(q) A dissenting Unitholder is not required to give security for costs in an application made under subsection (n) or (o).

(r) On an application under subsection (n) or (o):

(i) all dissenting Unitholders whose Units have not been purchased by the Trust shall be joined as parties and bound by the decision of the court; and

(ii) the Trust shall notify each affected dissenting Unitholder of the date, place and consequences of the application and of the dissenting Unitholder'’s right to appear and be heard in person or by counsel.

(s) On an application to a court under subsection (n) and (o), the court may determine whether any other person is a dissenting Unitholder who should be joined as a party, and the court shall fix a fair value for the Units of all dissenting Unitholders.

(t) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the Units of the dissenting Unitholders.

(u) The final order of a court in the proceedings commenced by an application under subsection (n) and (o) shall be rendered against the Trust in favour of each dissenting Unitholder and for the amount of the Units as fixed by the court.

(v) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting Unitholder from the date the action approved by the resolution is effective until the date of payment.

(w) If subsection (y) applies, the Trust shall, within ~~ten~~10 days after the pronouncement of an order under subsection (u), notify each dissenting Unitholder that it is unable lawfully to pay dissenting Unitholders for their Units.

(x) If subsection (y) applies, a dissenting Unitholder, by written notice delivered to the Trust within ~~thirty~~30 days after receiving a notice under subsection (w), may:

(i) withdraw their notice of dissent, in which case the Trust is deemed to consent to the withdrawal and the Unitholder is reinstated to their full rights as a Unitholder; or

(ii) retain a status as a claimant against the Trust, to be paid as soon as the Trust is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the Trust but in priority to its Unitholders.

(y) A Trust shall not make a payment to a dissenting Unitholder under this section if there are reasonable grounds for believing that

(i) the Trust is or would after the payment be unable to pay its liabilities as they become due; or

(ii) the realizable value of the Trust’s assets would thereby be less than the aggregate of its liabilities.

11.2 Oppression Remedy

(a) Any registered holder or beneficial owner of Units or former registered holder or beneficial owner of Units or any securityholder, Trustee or officer or any other person who in the discretion of the court is a proper person to make an application (each, a "“**Complainant**"”) may apply to a court under the provisions of this Section 11.2.

(b) If, on application, the court is satisfied that, in respect of the Trust:

(i) any act or omission of the Trust effects a result;

(ii) the business or affairs of the Trust or any Subsidiary are or have been carried on or conducted in a manner; or

(iii) the powers of the Trustees are or have been exercised in a manner,

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any Unitholder, security holder, creditor, Trustee or officer, the court may make an order to rectify the matters complained of by the Complainant.

(c) In connection with an application by a Complainant under Section 11.2(a) and without limiting subsection (b), a court may make any interim or final order it thinks fit including, without limiting the generality of the foregoing,

(i) an order restraining the conduct complained of;

(ii) an order appointing a receiver or receiver-manager;

(iii) an order to regulate the Trust's affairs or those of a Subsidiary by amending this Declaration of Trust or the articles or by-laws of a Subsidiary;

(iv) an order directing an issue or exchange of securities;

(v) an order appointing Trustees or directors of a Subsidiary in place of or in addition to all or any of the Trustees or directors then in office;

(vi) an order directing the Trust or any other person to purchase securities of a holder of securities;

(vii) an order directing the Trust or any other person to pay a security holder any part of the monies that the security holder paid for securities;

(ix) an order varying or setting aside a transaction or contract to which the Trust or a Subsidiary is a party and compensating the Trust or a Subsidiary or any other party to the transaction or contract; an order requiring the Trust or a Subsidiary, within a time specified by the court, to produce to the court or an interested person financial statements or an accounting in such form as the court may determine;

(x) an order compensating an aggrieved person;

(xi) an order directing rectification of the registers or other records of the Trust or a Subsidiary;

(xii) an order directing an investigation to be made; and

(xiii) an order requiring the trial of any issue.

(d) If an order made under this section directs an amendment of this Declaration of Trust or to the constating documents of a Subsidiary, then:

(i) the Trustees shall request the Trust, such Subsidiary and all directors, Trustees, officers and other persons responsible for management to take all steps necessary to carry out that direction; and

(ii) no other amendment to this Declaration of Trust or such constating documents shall be made without the consent of the court, until a court otherwise orders.

(e) A Unitholder is not entitled to dissent under this Declaration of Trust or other applicable law if an amendment to the Declaration of Trust or such constating documents is effected under this section.

(f) A Complainant may apply in the alternative for an order to wind up the Trust or liquidate and dissolve a Subsidiary and a court may so order if the court is satisfied that it is just and equitable that such winding up, liquidation or dissolution occur.

ARTICLE 12
DISTRIBUTIONS

12.1 Distributions

The Trust may distribute to Trust Unitholders on each Distribution Date such amounts of income of the Trust for the ~~calendar month immediately preceding the month in which the~~corresponding Distribution ~~Date falls~~Period, or such amounts of Trust ~~Capital~~capital, as the Trustees determine in their discretion. In addition to the distributions that are declared payable to Trust Unitholders on a Distribution Date in respect of a Distribution Period, the Trustees may declare to be payable and/or make distributions, from time to time, out of income of the Trust (including dividends), capital gains of the Trust, Trust capital or otherwise, in any year, in such amount or amounts, and on such dates as the Trustees may determine, to Trust Unitholders of record on the record date specified for such distribution by the Trustees. Special Voting Units have no economic entitlement in the Trust and have no entitlement to any distributions from the Trust.

On the last day of each Taxation Year, an amount equal to the net income of the Trust for such Taxation Year, determined in accordance with the provisions of the Tax Act other than Paragraph 82(1)(b) and Subsection 104(6) thereof, including net realized capital gains (other than income and taxable capital gains of the Trust arising on or in connection with an *in specie* redemption of Trust Units which are paid or payable by the Trust to redeeming Trust Unitholders and capital gains the tax on which may be offset by capital losses carried forward from prior years or is recoverable by the Trust) and the non-taxable portion of net realized capital gains of the Trust, shall, ~~unless the Trustees pass a resolution to the contrary~~to the extent not already paid or payable to Trust Unitholders during the Taxation Year, be automatically payable to Trust Unitholders of record at the close of business on such day (whether or not such day is a Business Day), unless the Trustees pass a resolution to the contrary.

The Trustees may designate and make payable any income or capital gains realized by the Trust as a result of the redemption of Units (including any income or capital gains realized by the Trust on the redemption of Units *in specie*) pursuant to Section 7.15 to the redeeming Trust Unitholders.

In addition, the Trustees may designate and make payable *in specie* any Subsidiary Securities as a distribution of income or Trust capital to Trust Unitholders.

Distributions payable to Trust Unitholders pursuant to this Article 12 shall be deemed to be distributions of income of the Trust (including dividends), net realized taxable capital gains of the Trust, Trust capital or other items in such amounts as the Trustees, in their absolute discretion determine

and shall be allocated to the Trust Unitholder in the same proportions as distributions received by the Trust Unitholder, subject to the discretion of the Trustees to adopt an allocation method which the Trustees consider to be more reasonable in the circumstances, including in accordance with Subsection 7.15(e). For greater certainty it is hereby declared that any distribution of net realized capital gains of the Trust shall include the non-taxable portion of the capital gains of the Trust which are included in such distribution.

Any distribution shall be made ~~on a Distribution Date~~ proportionately to persons who are Trust Unitholders as of the close of business on the record date for such distribution which shall be the last Business Day of the ~~calendar month immediately preceding the month in which the~~Distribution Period corresponding to a Distribution Date ~~falls~~ or such other date, if any, as is fixed by the Trustees in accordance with Section 8.9 for such distribution. Each year the Trust intends to deduct such amounts as are paid or payable to Trust Unitholders for the year as is necessary to ensure that the Trust is not liable for income tax under Part I of the Tax Act in the related taxation year.

Distributions may be adjusted for amounts paid in prior periods if the actual distribution for the prior periods is greater than or less than the estimates for the prior periods.

For greater certainty, it is hereby expressly declared that a Trust Unitholder shall have the legal right to enforce payment of any amount which is stated to be payable to a Trust Unitholder hereunder at the time such amount is made payable.

12.2 Allocation

Unless the Trustees otherwise determine, the (i) net income of the Trust for a Taxation Year, determined in accordance with the provisions of the Tax Act other than Paragraph 82(l)(b) and Subsection 104(6); and (ii) net realized capital gains of the Trust payable to Trust Unitholders shall be allocated to the Trust Unitholders for the purposes of the Tax Act in the same proportion as the total distributions made to Trust Unitholders in the Taxation Year under Section 12.1. The Trustees shall in each year make such other designations for tax purposes in respect of distributions that the Trustees consider to be reasonable in all of the circumstances.

12.3 Payment of Distributions

Distributions shall be made by cheque payable to or to the order of the Trust Unitholder or by electronic fund transfer or by such other manner of payment approved by the Trustees from time to time, including distribution of Subsidiary Securities. The payment, if made by cheque, shall be conclusively deemed to have been made upon hand-delivery of a cheque to the Trust Unitholder or to his agent duly authorized in writing or upon the mailing of a cheque by prep aid first-class mail addressed to the Trust Unitholder at his address as it appears in the Register unless the cheque is not paid on presentation. The Trustees may issue a replacement cheque if they are satisfied that the original cheque has not been received or has been lost or destroyed upon being furnished with such evidence of loss, indemnity or other document in connection therewith that they may in their discretion consider necessary.

The payment of the Distributions to any Unitholder *in specie* as provided in Section 12.1 hereof may be satisfied by the delivery of Subsidiary Securities. The payment, if made by Subsidiary Securities, shall be conclusively deemed to have been made upon delivery of the Subsidiary Securities to the Trust Unitholder or to his agent duly authorized in writing, or, if the Subsidiary Securities are redeemable in accordance with their terms, to an agent appointed by the Trustees to hold such Subsidiary Securities pending such redemption.

The Trustees shall deduct or withhold from distributions payable to any Trust Unitholder all amounts required by law to be withheld from such distribution and the Trust shall remit such taxes to the appropriate governmental authority within the times prescribed by law. Trust Unitholders who are Non-Residents will be required to pay all withholding taxes payable in respect of any distributions of income by the Trust, whether such distributions are in the form of cash or additional Units or Subsidiary Securities.

If the Trustees determine that the Trust does not have cash in an amount sufficient to make payment of the full amount of any distribution or that it is otherwise in the best interests of the Trust, the payment may include the issuance of additional Units or notes having a value equal to the difference between the amount of such distribution and the amount of cash which has been determined by the Trustees to be ~~available for~~included in the payment of such distribution. Immediately after a *pro rata* distribution of such Units or notes to all Trust Unitholders in satisfaction of any non-cash distribution, the number of outstanding Units will be consolidated so that each Trust Unitholder will hold after the Consolidation the same number of Units as the Trust Unitholder held before the non-cash distribution. Each Unit Certificate representing a number of Units prior to the non-cash distribution is deemed to represent the same number of Units after the non-cash distribution and the Consolidation.

Notwithstanding the foregoing, where tax is required to be withheld from a Trust Unitholder's share of the distribution and such amount is not paid by the Trust Unitholder to the Trust, the Consolidation will result in such Trust Unitholder holding that number of Units equal to (i) the number of Units held by such Trust Unitholder prior to the distribution plus the number of Units received by such Trust Unitholder in connection with the distribution (net of the number of whole and part Units withheld on account of withholding taxes) multiplied by; (ii) the fraction obtained by dividing the aggregate number of Units outstanding prior to the distribution by the aggregate number of Units that would be outstanding following the distribution and before the Consolidation if no withholding were required in respect of any part of the distribution payable to any Trust Unitholder. Such Trust Unitholder will be required to surrender the Unit Certificates, if any, representing such Trust Unitholder's original Units, in exchange for a Unit Certificate representing such Trust Unitholders' post-Consolidation Units.

12.4 Income Tax Matters

In computing the net income of the Trust for income tax purposes for any year, the Trust shall claim the maximum amount available to it as deductions under the relevant law, including but not limited to maximum capital cost allowance, unless the Trustees determine otherwise.

12.5 Designations

The Trustees shall make such designations for income tax purposes in respect of amounts paid or payable to Trust Unitholders for such amounts that the Trustees consider to be reasonable, including, without limitation, designations relating to taxable dividends received by the Trust in the year on shares of taxable Canadian corporations, net taxable capital gains of the Trust in the year and foreign source income of the Trust for the year.

12.6 Definitions

Unless otherwise specified or the context otherwise requires, any term in this Article 12 which is defined in the Tax Act shall have for the purposes of this Article 12 the meaning that it has in the Tax Act.

ARTICLE 13
FEES AND EXPENSES

13.1 Expenses

The Trust shall pay all expenses incurred in connection with the administration and management of the Trust and its investments out of the property of the Trust, including without limitation:

(a) interest and other costs of borrowed money;

(b) fees and expenses of lawyers, accountants, auditors, appraisers and other agents or consultants employed by or on behalf of the Trust or the Trustees;

(c) fees and expenses of the Trustees;

(d) fees and expenses connected with the acquisition, disposition and ownership of real property interests or mortgage loans or other property;

(e) insurance as considered necessary by the Trustees;

(f) expenses in connection with payments of distributions of Units of the Trust;

(g) expenses in connection with communications to Unitholders and the other bookkeeping and clerical work necessary in maintaining relations with Unitholders;

(h) expenses of changing or terminating the Trust;

(i) fees and charges of transfer agents, registrars, indenture trustees and other trustees and custodians;

(j) all fees, expenses, taxes and other costs incurred in connection with the issuance, distribution, transfer and qualification for distribution to the public of Units and other required governmental filings; and

(k) all costs and expenses in connection with the incorporation or establishment, organization and maintenance of corporations and other entities formed to hold real property or other property of the Trust.

13.2 Payment of Real Property and Brokerage Commissions

The Trust may pay real property and brokerage commissions at commercial rates in respect of the acquisition and disposition of any investment acquired or disposed of by it.

13.3 Asset Management, Development, Leasing and Financing Fees

The Trust may pay asset management fees, development fees, leasing fees and financing fees in respect of any real property owned by it.

ARTICLE 14
AMENDMENTS TO THE DECLARATION OF TRUST

14.1 Amendments by the Trustees

Upon the recommendation of the Independent Trustees of the Trust, the Trustees may, without the approval of the Unitholders, make certain amendments to the Declaration of Trust, including amendments:

(a) aimed at ensuring continuing compliance with applicable taxation or other laws, regulations, requirements or policies of any governmental authority having jurisdiction over: (i) the Trustees or the Trust; (ii) the status of the Trust as a "mutual fund trust"~~; or (iii~~ or "real estate investment trust" under the Tax Act; (iii) to prevent the Trust or any of its subsidiaries being liable to pay a tax under Part XII.2 of the Tax Act; or (iv) the distribution of Units;

(b) which, in the opinion of the Trustees, provide additional protection for the Unitholders;

(c) to ~~remove~~address any conflicts or inconsistencies in ~~the~~this Declaration of Trust or to make minor corrections which are, in the opinion of the Trustees, necessary or desirable and not prejudicial to the Unitholders;

~~(d) which, in the opinion of the Trustees, are necessary or desirable to remove conflicts or inconsistencies between the disclosure in this prospectus and the Declaration of Trust;~~

(d) ~~(e)~~ of a minor or clerical nature or to correct typographical mistakes, ambiguities or manifest omissions or errors, which amendments, in the opinion of the Trustees, are necessary or desirable and not prejudicial to the Unitholders;

(e) ~~(f)~~ which, in the opinion of the Trustees, are necessary or desirable: (i) as a result of changes in taxation or other laws, or to ensure continuing compliance with ~~IFRS for January 1, 2010 and thereafter~~GAAP; or (ii) to ensure the Trust Units qualify as equity for purposes of ~~IFRS for January 1, 2010 and thereafter~~GAAP;

(f) ~~(g)~~ which, in the opinion of the Trustees, are necessary or desirable to enable the Trust to implement a Trust Unit option or purchase plan or issue Units for which the purchase price is payable in instalments;

(g) ~~(h)~~ to create one or more additional classes of units solely to provide voting rights to holders of shares, units or other securities that are exchangeable for Trust Units entitling the holder thereof to a number of votes not exceeding the number of Trust Units into which the exchangeable shares, units or other securities are exchangeable or convertible but that do not otherwise entitle the holder thereof to any rights with respect to the Trust~~'~~'s property or income other than a return of capital; and

(h) ~~(i)~~ for any purpose (except one in respect of which a Unitholder vote is specifically otherwise required) which, in the opinion of the Trustees, is not prejudicial to Unitholders and is necessary or desirable,

but notwithstanding the foregoing, no such amendment, other than an amendment made pursuant to paragraph (f) of this Section 13.1, shall modify the right to vote attached to any Unit or reduce the equal undivided interest in the property of the Trust or the entitlement to distributions from the Trust provided

hereunder (including those provided for in **Article 12** and Article 16) represented by any Unit without the consent of the Unitholders provided in accordance with Sections 14.2, 14.3 and 14.6, as applicable.

14.2 Amendments by Unitholders

Subject to Sections 14.3 and 14.6, this Declaration of Trust may be amended by the vote of a majority of the votes cast at a meeting of Unitholders called for that purpose.

14.3 Approval by Special Resolution

None of the following shall occur unless the same has been duly approved by Special Resolution:

(a) any amendment to this Section 14.3;

(b) an exchange, reclassification or cancellation of all or part of the Units;

(c) the addition, change or removal of the rights, privileges, restrictions or conditions attached to the Units, including:

(i) the removal or change of rights to distributions, except where such removal or change is made by the Trustees pursuant to paragraph 14.1(f) of this Declaration of Trust;

(ii) the addition or removal of or change to conversion privileges, options, voting, transfer or pre-emptive rights; or

(iii) the reduction or removal of a distribution preference or liquidation preference;

(d) any constraint of the issue, transfer or ownership of Units or the change or removal of such constraint;

(e) any sale or transfer of the assets of the Trust or its subsidiaries as an entirety or substantially as an entirety (other than as part of an internal reorganization of the assets of the Trust or its subsidiaries as approved by the Trustees);

(f) the termination of the Trust or its subsidiaries;

(g) the combination, amalgamation or arrangement of any of the Trust or its subsidiaries with any other entity (other than as a part of an internal reorganization of the assets of the Trust and its subsidiaries as approved by the Trustees); or

(h) any amendment referred to in the first sentence of Section 6.3.

14.4 No Termination

No amendment to or amendment and restatement of this Declaration of Trust, whether pursuant to this Article 14 or otherwise, shall be construed as a termination of the Trust and the settlement or establishment of a new trust.

14.5 Trustees to Sign Amendment

When a vote of the Unitholders approves an amendment to this Declaration of Trust or when the Trustees may amend this Declaration of Trust alone as provided herein, then the Trustees shall sign such documents as may be necessary to effect such amendment.

14.6 Restriction on Amendments Affecting Certain Rights of ECL

No amendment shall be made that limits or alters the rights of ECL contained in Subsection 3.8(b) without the express written consent of ECL provided that ECL and its affiliates hold, directly or indirectly, at least 10% of the outstanding Units on a fully diluted basis.

ARTICLE 15
SUPPLEMENTAL INDENTURES

15.1 Provision for Supplemental Indentures for Certain Purposes

The Trustees may, without approval of the Unitholders and subject to the provisions hereof, and shall, when so directed in accordance with the provisions hereof, execute and deliver indentures or instruments supplemental hereto which thereafter shall form part hereof, for any one or more or all of the following purposes:

(a) modifying or amending any provisions of this Declaration of Trust in the circumstances set forth in Section 14.1 where the Trustees may do so without the consent, approval or ratification of the Unitholders or any other person; and

(b) modifying or amending any provisions of this Declaration of Trust where the modification or amendment has been approved by Ordinary Resolution, Special Resolution or, if required, with the consent of the holders of all of the Units.

ARTICLE 16
TERMINATION OF THE TRUST

16.1 Duration of the Trust

Unless the Trust is sooner terminated as otherwise provided herein, the Trust shall continue in full force and effect so long as the Trustees hold any property of the Trust, and the Trustees shall have all the powers and discretions, expressed and implied, conferred upon them by law or by this Declaration of Trust.

16.2 Termination

The Trust shall terminate at the time specified in a decision to terminate the Trust by a Special Resolution passed at a meeting of Unitholders called for that purpose.

16.3 Effect of Termination

Upon the termination of the Trust, the liabilities of the Trust shall be discharged with due speed and the net assets of the Trust shall be liquidated and the proceeds distributed proportionately to the Trust Unitholders. Such distribution may be made in cash or in kind or partly in each, all as the Trustees in their sole discretion may determine. The holders of Special Voting Units and Class C Special Voting Units are not entitled to any distributions with respect to the termination of the Trust.

16.4 Procedure Upon Termination

Forthwith upon being required to commence to wind up the affairs of the Trust, the Trustees shall give notice thereof to the Unitholders, which notice shall designate the time or times at which Unitholders may surrender their Units for cancellation and the date at which the Registers shall be closed.

16.5 Powers of the Trustees Upon Termination

After the date on which the Trustees are required to commence to wind up the affairs of the Trust, the Trustees shall undertake no activities except for the purpose of winding-up the affairs of the Trust as hereinafter provided and, for this purpose, the Trustees shall continue to be vested with and may exercise all or any of the powers conferred upon the Trustees under this Declaration of Trust.

16.6 Further Notice to Unitholders

In the event that less than all of the Unitholders have surrendered their Units for cancellation within six months after the time specified in the notice referred to in Section 16.4, the Trustees shall give further notice to the remaining Unitholders to surrender their Units for cancellation and if, within one year after the further notice, all the Units shall not have been surrendered for cancellation, such remaining Units shall be deemed to be cancelled without prejudice to the rights of the holders of such Units to receive their *pro rata* share of the remaining property of the Trust, and the Trustees may either take appropriate steps, or appoint an agent to take appropriate steps, to contact such Unitholders (deducting all expenses thereby incurred from the amounts to which such Unitholders are entitled as aforesaid) or, in the discretion of the Trustees, may pay such amounts into court.

16.7 Responsibility of the Trustees after Sale and Conversion

The Trustees shall be under no obligation to invest the proceeds of any sale of investments or other assets or cash forming part of the Trust's property after the date referred to in Section 16.4 and, after such sale, the sole obligation of the Trustees under this Declaration of Trust shall be to hold such proceeds or assets in trust for distribution under Section 16.3.

ARTICLE 17
LIABILITIES OF TRUSTEES AND OTHERS

17.1 Liability and Indemnification of the Trustees

The Trustees shall at all times, including, for the purposes of this Article 17, the time after they have ceased to be a Trustee, be indemnified and saved harmless out of the property of the Trust from and against all liabilities, damages, losses, debts and claims whatsoever, including costs, charges and expenses in connection therewith, sustained, incurred, brought, commenced or prosecuted against them for or in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of their duties as Trustees and also from and against all other liabilities, damages, losses, debts, claims, costs, charges, and expenses (including, without limitation, legal fees and disbursements on a solicitor and client basis) which they sustain or incur in or about or in relation to the affairs of the Trust (whether accrued, actual, contingent or otherwise), claims, costs, charges or expenses arising out of or in connection with the presence, release, discharge or disposal of any hazardous substance or any adverse environmental conditions at, on, under or near any real property or any investigation, remediation or clean up action required to be undertaken in connection with any real property. Further, the Trustees shall not be liable to the Trust or to any Unitholder or Annuitant for any loss or damages relating to any matter regarding the Trust, including, without limitation, any loss or

diminution in the value of the Trust or its assets. The foregoing provisions of this Section 17.1 in favour of any Trustee do not apply unless:

(a) the Trustee acted honestly and in good faith with a view to the best interests of the Trust and the Unitholders; and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the Trustee had reasonable grounds for believing his conduct was lawful.

17.2 Indemnification of Trustees and Officers

Each Trustee, each former Trustee, each officer of the Trust and each former officer of the Trust shall be entitled to be and shall be indemnified and reimbursed out of the Trust's property in respect of any and all taxes, penalties or interest in respect of unpaid taxes or other governmental charges imposed upon the Trustee or former Trustee or officer or former officer in consequence of its performance of its duties hereunder and in respect of any and all costs, charges and expenses, including amounts paid to settle an action or satisfy a judgment, reasonably incurred in respect of any civil, criminal or administrative action or proceeding to which the Trustee, former Trustee, officer or former officer is made a party by reason of being or having been a Trustee or officer of the Trust or, at the request of the Trust, a trustee or officer or any subsidiary or affiliate thereof, provided that a Trustee, former Trustee, officer or former officer shall not be indemnified out of the Trust's property in respect of unpaid taxes or other governmental charges or in respect of such costs, charges and expenses that arise out of or as a result or in the course of a breach of the standard of care, diligence and skill set out in Section 4.6. A Trustee, former Trustee, officer or former officer shall not be entitled to satisfy any right of indemnity or reimbursement granted herein, or otherwise existing under law, except out of the Trust's property, and no Unitholder or other Trustee or officer shall be personally liable to any person with respect to any claim for such indemnity or reimbursement as aforesaid.

17.3 Contractual Obligations of the Trust

The omission of the statement described in Subsection 6.2(b)(ii) from any document or instrument shall not render the Trustees or the Unitholders liable to any person, nor shall the Trustees or the Unitholders be liable for such omission. If, the Trustees or any Unitholder shall be held liable to any person by reason of the omission of such statement from any such agreement, undertaking or obligation such Trustee or Unitholder shall be entitled to indemnity and reimbursement out of the Trust's property to the full extent of such liability.

17.4 Liability of the Trustees

The Trustees shall not be liable to the Trust or to any Unitholder, Annuitant or any other person for the acts, omissions, receipts, neglects or defaults of any person, firm or corporation employed or engaged by it as permitted hereunder, or for joining in any receipt or act of conformity or for any loss, damage or expense caused to the Trust through the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Trust shall be paid out or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom or which any monies, securities or property of the Trust shall be lodged or deposited, or for any loss occasioned by error in judgment or oversight on the part of the Trustees, or for any other loss, damage or misfortune which may happen in the execution by the Trustees of their duties hereunder, except to the extent the Trustees have not acted in accordance with Subsections 17.1(a) and 17.1(b).

17.5 Reliance Upon Advice

The Trustees may rely and act upon any statement, report or opinion prepared by or any advice received from the auditors, lawyers or other professional advisors of the Trust and shall not be responsible or held liable for any loss or damage resulting from so relying or acting.

17.6 Liability of Unitholders and Others

No Unitholder or Annuitant or any officer, employee or agent of the Trust shall be held to have any personal liability as such, and no resort shall be had to his private property (including, without limitation, any property consisting of or arising from a distribution of any kind or nature by the Trust) for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of the Trust or of the Trustees or any obligation which a Unitholder or Annuitant would otherwise have to indemnify a Trustee for any personal liability incurred by the Trustee as such, but rather the assets of the Trust only are intended to be liable and subject to levy or execution for such satisfaction. Any written instrument creating an obligation which is or includes the granting by the Trust of a lease, sublease or mortgage or which is, in the judgment of the Trustees, a material obligation, shall contain a provision to the effect that the obligation being created is not personally binding upon, and that resort shall not be had to, nor shall recourse or satisfaction be sought from, the private property (including, without limitation, any property consisting of or arising from a distribution of any kind or nature by the Trust) of any of the Unitholders or Annuitant or officers, employees and agents of the Trust, but the property of the Trust or a specific portion thereof only shall be bound. If the Trust acquires any real property investment subject to existing contractual obligations, the Trustees shall use their reasonable efforts to have any such obligations under material agreements (including mortgages), other than leases, modified so as to achieve the aforesaid disavowal of contractual liability. Further, the Trustees shall cause the operations of the Trust to be conducted in such a way and in such jurisdictions as to avoid, as far as reasonably possible, any material risk of liability on the Unitholders or Annuitant for claims against the Trust, and shall, to the extent which they determine to be possible and reasonable, including in the cost or premiums, to cause the Trust to carry insurance for the benefit of such persons in such amounts as they consider adequate to cover any foreseeable non-contractual or non-excluded contractual liability. Any potential liability of the Trustees with respect to their foregoing obligations or their failure to perform the same shall be governed by the provisions of Section 17.1, Section 17.4 and Section 17.5. Nothing in this Declaration will preclude the Trustees from exercising any rights granted to them under the Tax Act or any other applicable taxation legislation to withhold from amounts payable to Unitholders or otherwise recover from Unitholders any taxes that the Trustees have paid on behalf of Unitholders.

ARTICLE 18
GENERAL

18.1 Execution of Instruments

The Trustees shall have power from time to time to appoint any Trustee or Trustees or officer or officers of the Trust or any person or persons on behalf of the Trust either to sign instruments in writing generally or to sign specific instruments in writing. Provisions respecting the foregoing may be contained in the Trustees' Regulations.

18.2 Manner of Giving Notice

(a) Any notice or other document required or permitted by the provisions of this Declaration of Trust to be given to a Unitholder, a Trustee or the Auditors shall be deemed conclusively to have been given if given either by delivery or by prepaid first-class mail addressed to the Unitholder at the address shown in the Register, to a Trustee at the last address provided by such Trustee to the President of the Trust, or to the Auditors of the Trust at the last address provided by the Auditors to the Trustees, as the case may be provided that if there is a general discontinuance of postal service due to strike, lockout or otherwise, such notice may be given by publication twice in the Report on Business section of the National Edition of The Globe and Mail or similar section of any other newspaper having national circulation in Canada provided further that if there is no newspaper having national circulation, then by publishing twice in the business section of a newspaper in each city where the register or a branch register is maintained. Any notice so given shall be deemed to have been given on the day following that on which the letter or circular was posted or, in the case of notice being given by publication, after publishing such notice twice in the designated newspaper or newspapers. In proving notice was posted, it shall be sufficient to prove that such letter or circular was properly addressed, stamped and posted.

(b) Any written notice or written communication given to the Trustees shall be addressed to the Trustees at the head office of the Trust, and shall be deemed to have been given on the date of delivery or date sent by facsimile or other means of prepaid, transmitted or recorded communications or, if mailed, five days from the date of mailing. If any such notice or communication shall have been mailed and if regular mail service shall be interrupted by strikes or other irregularities, such notice or communication shall be deemed to have been received 48 hours after 12:01 a.m. on the day following the resumption of normal mail service, provided that during the period that regular mail service shall be interrupted any notice or other communication shall be given by personal delivery or by facsimile or other means of prepaid, transmitted or recorded communication.

18.3 Failure to Give Notice

The failure by the Trustees, by accident or omission or otherwise unintentionally, to give any Unitholder, any Trustee or the Auditors any notice provided for herein shall not affect the validity, effect, taking effect or time of taking effect of any action referred to in such notice, and the Trustees shall not be liable to any Unitholder for any such failure.

18.4 Joint Holders

Service of a notice or document on any one of several joint holders of Units shall be deemed effective service on the other joint holders.

18.5 Subsidiary Holding Trust Units

Any subsidiary of the Trust shall have the right to renounce, release and surrender, for no consideration, all rights and benefits in and to the Trust Units it may hold, or be entitled to hold, by delivering written notice to the Trust exercising such right.

18.6 Service of Notice

Any notice or document sent by post to or left at the address of a Unitholder pursuant to this 0 shall, notwithstanding the death or bankruptcy of such Unitholder, and whether or not the Trustees have notice of such death or bankruptcy, be deemed to have been fully served and such service shall be deemed sufficient service on all persons having an interest in the Units concerned.

18.7 Trust Auditors

The Auditors shall be appointed at each annual meeting save that, until the first such annual meeting, such Auditors shall be appointed by the Trustees. If at any time a vacancy occurs in the position of auditors of the Trust, the Trustees may appoint a firm of chartered accountants qualified to practice in all provinces of Canada to act as the Auditors at the next annual meeting of Unitholders. The Auditors shall report to the Trustees and the Unitholders on the annual financial statements of the Trust and shall fulfil such other responsibilities as they may properly be called upon by the Trustees to assume. The Auditors shall have access to all records relating to the affairs of the Trust.

18.8 Fiscal Year

The Fiscal Year of the Trust shall end on December 31 in each year.

18.9 Reports to Unitholders

The Trust will furnish to Unitholders such financial statements (including quarterly and annual financial statements) and other reports as are from time to time required by this Declaration of Trust and by applicable law.

Prior to a meeting of Unitholders, the Trustees will provide the Unitholders (along with notice of such meeting) information similar to that required to be provided to shareholders of a public corporation governed by the *Business Corporations Act* (Ontario) and as required by applicable tax laws and Securities Laws.

18.10 Trust Property to be Kept Separate

The Trustees shall maintain the property of the Trust separate from all other property in their possession.

18.11 Electronic Documents

Any requirement under this Declaration of Trust, the *Securities Act* (Ontario) or any other applicable law that a notice, statement, document or other information be created or provided is satisfied by the creation or provision of an electronic document to the extent permitted by law.

18.12 Trustees May hold Units

Any Trustee or associate of a Trustee may be a Unitholder or may be an Annuitant, and may be required to hold Units as the board of Trustees may determine from time to time.

18.13 Trust Records

The Trustee shall prepare and maintain, at its principal office or at any other place in Canada designated by the Trustees, records containing (i) the Declaration of Trust; and (ii) minutes of

meetings and, resolutions of Unitholders. The Trust shall also prepare and maintain adequate accounting records and records containing minutes of meetings and resolutions of the Trustees and any committee thereof. Such records shall be kept at the principal office of the Trust or at such other place as the Trustees think fit and shall at all reasonable times be open to inspection by the Trustees.

18.14 Right to Inspect Documents

A Unitholder and any agent, consultant or creditor of the Trust shall have the right to examine the Declaration of Trust, the Trustees' Regulations, the minutes of meetings and resolutions of Unitholders, and any other documents or records which the Trustees determine should be available for inspection by such Persons, during normal business hours at the principal office of the Trust. Unitholders and creditors of the Trust shall have the right to obtain or make or cause to be made a list of all or any of the registered holders of Units, to the same extent and upon the same conditions as those which apply to shareholders and creditors of a corporation governed by the *Canada Business Corporations Act*, as replaced or amended from time to time.

18.15 Taxation Information

On or before March 30 in each year, or such earlier day as is required by applicable legislation or regulation, the Trust will provide to Trust Unitholders who received distributions from the Trust in the prior calendar year, such information required by Canadian law to be submitted to Trust Unitholders for income tax purposes to enable Trust Unitholders to complete their tax returns in respect of such distributions. In particular, each Trust Unitholder shall be informed each year of the composition of the amounts payable by the Trust to such Trust Unitholder in terms of net income, taxable dividends, net taxable gains, foreign source income and return of capital, and will be informed of the portion of such net income that has been designated as taxable dividends on shares of taxable Canadian corporations and taxable capital gains and of the amount of any foreign taxes paid by the Trust in respect of which the Trust Unitholder may claim a credit for tax purposes to the extent permitted by the Tax Act, where those items are applicable.

18.16 Consolidations

Any one or more Trustees may prepare consolidated copies of the Declaration of Trust as it may from time to time be amended, supplemented or amended and restated from time to time, and may certify the same to be a true consolidated copy of the Declaration of Trust, as amended, supplemented or amended and restated from time to time.

18.17 Counterparts

This Declaration of Trust may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

18.18 Severability

The provisions of this Declaration of Trust are severable. If any provision of this Declaration of Trust shall be held invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall attach only to such provision in such jurisdiction and shall not in any manner affect or render invalid or unenforceable such provision in any other jurisdiction or any other provision of this Declaration of Trust in any jurisdiction.

18.19 Headings for Reference Only

The headings preceding the articles and sections hereof have been inserted for convenience and reference only and shall not be construed to affect the meaning, construction, interpretation or effect of this Declaration of Trust.

18.20 Governing Law

This Declaration of Trust and the Unit Certificates shall be interpreted and governed by and take effect exclusively in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as Ontario contracts. Any and all disputes arising under this Declaration of Trust, whether as to interpretation, performance or otherwise, shall be subject to the exclusive jurisdiction of the courts of the Province of Ontario and each of the Trustees hereby irrevocably attorns, and each Unitholder shall be deemed to hereby irrevocably attorn, to the exclusive jurisdiction of the courts of such province.

IN WITNESS WHEREOF the Trustees appearing below, having been duly authorized to execute and deliver this Declaration of Trust, have caused these presents to be signed as of the date first above written.

~~Paul V. Beesley~~

~~Donald E. Clow~~

~~James M. Dickson~~

~~John Eby~~

~~J. Michael Knowlton~~

~~Barbara Palk~~

~~Jason P. Shannon~~

~~Jana Sobey~~

~~Paul D. Sobey~~

~~Elisabeth Stroback~~

	[Name]
	[Name]
	[Name]
	[Name]
	[Name]
	[Name]
	[Name]
	[Name]
	[Name]
	[Name]
	[Name]
	[Name]

SCHEDULE A

CROMBIE REAL ESTATE INVESTMENT TRUST

TRUSTEES' REGULATIONS

INTERPRETATION

1. **Interpretation**. In these Trustees' Regulations, unless the context otherwise specifies or requires:

   (a) all terms used in these Trustees' Regulations not otherwise defined herein shall have the meanings given to such terms in the Declaration of Trust;

   (b) words importing the singular number only shall include the plural and vice versa and words importing a specific gender shall include the other gender; and

   (c) the headings used in these Trustees' Regulations are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

MEETINGS OF TRUSTEES

2. **Place and Time of Meeting**. Unless consented to in writing by a majority of the Trustees, all meetings of the Trustees called by the giving of notice shall be held at a place in Canada on a business day which place and time shall be specified in the notice.

3. **Notice**. The notice of any meeting may but need not specify the purpose of or the business to be transacted at the meeting.

4. **Adjournment**. Any meeting of Trustees may be adjourned from time to time by the chairperson of the meeting, with the consent of the meeting, to another business day at a fixed time and place. Notice of any adjourned meeting of Trustees is not required to be given if the time and place of the adjourned meeting is announced at the original meeting, but notice of the adjourned meeting shall be given to the Trustees not present at such original meeting by delivering (not mailing) the same not less than one day (exclusive of the day on which the notice is delivered but inclusive of the day for which notice is given) before the adjourned meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The Trustees who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

5. **Minutes of Meetings**. The Chairperson shall appoint a secretary to act as secretary of each meeting of the Trustees and of the Unitholders. Written records and minutes of all meetings of Trustees, Governance and Nominating Committee, the Human Resources Committee and the Audit Committee shall be maintained by the secretary of each meeting and shall be placed in the minute book of the Trust. Any written records and minutes of meetings of any other committee of Trustees maintained by the secretary of such meeting may but need not be placed in the

minute book of the Trust. There shall be inserted or entered into the records and minutes of the meetings of Trustees or the Investment Committee, as the case may be, all written disclosures or requests made to have entered into the minutes of the meeting, of the nature and extent of a Person's interest in a material agreement or transaction or proposed material agreement or transaction with the Trust made pursuant to Section 4.11 of the Declaration of Trust.

FOR THE PROTECTION OF TRUSTEES AND OFFICERS

6. **For the Protection of Trustees and Officers.** The provisions of the Declaration of Trust pertaining to the liability and indemnification of Trustees shall apply *mutatis mutandis* to the officers of the Trust or Persons who act or acted at the Trust's request as a director or officer of a body corporate of which the Trust is or was a shareholder or creditor, and his heirs and legal representatives.

   The Trust shall also indemnify any such Person in such other circumstances as the Declaration of Trust or law permits, subject to the Declaration of Trust, or requires. Nothing in these Trustees' Regulations shall limit the right of any Person entitled to indemnity to claim indemnity apart from the provisions of these Trustees' Regulations to the extent permitted by the Declaration of Trust or law.

OFFICERS

7. **Appointment and Removal**. The Trustees may annually or more often appoint the officers of the Trust who may or may not be Trustees. Notwithstanding the foregoing, each incumbent officer of the Trust shall continue in office until the earliest of (a) his resignation, which resignation shall be effective at the time a written resignation is received by the Trust or at the time specified in the resignation, whichever is later, (b) the appointment of his successor, (c) his removal and (d) his death. The Trustees may from time to time and subject to the provisions of the Declaration of Trust, prescribe, vary, add to or limit the duties and powers of any officer.

   All officers, in the absence of agreement to the contrary, shall be subject to removal by resolution of the Trustees at any time, with or without cause.

8. **Chairperson**. The Chairperson of Trustees shall be appointed from among the Trustees. The Chairperson, in his absence, the Lead Trustee, shall preside as chair at all meetings of the Trustees and at all meetings of the Unitholders, unless a Trustee who is not the Chairperson is selected to do so by the Trustees in accordance with Section 8.4 of the Declaration of Trust.

9. **Powers and Duties**. Subject to the provisions of the Declaration of Trust, all officers of the Trust shall sign such contracts, documents or instruments in writing as require their respective signatures and shall respectively have and perform all powers and duties incident to their respective offices and such other powers and duties respectively as may from time to time be assigned to them by the Trustees.

10. **Duties May be Delegated**. Subject to the provisions of the Declaration of Trust, in case of the absence or inability to act of any officer of the Trust or for any other reason that the Trustees may deem sufficient, the Trustees may delegate all or any of the powers of such officer to any other officer or to any Trustee for the time being.

11. **Vacancies**. If the office of any officer of the Trust shall be or become vacant by reason of death, resignation, removal or otherwise, the Trustees may appoint a Person to fill such vacancy.

UNITHOLDERS' MEETINGS

12. **Place and Time of Meetings**. Each meeting of the Unitholders shall be held at a place in Canada on a Business Day which place and time shall be specified in the notice calling the meeting.

13. **Notice**. A printed, written or typewritten notice stating the day, hour and place of any meeting of the Unitholders shall be given by serving such notice on each Unitholder entitled to vote at such meeting, on each Trustee and on the auditor of the Trust in the manner provided for in the Declaration of Trust and in these Trustees' Regulations. A meeting of the Unitholders may be held for any purpose on any day and at any time without notice if all of the Unitholders and all other Persons entitled to attend such. meeting are present in Person or, where appropriate, represented by proxy at the meeting (except where a Unitholder or other Person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all of the Unitholders and all other Persons entitled to attend such meeting who are not present in Person or, where appropriate, represented by proxy thereat waive notice before or after the date of such meeting.

14. **Waiver of Notice**. A Unitholder and any other Person entitled to attend a meeting of the Unitholders may in any manner waive notice of a meeting of the Unitholders and attendance of any such Person at a meeting of the Unitholders shall constitute a waiver of notice of the meeting except where such Person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

15. **Votes**. Every question submitted to any meeting of the Unitholders shall be decided in the first instance by a show of hands unless a Person entitled to vote at the meeting has demanded a ballot.

    A ballot may be demanded either before or after any vote by show of hands by any Person entitled to vote at the meeting. If at any meeting a ballot is demanded on the election of a chairperson or on the question of adjournment it shall be taken forthwith without adjournment. If at any meeting a ballot is demanded on any other question or as to the election of Trustees, the vote shall be taken by ballot in such manner and either at once, later in the meeting or after adjournment as the chairperson of the meeting directs. The result of a ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded. A demand for a ballot may be withdrawn.

    Where two or more Persons hold the same Unit or Units jointly, one of those holders present at a meeting of the Unitholders may, in the absence of the other or others, vote the Unit or Units but if two or more of those Persons who are present, in Person or by proxy vote, they shall vote as one on the Unit or Units jointly held by them.

    At any meeting of the Unitholders unless a ballot is demanded, a declaration by the chairperson of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

16. **Proxies**. At every meeting at which he is entitled to vote, every Unitholder and/or Person appointed by proxy and/or individual so authorized to represent a Unitholder who is present in Person shall have one vote on a show of hands. Upon a ballot at which he is entitled to vote, every Unitholder present in Person or represented by proxy or by an individual so authorized shall (subject to the provisions, if any, of the Declaration of Trust) have one vote for every Unit held by him.

A proxy shall be executed by the Unitholder or his attorney authorized in writing or, if the Unitholder is a body corporate or association, by an officer or attorney thereof duly authorized. If the Units are publicly traded, a proxy appointing a proxyholder ceases to be valid one year from its date.

A proxy may be in the following form:

> The undersigned Unitholder of Crombie Real Estate Investment Trust hereby appoints _____of_____ or falling him, _____ as the nominee of the undersigned to attend and act for the undersigned and on behalf of the undersigned at the said meeting of the Unitholders of the said Trust to be held on the day of and at any adjournment thereof in the same manner, to the same extent and with the same power as if the undersigned were present at the said meeting or such adjournment thereof. This proxy is [not] solicited by or on behalf of management of the Trust.
>
> DATED this day of
>
> _____
> Signature of Unitholder

The Trustees may from time to time institute procedures regarding the lodging of proxies at some place or places other than the place at which a meeting or adjourned meeting of the Unitholders is to be held and for particulars of such proxies to be sent by telecopier or in writing before the meeting or adjourned meeting to the Trust or any agent of the Trust for the purpose of receiving such particulars and providing that proxies so lodged may be voted upon as though the proxies themselves were produced at the meeting or adjourned meeting and votes given in accordance with such procedures shall be valid and shall be counted. The chairperson of any meeting of the Unitholders may, in his discretion, accept telecopier or written communication as to the authority of any Person claiming to vote on behalf of and to represent a Unitholder notwithstanding that no proxy conferring such authority has been lodged with the Trust, and any votes given in accordance with such telecopier or written communication accepted by the chairperson of the meeting shall be valid and shall be counted.

17. **Adjournment**. The chairperson of any meeting of the Unitholders may with the consent of the meeting adjourn the same from time to time to another Business Day at a fixed time and place and no notice of such adjournment need be given to the Unitholders unless the meeting is adjourned by one or more adjournments for an aggregate of thirty days or more in which case notice of the adjourned meeting shall be given as for an original meeting. Any business may be brought before or dealt with at any adjourned meeting for which no notice is required which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

    Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The Persons who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment.

18. **Quorum**. No business shall be transacted at any meeting of the Unitholders unless the requisite quorum be present at the time of the transaction of such business. If a quorum is not present at the time appointed for a meeting of the Unitholders or within such reasonable time thereafter as

the Unitholders present may determine, the Persons present and entitled to vote may adjourn the meeting to another business day at a fixed time and place but may not transact any other business and the provisions of paragraph 17 with regard to notice shall apply to such adjournment.

19. **Minutes of Meetings**. Written records and minutes of each meeting of the Unitholders shall be maintained by the secretary of each meeting and shall be placed in the minute book of the Trust.

CERTIFICATES

20. **Certificates**. Certificates representing Units shall be signed manually by at least one Trustee or officer of the Trust holding office at the time of signing and by or on behalf of a registrar, transfer agent, branch transfer agent or issuing or other authenticating agent of the Trust and any additional signatures required on a certificate representing Units may be printed or otherwise mechanically reproduced thereon.

    A certificate representing Units containing the signature of a Person which is printed, engraved, lithographed or otherwise mechanically reproduced thereon may be issued notwithstanding that the Person has ceased to be a Trustee or an officer, as the case may be, of the Trust and shall be as valid as if he were a Trustee or an officer, as the case may be, at the date of its issue.

TRANSFER OF UNITS

21. **Register**. The Register shall be kept as provided for in the Declaration of Trust and a branch register or registers of transfers may be kept at such office or such other place or places, either within or outside Ontario, as may from time to time be designated by the Trustees.

VOTING SHARES AND SECURITIES IN BODIES CORPORATE

22. **Voting Shares and Securities in Bodies Corporate**. All of the shares or other securities carrying voting rights of any body corporate held from time to time by the Trust may be voted at any and all meetings of shareholders or holders of other securities (as the case may be) of such body corporate and in such manner and by such Person or Persons as the Trustees shall from time to time determine. The duly authorized signing officers of the Trust may also from time to time execute and deliver for and on behalf of the Trust proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the Trustees.

NOTICES

23. **Service**. If a notice or document is sent to a Unitholder by prepaid first-class mail in accordance with the provisions of the Declaration of Trust and the notice or document is returned on three consecutive occasions because the Unitholder cannot be found, it shall not be necessary to send any further notices or documents to the Unitholder until he informs the Trust in writing of his new address.

24. **Units Registered in More Than One Name**. All notices or other documents with respect to any Units registered in more than one name shall be given to whichever of such Persons is named first in the records of the Trust and any notice or other document so given shall be sufficiently given to all of the holders of such Units.

25. **Deceased Unitholders**. Any notice or other document delivered or sent in a manner contemplated in the Declaration of Trust to the address of any Unitholder as the same appears in

the records of the Trust shall, notwithstanding that such Unitholder be then deceased, and whether or not the Trust has notice of his death, be deemed to have been duly served in respect of the Units held by such Unitholder (whether held solely or with any other Person or Persons) until some other Person be entered in his stead in the records of the Trust as the holder or one of the holders thereof and such service shall for all purposes be deemed a sufficient service of such notice or document on his heirs, executors or administrators and on all Persons, if any, interested through him or with him in such Units.

26. **Signature to Notices**. The signature of any Trustee or officer of the Trust to any notice or document to be given by the Trust may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

27. **Computation of Time**. Where a given number of days' notice or notice extending over a period is required to be given under any provisions of the Declaration of Trust or these Trustees' Regulations, the day of service or posting of the notice or document shall not, unless it is otherwise provided, be counted in such number of days or other period, but the day of receipt of the notice or document shall, unless it is otherwise provided, be counted in such number of days or other period.

28. **Proof of Service**. With respect to every notice or other document sent by post it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in the Declaration of Trust and in these Trustees' Regulations and put into a post office or into a letter box. A certificate of an officer of the Trust in office at the time of the making of the certificate or of a transfer officer of any transfer agent or branch transfer agent of Units of the Trust as to facts in relation to the sending or delivery of any notice or other document to any Unitholder, Trustee, officer or auditor of the Trust or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every Unitholder, Trustee, officer or auditor of the Trust, as the case may be.

CHEQUES, DRAFTS AND NOTES

29. **Cheques, Drafts and Notes**. All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officer or officers of the Trust or Person or Persons, whether or not officers of the Trust, and in such manner as the Trustees may from time to time designate.

CUSTODY OF SECURITIES

30. **Custody of Securities**. All shares and other securities owned by the Trust shall be lodged (in the name of the Trust) with a chartered bank or a trust company, in a safety deposit box or with a law firm acting on behalf of the Trust or, if so authorized by resolution of the Trustees, with such other depositories or in such other manner as may be determined from time to time by the Trustees.

    All shares and other securities belonging to the Trust may be issued, or held in the name of a nominee or nominees of the Trust (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with right of survivorship) and any shares or other securities so issued or held shall be endorsed in blank with endorsement guaranteed in order to enable transfer to be completed and registration to be effected.

EXECUTION OF INSTRUMENTS

31. **Execution of Instruments**. All contracts, documents or instruments in writing requiring the signature of the Trust may be signed by any officer or Trustee of the Trust and all contracts, documents and instruments in writing so signed shall be binding upon the Trust without any further authorization or formality. The Trustees shall have power from time to time to appoint any officer or officers, or any Person or Persons, on behalf of the Trust either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.

    The term "contracts, documents or instruments in writing" as used in these Trustees' Regulations shall include (without limitation) security certificates, deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations and conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures or other securities and all paper writings.

    Without limiting the foregoing, any officer or Trustee of the trust shall have authority to sell, assign, transfer, exchange, convert or convey any and all shares, stocks, bonds, debentures, rights, warrants or other securities owned by or registered in the name of the Trust and to sign and execute all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying any such shares, stocks, bonds, debentures, rights, warrants or other securities.

    The signature or signatures of the officers and Trustees of the Trust and/or of any other Person or Persons appointed as aforesaid by the Trustees may, if specifically authorized by the Trustees, be printed, engraved, lithographed or otherwise mechanically reproduced upon any contracts, documents or instruments in writing or bonds, debentures or other securities of the Trust executed or issued by or on behalf of the Trust and all contracts, documents or instruments in writing or bonds, debentures or other securities of the Trust on which the signature or signatures of any one or more of the foregoing officers or Trustees or the officers or Persons authorized as aforesaid shall be so reproduced pursuant to such authorization by the Trustees shall be deemed to have been manually signed by each such officer, Trustee or Person whose signature is so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that any such officer, Trustee or Person whose signature is so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or bonds, debentures or other securities of the Trust.

INCONSISTENCIES WITH DECLARATION OF TRUST OF TRUST

32. **Inconsistencies**. In the event of any conflict or inconsistency between these Trustees' Regulations and the provisions of the Amended and Restated Declaration of Trust of the Trust, as amended, restated or amended and restated from time to time, the provisions hereof shall be ineffective and shall be superseded by the provisions of such Amended and Restated Declaration of Trust to the extent necessary to resolve such conflict or inconsistency.