

**September 25, 2012**

**LANSDOWNE MASTER LIMITED PARTNERSHIP**

**-and-**

**LANSDOWNE RETAIL GP INC.**

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**RETAIL COMPONENT LIMITED PARTNERSHIP AGREEMENT**

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## RETAIL COMPONENT LIMITED PARTNERSHIP AGREEMENT

THIS AGREEMENT made as of the • day of October, 2012

B E T W E E N :

**LANSDOWNE MASTER LIMITED PARTNERSHIP,**  
a limited partnership established under laws of the Province of Manitoba  
having as its general partner **LANSDOWNE MASTER GP INC.**, a corporation  
incorporated under the laws of the Province of Ontario  
(the “**Limited Partner**”)

-and-

**LANSDOWNE RETAIL GP INC.,**  
a corporation incorporated under the laws of the Province of Ontario  
(the “**General Partner**”)

WHEREAS:

A. The General Partner and the Limited Partner desire to form a limited partnership under the Law of the Province of Manitoba pursuant to the provisions of the Act and this Agreement under the name Lansdowne Retail Limited Partnership;

B. The Parties wish to enter into this Agreement to set out their respective rights and obligations with respect to the Limited Partnership;

**NOW THEREFORE WITNESSETH** that, in consideration of the mutual covenants herein contained, the Parties hereto hereby agree as follows:

### **ARTICLE I** **INTERPRETATION**

#### **1.1 Defined Terms**

In this Agreement:

“**Act**” means *The Partnership Act* (Manitoba);

“**Action**” means a dispute, claim, suit, action or other proceeding of any nature or kind arising out of or in connection with this Agreement, whether at law or in equity, including specific performance, injunction, declaration of damages or otherwise;

“**Agreement**” means this agreement including any recitals and schedules to this agreement;

“**Amounts Required for the Purposes of the Limited Partnership**” means all monies required from time to time to perform and satisfy or cause to be performed and satisfied the obligations or liabilities of the Limited Partnership properly entered into or incurred in accordance with the provisions of this Agreement, the Retail Shareholder’s Agreement, the Master Limited Partnership Agreement, the Master GP Shareholder Agreement, the Project Agreement, the Retail Lease and any other Relevant Material Agreement;

“**Approved**” means approved in writing by the relevant Party in accordance with Section 9.4 unless expressly provided in an alternate manner in this Agreement and “**Approval**” has a corresponding meaning;

“**Arm’s Length**” has the meaning given to such term in the *Income Tax Act* (Canada);

“**Auditor**” means such firm of auditors as the General Partner may determine from time to time pursuant to and in accordance with the provisions of the Retail Shareholder’s Agreement;

“**BNRA**” means *The Business Names Registration Act* (Manitoba);

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday in Ontario;

“**Business Entity**” means a partnership, limited partnership, co-owners arrangement or other business entity other than a corporation with share capital;

“**City**” means the City of Ottawa;

“**Closed System**” has the meaning given to such term in the Project Agreement;

“**Closing**” has the meaning given to such term in the Project Agreement;

“**Component Limited Partnerships**” has the meaning given to such term in the Master GP Shareholder Agreement;

“**Construction**” has the meaning given to such term in the Project Agreement;

“**Contribution**” means a contribution of capital by the Limited Partner to the Limited Partnership;

“**Declaration**” shall mean the declaration in respect of the Limited Partnership filed in accordance with the Act and the BNRA, as such declaration may be amended, restated, supplemented or otherwise modified from time to time in accordance with the Act and the BNRA;

“**Development Management Agreement**” means the development, construction, and leasing management agreement dated the date hereof between the General Partner on behalf of

the Limited Partnership and Trinity Development Group Inc., as manager, with respect to the development, construction and leasing of the Retail Component for a Retail Fee in accordance with Section 2.17(a) hereof, and on terms and conditions Approved by the City;

**“Discretion”** means, with respect to any consent, approval or decision required to be made by a Party, that such approval, consent or decision may be made in the sole and absolute discretion of the relevant Party;

**“Disposition”** means:

- (a) the issuance of any Securities of a corporation or other Business Entity or the sale, transfer, assignment, transmission on death or other disposition of any Securities of a corporation or other Business Entity; or
- (b) the sale, transfer, assignment or other disposition of all or a material portion of the assets of a corporation or other Business Entity, other than as security pursuant to an Encumbrance permitted by this Agreement or a Material Agreement;

as the context requires, or the grant of an option or the entering into of an agreement to effect any of the foregoing and **“Dispose”**, **“Disposed”** and **“Disposing”** shall have a corresponding meaning;

**“Dispute”** means any disagreement, failure to agree or other dispute between the Limited Partner and the General Partner arising out of or in connection with this Agreement, including in respect of the interpretation, breach, performance, validity or termination hereof, whether in the law of contract or any other area of law;

**“Dispute Resolution Procedure”** means the procedure set out in Schedule 9.1 (Dispute Resolution Procedure);

**“Elected Amount”** has the meaning given to such term in Section 3.7(c);

**“Encumber”** means to mortgage, charge, pledge, hypothecate, create or grant a security interest in or otherwise encumber:

- (a) Securities of a corporation or other Business Entity or to grant a power of attorney, proxy or otherwise grant a right to vote any of the Securities of a corporation or other Business Entity; or
- (b) all or any portion of any of the assets of a corporation or other Business Entity,

or to enter into an agreement granting a present or future right or entitlement to any of the foregoing and **“Encumbrance”** has a corresponding meaning;

**“Event of Insolvency”** means the occurrence of any one of the following in respect of the General Partner:

- (a) any proceedings with respect to the General Partner being commenced under the *Companies' Creditors Arrangement Act* (Canada) and if not initiated by the General Partner, not being dismissed by a court of competent jurisdiction within thirty (30) days;
- (b) a receiver, receiver manager or an encumbrance holder taking possession of or being appointed over, or any distress, execution or other process being levied or enforced upon, the whole or any material part of the assets of the General Partner and not being contested in good faith using all reasonable efforts for a period not exceeding thirty (30) days;
- (c) the General Partner ceasing to carrying on business;
- (d) the General Partner making an assignment for the benefit of its creditors, being declared bankrupt or committing an act of bankruptcy, becoming insolvent, making a proposal or otherwise taking advantage of provisions for relief under the *Bankruptcy and Insolvency Act* (Canada) or similar legislation in any jurisdiction, or any other type of insolvency proceedings being commenced by or against the General Partner under the *Bankruptcy and Insolvency Act* (Canada) or otherwise and, if commenced against the General Partner, not being stayed within thirty (30) days of its commencement; or
- (e) a petition being filed (and not being contested in good faith using all reasonable efforts for a period not exceeding thirty (30) days), or a resolution being passed or an order being made for the winding-up, liquidation or dissolution of the General Partner and if not initiated by the General Partner, not being dismissed by a court of competent jurisdiction within thirty (30) days;

**“Execution Date”** means the date of this Agreement;

**“Fee Limitations”** has the meaning given to such term in Section 2.17(a);

**“Financing Management Agreement”** means a financing management agreement to be entered into between the General Partner on behalf of the Limited Partnership and an OSEG Member or a Permitted Transferee of an OSEG Member for a Retail Fee in accordance with Section 2.17(a) hereof, and otherwise on terms and conditions satisfactory to the City in its Discretion, as a party to the Retail Shareholder’s Agreement;

**“Fiscal Year”** means the calendar year or such other period as shall be determined by OSEG and the City pursuant to the Retail Shareholder's Agreement;

**“Force Majeure”** means:

- (a) war, civil war, armed conflict, terrorism, epidemic or quarantine;

- (b) nuclear, chemical (including Hazardous Substance) or biological contamination unless the source or cause of the contamination is the result of actions of the Party delayed in the performance of an obligation under this Agreement;
- (c) earthquake, tidal wave or flood;
- (d) pressure waves caused by devices travelling at supersonic speeds;
- (e) fire, explosion, lightning, storm, tempest or bursting or overflowing of water tanks, apparatus or pipes;
- (f) any failure or shortage of power, fuel or transport, provided such failure or shortage has not occurred as a direct consequence of a failure of any part of the services performed or goods supplied by the Party delayed in the performance of an obligation under this Agreement, its employees, agents or independent contractors (including subcontractors of a general contractor);
- (g) any blockade or embargo;
- (h) any official or unofficial strike, lockout, work to rule or other dispute generally affecting the construction industry or the delivery of transit services (or a significant sector of either) whether or not specific to the Party delayed in the performance of an obligation under this Agreement;
- (i) the shortage of materials or inability to procure materials, where (i) in circumstances related to the initial Construction of the Retail Buildings, alternative materials cannot be obtained (the non-delayed Party agreeing to act reasonably in approving any alternative materials when its approval is required), or (ii) in all other circumstances, alternative materials cannot be obtained on commercially reasonable terms;
- (j) the inability to obtain a Permit solely due to delays of the Permit issuer; or
- (k) any other matters beyond the reasonable control of the Party delayed in the performance of an obligation under this Agreement, provided that:
  - (i) such Party has exercised commercially reasonable efforts and has diligently attempted to avoid, anticipate and to mitigate the cause(s) of delay, including, where possible, establishing a contingency plan on commercially reasonable terms which will permit such Party's normal operations to be resumed within a reasonable time thereafter; and
  - (ii) it does not arise by reason of:
    - (A) the negligence or wilful misconduct of such Party or those for whom it is responsible at law;



- (B) any act or omission by such Party (or those for whom it is responsible at law) in breach of the provisions of this Agreement that is not itself caused by Force Majeure; or
- (C) a lack of funds;

**“GAAP”** means Canadian generally accepted accounting principles for private enterprises in effect from time to time, or any successor standard thereto adopted by the Canadian Institute of Chartered Accountants, consistently applied;

**“General Expenses”** means expenses of the Limited Partnership of a general or administrative nature or expenses of the General Partner of a similar nature reimbursable by the Limited Partnership to the General Partner and shall expressly exclude Internal Costs;

**“GP Event of Default”** means the occurrence of any one or more of the following:

- (a) a default by the General Partner in the performance or observance of any of its obligations in this Agreement;
- (b) a Disposition by the General Partner not made in accordance with the provisions of this Agreement, the Retail Shareholder’s Agreement, the Project Agreement or any other Material Agreement;
- (c) an event defined as an “OSEG Event of Default” under the Project Agreement and such OSEG Event of Default is not remedied within the applicable cure period set out in the Project Agreement;
- (d) an event defined as an “Event of Default” by any OSEG Company, any Component Limited Partnership or any general partner thereof under the Retail Lease or any other Material Agreement and such Event of Default is not remedied within the applicable cure period set out under such agreement; or
- (e) an Event of Insolvency in respect of the General Partner;

**“GP Unit”** has the meaning given to such term in Section 3.1(b);

**“Gross Receipts”** means, for any period, the aggregate gross cash receipts of the Limited Partnership (or the General Partner on behalf of the Limited Partnership) calculated on a cash basis, and includes:

- (a) all receipts of an income nature or a capital nature, including all rents, interest and other revenue received from the Retail Component;
- (b) revenue received from Permitted Interim Investments;
- (c) proceeds of business interruption insurance or loss of income insurance or other types of insurance;

- (d) net proceeds of any Disposition of any asset of the Limited Partnership of any nature or kind;
- (e) net proceeds received from any expropriation of any portion of any assets of the Limited Partnership;
- (f) net proceeds received from any financings; and
- (g) Contributions;

**“Hazardous Substance”** has the meaning given to such term in the Project Agreement;

**“Indirect Losses”** means exemplary or punitive damages or any consequential loss or indirect loss of any nature, including loss of goodwill;

**“Internal Costs”** means:

- (a) costs of OSEG, the City, and/or OSEG Inc. that do not relate to any part of the Retail Component; provided that costs that have elements that both relate to the Retail Component and do not relate to the Retail Component shall be equitably allocated between the two as determined by OSEG and the City, acting reasonably, in accordance with the Retail Shareholder’s Agreement; and
- (b) overhead costs and any other direct or indirect operating or administrative costs of the City, OSEG, any OSEG Members or any Permitted Transferees of the OSEG Members, as the case may be, including amounts payable for salary and other benefits of any employees, officers or directors of the City, any OSEG Members or any Permitted Transferees of the OSEG Members, as the case may be, other than employees of the City who are exclusively devoted to one or more parts of the Retail Component;

but Internal Costs do not include any part of any fee that is properly payable to an OSEG Company, the City or a Permitted Transferee of an OSEG Member for services rendered in connection with the Retail Component;

**“Law”** means all present and future laws, statutes, regulations, treaties, decrees having the force of law, binding judgments of relevant courts of law and all present and future official directives, rules, consents, approvals, authorizations, guidelines, orders and policies of any Relevant Authority having the force of law;

**“Limited Partnership”** means the limited partnership formed by the General Partner under the name “Lansdowne Retail Limited Partnership” pursuant to the provisions of the Act and which is governed by this Agreement;

**“Limited Partnership Resolution”** means a resolution in writing signed by the Limited Partner;

**“Master GP”** means the general partner of the Limited Partner;

**“Master GP Shareholder Agreement”** means the unanimous shareholder agreement of the Master GP entered into between OSEG, as the shareholder of the Master GP, the City and the Master GP dated as of the date hereof;

**“Master Limited Partnership Agreement”** means the limited partnership agreement entered into amongst the City, OSEG, the Members and the Master GP dated as of the date hereof;

**“Material Agreements”** has the meaning given to such term in the Project Agreement;

**“Mortgage Surplus Amount”** means the amount, if any, up to \$5,000,000, available as surplus from the net proceeds of the permanent financing in respect of the Retail Component after repayment of the amounts required to discharge an existing Permitted Tenant Mortgage obtained with respect to construction financing of the Retail Component;

**“Members”** means Lansgreen Investments Inc., Shenkman Lansdowne Ltd., Trinity Lansdowne Ltd., Keljay Ltd. and Friarmere Holdings Inc.;

**“Net Cash Flow”** means, for any period, Gross Receipts for such period minus Outflows for such period; and, for the purposes of this Agreement, Net Cash Flow may be a positive or a negative number;

**“Non-Arm’s Length Transaction”** means any transaction entered into with any Person not at Arm’s Length with OSEG, any OSEG Member or any Permitted Transferee;

**“Notice”** means any notice, approval, election, demand, direction, consent, designation, request, agreement, instrument, certificate, report or other communication required or permitted to be given or made under this Agreement;

**“OSEG”** means Ottawa Sports and Entertainment Group, a general partnership established under the laws of the Province of Ontario;

**“OSEG Company”** means each of OSEG, Ottawa Sports and Entertainment Group Inc. and the OSEG Members;

**“OSEG Member”** means a partner of OSEG or, if OSEG shall then be a corporation, a shareholder of such corporation or, if OSEG shall be another form of Business Entity, a Person owning an interest in such Business Entity, and includes the Members and **“OSEG Members”** has a corresponding meaning;

**“Ottawa 67’s Purchase Price”** means the purchase price of \$10,000,000 payable by the Master Limited Partnership to OSEG for OSEG’s limited partnership interest in the Ottawa 67’s Partnership;

**“Outflows”** means, for any period, the aggregate cash expenditures of the Limited Partnership (or the General Partner on behalf of the Limited Partnership) properly incurred as Amounts Required for the Purposes of the Limited Partnership, calculated on a cash basis, and includes without duplication:

- (a) General Expenses;
- (b) the Retail Fees;
- (c) amounts payable in connection with the development, construction, leasing, operation and other matters relating to the Retail Component;
- (d) debt service payable in connection with any Permitted Tenant Mortgage;
- (e) Mortgage Surplus Amount;
- (f) debt service payable in connection with Permitted Borrowing; and
- (g) any other Amounts Required for the Purposes of the Limited Partnership;

**“Party”** means any of the Limited Partner or the General Partner and **“Parties”** means both of the Limited Partner and the General Partner;

**“Permit”** has the meaning given to such term in the Project Agreement;

**“Permitted Borrowing”** means an operating line of credit approved by the City as landlord in its Discretion, acting in good faith, under the Retail Lease;

**“Permitted Interim Investments”** means all:

- (a) direct obligations of Canada or any province thereof, or any agency thereof, provided however that such obligations mature within ninety (90) days from the date of investment; or
- (b) term deposits or demand accounts with, or certificates of deposit issued by, any Canadian chartered bank, provided however, that such deposits or certificates mature within ninety (90) days from the date of investment;

**“Permitted Tenant Mortgage”** has the meaning given to such term in the Retail Lease;

**“Permitted Transferee”** has the meaning given to such term in the Project Agreement;

**“Person”** means an individual, legal personal representative, corporation, body corporate, firm, partnership, trust, trustee, syndicate, joint venture, unincorporated organization, other Business Entity or Relevant Authority;

**“Project”** has the meaning given to such term in the Project Agreement;

**“Project Agreement”** means the project agreement entered into among the City, OSEG and the Members respecting the Project dated the ● day of October, 2012;

**“Promissory Note”** means the promissory note to be delivered on Closing in the principal amount of \$5,000,000 issued by the Master Limited Partnership in favour of OSEG in

partial satisfaction of the Ottawa 67's Purchase Price as more particularly provided for in Section 5.7 of the Project Agreement;

**"Property Management Agreement"** means a property management agreement to be entered into between the General Partner on behalf of the Limited Partnership and an OSEG Member or a Permitted Transferee of an OSEG Member for a Retail Fee in accordance with Section 2.17(a) hereof, and otherwise on terms and conditions satisfactory to the City, in its Discretion, as a party to the Retail Shareholder's Agreement;

**"Purposes"** has the meaning given to such term in Section 2.4(a);

**"Register"** has the meaning given to such term in Section 3.4;

**"Relevant Agreements"** has the meaning given to such term in Section 1.8;

**"Relevant Authority"** means any Canadian government, including any federal, provincial or municipal government (including the City), and any Canadian government agency, tribunal, commission or other authority exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government;

**"Relevant Material Agreements"** means any of the Material Agreements to which the Limited Partnership is a party and **"Relevant Material Agreement"** has a corresponding meaning;

**"Retail Assets"** has the meaning given to such term in Section 3.7;

**"Retail Buildings"** has the meaning given to such term in the Project Agreement;

**"Retail Component"** has the meaning given to such term in the Retail Lease;

**"Retail Component Reserve"** has the meaning given to such term in Section 2.17(e) hereof;

**"Retail Fees"** has the same meaning given to such term in Section 2.17(a) hereof, and **"Retail Fee"** has a corresponding meaning;

**"Retail Lease"** means the lease of the lands for the Retail Component between the City, as landlord, and the Limited Partnership, as tenant, dated as of the date hereof;

**"Retail Shareholder's Agreement"** means the shareholder's agreement dated the date hereof made between OSEG, the City and the General Partner with respect to the General Partner;

**"Retail Transfer Agreement"** has the meaning given to such term in Section 3.7;

**"Securities"** means any document constituting evidence of title to or interest in (other than by way of security only) the capital, assets, property, profits, earnings, royalties or voting rights of any corporation or Business Entity or any document including within its entitlements,

provisions constituting evidence of a conversion privilege into, an option or right to acquire or subscription for any of the foregoing and includes a share, stock, unit, unit certificate, participation certificate, certificate of share or interest, certificate or other entitlement to a convertible debenture, preorganization certificate or subscription;

**“Special Purpose Vehicle”** means:

- (a) except as provided in subparagraph (b), a corporation with no assets or liabilities other than those related directly to the Purposes of the Limited Partnership, and carrying on no activities of any nature or kind, except as contemplated in this Agreement or the Retail Shareholder’s Agreement; and
- (b) notwithstanding subparagraph (a), a corporation may have S.P.V. Assets;

**“S.P.V. Assets”** means:

- (a) bonds and other similar passive investments that are permitted investments in which a municipality may invest pursuant to the *Municipal Act, 2001* (Ontario);
- (b) assets providing or generating income on a non-recourse basis against the Special Purpose Vehicle; and
- (c) cash or its equivalent, or letters of credit;

**“Subleases”** has the meaning given to such term in the Retail Lease; and

**“Unit”** means an interest as a Limited Partner in the Limited Partnership entitling the holder of such interest as recorded in the Register to the rights of the Limited Partner provided in this Agreement and **“Units”** has a corresponding meaning.

## **1.2 Interpretation Not Affected by Headings, etc.**

Grammatical variations of any terms defined herein have similar meanings; words importing the singular number shall include the plural and vice versa; and words importing the masculine gender shall include the feminine and neuter genders. The division of this Agreement into separate Articles, Sections, Subsections, paragraphs and subparagraphs, the provision of a table of contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The words “include” and “including” are to be construed as meaning “including, without limitation”. An accounting term that is not otherwise defined in this Agreement has the meaning assigned to it in accordance with GAAP and, except as otherwise expressly set out in this Agreement, all accounting matters shall be determined in accordance with GAAP.

## **1.3 Statute and Document References**

- (a) Unless a contrary intent is expressly provided for in this Agreement, any reference to a statute will include and will be deemed to be a reference to the

statute and the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute so referred to or the regulations made pursuant thereto.

- (b) All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules and exhibits attached thereto.

#### **1.4 Currency**

All payments contemplated herein shall be made in Canadian funds.

#### **1.5 Calculation of Time Periods**

When calculating the period of time within which or following which any act is to be done or steps taken pursuant to this Agreement, the date which is the reference day in calculating such period shall be excluded. If the last day of such period is not a Business Day, the period in question shall end on the next Business Day.

#### **1.6 Applicable Law**

This Agreement shall be construed and enforced 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 an Ontario contract.

#### **1.7 Invalidity of Provisions**

If any covenant, obligation or agreement of this Agreement, or the application thereof to any Person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or agreement to Persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and each covenant, obligation or agreement of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

#### **1.8 Entire Agreement**

This Agreement, the Project Agreement, the Retail Shareholder's Agreement, the Master Limited Partnership Agreement, the Master GP Shareholder Agreement, the Retail Lease and the other Relevant Material Agreements (collectively, the "**Relevant Agreements**") constitute the entire agreement between the Parties hereto pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties hereto, and there are no warranties, representations or other agreements between the Parties in connection with the subject matter hereof except for the Relevant Agreements. No termination of this Agreement shall be binding unless executed in writing by the Parties, save and except for any termination of this Agreement that arises under the express terms hereof.

## **1.9 Schedules**

The following Schedule is attached to this Agreement:

Schedule 9.1 - Dispute Resolution Procedure

## **ARTICLE II THE LIMITED PARTNERSHIP**

### **2.1 Formation of Limited Partnership**

- (a) The Parties hereby agree to form a limited partnership under the provisions of the Act and pursuant to the terms of this Agreement.
- (b) The Declaration has been filed in accordance with the provisions of the Act and the BNRA. The General Partner shall take any and all other actions reasonably necessary to perfect and maintain the status of the Limited Partnership as a limited partnership under the Law of the province of Manitoba and shall cause amendments to the Declaration to be filed whenever required by the Act and the BNRA. Such amendments shall be executed by the General Partner. The General Partner shall also execute and cause to be filed such forms or declarations, and shall take such other actions, as may be necessary to perfect and maintain the status of the Limited Partnership as a limited partnership or similar entity under the Law of any jurisdiction in which the Limited Partnership conducts business. The General Partner and Limited Partner, at the request of the General Partner, shall execute and deliver as promptly as possible any documents that may be necessary or desirable to accomplish the purposes of this Agreement, to continue to qualify the Limited Partnership as a limited partnership under the Law of the Province of Manitoba, or to give effect to the continuation of the Limited Partnership under applicable Law of any other jurisdiction in which the Limited Partnership conducts business.
- (c) The Limited Partnership shall continue until terminated in accordance with the provisions of this Agreement. Upon the dissolution of the Limited Partnership, the General Partner (or, in the event there is no General Partner, the Person responsible for the winding up and dissolution of the Limited Partnership), shall promptly execute and cause to be filed all appropriate documentation required in accordance with the Act and the BNRA and under the Law of any other jurisdictions in which the Limited Partnership has registered to conduct business.

### **2.2 Name**

The Limited Partnership shall carry on business under the name Lansdowne Retail Limited Partnership or such other name or names as the General Partner may determine from time to time, provided that the General Partner files a Declaration reflecting any change of name as required by the Act and the BNRA.



## **2.3 Fiscal Year End**

Each Fiscal Year of the Limited Partnership shall end on December 31<sup>st</sup> or such other date as shall be determined by OSEG and the City pursuant to the Retail Shareholder's Agreement, provided that in the year in which the Limited Partnership is dissolved the Fiscal Year of the Limited Partnership shall end on the date of dissolution.

## **2.4 Business and Powers of the Limited Partnership**

- (a) The primary purposes for which the Limited Partnership is formed are to enter into the Retail Lease, develop the Retail Component, to operate the Retail Component and to develop, operate, lease and manage retail and commercial use property (the "**Purposes**"). The scope of the Purposes shall include all things necessary or advisable to give effect to the Purposes.
- (b) The Limited Partnership shall carry on the Purposes in such a manner as to seek to ensure, to the greatest extent possible, the limited liability of the Limited Partner.
- (c) The Limited Partnership shall possess and may exercise all the powers and privileges granted by the Act, by all other applicable law or by this Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion and attainment of the Purposes and activities of the Limited Partnership.

## **2.5 Limited Liability of Limited Partner**

- (a) Subject to the provisions of applicable Law, the liability of the Limited Partner for the debts, liabilities and obligations of the Limited Partnership will be limited to the amount of capital Contributed by or agreed to be Contributed by the Limited Partner to the Limited Partnership.
- (b) The General Partner shall use commercially reasonable efforts to include the following provision in all contracts entered into by the Limited Partnership:

"The parties hereto acknowledge that Lansdowne Retail Limited Partnership (the "**Limited Partnership**") is a limited partnership formed under the law of the Province of Manitoba, a limited partner of which is only liable for any of the Limited Partnership's liabilities to the extent of the amount that the limited partner has contributed to the capital of the Limited Partnership. The parties hereto acknowledge that the obligations of the Limited Partnership are not personally binding upon, nor shall recourse be had to, the property of any limited partner or the property of any successor or assign of any limited partner, and that recourse shall only be had to the property of the Limited Partnership or the property of Lansdowne Retail GP Inc., which is the sole general partner of the Limited Partnership. The parties expressly acknowledge having been advised prior to entering into this agreement that Lansdowne Master Limited Partnership

is the sole limited partner of the Limited Partnership and that, accordingly, its liability is limited as aforesaid.”

## **2.6 Management of the Limited Partnership**

### **(a) Powers and Duties of the General Partner**

Other than rights and powers expressly reserved to the Limited Partner by this Agreement and except as provided herein, the exclusive management and control of the Purposes and affairs of the Limited Partnership shall be vested in the General Partner. The powers of the General Partner shall include all powers, statutory or otherwise, possessed by or permitted to general partners of limited partnerships under the laws of the province of Manitoba. The General Partner shall have all power and authority to do all things deemed necessary or desirable by it to conduct the affairs of the Limited Partnership, including the ability to engage agents to do the same, for and on behalf of the Limited Partnership. In so doing, the General Partner has all of the rights and powers of a general partner as provided by law and any action taken by the General Partner will constitute the act of and shall serve to bind the Limited Partnership. The power of the General Partner to represent the Limited Partnership in dealings with third parties is unrestricted insofar as third parties are concerned and no Person dealing with the Limited Partnership will be required to inquire into the authority of the General Partner to take any act or proceeding, to make any decision or to execute and deliver any instrument, deed, agreement or document for or on behalf of or in the name of the Limited Partnership.

### **(b) Discharge of Duties of General Partner**

The General Partner agrees to exercise its powers and discharge its duties under this Agreement honestly, in good faith and in the best interests of the Limited Partnership and in connection therewith shall exercise the standard of care that a reasonably prudent person would exercise in similar circumstances.

### **(c) Borrowing**

The General Partner shall not be entitled to borrow on behalf of the Limited Partnership, or on its own behalf, or to grant Encumbrances against any of the assets of the Limited Partnership without the prior written approval of the City and OSEG pursuant to the Retail Shareholder’s Agreement, with the exception of the Permitted Borrowing, the Permitted Tenant Mortgages and as otherwise permitted or required under the Project Agreement or the Retail Lease.

## **2.7 Reimbursement of General Partner**

The General Partner will be reimbursed by the Limited Partnership for reasonable General Expenses incurred by the General Partner in the performance of its duties hereunder.

## **2.8 Indemnity of Limited Partner**

The General Partner will indemnify and hold harmless the Limited Partner for any costs or damages incurred by the Limited Partner, other than any liability caused by any act or omission of the Limited Partner. The General Partner will indemnify the Limited Partnership for any damages incurred by the Limited Partnership as a result of any breach by the General Partner of its standard of care set forth herein, including any legal expenses incurred by the Limited Partnership in defending an action based in whole or in part upon an allegation that the General Partner has been guilty of such breach if such defence is substantially unsuccessful. If any such action is settled by the General Partner, the action will be deemed for the purposes of this Article to have been unsuccessfully defended unless the settlement is approved by the City and OSEG pursuant to the Retail Shareholder's Agreement.

## **2.9 No Participation in Management**

The Limited Partner shall not take part in the management or control of the Limited Partnership's investment or other activities, take an active part in the affairs of the Limited Partnership, transact any business in the Limited Partnership's name or have the power to sign documents for or otherwise bind the Limited Partnership to the extent that it would cause the Limited Partner to be liable for the debts and obligations of the Limited Partnership under the Act or otherwise. The exercise by the Limited Partner of any right conferred herein shall not be construed to constitute participation by the Limited Partner in the control of the investment or other activities of the Limited Partnership so as to make the Limited Partner liable for the debts and obligations of the Limited Partnership for purposes of the Act or otherwise.

## **2.10 Head Office and Mailing Address**

The head office of the Limited Partnership shall at all times be the head office of the General Partner and may be changed from time to time by the General Partner giving Notice to that effect to the Limited Partner. The present address of the head office of the General Partner, and the mailing address of the General Partner and the Limited Partnership is 180 Kent Street, Suite 300, Ottawa, ON K1P 0B6. If required by Law, a registered office shall be maintained in the Province of Manitoba at such location as the General Partner may designate from time to time.

## **2.11 Records**

At all times, the General Partner shall keep proper books of account and records relating to the Limited Partnership and the services performed hereunder, which books of account and records shall be accessible for inspection by the Limited Partner and any Relevant Authority with entitlement thereto at reasonable times during business hours. The General Partner shall keep or cause to be kept books of account and records relating to the Limited Partnership and services performed hereunder in a manner that complies with the record keeping requirements prescribed by applicable tax legislation.

## **2.12 Title and Custody**

Legal title to all assets and Securities to be acquired by the Limited Partnership shall be either (i) registered in the name of the General Partner, as general partner on behalf of the Limited Partnership, or (ii) any other entity which the General Partner determines shall be the registered holder of title to Limited Partnership assets or Securities, either as nominee and/or in trust for the Limited Partnership, where it is neither commercially feasible to register title in the name of the Limited Partnership nor outside normal business practice to register title in such other entity.

## **2.13 Change in General Partner**

The Limited Partnership hereunder shall continue notwithstanding any dissolution, removal or replacement of the General Partner, provided that:

- (a) the General Partner is replaced with a new general partner in accordance with this Agreement; and
- (b) the appropriate Declarations are filed pursuant to the Act.

## **2.14 Compliance by Limited Partnership**

The Limited Partnership undertakes to carry out and be bound by the provisions of this Agreement to the full extent that it has capacity and power at law to do so.

## **2.15 Appointment of Auditor**

The General Partner shall appoint the Auditor of the Limited Partnership, from time to time.

## **2.16 Representations, Warranties and Covenants of the General Partner**

The General Partner hereby represents, warrants and covenants to the Limited Partner that:

- (a) it is a corporation duly incorporated under the Law of the Province of Ontario, and it is, and shall continue to be, existing and in good standing under the said Law and under the Law of any jurisdiction where it carries on its activities;
- (b) this Agreement has been duly authorized, executed and delivered by the General Partner and constitutes a legal, valid and binding obligation of the General Partner enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and general principles of equity;
- (c) it has and will continue to have the capacity and corporate power and authority to act as the General Partner and to perform its obligations hereunder and such obligations do not and will not conflict with nor constitute a default under: (i) its

constating or organizational documents, by-laws or resolutions; (ii) any agreement by which it is bound; (iii) any Law; or (iv) any judgment, order or award that is binding on it or its property or assets;

- (d) as of the Execution Date, there is no legal action, suit, arbitration or other legal, administrative or other governmental investigation, inquiry or proceeding (whether federal, provincial, state, municipal, local or foreign) in progress, pending or, to the knowledge of the General Partner, threatened against the Limited Partnership or the General Partner or any of their properties, assets or businesses and, to the knowledge of the General Partner, there is no reasonable basis for any such action, suit, arbitration, investigation, inquiry or proceeding that, in each case, may reasonably be expected to have a material adverse effect on the Limited Partnership or the General Partner;
- (e) as of the Execution Date, neither the General Partner nor any of its directors and officers has been the subject of any legal action, suit, arbitration or governmental investigation that resulted in a finding of fraud, breach of fiduciary duty or violation of applicable securities laws;
- (f) it will exercise the powers conferred upon it hereunder in pursuance of the Purposes and activities of the Limited Partnership;
- (g) it will carry out such investigations and obtain such assurances as a prudent administrator would deem necessary or appropriate prior to entering into any transaction;
- (h) it will devote such time and attention to the conduct of the affairs of the Limited Partnership as may reasonably be required for the proper management of the Purposes;
- (i) it will not commingle the funds of the Limited Partnership with its own funds or with the funds of any other Person and will maintain separate bank accounts for the Limited Partnership for such purpose;
- (j) it is and, at all times during the term of the Limited Partnership, will remain a resident of Canada within the meaning of that term in the *Income Tax Act* (Canada);
- (k) at all times it will act on a basis which is fair and reasonable, and exercise its powers and discharge its duties under this Agreement honestly, in good faith and in the best interests of the Limited Partnership and the Limited Partner;
- (l) it will not cause the Limited Partnership to engage directly in development activities except within the scope of the Purposes;
- (m) the Limited Partnership shall be duly and validly formed under the laws of the Province of Manitoba and the Limited Partnership shall have all necessary right, power and authority to carry out the Purposes; and

- (n) it is, and at all times during the term of the Limited Partnership will remain, a Special Purpose Vehicle.

## **2.17 Specific Powers and Obligations**

Subject to the provisions of the Retail Shareholder's Agreement, the Master Limited Partnership Agreement, the Master GP Shareholder Agreement and the Project Agreement:

- (a) the General Partner may, on behalf of the Limited Partnership, enter into the Development Management Agreement, the Property Management Agreement and/or the Financing Management Agreement at permitted fees payable under any such agreement(s) to the relevant manager (the "**Retail Fees**"), provided that such Retail Fees have been reviewed by the City and the City has confirmed in writing prior to Closing as contemplated in the Project Agreement and the Retail Lease that the Retail Fees are below market rates for comparable agreements providing similar services and are in an amount which is not intended to result in a profit to the relevant manager (collectively, the "**Fee Limitations**");
- (b) the General Partner shall have the authority and shall be obligated to enter into this Agreement, the Retail Shareholder's Agreement, the Retail Lease and all other relevant Material Agreements;
- (c) the General Partner shall comply with and fulfill the obligations contained in:
  - (i) this Agreement;
  - (ii) the Retail Shareholder's Agreement;
  - (iii) the Retail Lease;
  - (iv) the Development Management Agreement;
  - (v) the Property Management Agreement;
  - (vi) the Financing Management Agreement; and
  - (vii) all of the other Relevant Material Agreements;
- (d) the General Partner shall generally operate, manage and carry on the business of the Limited Partnership in accordance with the provisions hereof;
- (e) the General Partner shall maintain a cash reserve (the "**Retail Component Reserve**") at an amount as required from time to time pursuant to the Retail Shareholder's Agreement;
- (f) the General Partner shall open and operate in the name of the Limited Partnership a separate bank account in order to deposit and to distribute funds with respect to the Limited Partnership;

- (g) the General Partner shall execute and carry out all other agreements which require execution by or on behalf of the Limited Partnership;
- (h) the General Partner shall pay from Gross Receipts all taxes, fees and other expenses relating to the orderly operation of the business of the Limited Partnership;
- (i) the General Partner shall determine and place the amount and type of insurance coverage to be maintained pursuant to the terms of the Retail Lease and in compliance with the requirements of the lenders of funds to the Limited Partnership;
- (j) the General Partner shall determine the amount, if any, to be claimed by the Limited Partnership in any year in respect of capital cost allowance and initial services incurred by the Limited Partnership;
- (k) the General Partner may invest funds not immediately required for the business of the Limited Partnership in Permitted Interim Investments;
- (l) the General Partner shall enter into Subleases in respect of the Retail Component;
- (m) the General Partner shall arrange for the preparation and distribution to the Limited Partners of the financial statements and reports prescribed pursuant to this Agreement;
- (n) the General Partner shall enter into contracts and agreements with others as may be necessary for the performance of the duties outlined in this Agreement;
- (o) the General Partner shall provide clerical and administrative services as may reasonably be required for all necessary reports to and communications with lenders and the Limited Partnership; and
- (p) the General Partner shall generally do all things ancillary to the Purposes and the provisions of this Section 2.17.

### **ARTICLE III** **THE UNITS**

#### **3.1 Number of Units**

- (a) The interest of the Limited Partner in the Limited Partnership shall consist of one hundred (100) Units.
- (b) The interest in the Limited Partnership of the General Partner will be represented by one (1) general partner unit (the “**GP Unit**”).

### **3.2 Issuance on the Execution Date**

On the Execution Date:

- (a) one (1) GP Unit shall be issued to the General Partner for a subscription price of One Hundred Dollars (\$100.00); and
- (b) one hundred (100) Units shall be issued to the Limited Partner for a subscription price of One Dollar (\$1.00) per Unit.

### **3.3 Nature of a Unit**

The Limited Partner will be entitled to one vote for each Unit held by it in respect of all matters to be voted upon by the Limited Partner. The General Partner is not entitled to any voting rights.

### **3.4 Registrar and Transfer Agent**

The registrar and transfer agent of the Limited Partnership shall be the General Partner or such other Person as the General Partner may designate by Notice in writing to the Limited Partner. The registrar and transfer agent shall:

- (a) maintain a register (the “**Register**”) to record the following information for each Limited Partner:
  - (i) the Limited Partner’s name and address or address for service, including municipality, street and number, if any, and postal code;
  - (ii) the amount of money and the value of other property Contributed or to be Contributed by the Limited Partner to the Limited Partnership; and
  - (iii) particulars of the issue and transfer of Units;
- (b) maintain such other records as may be required by Law and this Agreement, from time to time; and
- (c) cause transfers of Units to be recorded in accordance with the provisions of this Section 3.4.

The General Partner shall be authorized to make such reasonable rules and regulations pertaining to maintenance of the Register and the period of time during normal business hours that the Register is open for inspection as provided for in Section 3.5.

### **3.5 Inspection of Register**

The General Partner shall permit the Limited Partner or its agent duly authorized in writing to inspect and take extracts from the Register during normal business hours.



### 3.6 Interest of the Partners

The interests of the Limited Partner and the General Partner in the Limited Partnership shall, respectively, be:

- (a) Limited Partner – 99.99%;
- (b) General Partner – 0.01%.

### 3.7 Capital Contribution

On the Execution Date, the Limited Partner shall sell, transfer and assign to the Limited Partnership, and the Limited Partnership shall purchase and accept as a Contribution from the Limited Partner all of the Limited Partner's rights, title and interest with respect to the Retail Component (the "**Retail Assets**") pursuant to a transfer agreement to be entered into between the Limited Partner and the Limited Partnership in form and substance satisfactory to the Limited Partner and the Limited Partnership (the "**Retail Transfer Agreement**"), including the following terms and conditions:

- (a) the purchase price for the Retail Assets shall be \$●, which shall be paid and satisfied by crediting the Limited Partner with a Contribution equal to the amount of the purchase price;
- (b) the purchase price for the Retail Assets shall be allocated among the Retail Assets in such manner as the General Partner and the Limited Partner may agree, each acting reasonably; and
- (c) (A) the General Partner, on behalf of the Limited Partnership, and the Limited Partner shall jointly elect pursuant to subsection 97(2) of the *Income Tax Act* (Canada) and the equivalent provision under any applicable provincial legislation that the proceeds of disposition to the Limited Partner and the cost of acquisition to the Limited Partnership of the Retail Assets, for tax purposes, will be the Limited Partner's cost amount (as that term is defined in the *Income Tax Act* (Canada)) for the Retail Assets immediately prior to their Contribution to the Limited Partnership (the "**Elected Amount**"). The General Partner, on behalf of the Limited Partnership, and the Limited Partner agree to execute and file all such agreements, elections and other documents as may be necessary or advisable in order that the Contribution of the Retail Assets to the Limited Partnership may take place on a tax-deferred basis pursuant to subsection 97(2) of the *Income Tax Act* (Canada). If the Canada Revenue Agency determines that the Limited Partner's cost amount for the Retail Assets is greater than or less than the Elected Amount, then the Elected Amount shall be adjusted accordingly to be such amount as is agreed by the Canada Revenue Agency, the Limited Partner and the General Partner, on behalf of the Limited Partnership, or in the absence of an agreement, such amount as is determined by a court having jurisdiction in the matter, after all appeal rights have been exhausted or all times for appeal have expired without appeals having been taken; and (B) the Retail Transfer Agreement shall contain usual and reasonable representations, warranties,

covenants and indemnities for similar transactions, including that the Limited Partner represents and warrants to the Limited Partnership on Closing that:

- (i) it is the beneficial owner of the Retail Assets and it has all right, power and authority to sell and transfer the Retail Assets to the Limited Partnership;
- (ii) it has good, valid and marketable title to the Retail Assets, free and clear of any Encumbrances; and
- (iii) it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).

### **3.8 Appointment of New General Partner and the Removal of the Current General Partner**

- (a) The General Partner may not resign voluntarily.
- (b) The General Partner may be removed as general partner and a new general partner appointed accordance with Section 6.2 hereof.

## **ARTICLE IV RECEIPTS, PAYMENTS AND DISTRIBUTIONS**

### **4.1 Utilization of Gross Receipts**

- (a) Subject to Section 4.1(c), Gross Receipts, if any, received from time to time, shall be utilized and distributed (as Outflows) in the following order of priorities:
  - (i) to pay all amounts owing on account of General Expenses;
  - (ii) to pay amounts owing on account of debt service with respect to Permitted Tenant Mortgages;
  - (iii) to pay amounts owing on account of Permitted Borrowing;
  - (iv) to pay amounts payable in connection with the development, construction, leasing, alteration and other matters relating to the Retail Component (including the Retail Fees);
  - (v) to pay any other amounts on account of monies owing with respect to Amounts Required for the Purposes of the Limited Partnership;
  - (vi) to hold back as a cash reserve the Retail Component Reserve;
  - (vii) to pay to the General Partner a five percent (5%) cumulative, but not compounded, rate of return on the amount of \$100.00 Contributed by the General Partner pursuant to Section 3.2(a); and

- (viii) to distribute the balance as Net Cash Flow to the Limited Partner.
- (b) Distributions of Gross Receipts as provided in subparagraph (a) shall be made monthly or as otherwise determined by the General Partner.
- (c) Notwithstanding the foregoing Sections 4.1(a) and (b), the Mortgage Surplus Amount as received by the General Partner shall be paid to the Limited Partner, which shall in turn use these proceeds to pay the Promissory Note as contemplated in the Master Limited Partnership Agreement.
- (d) Net Cash Flow shall be determined on a monthly basis or for such other period as OSEG and the City determine pursuant to the Retail Shareholder's Agreement.

#### **4.2 Non-Arm's Length Transactions**

Without derogating from the provisions contained in the Project Agreement, the Retail Lease or any Material Agreement with respect thereto, in the event that there shall be a Non-Arm's Length Transaction which shall have been Approved by the City (as required in accordance with the Project Agreement), notwithstanding the terms and conditions contained in any contract or arrangement related thereto, all revenues, expenditures and other terms thereof (as Approved by the City) shall be deemed to be on terms and conditions that would be applicable to an Arm's Length Transaction in similar circumstances, provided that any Non-Arm's Length Transaction in which both the revenue and expense sides of the Non-Arm's Length Transaction are included in the Closed System, copies of the agreements for which have been (or will as they are entered into, be) provided to the City prior to the execution thereof, shall not be required to be on terms and conditions that would be applicable to an Arm's Length transaction in similar circumstances, provided that the proportion of revenue to expenses and the timing of the receipt of revenue and payment of expenses are substantially similar as would be applicable to an Arm's Length transaction in similar circumstances, and the City has Approved the terms and conditions thereof.

#### **4.3 Contributions**

In the event that there shall be a negative Net Cash Flow, the Limited Partner may make a Contribution to the Limited Partnership for all or a portion of the negative Net Cash Flow, subject to the provisions of the Master Limited Partnership Agreement.

#### **4.4 Taxable Income**

Any determination or decision to be made in connection with the taxable income or taxable loss, if any, of the Limited Partnership for the Fiscal Year, shall be made by the General Partner.

**ARTICLE V**  
**FINANCIAL INFORMATION**

**5.1 Financial Statements**

The General Partner will:

- (a) within one hundred and twenty (120) days after the end of each Fiscal Year, furnish the Limited Partner with the audited financial statements of the Limited Partnership for such Fiscal Year including a balance sheet, a statement of income and retained earnings and a statement of change in financial position, together with the Auditor's report thereon;
- (b) furnish the Limited Partner quarterly with an unaudited income statement and balance sheet, within ninety (90) days of the end of each fiscal quarter;
- (c) at least sixty (60) days prior to commencement of any Fiscal Year, provide the Limited Partner with the annual capital and operating budget and annual business plan for review; and
- (d) provide quarterly update conference calls when requested by the Limited Partner.

**ARTICLE VI**  
**GP EVENT OF DEFAULT**

**6.1 Notification**

The General Partner will notify the Limited Partner of the occurrence, and details, of any GP Event of Default and of any event or circumstance which is likely, with the passage of time or otherwise, to constitute or give rise to a GP Event of Default, in either case promptly on the General Partner becoming aware of its occurrence. However, a failure to provide such Notice shall not derogate from the rights of the Limited Partner as provided in this Agreement.

**6.2 Rights of Limited Partner**

On the occurrence of a GP Event of Default or at any time thereafter while it is subsisting, the Limited Partner may serve Notice of default on the General Partner requiring the General Partner, at the General Partner's option:

- (a) in the case of a GP Event of Default (other than pursuant to subparagraph (c) or (d) of the definition of GP Event of Default) to remedy or cause to be remedied the GP Event of Default referred to in such Notice of default (if it is continuing) within the thirty (30) day period following receipt by the General Partner of the Notice of default, provided that with respect to a non-monetary GP Event of Default, the thirty (30) day period to remedy a GP Event of Default shall be extended to such greater period than thirty (30) days as shall be reasonable in the circumstances, such greater period to be Approved by the Limited Partner; or

- (b) in the case of a non-monetary GP Event of Default (other than pursuant to subparagraph (c) or (d) of the definition of GP Event of Default), to put forward within ten (10) days of such Notice of default, a reasonable program (set out, if appropriate, in stages) for remedying the GP Event of Default, which program shall be subject to the approval of the Limited Partner, in its Discretion. The program will specify in reasonable detail the manner in, and the latest date by, which such GP Event of Default is proposed to be remedied.

### **6.3 Right to Appoint New General Partner or to Transfer Shares of General Partner**

If:

- (a) in the case of a GP Event of Default (other than pursuant to subparagraph (c) or (d) of the definition of GP Event of Default) notified in a Notice of default served under Section 6.2, such GP Event of Default is not remedied before the expiry of the applicable period referred to in Section 6.2;
- (b) in the case of a GP Event of Default (other than pursuant to subparagraph (c) or (d) of the definition of GP Event of Default), the General Partner puts forward a program pursuant to Section 6.2 which has been accepted by the Limited Partner but the General Partner fails to achieve any material element of the program or the end date for the program (as the case may be);
- (c) in the case of a GP Event of Default (other than pursuant to subparagraph (c) or (d) of the definition of GP Event of Default), any program put forward by the General Partner pursuant to Section 6.2 is rejected by the Limited Partner, in its Discretion, and no alternate program has been approved by the Limited Partner, in its Discretion, within ten (10) days of the rejection of the original program (provided that any alternate program that is so approved by the Limited Partner shall be deemed to be a program made pursuant to Section 6.2 for the purposes of this Agreement, but for greater certainty, the General Partner shall not be entitled to propose any further alternate program in respect of the same GP Event of Default if the first alternate program it proposes pursuant to this Section 6.3(c) is rejected); or
- (d) there occurs a GP Event of Default pursuant to subparagraphs (c) or (d) of the definition of GP Event of Default,

then at any time thereafter while such GP Event of Default is in existence, the Limited Partner may upon ten (10) Business Days further Notice to the General Partner:

- (i) appoint a new General Partner in the place of the General Partner (the **“Replacement General Partner”**) and require the immediate transfer of the GP Unit from the General Partner to the Replacement General Partner in consideration for the payment of \$1.00; and/or

- (ii) require the transfer of shares of the General Partner from OSEG to a Person nominated by the Limited Partner, which Person may include a Municipal Services Corporation wholly owned by the City,

as the Limited Partner may elect. For clarity, for the purpose of this Section 6.3, Section 9.2 shall apply.

#### **6.4 OSEG Conflict of Interest**

Subject to the provisions of the Relevant Agreements, as a result of the conflict of interest of OSEG, the City as a party to the Master GP Shareholder Agreement shall be entitled to make a decision as to the existence of a GP Event of Default, and exercise the remedies of the Limited Partner contained in this Agreement, including Section 6.2, in the event of such GP Event of Default.

#### **6.5 Alternative Remedies**

All of the rights and remedies of the Limited Partner under this Agreement and the rights and remedies of the City under the Relevant Agreements are cumulative and not alternative. In addition to the rights contained in Sections 6.1 and 6.2 hereof and any other rights pursuant to this Agreement, the City, as a party to the Master GP Shareholder Agreement, may exercise, either separately or simultaneously, any of the following remedies with respect to a GP Event of Default for which the Limited Partner then has the right to deliver a Notice pursuant to Section 6.2:

- (a) bring any proceedings in the nature of specific performance, injunction or other equitable remedy, it being acknowledged by each of the Parties that damages at law may not be an adequate remedy for a default or breach of this Agreement; and
- (b) bring any action at law as may be necessary or advisable in order to recover damages, subject to the limitations contained in this Agreement and the Project Agreement.

#### **6.6 City Costs**

The General Partner will reimburse the City for all reasonable costs incurred by the City in exercising any of its rights (including any relevant increased administrative expenses and actual legal expenses) under this Article VI. In addition, in the event that the City exercised any of its rights contained in this Article VI, the General Partner will reimburse the City for all reasonable costs incurred by the City in connection therewith together with an administrative fee of fifteen percent (15%) on costs incurred.

#### **6.7 Non-Derogation of Rights**

For clarity, the provisions herein regarding default and the Limited Partner's rights in the event of a GP Event of Default shall be in addition to and without derogation from the rights of the City and OSEG contained in the Project Agreement or the Material Agreements.

## **6.8 No Indirect Losses**

The indemnities under this Agreement will not apply and there will be no right to claim damages for breach of this Agreement, in contract, in tort or on any other basis whatsoever, to the extent that any loss claimed by a Party is for Indirect Losses, howsoever caused, suffered or allegedly suffered by that Party.

## **ARTICLE VII DISSOLUTION AND TERMINATION**

### **7.1 Dissolution**

The Limited Partnership will not be dissolved except by Limited Partnership Resolution.

### **7.2 Events Not Causing Dissolution**

The Limited Partnership will not be dissolved or terminated by the amendment of this Agreement or by the resignation, removal, death, mental incompetence, bankruptcy, insolvency, dissolution, liquidation, winding up or receivership of, or the admission, retirement or withdrawal of, the General Partner or the Limited Partner.

### **7.3 Receiver**

Upon the occurrence of a dissolution of the Limited Partnership, the General Partner (or any other Person as may be appointed by a Limited Partnership Resolution) will serve as the receiver of the Limited Partnership, provided that if the General Partner is unable or unwilling to act in such capacity, the Limited Partner will appoint some other appropriate person or party to act as the receiver of the Limited Partnership by a Limited Partnership Resolution.

### **7.4 Liquidation of Assets**

The receiver will prepare or cause to be prepared a statement of financial position of the Limited Partnership which will be required to be reported upon by the Auditor, if practicable, and a copy of which will be forwarded to each Person who was shown on the Register as a partner at the date of dissolution. The receiver will wind up the affairs of the Limited Partnership and all property of the Limited Partnership will be liquidated in an orderly manner. The receiver will manage and operate the assets and undertaking of the Limited Partnership and will have all powers and authority of the General Partner under this Agreement. The receiver will be paid its reasonable fees and disbursements incurred in carrying out its duties as such.

### **7.5 Distribution of Proceeds of Liquidation**

The receiver will distribute the net proceeds from liquidation of the Limited Partnership as follows:

- (a) first, to pay the expenses of liquidation and the debts and liabilities of the Limited Partnership to its creditors, including both secured and unsecured creditors, or to make due provision for payment thereof;

- (b) second, to provide for such reserves as the receiver considers reasonably necessary for any contingent or unforeseen liability or obligation of the Limited Partnership, which may be set aside or paid to an escrow agent to be held for payment of liabilities or obligations of the Limited Partnership;
- (c) third, to pay to the General Partner the amount of any costs and expenses that the General Partner is entitled to receive from the Limited Partnership;
- (d) fourth, to pay to the General Partner a five percent (5%) cumulative, but not compounded, rate of return on the amount of One Hundred Dollars (\$100.00) Contributed by the General Partner pursuant to Section 3.2(a), minus any amounts previously paid to the General Partner under Section 4.1(a)(vii);
- (e) fifth, to distribute the balance to the Limited Partner.

## **7.6 Termination of Limited Partnership**

The Limited Partnership will terminate when all of its assets have been sold and the net proceeds therefrom, after payment of or due provision for the payment of all debts, liabilities and obligations of the Limited Partnership to creditors, have been distributed as provided in this Article VII.

## **ARTICLE VIII** **DISPOSITIONS**

### **8.1 Restrictions on Dispositions**

There shall be no Disposition of the GP Unit or the Units except in accordance with the Retail Shareholder's Agreement and the Project Agreement.

### **8.2 Dispositions of Assets**

There shall be no Disposition of all or any material portion of the assets of the Limited Partnership, including the Disposition of the Retail Lease or any portion thereof or interest therein, except in accordance with the Retail Shareholder's Agreement or as expressly provided in this Agreement, the Project Agreement or any of the other Material Agreements.

### **8.3 Encumbrances**

- (a) Neither the General Partner nor the Limited Partner shall create or permit any Encumbrance on or with respect to any of the GP Units or the Units owned by it in the Limited Partnership.
- (b) The Limited Partnership shall not permit any Encumbrances on the assets of the Limited Partnership except in accordance with the Project Agreement, the Retail Lease, the Retail Shareholder's Agreement or any of the other Material Agreements.



## **ARTICLE IX**

### **GENERAL**

#### **9.1 Dispute Resolution Procedure**

Except as otherwise provided for in this Agreement, any Dispute shall be referred to arbitration in accordance with the Dispute Resolution Procedure set out in Schedule 9.1 (Dispute Resolution Procedure) to this Agreement, the award and determination of which shall be final and binding upon the Parties hereto.

#### **9.2 Force Majeure**

If an event of Force Majeure adversely affects the time required for the performance of a Party's obligations under this Agreement and if the affected Party uses commercially reasonable efforts to mitigate the consequences of any time delay resulting therefrom (including, where possible, establishing a contingency plan on commercially reasonable terms which will allow such Party's normal operations to be resumed within a reasonable time thereafter) and shall have provided Notice to the other Party, as the case may be, with respect to the occurrence of the event of Force Majeure within seven (7) days of its occurrence, then the affected Party shall be entitled to an extension of time with respect to its obligations directly, adversely affected by the event of Force Majeure equal to the time during which the event of Force Majeure occurred.

#### **9.3 Notices**

Any Notice to a Party must be given in writing. A Notice may be given by delivery to an individual or electronically by fax or electronic mail, and will be validly given if delivered to the following address or if transmitted by fax or electronic mail to the following fax number or email address, addressed to the following Party:

If to the General Partner:	Lansdowne Retail GP Inc. c/o Ottawa Sports and Entertainment Group 300 – 180 Kent Street Ottawa, ON K1P 0B6
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Attention:	Bronwen Heins
Fax:	613-788-2758
Email:	<a href="mailto:bronwenheins@oseg.com">bronwenheins@oseg.com</a>

and with a copy to: Soloway Wright LLP  
366 King Street East  
Suite 510  
Kingston, ON K7K 6Y3

Attention: Beth Gearing  
Fax: 800-263-4213  
Email: [bgearing@solowaywright.com](mailto:bgearing@solowaywright.com)

If to Lansdowne Master GP Inc.  
Lansdowne Master c/o Ottawa Sports and Entertainment Group  
Limited 300-180 Kent Street  
Partnership: Ottawa, ON K1P 0B6

Attention: Bronwen Heins  
Fax: 613-788-2758  
Email: [bronwenheins@oseg.com](mailto:bronwenheins@oseg.com)

and with a copy to: Soloway Wright LLP  
366 King Street East  
Suite 510  
Kingston, ON K7K 6Y3

Attention: Beth Gearing  
Fax: 800-263-4213  
Email: [bgearing@solowaywright.com](mailto:bgearing@solowaywright.com)

and with a copy to: City of Ottawa, Real Estate Partnership and Development  
Office  
110 Laurier Avenue West  
Ottawa, ON K1P 1J1

Attention: Gordon MacNair, Director  
Fax: 613-560-6051  
Email: [gordon.macnair@ottawa.ca](mailto:gordon.macnair@ottawa.ca)

and with a copy to: City Clerk & Solicitor Office  
110 Laurier Avenue West  
Ottawa, ON K1P 1J1

Attention: M. Rick O'Connor  
Fax: 613-580-2146  
Email: [rick.oconnor@ottawa.ca](mailto:rick.oconnor@ottawa.ca)

or to any other address, fax number, email address or individual that the Party designates. Any Notice:

- (a) if validly delivered or if validly transmitted electronically and received before 5:00 p.m. (Ottawa time) on a Business Day, will be deemed to have been given on that Business Day; and
- (b) if validly delivered or if validly transmitted electronically and received after 5:00 p.m. (Ottawa time) on a Business Day or if validly delivered or if validly transmitted electronically and received on a day that is not a Business Day, will be deemed to have been given on the first Business Day after the date of transmission.

#### **9.4 Approvals**

Where, by a provision of this Agreement, an approval, consent or agreement of a Party (hereinafter in this Section, individually or collectively referred to as an “**approval**”) is required, unless the contrary is expressly provided in this Agreement:

- (a) receipt of a written request for approval shall be required;
- (b) the Party whose approval is required will within ten (10) Business Days (or such longer period of time as shall be mutually agreed upon between the Parties in writing) after receipt of a request for approval, accompanied in all cases by reasonable detail if the circumstances require, notify the requesting Party in writing either that it approves or that it withholds its approval, setting forth in reasonable detail its reasons for withholding;
- (c) if the notification referred to in Section 9.4(b) is not given within the applicable period of time, the Party whose approval is requested will be deemed conclusively to have given its approval in writing;
- (d) the determination by a Party of whether to provide an approval shall be made in good faith;
- (e) an approval may not be unreasonably withheld or delayed (whether or not reference is specifically made to such approval not being unreasonably withheld or delayed); and

- (f) a Dispute as to whether or not the approval has been unreasonably withheld or whether or not such approval ought to have been provided in accordance with the requirements of this Agreement shall be resolved by the Dispute Resolution Procedure.

## **9.5 Waivers**

No waiver of any provision of this Agreement is binding unless it is in writing and signed by all the Parties to this Agreement, except that any provision which does not give rights or benefits to a particular Party may be waived in writing, signed only by that Party who has rights under, or holds the benefit of, the provision being waived if that Party sends a copy of the executed waiver to the other Party. No failure to exercise, and no delay in exercising, any right or remedy under this Agreement will be deemed to be a waiver of that right or remedy. No waiver of any breach of any provision of this Agreement will be deemed to be a waiver of any subsequent breach of that provision or of any similar provision.

## **9.6 Further Assurances**

Each Party will promptly execute and deliver all further documents and take all further action reasonably necessary or appropriate to give effect to the provisions and intent of this Agreement and to complete the transactions contemplated by this Agreement.

## **9.7 Remedies Cumulative**

The rights and remedies under this Agreement are cumulative. No single or partial exercise by a Party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that Party may be entitled.

## **9.8 Counterparts**

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts with the same effect as if all Parties had signed and delivered the same document and all counterparts will be construed together to be an original and will constitute one and the same agreement.

## **9.9 Delivery by Fax or Electronic Mail**

Any Party may deliver an executed copy of this Agreement by fax or electronic mail but that Party will immediately dispatch by delivery to the other Party an originally executed copy of this Agreement.

## **9.10 Amendments**

No amendment, supplement, or restatement of any provision of this Agreement is binding unless it is in writing and signed by a duly authorized representative of each Party to this Agreement.

### **9.11 Submission to Jurisdiction**

Where a Relevant Agreement provides that arbitration of a particular matter shall not be subject to the Dispute Resolution Procedure as provided for therein, the courts of the Province of Ontario and Canada shall have exclusive jurisdiction to entertain and determine all Actions related to such matter, and each of the Parties does and shall irrevocably submit to the exclusive jurisdiction of such courts and hereby waives, and will not assert by way of motion, as a defence or otherwise in any such Action, any claim that: (i) such Party is not subject to the jurisdiction of such courts; (ii) such Action is brought in an inconvenient forum; or (iii) any subject matter of such Action may not be enforced in or by such courts. In any suit, action or proceeding brought to obtain a judgment for the recognition or enforcement of any judgment rendered in any such Action, no Party will seek any review with respect to the merits of any such Action, whether or not that Party appears in or defends that Action.

### **9.12 Enurement**

This Agreement enures to the benefit of and binds the Parties and their respective successors and permitted assigns.

### **9.13 Acknowledgement**

The Parties acknowledge that the Limited Partner is a limited partnership formed under the laws of the Province of Manitoba, a limited partner of which is only liable for any of the Limited Partner's liabilities to the extent of the amount that the limited partner has contributed to the capital of the Limited Partner. The Parties acknowledge that the obligations of the Limited Partner are not personally binding upon, nor shall recourse be had to, the property of any of its limited partners or the property of any successor or assign of any of its limited partners, and that recourse shall only be had to the property of the Limited Partner or the property of Lansdowne Master GP Inc., which is its sole general partner. The Parties acknowledge having been advised prior to entering into this Agreement that each of the City of Ottawa and Ottawa Sports and Entertainment Group is a limited partner of the Limited Partner and that, accordingly, its liability is limited as aforesaid.

**IN WITNESS WHEREOF** the Parties have duly executed this Agreement as of the date hereof.

**LANSDOWNE MASTER GP INC., in its  
capacity as general partner of  
LANSDOWNE MASTER LIMITED  
PARTNERSHIP**

By: \_\_\_\_\_  
Name: John Ruddy  
Title: President

By: \_\_\_\_\_  
Name: Roger Greenberg

Title: Executive Vice President

**LANSDOWNE RETAIL GP INC.**

By: \_\_\_\_\_  
Name: John Ruddy  
Title: President

By: \_\_\_\_\_  
Name: Roger Greenberg  
Title: Executive Vice President

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## **SCHEDULE 9.1**

### **Dispute Resolution Procedure**

Except where this Agreement provides otherwise, any Dispute in respect of this Agreement shall be resolved as follows:

- (a) the affected Parties shall attempt to resolve such Dispute by negotiations, which shall be initiated by one of them giving to the other written Notice containing details of the Dispute and the other Party shall provide written reply thereto within ten (10) Business Days;
- (b) if, for any reason, the Dispute remains unresolved after the expiration of the aforesaid ten (10) Business Day period, any affected Party may provide a written request to the other Party that the Dispute be resolved by referral to arbitration between the Parties pursuant to the *Arbitration Act, 1991* (Ontario). The arbitration shall be conducted by a single arbitrator, the place of arbitration shall be Ottawa, Ontario, and the language of the arbitration shall be English. If the Parties cannot agree upon the appointment of the single arbitrator within ten (10) Business Days of receipt of the request to arbitrate, either Party may apply to a Judge of the Ontario Superior Court of Justice in Ottawa, Ontario, to appoint same. A decision of the arbitrator shall be final and binding on the Parties and there shall be no appeal therefrom; and
- (c) the time limits referred to in this Schedule may be abridged or extended by mutual agreement of the Parties.

Except for any action necessary to enforce the award of the arbitrator, or any actions initiated by the insurer of a Party, and subject to the provision of paragraph (b), the provisions of this Schedule are a complete defence to any Action instituted in any court or before any administrative tribunal with respect to any Dispute arising under or in connection with this Agreement.

The Parties shall continue to fulfill their respective obligations in respect of this Agreement during the Dispute Resolution Procedure.

This Schedule shall survive any termination of this Agreement.