AGENCY AGREEMENT

July 11, 2022

Padlock Partners UK Fund III
c/o Clear Sky Capital Inc.
199 Bay Street, Suite 4000
Commerce Court West
Toronto, Ontario M5L 1A9

- and -

Clear Sky Capital Inc.
Suite 2600, Three Bentall Centre
595 Burrard Street, P.O. Box 49314
Vancouver, BC
V7X 1L3

- and -

Padlock Capital Partners III, LLC
2398 E. Camelback Road, Suite 615
Phoenix, AZ 85018

Dear Sirs/Mesdames:

Re: Initial Public Offering of Class A Units and/or Class C Units and/or Class F Units and/or Class U Units of Padlock Partners UK Fund III

The undersigned, CIBC World Markets Inc. ("**CIBC WM**"), Richardson Wealth Limited, Wellington-Altus Private Wealth Inc., Canaccord Genuity Corp., National Bank Financial Inc. and Raymond James Ltd. (collectively with CIBC WM, the "**Agents**" and each individually, an "**Agent**") understand that Padlock Partners UK Fund III (the "**Fund**") proposes to complete its initial public offering (the "**Offering**") by offering for sale class A trust units of the Fund (the "**Class A Units**") at a price of C$10.00 per Class A Unit, class C trust units of the Fund (the "**Class C Units**") at a price of C$10.00 per Class C Unit, class F trust units of the Fund (the "**Class F Units**") at a price of C$10.00 per Class F Unit and class U trust units of the Fund (the "**Class U Units**", and collectively with the Class A Units, Class C Units and Class F Units, the "**Units**") at a price of £10.00 per Class U Unit. The minimum and maximum amount of Base Units (as defined below) issuable pursuant to the Offering are C$35,000,000 of Base Units (the "**Minimum Offering**") and C$60,000,000 of Base Units (the "**Maximum Offering**"), respectively (as each such amount may be reduced by the aggregate subscription amount for any Class C Units sold on a concurrent private placement basis at the discretion of the Fund).

The Agents also understand that Padlock Capital Partners III, LLC and Clear Sky Capital Inc. may be considered to be promoters of the Fund under applicable securities laws in respect of the Offering.

The Agents propose to offer the Class A Units, Class F Units and Class U Units (the "**Offered Units**", and collectively with the Class C Units, the "**Base Units**"), as agents of the Fund, on a best efforts basis, in the manner contemplated by this Agreement to investors (the "**Purchasers**").

The Units will be offered for a minimum subscription of 1,000 Units for the Class A Units, Class F Units and the Class U Units such that the aggregate subscription price of each Purchaser purchasing as principal will be at least C$10,000 for the Class A Units and the Class F Units, and £10,000 for the Class U Units, or such lesser amounts in each case as the board of Trustees (as defined below) accepts. The Units shall have the material attributes described in the Final Prospectus (as defined below).

The Class F Units may, at the option of the board of Trustees of the Fund, become convertible into Class A Units in accordance with the terms and conditions set out in the Declaration of Trust (as defined below).

DEFINITIONS

In this Agreement,

"**Acquisition**" means the purchase and/or lease of the Watford Property, directly or indirectly, by the Fund;

"**affiliate**", "**material change**", "**material fact**" and "**misrepresentation**" have the respective meanings given to them in the *Securities Act* (Ontario);

"**Agency Fee**" has the meaning given to it in Section 7;

"**Agent**" and "**Agents**" have the meanings given to them in the first paragraph of this Agreement;

"**Agreement**" means this agreement as it may be amended, modified or supplemented from time to time in accordance with its terms;

"**Amended Preliminary Prospectus**" means the amended and restated preliminary prospectus of the Fund dated June 21, 2022, in each of the provinces and territories of Canada, amending and restating the Preliminary Prospectus;

"**Appraisal**" means the independent appraisal of the fair market value of the Watford Property prepared by the Appraiser;

"**Appraiser**" means Knight Frank LLP, in respect of the Watford Property;

"**Authorization**" means any certificate, consent, order, permit, approval, consent, waiver, licence, qualification, registration or similar authorization of any Governmental Body having jurisdiction over a person;

"**Base Units**" has the meaning given to it in the fourth paragraph of this Agreement;

“**BCA Report**” means the building condition assessment report for the Watford Property;

“**Best of the Canadian Manager’s Knowledge**” means to the knowledge of the President of the Canadian Manager and the Chief Financial Officer of the Canadian Manager, after due inquiry;

“**Bidco**” means Padlock UK Bidco 6 Limited;

“**Business**” means, as the context requires, the assets to be held and the businesses to be carried on, directly or indirectly, by the Fund Entities, including the management and operation of the Watford Property and related contracts and liabilities;

“**Business Day**” means any day which is not a Saturday, Sunday or statutory holiday in the Province of Ontario;

“**Canadian Fund Entities**” means, collectively, the Fund and the Canadian Holdco;

“**Canadian Holdco**” means Padlock Canadian Holdco 3 Limited;

“**Canadian Manager**” means Clear Sky Capital Inc., a company incorporated under the laws of the Province of British Columbia;

“**Canadian Securities Laws**” means all applicable securities laws in each of the Qualifying Jurisdictions and the respective regulations and rules under such laws together with applicable published policy statements, notices and blanket orders of the securities regulatory authorities in the Qualifying Jurisdictions;

“**CIBC WM**” has the meaning given to it in the first paragraph of this Agreement;

“**Claim**” and “**Claims**” have the meanings given to them in Section 12(a);

“**Class A Unit**” has the meaning given to it in the first paragraph of this Agreement;

“**Class C Unit**” has the meaning given to it in the first paragraph of this Agreement;

“**Class F Unit**” has the meaning given to it in the first paragraph of this Agreement;

“**Class U Unit**” has the meaning given to it in the first paragraph of this Agreement;

“**Closing**” means the completion of the issue and sale by the Fund of the Units pursuant to this Agreement;

“**Closing Date**” means July 19, 2022 or such other date as the Fund and the Agents may agree upon in writing or as may be changed pursuant to Section 3(d), but in any event not later than 90 days after the Final Receipt is issued;

“**Closing Time**” means 8:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Fund and the Agents may agree;

“**Declaration of Trust**” means the amended and restated declaration of trust governing the Fund dated as of July 11, 2022, as it may be further amended or amended and restated from time to time;

“**Distribution**” means “distribution” or “distribution to the public” as those terms are defined under Canadian Securities Laws;

“**Distribution Period**” means the period commencing on the date hereof and ending on the date of the completion of the Distribution of the Base Units;

“**Employee Plans**” means all employee benefit, supplemental unemployment benefit, bonus, incentive, profit sharing, termination, change of control, pension, retirement, stock option, stock purchase, stock appreciation and similar plans, programs, arrangements or practices relating to current or former employees, officers or directors, in each case, assumed, maintained, sponsored or funded, entirely or partially, by or for the benefit of any of the Fund Entities (including without limitation those maintained by the Canadian Manager or its affiliates for the benefit of any of the Fund Entities), whether written or oral, funded or unfunded, insured or self-insured, registered or unregistered, other than government sponsored pension and employment insurance plans;

“**Environmental Laws**” means all applicable Laws relating to pollution, contamination, protection of the environment, health, safety or natural resources, including those relating to the use, handling, transportation, treatment, storage, disposal, release or discharge of Hazardous Materials;

“**Environmental Report**” means the Phase I environmental site assessment report the Watford Property;

“**Final Prospectus**” means the (final) prospectus of the Fund dated July 11, 2022 (in both the English and French languages unless the context indicates otherwise);

“**Final Receipt**” has the meaning given to it in Section 2;

“**Financial Information**” has the meaning given to it in Section 3(a)(iv);

“**Fund**” has the meaning given to it in the first paragraph of this Agreement;

“**Fund Entities**” means, collectively, the Canadian Fund Entities and the UK Fund Entities;

“**Governmental Body**” means any:

(a) multinational, federal, provincial, municipal, local or other governmental or public department, regulatory authority, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign;

(b) any subdivision or authority of any of the foregoing; or

(c) any quasi-governmental, self-regulatory organization or private body exercising any regulatory, expropriation or taxing authority under or for the account of its members or any of the above, and, for greater certainty, includes the Securities Commissions and any stock exchange;

"**Hazardous Materials**" means any substance, material or waste which is regulated by or with respect to which liability or standards of conduct are imposed under any Environmental Laws, including any substance, material or waste which is defined as "toxic", "dangerous", "hazardous", "pollutant", "contaminant" or "source of contaminant" under any provision of Environmental Laws including any free product, vapour phase or residual, derivative of such Hazardous Materials;

"**Indemnified Party**" and "**Indemnified Parties**" have the meanings given to them in Section 12(a);

"**Indemnifier**" has the meaning given to it in Section 13;

"**Initial Units**" means the actual number of Class A Units and/or Class F Units and/or Class U Units to be issued at the Closing Time;

"**Laws**" means any and all applicable laws, including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, or policies or guidelines of (or issued by) Governmental Bodies, or Authorizations binding on or affecting the person referred to in the context in which the word is used;

"**Management Agreement**" means the management agreement between the Fund, the Canadian Holdco, the Canadian Manager, the UK Holdco, the Bidco and the UK Manager to be entered into on or prior to the Closing Date, as the same may be amended from time to time;

"**Management Entities**" means, together, the Canadian Manager and the UK Manager, each individually a "**Management Entity**";

"**Material Adverse Effect**" means a material adverse effect on the business, affairs, property, liabilities (contingent or otherwise), operating results, capital or prospects of the Fund Entities (taken as a whole) or the Management Entities (taken as a whole), as the case may be, and including any fact, event, or change that would result in the Preliminary Prospectus, the Amended Preliminary Prospectus, the Final Prospectus, or any Prospectus Amendment containing a misrepresentation;

"**Material Contracts**" means each of the agreements referred to in the Prospectus under the heading "Material Contracts";

"**Maximum Offering**" has the meaning given to it in the first paragraph of this Agreement;

"**Minimum Offering**" has the meaning given to it in the first paragraph of this Agreement;

"**Notice**" has the meaning given to it in Section 20;

"**Offered Units**" has the meaning given to it in the third paragraph of this Agreement;

“**Offering**” has the meaning given to it in the first paragraph of this Agreement;

“**OSC**” means the Ontario Securities Commission;

“**Passport System**” means the passport system framework and procedures provided for under Multilateral Instrument 11-102 – *Passport System* and National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;

“**Preliminary Prospectus**” means the preliminary prospectus of the Fund dated June 3, 2022, in each of the provinces and territories of Canada;

“**Properties**” means the lands and premises located in the UK or interests therein to be purchased, owned or leased, directly or indirectly, by UK Holdco, including the Watford Property, and “**Property**” means one of the Properties;

“**Prospectus**” means, collectively, the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus;

“**Prospectus Amendment**” means any amendment to the Final Prospectus (in both the English and French languages unless the context indicates otherwise);

“**Purchasers**” has the meaning given to it in the fourth paragraph of this Agreement;

“**Qualifying Jurisdictions**” means all of the provinces and territories of Canada;

“**Reports**” means, collectively, the Appraisal, Environmental Report and BCA Report;

“**RSM**” means RSM Alberta LLP;

“**Securities Commissions**” means the applicable securities commission or regulatory authority in each of the Qualifying Jurisdictions;

“**Sub-Agent**” has the meaning given to it in Section 1 of this Agreement;

“**Subsidiary**” includes, with respect to any entity, an entity controlled, directly or indirectly, by such first entity;

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended;

“**Trustees**” means the trustees from time to time of the Fund;

“**UK Fund Entities**” means, collectively, Bidco and UK Holdco;

“**UK Holdco**” means Padlock UK Holdco 3 Limited;

“**UK Manager**” means Padlock Capital Partners III, LLC;

“**Underlying Units**” means the Class A Units which may, at the option of the board of Trustees of the Fund, become issuable pursuant to the Declaration of Trust upon conversion of the Class F Units;

“**Unit**” has the meaning given to it in the first paragraph of this Agreement;

“**Unitholder**” means a holder of a Unit;

“**Vendor**” means the vendor of the Watford Property;

“**Watford Property**” has the meaning given to it in the Final Prospectus; and

“**Watford Purchase Agreement**” has the meaning given to it in the Final Prospectus.

Unless otherwise expressly provided in this Agreement, words importing only the singular number include the plural and vice versa and words importing gender include all genders. References to “paragraph” and “Section” (unless otherwise indicated) are to the appropriate paragraphs and sections of this Agreement.

TERMS AND CONDITIONS

1. Appointment of Agents

The Fund hereby appoints the Agents as the Fund’s exclusive agents to effect the offering of the Offered Units. Each of the Agents agrees to act as the Fund’s agent for such purpose and to use its best efforts to effect the sale of the Offered Units on the Fund’s behalf to Purchasers, subject to the terms and conditions hereinafter provided. It is understood that the Agents shall act as agents only and shall not at any time be obligated to purchase or to arrange for the purchase of any Offered Units.

The Agents may form a sub-agency group including other qualified investment dealers lawfully authorized to sell Offered Units in the Qualifying Jurisdictions (the “**Sub-Agents**”), and may determine the percentage fee payable to the members of such group, which fee will be paid by the Agents out of the Agency Fee. Each of the Agents will effect sales of the Offered Units only in those jurisdictions where they may be lawfully offered for sale or sold and upon the terms and conditions set forth in the Final Prospectus, or any Prospectus Amendment, and this Agreement. The Agents will not solicit offers to purchase or sell the Offered Units so as to require registration of Units, if any, or the filing of a prospectus, registration statement or other similar document with respect thereto under the laws of any jurisdiction other than the Qualifying Jurisdictions.

Each of the Agents understands that the Offered Units are not being registered under the United States *Securities Act of 1933*, as amended, and it has not offered or sold and agrees that it will not offer, sell or deliver at any time, directly or indirectly, in the United States (which term, as used herein, includes its territories or possessions) or to or for the account of any person who it knows or has reason to believe is a United States national or resident thereof, any of the Offered Units other than with the express prior written consent of the Fund. Each of the Agents further agrees that it will require any dealer who purchases from it or effects sales of any of the Offered Units (whether as a Sub-Agent or otherwise) to comply with this requirement.

Each of the Agents agrees to sell the Offered Units only in the Qualifying Jurisdictions and in those other jurisdictions where Offered Units may be lawfully sold (in a manner consistent with the terms of this Agreement) and in accordance with, and in a manner permitted by, the laws of each jurisdiction in which such Offered Units are sold and to require each Sub-Agent to agree with the Agents to so sell such Offered Units. Each of the Agents further agrees, subject to receipt of the same from the Fund, to send a copy of all Prospectus Amendments to all persons to whom copies of the Final Prospectus are sent and to require each Sub-Agent to agree with the Agents to distribute such Prospectus Amendments in the manner stipulated.

For purposes of this Section, the Agents shall be entitled to assume that the Offered Units are qualified for Distribution in any Qualifying Jurisdiction where a receipt or similar document (including a Final Receipt) for the Final Prospectus shall have been obtained from the applicable regulatory authority following the filing of the Final Prospectus.

The obligations of the Agents set out herein are several and not joint. An Agent will not be liable hereunder with respect to any act, omission or conduct of any other Agent under this Agreement.

The Fund and each Management Entity shall co-operate in all reasonable respects with the Agents to allow and assist the Agents to participate fully in the preparation of the Final Prospectus and any Prospectus Amendment. Throughout the Distribution Period, the Fund and each Management Entity shall allow the Agents and their counsel to conduct all "due diligence" investigations which the Agents may reasonably require to fulfil the Agents' obligations as agents and to enable the Agents to execute any certificate required to be executed by the Agents in the Final Prospectus and any Prospectus Amendment (as further described in Section 4).

Each Agent represents and warrants, severally and not jointly, that it is not a non-resident of Canada for the purposes of the Tax Act.

Each Agent severally (and not jointly) covenants to and in favour of the Fund and the Canadian Manager that it will use its reasonable best efforts to deliver to the Fund the name, address and number of Offered Units purchased by each Unitholder to which it sells Offered Units, in a form satisfactory to the Fund, acting reasonably, as soon as reasonably practicable after, and in any event on a Business Day no later than 60 days after, the end of the Distribution Period. CIBC WM agrees to use its reasonable best efforts to cause each Agent and Sub-Agent to comply with this Section in respect of each Unitholder to which such Agent or Sub-Agent sells Offered Units.

2. Compliance with Canadian Securities Laws

Each of the Agents shall, when effecting sales of the Offered Units, comply with the provisions of Canadian Securities Laws and this Agreement and shall cause their Sub-Agents to so comply. For greater certainty, the Agents shall deliver copies of the Final Prospectus or any Prospectus Amendment, as applicable, to Purchasers in compliance with Canadian Securities Laws. The Fund and each Management Entity shall fulfil and comply with, to the satisfaction of the Agents, acting reasonably, the Canadian Securities Laws required to be fulfilled or complied with by the Fund and each Management Entity to qualify the Offered Units for Distribution in the Qualifying Jurisdictions through the Agents or any Sub-Agent duly registered in the appropriate category under, and who complies with, the applicable Canadian Securities Laws of the Qualifying Jurisdictions. All legal requirements to enable the Distribution of the Offered Units shall be fulfilled as soon as practicable. Without limiting the generality of the foregoing, the Fund shall, without unreasonable delay after any regulatory deficiencies have been satisfied with respect to the Preliminary Prospectus and the Amended Preliminary Prospectus on a basis acceptable to the Agents, acting reasonably, use its best efforts to file the Final Prospectus in each of the Qualifying Jurisdictions and obtain a final receipt issued by the OSC (including the deemed receipt from the other Qualifying Jurisdictions pursuant to the Passport System) (the "**Final Receipt**") on or prior to 5:00 p.m. (Toronto time) on July 12, 2022 (or such later date as may be agreed to by the Fund and the Agents) for the Final Prospectus.

As soon as is reasonably practicable, and in any event on a Business Day no later than 30 days after the end of the Distribution Period, CIBC WM for and on behalf of the Agents, shall provide the Fund with a written breakdown of sales of Offered Units in each of the Qualifying Jurisdictions.

3. (a) Deliveries on Filing

Concurrently with the execution and delivery of this Agreement or as soon as possible thereafter in the case of items (i), (iii), (vi) and (vii) and on or as soon as possible after the time of filing the Final Prospectus in the French language with the OSC in the case of items (ii), (iv) and (v), the Fund shall deliver to each of the Agents:

(i) a copy of the Final Prospectus in the English language signed and certified;

(ii) a copy of the Final Prospectus in the French language signed and certified;

(iii) a copy of any other document required to be filed by the Fund in connection with the filing of the Final Prospectus under the laws of each of the Qualifying Jurisdictions in compliance with the Canadian Securities Laws;

(iv) legal opinions dated the date of the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus, in form and substance satisfactory to the Agents, acting reasonably, addressed to the Agents, the Fund, the Canadian Manager, and their respective counsel, from Blake, Cassels & Graydon LLP, to the effect that the French language version of each of the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus, except for certain financial information therein, including (A) the section appearing under the heading "Capitalization" of the Prospectus, and (B) the financial statements and notes to such financial statements and the related auditors' reports on such statements referred to in the Index to Financial Statements of the Prospectus and included in the Prospectus (collectively, the "**Financial Information**"), as to which no opinion need be expressed by such counsel, is, in all material respects, a complete and proper translation of the English language version thereof;

(v) opinions dated the date of the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus, in form and substance satisfactory to the Agents, acting reasonably, addressed to the Agents, the Fund, the Canadian Manager and their respective counsel, from RSM, to the effect that the French language version of the Financial Information contained in the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus respectively, is, in all material respects, a complete and proper translation of the English language version thereof;

(vi) a "long-form" comfort letter dated the date of the Final Prospectus, in form and substance satisfactory to the Agents, acting reasonably, addressed to the Agents, the Fund and the Canadian Manager from the auditors of the Fund, RSM, and based on a review completed not more than two Business Days prior to the date of the letter, with respect to certain financial and accounting information relating to the Fund in the Final Prospectus which letter shall be in addition to the auditors' reports contained in the Final Prospectus and any auditors' comfort letter addressed to the securities regulatory authorities in the Qualifying Jurisdictions;

(vii) a certificate from an officer of the Fund, addressed and satisfactory to counsel for the Agents, supporting certain opinions as to tax matters given by such counsel in the Final Prospectus; and

(viii) a letter from Gowling WLG (UK) LLP, in form and substance satisfactory to the Agents, acting reasonably, addressed to the Agents and the Fund with respect to the United Kingdom tax disclosure in the Final Prospectus.

(b) **Representations as to Prospectus and Prospectus Amendments**

Delivery of the Prospectus and any Prospectus Amendment to the Agents shall constitute the Fund's and each Management Entity's joint and several representation and warranty to the Agents that, as at the date of the Prospectus or Prospectus Amendment, as the case may be, (i) all information and statements (except information and statements relating solely to or provided by the Agents), contained in the Prospectus and any Prospectus Amendments are true and correct in all material respects and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Fund Entities, the Watford Property and the Units; (ii) no material fact or information has been omitted from such disclosure (except for omissions in respect of facts or information relating solely to or provided by the Agents) which is required to be stated in such disclosure or is necessary to make the information contained in such disclosure not misleading in light of the circumstances under which it was made; and (iii) such documents comply in all material respects with the requirements of the Canadian Securities Laws. Such deliveries shall also constitute the Fund's consent to the use by the Agents and any Sub-Agent of the Final Prospectus and any Prospectus Amendment in connection with the Distribution of the Offered

Units in the Qualifying Jurisdictions in compliance with this Agreement and the Canadian Securities Laws.

(c) **Commercial Copies**

The Fund shall cause commercial copies of the Final Prospectus in the English and French languages to be delivered to the Agents without charge, in such numbers and in such cities as the Agents may reasonably request by oral instructions to the printer of the Final Prospectus given forthwith after a Final Receipt has been issued therefor. Such delivery shall be effected as soon as possible and, in any event, with respect to the Final Prospectus on or before the date which is two Business Days (or such later day as the Agents and the Fund may agree upon) after the Final Receipt has been issued by the OSC, as provided for in Section 2. The Fund shall similarly cause to be delivered commercial copies of any Prospectus Amendment. The commercial copies of the Final Prospectus and any Prospectus Amendment shall be substantially identical in content to the electronically transmitted versions thereof filed with Canadian securities regulatory authorities pursuant to the System for Electronic Document Analysis and Retrieval established pursuant to National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval (SEDAR)* of the Canadian Securities Administrators.

(d) **Change of Closing Date**

Subject to Section 10, if a material change or a change in a material fact such as is contemplated by Section 4 occurs prior to the Closing Date, the Closing Date shall be, unless the Fund and the Agents otherwise agree in writing, and provided that all applicable periods during which Purchasers may withdraw subscriptions under Canadian Securities Laws have expired, the sixth Business Day following the later of:

(i) the date on which all applicable filings or other requirements of the Canadian Securities Laws with respect to such material change or change in a material fact have been complied with in all applicable Qualifying Jurisdictions and any appropriate receipts obtained for such filings and notice of such filings from the Fund or its counsel have been received by the Agents; and

(ii) the date upon which the commercial copies of any Prospectus Amendments have been delivered in accordance with Section 3(c).

4. Material Change During Distribution

During the Distribution Period, the Canadian Manager shall promptly notify the Agents in writing of:

(a) any change (actual, anticipated, contemplated, proposed or threatened, financial or otherwise) in the business, financial condition, affairs, operations, assets, liabilities (contingent or otherwise), capital of the Fund Entities or the Management Entities;

(b) any fact that has arisen or has been discovered and that would have been required to have been disclosed in the Final Prospectus or a Prospectus Amendment had that fact arisen or been discovered on or prior to the date of the Final Prospectus or any Prospectus Amendment; or

(c) any change in any fact or matter covered by a statement contained in the Final Prospectus or any Prospectus Amendment;

which change or fact is, or may be, of such a nature as to render the Final Prospectus or any Prospectus Amendment misleading or untrue in any material respect or would result in any of such documents containing a misrepresentation, as defined under Canadian Securities Laws, or which would result in any of such documents not complying in any material respect with any of the Canadian Securities Laws or which change would reasonably be expected to have a significant effect on the market price or value of the Offered Units.

During the Distribution Period, the Fund and each Management Entity shall promptly, and in any event within any applicable statutory time limitation, comply, to the reasonable satisfaction of the Agents, with all applicable filings and other requirements under the Canadian Securities Laws as a result of such material fact or change; provided that the Fund shall not, subject to the Fund complying with the requirements of applicable Canadian Securities Laws, file any Prospectus Amendment or other document without first obtaining the approval of the Agents (such approval not to be unreasonably withheld or delayed), after consultation with the Agents with respect to the form and content thereof. The Fund and each Management Entity shall in good faith discuss with the Agents any fact or change in circumstances (actual, anticipated, contemplated, proposed or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt whether written notice need be given under this Section as soon as practicable, and in any event, prior to making any filing.

During the Distribution Period, the Canadian Manager shall advise the Agents promptly, and forthwith provide the Agents with copies, of any written communications issued by any securities regulatory authority: (a) suspending or preventing the use of the Prospectus or a Prospectus Amendment or any cease-trading or stop order or any halt in trading relating to the Units or the institution or threat of any proceedings for that purpose; or (b) otherwise relating to the Prospectus or the Offering.

The Canadian Manager shall use its commercially reasonable efforts to prevent the issuance of any such cease-trading or stop order and, if issued, shall forthwith take all commercially reasonable steps which it is able to take and which may be necessary or desirable in order to obtain the withdrawal thereof as soon as possible.

The Canadian Manager shall deliver promptly to the Agents signed and certified copies of all Prospectus Amendments and the Agents agree to provide the same to each person who has received a Final Prospectus. Concurrently with the filing of any Prospectus Amendment or as soon as possible thereafter, the Fund shall deliver to counsel to the Agents for and on behalf of the Agents, with respect to such Prospectus Amendment, documents similar to those referred to in Sections 3(a)(iii), (iv), (v), (vi), (vii) and (viii).

5. Change in Canadian Securities Laws

If during the Distribution Period there shall be any change in the Canadian Securities Laws which, in the opinion of the Agents and their legal counsel, acting reasonably, requires the filing of a Prospectus Amendment, the Fund shall promptly prepare and file such Prospectus Amendment to the reasonable satisfaction of the Agents, with the appropriate securities regulatory authority in each of the Qualifying Jurisdictions where such filing is required; provided that the Fund shall not file any Prospectus Amendment or other document without first obtaining the approval of the Agents with respect to the form and content thereof, such approval not to be unreasonably withheld or delayed, subject to the Fund complying with the requirements of applicable Canadian Securities Laws.

6. Covenants, Representations and Warranties of the Fund and the Management Entities

The Fund and each Management Entity hereby covenant, represent and warrant, jointly and severally, as follows to each of the Agents and acknowledge that each of the Agents is relying upon such representations, warranties and covenants in connection with its execution and delivery of this Agreement:

(a) the Fund is, and will be at the Closing Time, a trust created and validly existing under the laws of the Province of Ontario, and has and will at the Closing Time have all requisite power, capacity and authority to invest in accordance with the investment objectives set out in the Final Prospectus and conduct its activities as contemplated thereby;

(b) the Canadian Manager is, and will be at the Closing Time, a corporation incorporated and validly existing under the laws of the Province of British Columbia, and has and will at the Closing Time have all requisite power and authority to own, lease and operate its properties and assets, to carry on its business as it is currently conducted and proposed to be conducted, and to enter into and perform its obligations under this Agreement and any of the other Material Contracts to which it is party;

(c) the UK Manager is, and will be at the Closing Time, a validly existing limited liability company established under the laws of the state of Delaware, and has and will at the Closing Time have all requisite power and authority to own, lease and operate its properties and assets, to carry on its business as it is currently conducted and proposed to be conducted, and to enter into and perform its obligations under this Agreement and any of the other Material Contracts to which it is party;

(d) each of the Fund Entities (other than the Fund) is, or will be at the Closing Time, a corporation validly existing under the laws of its jurisdiction of establishment and has, or will at the Closing Time have, all requisite power, capacity and authority to invest in accordance with the investment objectives set out in the Final Prospectus and conduct its activities as contemplated thereby;

(e) the Fund Entities and any separate, single-purpose, limited liability entities established, or that will be established, to directly (or indirectly through one or more single-purpose limited liability entities) own the Properties comprise all entities which will own the assets used in carrying on the Business, or will, subject to the terms of the Management Agreement, otherwise operate the Business;

(f) the Trustees have been duly appointed as trustees of the Fund;

(g) each of the Fund Entities and the Management Entities has all requisite power and authority, and on or before Closing Time, will have taken all actions required, to: (i) enter into this Agreement and the Material Contracts to which it is a party, as applicable; and (ii) to carry out all the terms and provisions hereof and thereof, as applicable, and, in the case of the Fund only, to issue, sell and deliver the Offered Units in accordance with the provisions of this Agreement;

(h) each of the Management Entities is current with all filings required to be made by it under all jurisdictions in which it exists or carries on any material business and has all necessary certificates, licences, authorizations and other approvals necessary to permit it to conduct its proposed activities, except where the failure to make any filing or obtain any certificate, licence, authorization or other approval would not have a Material Adverse Effect, and all such certificates, licences, authorizations and other approvals are in full force and effect in accordance with their terms except where the failure to so maintain such certificates, licences, authorizations or other approvals would not have a Material Adverse Effect;

(i) each of the Fund Entities and the Management Entities, as applicable, is not in breach or violation of any of the terms or provisions of, or in default under (whether after notice or lapse of time or both): (i) any of the Material Contracts to which it is a party; (ii) any indenture, mortgage, deed of trust, loan agreement or other agreement (written or oral) or instrument to which it is a party or by which it is bound or to which any of its property or assets is subject where such breach, violation or default could have a Material Adverse Effect; (iii) its constating documents; or (iv) any statute or any order, rule or regulation of any Governmental Body having jurisdiction over it or any of its properties where such breach, violation or default could have a Material Adverse Effect;

(j) there are no legal or governmental actions, proceedings or investigations in existence to which the Management Entities or any of the Fund Entities is a party or to which the property of the Management Entities or any of the Fund Entities is subject or, to the Best of the Canadian Manager's Knowledge, contemplated or threatened against the Management Entities or the Fund Entities, at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board or agency, domestic or foreign, which (i) could have a Material Adverse Effect, or (ii) questions the validity of the issuance, sale or delivery of the Offered Units or the Underlying Units or the validity of any action taken or to be taken by the Fund Entities pursuant to or in connection with this Agreement or any Material Contract;

(k) this Agreement and each Material Contract to which any of the Fund Entities or the Management Entities is a party has been or, as the case may be, will be at the Closing Time, duly authorized, executed and delivered by them, respectively, and constitute or, as the case may be, will constitute when so executed and delivered, legal, valid and binding obligations of them, respectively, enforceable against them in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally, and except as limited by the application of equitable principles when equitable remedies are sought and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;

(l) none of the Management Entities nor any of the Fund Entities has received notice from any Governmental Body of any jurisdiction in which it carries on business, or owns or leases any property, of any restriction on the ability of the Management Entities or any of the Fund Entities to, or of a requirement for the Management Entities or the Fund Entities to qualify to, nor are the Management Entities or the Fund Entities otherwise aware of any restriction on the ability of the Management Entities or the Fund Entities to, or of a requirement for them to qualify to, conduct their businesses or activities, as the case may be, as described in the Final Prospectus in such jurisdiction, except such qualifications as have been or will on or before the Closing Date be satisfied;

(m) the execution and delivery of this Agreement by the Fund and each Management Entity, and the issue, sale and delivery of the Offered Units and the Underlying Units (in the case of the Underlying Units, subject to any necessary amendments being made to the Declaration of Trust to permit the conversion of Class F Units into Class A Units at the option of the board of Trustees of the Fund) by the Fund and the performance or the consummation of the transactions contemplated in this Agreement, do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both), any of the Material Contracts to which it is a party or any indenture, mortgage, deed of trust, loan agreement, lease or other agreement (written or oral) or instrument to which the Fund or any Management Entity is a party or by which any of them is bound or to which any of their property or assets is subject, nor will such action conflict with or result in any violation of the provisions of the constating documents or any statute or any order, rule or regulation of any court or Governmental Body having jurisdiction over them or any of their properties;

(n) the execution and delivery of the Material Contracts by any of the Fund Entities or the Management Entities, as applicable, and the performance or the consummation of the transactions contemplated thereby, do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both), any indenture, mortgage, deed of trust, loan agreement, lease or other agreement (written or oral) or instrument to which the Fund Entities or the Management Entities is a party or by which any of them is bound or to which any of their property or assets is subject, nor will such action conflict with or result in any violation of the provisions of the constating documents or any statute or any order, rule or regulation of any court or Governmental Body having jurisdiction over them or any of their properties;

(o) the Fund will apply the net proceeds from the Offering in accordance with the description set forth in the Final Prospectus under the heading “Use of Proceeds”;

(p) each of the Material Contracts described in the Prospectus conforms, or will conform at the Closing Time, with the description thereof in the Prospectus in all material respects;

(q) other than as may be required by, and as have or will have been obtained prior to Closing under, Canadian Securities Laws, no consent, approval, authorization, order, registration or qualification of or with any court or Governmental Body is required by the Fund for the issue, sale and delivery of the Offered Units as contemplated in this Agreement or the issuance of the Underlying Units or the consummation by the Fund or the Management Entities of the transactions contemplated in this Agreement;

(r) the Base Units have been authorized for issuance and, when issued in accordance with the terms of this Agreement and the Declaration of Trust, the Base Units will be validly issued as fully paid;

(s) subject to any necessary amendments being made to the Declaration of Trust to permit the conversion of Class F Units into Class A Units at the option of the board of Trustees of the Fund, if and when issued in accordance with the terms of the Declaration of Trust, the Underlying Units will be validly issued as fully paid;

(t) the Units to be issued at Closing shall, at the Closing Date, have the attributes and characteristics and shall conform in all material respects with the description thereof contained in the Final Prospectus;

(u) no Securities Commission, other regulatory authority or stock exchange has issued any order having the effect of suspending or ceasing the trading of the Units;

(v) except as disclosed in the Prospectus, including any private placement of Class C Units to be completed at or about the Closing Time, as at the Closing Time, no person will have any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of any securities of the Fund from or by the Fund and no rights, warrants or options to acquire, or instruments convertible into or exchangeable for, any securities of the Fund, will be outstanding;

(w) immediately following the Closing Time and the completion of the transactions contemplated in the Final Prospectus, or any Prospectus Amendment, the ownership structure of the Fund Entities will be as set out in the Final Prospectus and all securities of the Fund Entities (excluding the Offered Units) will be held by their respective holders free and clear of all liens, charges, encumbrances and any other rights of others, except as disclosed in the Prospectus;

(x) there is no agreement in force or effect which in any manner affects or will affect the voting control of any of the securities of any of the Fund Entities and, to the Best of the Canadian Manager's Knowledge, any securities of the Fund;

(y) TSX Trust Company, at its principal offices in Toronto, Ontario has been, or will prior to the Closing be, duly appointed as the registrar and transfer agent for the Units;

(z) the financial statements of the Fund and the notes thereto contained in the Final Prospectus fairly and accurately present the financial condition, cash flows and position of the Fund as of the date indicated thereon and such statements have been prepared in conformity with international financial reporting standards applied on a consistent basis;

(aa) RSM is independent with respect to the Fund and each Management Entity, as required by applicable Laws;

(bb) the terms and conditions of the Offering comply in all material respects with Canadian Securities Laws, except to the extent that exemptions therefrom have been obtained from applicable securities regulatory authorities in each of the Qualifying Jurisdictions;

(cc) there are no outstanding claims, actions, suits, litigation, arbitration, investigations or proceedings, whether or not purportedly on behalf of the Fund Entities or, to the Best of the Canadian Manager's Knowledge, proposed or threatened against any of the Fund Entities or their respective officers or directors, as applicable, which, if determined adversely to the Fund Entities or their respective officers or directors, as the case may be, could result in the revocation, cancellation or suspension of any of the Fund Entities' licences or qualifications to carry on its activities or could have a Material Adverse Effect or which may restrict or prohibit the ability of the Fund Entities to perform their respective obligations hereunder or under any of the Material Contracts or as contemplated by the Prospectus;

(dd) there are no outstanding claims, actions, suits, litigation, arbitration, investigations or proceedings, or, to the Best of the Canadian Manager's Knowledge, proposed or threatened, against the Management Entities which, if determined adversely to the Management Entities could result in the revocation, cancellation or suspension of any of the Management Entities' licences or qualifications to do business as contemplated by the Prospectus or could have a Material Adverse Effect on the Management Entities, or which may restrict or prohibit the ability of the Management Entities to perform their obligations hereunder or under any of the Material Contracts or as contemplated by the Prospectus, as applicable;

(ee) with the exception of the Material Contracts and except as may be contemplated in connection with the transactions described in the Prospectus, there are no material contracts of or pertaining to the Fund Entities;

(ff) except to the extent disclosed in the Final Prospectus, none of (i) the Management Entities, or their directors, executive officers or principal shareholders, (ii) the trustees, executive officers or principal securityholders of the Fund, as applicable, or (iii) any associate or Affiliate of the persons referred to in (i) and (ii), has or plans to have a material interest in any transaction carried out or to be carried out by the Fund or its Subsidiaries that has materially affected or is reasonably expected to materially affect the Fund or any of its Subsidiaries;

(gg) other than pursuant to this Agreement, the Fund is not a party to any contract, agreement or understanding with any person that would give rise to a valid claim against the Fund or the Agents for a brokerage commission, finder's fee or like payment in connection with the Offering;

(hh) neither the Fund nor the Management Entities are aware of any facts or circumstances that would cause it to believe that the transactions contemplated under the heading "Description of the Activities of the Trust − The Watford Property" in the Final Prospectus will not occur substantially in accordance with the disclosure set forth in the Prospectus;

(ii) the forward-looking statements (as such forward-looking statements are described in the Final Prospectus under the caption "Forward-Looking Statements") included in the Final Prospectus are based on or derived from sources which the Fund and the Management Entities believe to be reliable and accurate or represent the Fund's, and the Management Entities' good faith estimates;

(jj) each of the Canadian Manager and the UK Manager has the necessary personnel, office, equipment, software, organization, professional qualifications, licences, permits, expertise and financial wherewith-all to professionally, prudently and competently carry out its duties and responsibilities under the Management Agreement;

(kk) except as disclosed in the Prospectus, none of the directors, officers or employees of any of the Fund Entities or the Management Entities, as applicable, or any associate or affiliate of any of the foregoing, has any interest, direct or indirect, in any transaction or any proposed transaction with any of the Fund Entities which materially affects, is material to or could materially affect the Fund Entities or the Business;

(ll) except for certain fees payable in connection with the acquisition of the Watford Property and except as contemplated hereby, there is no person acting or purporting to act at the request of any of the Fund Entities or the Management Entities, who is entitled to any brokerage or agency fee in connection with the transactions contemplated by this Agreement and the Material Contracts;

(mm) except as disclosed in the Prospectus, to the Best of the Canadian Manager's Knowledge, there are no facts relating to the Watford Property which are likely to give rise to a material violation of Environmental Laws;

(nn) except as disclosed in the Prospectus, to the Best of the Canadian Manager's Knowledge, neither the Fund nor the Management Entities are aware of any fact that would require any of the Fund Entities to make material capital expenditures to conduct corrective action or remediation of any Hazardous Materials or comply with Environmental Laws;

(oo) none of the Fund Entities have received any written notice alleging in any manner that any of them is responsible, or potentially responsible, for any release of Hazardous Materials, any penalties or liabilities arising under any Environmental Laws or any violation of Environmental Laws with respect to the Watford Property, which would reasonably be expected to have a Material Adverse Effect;

(pp) except as disclosed in the Prospectus, to the Best of the Canadian Manager's Knowledge, there are no facts, events or circumstances that might reasonably be expected to form the basis of a governmental order for clean-up or remediation, investigation, monitoring, demolition, restriction of use or development or other response action, nor is there any action, suit or proceeding by any private party or Governmental Body, with respect to the Watford Property relating to the presence or release of Hazardous Materials and/or the actual or alleged breach of any Environmental Laws that if enforced would have a Material Adverse Effect;

(qq) to the Best of the Canadian Manager's Knowledge, no tenant of the Watford Property has filed any notice or report pursuant to any Environmental Law or otherwise indicating past or present treatment, storage or disposal of a Hazardous Materials or reporting a spill, release or discharge of Hazardous Materials into the environment involving the Watford Property other than those which have been fully remediated (or otherwise addressed) in accordance with all applicable Environmental Laws or would not otherwise have a Material Adverse Effect;

(rr) to the Best of the Canadian Manager's Knowledge, the Watford Property has not been used as a waste storage site or a waste disposal site and has not been used to operate a waste management system or business;

(ss) to the Best of the Canadian Manager's Knowledge, no Fund Entity will, following the Acquisition, have any contingent liability in connection with any spill, discharge or release of any Hazardous Materials on or into the environment in connection with the Watford Property;

(tt) each of the Reports has been commissioned upon ordinary commercial terms and, in each case, on a basis no less prudent than would be applied by the Canadian Manager in relation to a purchase of a business or property by the Canadian Manager;

(uu) no limitations were imposed upon the scope of the review of any of the parties commissioned to prepare the Reports other than as set forth in their letters of engagement;

(vv) to the Best of the Canadian Manager's Knowledge there are no material facts that are contrary to any of the assumptions, conclusions or descriptions contained in the Reports;

(ww) immediately following the Acquisition, the Watford Property and the buildings constructed thereon will be insured at insurable replacement value against all loss from damage by hazards or risks normally insured against for properties and buildings of a similar type and usage, with reasonable deductibles;

(xx) insurance coverage against such risks and in such amounts as are reasonable for prudent owners of businesses similar to that to be carried on, directly and indirectly, by the Fund Entities, has been arranged with responsible insurers and that coverage will be in full force and effect following the Acquisition; none of the Fund Entities, or to the Best of the Canadian Manager's Knowledge, any of the tenants of the Watford Property, is in default with respect to any of the provisions contained in policies of insurance of the Fund Entities or the Initial Portfolio or has failed to give any notice or pay any premium or present any claim under any such insurance policy that could reasonably be expected to have a Material Adverse Effect;

(yy) there are no Employee Plans in place for any of the Fund Entities and no such plans are contemplated to be adopted by any of the Fund Entities;

(zz) except as disclosed in the Prospectus, the Watford Property and the business conducted thereat are not experiencing any significant difficulties that are operational in nature which could reasonably be expected to have a Material Adverse Effect;

(aaa) except as set forth in the Prospectus and any Prospectus Amendment and the Watford Purchase Agreement (i) the Watford Property is or will be, following the Acquisition, beneficially owned 100%, directly or indirectly, by the Fund; (ii) there are no co-ownership or joint venture arrangements in place with respect to the Watford Property; (iii) registered title to the Watford Property is or will be, following the Acquisition, held by a Fund Entity or one of their respective affiliates, and (iv) the applicable Fund Entity or affiliate thereof has or will have, following the Acquisition, good and marketable title, as described in the Prospectus, in fee simple to the Watford Property free and clear of all encumbrances of any kind or nature whatsoever and howsoever arising (registered or unregistered) except for the permitted encumbrances set out in the Watford Purchase Agreement;

(bbb) except as disclosed in the Prospectus, to the Best of the Canadian Manager's Knowledge, there has not been written notice of any proceeding with respect to or in connection with the expropriation or rezoning of the Watford Property or any part thereof or with respect to any actual or threatened suit, claim, action, arbitration or other litigation proceeding against the Watford Property, and there is no judgment, decree, injunction or order of any court, administrative tribunal or regulatory body against the Initial Portfolio;

(ccc) an executed copy of the Watford Purchase Agreement has been provided to the Agents or their counsel;

(ddd) other than in respect of the Watford Property, none of the Fund Entities, the Management Entities nor any agent acting on their behalf have approved or entered into any agreement in respect of the purchase or lease of any Property;

(eee) the representations and warranties of the Fund Entities, the Management Entities and/or their respective affiliates, as applicable, in the Watford Purchase Agreement shall be true and correct in all material respects or in all respects if already qualified by materiality and the Agents shall be entitled to rely on such representations and warranties as if set out herein; and

(fff) the Fund and the Management Entities do not have any reason to believe that the representations and warranties of the Vendor provided in the Watford Purchase Agreement were not true and correct as of the date such representations and warranties were made or that the Vendor will be in breach of any covenants in the Watford Purchase Agreement.

7. Services Provided by Agents and the Agency Fee

In return for the Agents' services including but not limited to acting as the Fund's agents in arranging for the sale of the Offered Units and ancillary services related thereto, including assisting it in the preparation of the Prospectus and performing administrative work in connection with the sales of the Offered Units, the Fund will pay to the Agents a fee (the "**Agency Fee**") of C$0.575 for each Class A Unit sold, C$0.275 for each Class F Unit sold and £0.575 for each Class U Unit sold, which fee shall be satisfied by set-off against payment of a like portion of the purchase price to the Fund pursuant to Section 8. No Agency Fee will be payable by the Fund in respect of the Class C Units sold on a concurrent private placement basis by the Fund.

8. Delivery of Purchase Price, Agency Fee and Certificate

The purchase and sale of the Initial Units shall be completed at the offices of Blake, Cassels & Graydon LLP, in the City of Toronto at the Closing Time or such other place or location as may be agreed upon by the parties hereto, acting reasonably.

The delivery of the Initial Units is to be made to CIBC WM on behalf of the Agents, for the Purchasers at the Closing Time in the form of an electronic deposit pursuant to the non-certificated issue system maintained by CDS Clearing & Depository Services Inc. representing the Initial Units sold pursuant to the Offering to such CDS instant deposit number as CIBC WM may advise or direct against payment to the Fund by wire transfer of the purchase price for Initial Units sold.

At the Closing Time, the Agents will deliver to the Fund a wire transfer, for the aggregate purchase price for the Initial Units sold, being C$10.00 per Class A Unit and Class F Unit issued and £10.00 per Class U Unit issued, subject in each case to set-off against the Agency Fee in accordance with Section 7.

The obligations of each of the Agents and the Fund to complete the Closing shall be subject to the conditions that subscriptions for Initial Units shall have been received and not withdrawn on or before the Closing Date in respect of such Initial Units, subject to the condition that all applicable periods during which Purchasers may withdraw subscriptions under Canadian Securities Laws shall have expired, and that such subscriptions shall represent at least C$35,000,000 (as such amount may be reduced by the aggregate subscription amount for any Class C Units of the Fund sold on a concurrent private placement basis at the discretion of the Fund) of Initial Units. Pending satisfaction of these conditions and the conditions set out in Section 9 hereof, proceeds from subscriptions will be held by the Agents. If these conditions are not satisfied or the Closing does not occur for any other reason, the Agents shall ensure that the subscription proceeds received from prospective Purchasers are returned by the Agents to such Purchasers promptly without interest or deduction, unless the Purchasers have otherwise instructed the Agents.

9. Closing Conditions

The Agents' obligations hereunder shall be subject to the accuracy of the covenants, representations and warranties of the Fund and each Management Entity contained in this Agreement as of the date of this Agreement and as of the Closing Date the performance by the Fund and each Management Entity of their respective obligations under this Agreement and the following conditions:

(a) The Agents shall have received at the Closing Time a legal opinion dated the Closing Date, in form and substance satisfactory to counsel to the Agents, acting reasonably, addressed to the Agents and counsel to the Agents from Blake, Cassels & Graydon LLP, as to the laws of Canada and the Qualifying Jurisdictions, which counsel in turn may rely upon the opinions of local counsel where they deem such reliance proper as to the laws other than those of Ontario, Québec, Alberta and British Columbia and as to matters of fact, on certificates of the auditors of the Fund, public officials, officers of the Canadian Fund Entities and officers of the Canadian Manager and correspondence between or from public officials with respect to the following matters:

(i) as to the incorporation or formation and existence of the Canadian Fund Entities and the Canadian Manager under the laws of their respective governing jurisdictions, and the power and capacity of the Canadian Fund Entities and the Canadian Manager to carry on their respective businesses or activities, as the case may be, as described in the Final Prospectus and to enter into and to carry out their respective obligations under this Agreement, as applicable, and, in the case of the Fund only, the requisite power and authority of the Fund to invest in accordance with the investment objectives set out in the Prospectus and to issue the Offered Units as contemplated by this Agreement and, subject to any necessary amendments being made to the Declaration of Trust to permit the conversion of Class F Units into Class A Units at the option of the board of Trustees of the Fund, the Underlying Units;

(ii) that the Fund is authorized to issue an unlimited number of Class A Units, Class C Units, Class F Units, and Class U Units, and specifying, as of the Closing Time, that the outstanding Class A Units, Class C Units, Class F Units, and Class U Units respectively, will be validly issued and outstanding as fully paid;

(iii) subject to any necessary amendments being made to the Declaration of Trust to permit the conversion of Class F Units into Class A Units at the option of the board of Trustees of the Fund, upon conversion of the Class F Units in accordance with the terms of the Declaration of Trust, the Underlying Units will be validly issued and outstanding as fully paid;

(iv) each of the Canadian Fund Entities (other than the Fund) is authorized to issue certain securities of which, immediately following the Closing Time, only a specific number and type(s) of such securities (such number and type(s) to be specified in the opinion delivered pursuant to this Section 9(a)) will be validly issued and outstanding as fully paid and, to the extent applicable, non-assessable, and will be held by their respective holders (to be specified in the opinion delivered pursuant to this Section 9(a));

(v) that all necessary action has been taken by and on behalf of the Fund to authorize the execution and delivery of the Final Prospectus and, if applicable, any Prospectus Amendments and the filing of such documents under the Canadian Securities Laws in each of the Qualifying Jurisdictions;

(vi) that all necessary action has been taken by and on behalf of the Fund to authorize the creation and issuance of the Offered Units;

(vii) that all necessary action has been taken by each of the Canadian Fund Entities (other than the Fund) to authorize the creation and issuance of the securities to be issued by it in connection with the Acquisition or as otherwise described in the Prospectus;

(viii) that the attributes of the Offered Units are consistent in all material respects with the descriptions in the Final Prospectus and, if applicable, any Prospectus Amendments;

(ix) to the extent described in the Prospectus, the attributes of the securities of each of the other Canadian Fund Entities are consistent in all material respects with their respective descriptions in the Final Prospectus and, if applicable, any Prospectus Amendments;

(x) that the execution and delivery of this Agreement and the other Material Contracts, the issue and sale of the Offered Units, the issue of the

Underlying Units (subject to any necessary amendments being made to the Declaration of Trust to permit the conversion of Class F Units into Class A Units at the option of the board of Trustees of the Fund) and the consummation of the transactions contemplated by this Agreement and the Material Contracts, do not and will not result in a breach (whether after notice or lapse of time or both) of any of the terms, conditions or provisions of the constating documents of any of the Canadian Fund Entities or the Canadian Manager or any applicable laws of the Province of Ontario (or the Province of British Columbia, as applicable) or the federal laws of Canada applicable therein;

(xi) that this Agreement and the other Material Contracts which have then been executed have been duly authorized and executed by and on behalf of each of the Canadian Fund Entities and the Canadian Manager, as applicable, and constitute a legal, valid and binding obligation of each of the Canadian Fund Entities and the Canadian Manager, as applicable, enforceable against each of them in accordance with their terms, except as enforcement of such agreements may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;

(xii) that the Canadian Manager has been duly appointed as manager of the Fund;

(xiii) TSX Trust Company, at its principal offices in the City of Toronto, has been appointed as the registrar and transfer agent for the Units;

(xiv) that all necessary documents have been filed and all requisite proceedings have been taken and all necessary approvals, permits, consents and authorizations of the appropriate regulatory authorities under the Canadian Securities Laws have been obtained by the Fund to qualify the Offered Units for Distribution in each of the Qualifying Jurisdictions through persons or companies duly registered under the applicable laws of each of the Qualifying Jurisdictions who have complied with the relevant provisions of such applicable legislation and the terms of their registration;

(xv) subject to any necessary amendments being made to the Declaration of Trust to permit the conversion of Class F Units into Class A Units at the option of the board of Trustees of the Fund, the issue and delivery by the Fund of the Underlying Units upon the conversion of the Class F Units in accordance with the terms and conditions of the Declaration of Trust would be exempt from the prospectus requirements of the Canadian Securities Laws and no filing, proceeding, approval, permit, consent, order or authorization under the Canadian Securities Laws would be required to be made, taken or obtained by the Fund pursuant to Canadian Securities Laws to permit such issue and delivery;

(xvi) subject to any necessary amendments being made to the Declaration of Trust to permit the conversion of Class F Units into Class A Units at the option of the board of Trustees of the Fund, the first trade in the Underlying Units upon the conversion of the Class F Units in accordance with the terms and conditions of the Declaration of Trust would not be subject to the prospectus requirements of the Canadian Securities Laws and no filing, proceeding, approval, permit, consent, order or authorization would be required to be made, taken or obtained by the Fund pursuant to Canadian Securities Laws to permit such trade, provided that such trade is not a "control distribution", as that term is defined in National Instrument 45-102 *– Resale of Securities*;

(xvii) subject to the qualifications, assumptions, limitations and understandings set out therein, the statements in the Final Prospectus under the headings "Certain Canadian Federal Income Tax Considerations" and "Eligibility for Investment" provide an accurate summary as at the date thereof of the matters of Canadian federal income tax law addressed therein; and

(xviii) as to compliance with the laws of Québec relating to the use of the French language in connection with the documents (including the Final Prospectus and any Prospectus Amendments) to be delivered to Purchasers in the Province of Québec.

(b) The Agents shall have received at the Closing Time a legal opinion dated the Closing Date, in form and substance satisfactory to counsel to the Agents, acting reasonably, addressed to the Agents from Gowling WLG (UK) LLP, special English law counsel to the Fund, which counsel in turn may rely, as to matters of fact, on certificates of the auditors of the Fund, public officials and officers of the UK Fund Entities and correspondence between or from public officials.

(c) The Agents shall have received at the Closing Time a legal opinion dated the Closing Date, in form and substance satisfactory to counsel to the Agents, acting reasonably, addressed to the Agents from Matthew Mason, special United States counsel to the Fund, which counsel in turn may rely, as to matters of fact, on certificates of public officials and officers of Padlock Capital Partners III, LLC and correspondence between or from public officials with respect to the following matters:

(i) as to the incorporation and existence of Padlock Capital Partners III, LLC under the laws of the state of Delaware, and the power and authority of Padlock Capital Partners III, LLC to carry on its businesses or activities, as the case may be, as described in the Final Prospectus;

(ii) that all necessary action has been taken by and on behalf of Padlock Capital Partners III, LLC to authorize the execution and delivery of the Final Prospectus and, if applicable, any Prospectus Amendments and the filing of such documents under the Canadian Securities Laws in each of the Qualifying Jurisdictions;

(iii) that the execution and delivery of the Material Contracts to which Padlock Capital Partners III, LLC is a party and the consummation of the transactions contemplated thereby, do not and will not result in a breach (whether after notice or lapse of time or both) of any of the terms, conditions or provisions of the organizational documents of Padlock Capital Partners III, LLC or any applicable laws of the state of Delaware; and

(iv) that each of the Material Contracts which have then been executed have been duly authorized and executed on behalf of Padlock Capital Partners III, LLC, and constitute a legal, valid and binding obligation of Padlock Capital Partners III, LLC, enforceable against Padlock Capital Partners III, LLC in accordance with their terms, except as enforcement of such agreements may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, public policy and by the fact that rights to jurisdiction, venue, certain remedies, reimbursement of certain fees, indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law.

(d) The Agents shall have received at the Closing Time a legal opinion dated the Closing Date, addressed to the Agents from counsel to the Agents, McCarthy Tétrault LLP, with respect to certain of the matters in Section 9(a), provided that counsel to the Agents shall be entitled to rely on the opinions of local counsel as to matters governed by the laws of jurisdictions other than the laws of Ontario and as to matters of fact, on certificates of the auditors of the Fund, public officials, the officers of the Canadian Manager, the Canadian Fund Entities and the Agents; and provided further that counsel to the Agents shall be entitled to rely upon the opinion of counsel to the Fund except with respect to the matters noted in paragraphs 9(a)(xiv) and 9(a)(xvii).

(e) The Agents shall have received at the Closing Time a letter dated the Closing Date in form and substance satisfactory to the Agents addressed to the Agents from the auditors of the Fund, RSM, confirming the continued accuracy of the comfort letter to be delivered to the Agents pursuant to Section 3(a)(vi) with such changes as may be necessary to bring the information in such letter forward to a date not more than two Business Days prior to the Closing Date which changes shall be acceptable to the Agents.

(f) The Agents shall have received at the Closing Time certificates dated the Closing Date addressed to the Agents and counsel to the Agents and signed by or on behalf of the Fund and each Management Entity, as applicable, with respect to the constating documents of the Fund and each Management Entity, as applicable, all resolutions of the Directors and directors of each Management Entity relating to the Offering, the incumbency and specimen signatures of signing officers of the Fund and each Management Entity and with respect to such other matters as the Agents may reasonably request.

(g) The Fund Entities and their respective affiliates, as applicable, and the Management Entities shall have executed and delivered the Material Contracts to which they are a party and such agreements, including the terms and conditions thereof, shall be in form and substance acceptable to the Agents and their counsel.

(h) The Watford Purchase Agreement shall have been executed and delivered by all parties thereto.

(i) The Agents shall have received at the Closing Time a certificate or certificates dated the Closing Date addressed to the Agents and counsel to the Agents from the Fund for and signed by the Chief Executive Officer and by the Chief Financial Officer of the Fund or other officers of the Fund acceptable to the Agents, certifying, after having made due enquiry and after having carefully examined the Final Prospectus and any Prospectus Amendments, that:

   (i) since the respective dates as of which information is given in the Final Prospectus as amended by any Prospectus Amendment (A) there has been no material change (actual, anticipated, contemplated, proposed or threatened, whether financial or otherwise) in the business, financial condition, affairs, operations, assets, liabilities or obligations (contingent or otherwise) or capital of the Fund and (B) no transaction has been entered into by the Fund which is material to the Fund, other than as disclosed in the Final Prospectus or the Prospectus Amendments, as the case may be, or any subscription(s) for Units to be sold on a concurrent private placement basis;

   (ii) there are no contingent liabilities affecting the Fund which are material to the Fund, other than as disclosed in the Final Prospectus or the Prospectus Amendments, as the case may be;

   (iii) no order, ruling or determination having the effect of suspending the sale or ceasing the trading of the Units, or any other securities of the Fund, has been issued by any regulatory authority or stock exchange, and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened under any of the Canadian Securities Laws or by any other regulatory authority or stock exchange;

(iv) the Fund has complied with and satisfied the covenants, terms and conditions of this Agreement on its part to be complied with and satisfied up to the Closing Time; and

(v) the representations and warranties of the Fund contained in this Agreement are true and correct as of the Closing Date with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement.

(j) The Agents shall have received at the Closing Time a certificate or certificates dated the Closing Date addressed to the Agents and counsel to the Agents from each of the Management Entities and signed by the President or Chief Executive Officer, as applicable, and by the Chief Financial Officer of each of the Management Entities or other officers acceptable to the Agents, certifying on behalf of each of the Management Entities after having made due enquiry and after having carefully examined the Final Prospectus and any Prospectus Amendments, that:

(i) each of the Management Entities has complied with and satisfied the covenants, terms and conditions of this Agreement to be complied with by it and satisfied up to the Closing Time; and

(ii) the representations and warranties of each of the Management Entities contained in this Agreement are true and correct as of the Closing Date with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement.

(k) Any condition precedent to the completion of the transactions contemplated by the Material Contracts in favour of the Fund Entities or the Management Entities, as applicable, shall have been fulfilled, performed or waived by the Fund Entities or the Management Entities, as applicable, to the reasonable satisfaction of the Agents and each of the transactions contemplated by the Material Contracts to occur prior to the Closing Time shall have been completed or the Agents shall be satisfied that such transactions will be completed concurrently with or as soon as practicable following the Closing Time.

(l) The Fund Entities and their respective affiliates, as applicable, and the Management Entities shall have received consents from third party lenders required in connection with the Acquisition and other material transactions contemplated by the Prospectus.

(m) The Agents shall have received a release, in form and substance satisfactory to the Agents, from each Purchaser of Class C Units, releasing the Agents from all actions, liabilities, claims, suits, proceedings, damages, demands or expenses which such Purchaser may have pursuant to this Agreement or by reason of, or arising out of, the distribution of the Class C Units.

10. Rights of Termination

(a) Proceedings

If prior to the Closing Time, any enquiry, action, suit, investigation or other proceeding, whether formal or informal, is commenced, announced, instituted or threatened or any order is made by any securities commission or any other federal, provincial or other governmental authority in relation to any of the Fund Entities or the Management Entities, as the case may be, which, in the sole opinion of any Agent, acting reasonably, operates to prevent or materially adversely affect trading in the Units or the Distribution of the Units or which, in the sole opinion of any Agent, acting reasonably, might reasonably be expected to have a significant adverse effect on the market price or value of the Units, such Agent shall be entitled, at its sole option, in accordance with Section 10(f), to terminate its obligations under this Agreement by written notice to that effect given to the Fund at any time prior to the Closing Time.

(b) Disaster/Market Out Clause

If prior to the Closing Time, (i) there should develop, occur or come into effect or existence any action, state, condition or occurrence of national or international consequence or any change or development including any prospective change in national or international political, financial or economic conditions or any action, governmental law or regulation, enquiry or other occurrence (including any national catastrophe, act of war, terrorism or similar event, including the COVID-19 pandemic to the extent there are any material adverse developments related thereto after the date of this Agreement), whether in any financial market or otherwise, of any nature whatsoever which, in the sole opinion of any Agent, acting reasonably, might reasonably be expected to have a significant adverse effect on the Canadian, United Kingdom or international financial markets or the business, operations, prospects or capital of the Fund, or (ii) the state of the Canadian or United Kingdom financial markets is such that, in the sole opinion of any Agent, acting reasonably, the Units cannot be profitably marketed; then, in any one or more of the foregoing cases, such Agent shall be entitled, at its sole option, in accordance with Section 10(f), to terminate its obligations under this Agreement by written notice to that effect given to the Fund at any time prior to the Closing Time.

(c) Material Change

If prior to the Closing Time, there should occur, be discovered, or be announced by the Fund or any Management Entity, any material change or a change in any material fact such as is contemplated by Section 4 which results or, in the sole opinion of any Agent, acting reasonably, might reasonably be expected to result, in the Purchasers of a material number of Units exercising their right under applicable legislation to withdraw from their purchase of Units or, in the sole opinion of any Agent, acting reasonably, might be reasonably expected to have a significant adverse effect on the market price or value of the Units, such Agent shall be entitled, at its sole option, in accordance with Section 10(f), to terminate its obligations under this Agreement by written notice to that effect given to the Fund at any time prior to the Closing Time.

(d) **Tax Event**

If prior to Closing Time, there is announced any change or proposed change in the income tax laws of Canada or the tax laws of the United Kingdom, or in the interpretation or administration thereof and such change would, in the reasonable opinion of any Agent, acting in good faith and after consultation with the Canadian Manager, be expected to have a significant adverse effect on the market price, value or marketability of the Units, such Agent shall be entitled, at its sole option, in accordance with Section 10(f), to terminate its obligations under this Agreement by written notice to that effect given to the Fund at any time prior to the Closing Time.

(e) **Non-Compliance With Conditions**

Each of the Fund and the Management Entities agree that all terms and conditions in Section 9 shall be construed as conditions and complied with so far as they relate to acts to be performed or caused to be performed by it, that it will use its commercially reasonable efforts to cause such conditions to be complied with (other than Section 9(e)), and that any failure by it to comply with, or any breach of, or failure to satisfy, any such conditions (other than Section 9(e)) shall entitle any of the Agents to terminate its obligations to purchase the Offered Units by notice to that effect given to the Fund at or prior to the Closing Time, unless otherwise expressly provided in this Agreement. The Agents may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to their rights in respect of any other terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon the Agents only if such waiver or extension is in writing and signed by all of the Agents.

(f) **Exercise of Termination Rights**

The rights of termination contained in Sections 10(a), (b), (c), (d) and (e) may be exercised by any of the Agents and are in addition to any other rights or remedies any of the Agents may have in respect of any default, act or failure to act or non-compliance by the Fund or any Management Entity in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of the terminating Agent to the Fund or the Management Entities or on the part of the Fund or the Management Entities to the terminating Agent except in respect of any liability which may have arisen prior to or arise after such termination under any of Section 12, 13 and 15. A notice of termination given by an Agent under any of Sections 10(a), (b), (c), (d) and (e) shall not be binding upon any other Agent.

11. Restrictions on Further Issues or Sales

Except as disclosed in the Prospectus, including any private placement of Class C Units to be completed at or about the Closing Time, the Fund will not, directly or indirectly, without the prior written consent of CIBC WM on behalf of the Agents, issue, offer, sell, negotiate or enter into any agreement to issue, offer, sell, grant any option to purchase, transfer, assign or otherwise dispose of any equity securities of the Fund or any securities convertible into, or exercisable or exchangeable for, any equity securities of the Fund, or announce any intention to bring into effect the foregoing, except pursuant to the exercise of convertible or exchangeable securities, or options to purchase Units of the Fund which are outstanding on the date of this Agreement or have been issued with the consent of CIBC WM.

12. (a) Indemnity of the Fund and the Management Entities

The Fund and each Management Entity (collectively, the "**Indemnifying Parties**" and individually, an "**Indemnifying Party**") jointly and severally agree to indemnify and hold harmless each of the Agents, their affiliates and each of their respective directors, officers, employees, partners, agents and legal counsel (collectively, the "**Indemnified Parties**" and individually, an "**Indemnified Party**") from and against any and all liabilities, claims (including Unitholder actions, derivative or otherwise), actions, losses (excluding loss of profits), costs, damages, disbursements, assessments, penalties, interest, goods and service tax or harmonized sales tax (net of any offsetting input tax credit) arising out of any assessment under the *Excise Tax Act* (Canada), settlements, deficiencies, awards and expenses, the aggregate amount paid in settlement of any action, suit, proceeding, investigation or claim and the reasonable fees and expenses of their counsel that may be incurred in advising with respect to and/or defending any action, suit, proceeding, investigation or claim, that may be imposed upon, or incurred, sustained or suffered by, or made or threatened against any Indemnified Party or in enforcing this indemnity (collectively, the "**Claims**" and individually, a "**Claim**") to which any Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims relate to, are caused by, result from, arise out of or based upon, directly or indirectly, or as a consequence of:

(i) any information or statement (except any information or statement relating solely to, or provided by or on behalf of the Agents) contained in the Final Prospectus or any Prospectus Amendment or any certificate or other document of the Fund Entities or the Management Entities filed in compliance or intended compliance with applicable Canadian Securities Laws or delivered to the Agents pursuant to this Agreement which at the time and in the light of the circumstances under which it was made contains or is alleged to contain a misrepresentation;

(ii) any omission or alleged omission to state in the Final Prospectus, any Prospectus Amendment or any certificate or other document of the Fund Entities or the Management Entities filed in compliance or intended compliance with Canadian Securities Laws or delivered to the Agents pursuant to this Agreement, any fact (except any fact relating solely to or provided by or on behalf of the Agents), required to be stated in such document or necessary to make any statement in such document not misleading in light of the circumstances under which it was made;

(iii) any order made or enquiry, investigation or proceeding commenced or threatened by any court, securities regulatory authority, stock exchange or any other competent authority based upon any untrue statement or omission or alleged untrue statement or alleged omission or any misrepresentation or alleged misrepresentation (except a statement, omission or misrepresentation or alleged statement, alleged omission or alleged misrepresentation relating solely to, or provided by or on behalf of, the

Agents) in the Final Prospectus or any Prospectus Amendment or in any other document of the Fund or the Management Entities filed with the Canadian securities regulatory authorities or based upon any failure to comply with the Canadian Securities Laws (other than any failure or alleged failure to comply by the Agents), or change of law or interpretation or administration thereof, preventing or restricting the trading in or the sale or Distribution of the Units in any of the Qualifying Jurisdictions;

(iv) the breach by the Fund or any Management Entity of any covenant, representation or warranty set forth herein or in any document delivered hereunder or filed in compliance or intended compliance with Canadian Securities Laws or the failure of the Fund or any Management Entity to comply with any of their obligations hereunder or thereunder;

(v) the breach or alleged breach of Canadian Securities Laws or other applicable securities legislation of any jurisdiction;

(vi) sales or excise tax assessments to the Agents for the provision of services by the Agents pursuant to this Agreement, excluding, for the avoidance of doubt, assessments of income taxes payable by the Agents in respect of fees in connection with the services provided hereunder; or

(vii) any Claims made by the holders of Class C Units.

(b) **Notification of Claims**

If any Claim contemplated by Section 12(a) is asserted against any Indemnified Party in respect of which indemnification is or might reasonably be considered to be provided under Section 12(a), the Indemnified Party will notify the Fund and the Management Entities, as applicable, as soon as possible of the nature of such Claim, but the omission to so notify, as soon as possible, the Fund and the Management Entities, as applicable, will not relieve the Fund and the Management Entities, as applicable, from any liability which it may have to any Indemnified Party under this Section, except to the extent that such omission or delay prejudices their ability to contest such Claim, and the Fund and the Management Entities, as applicable, shall be entitled (but not required) to participate in or assume the defence of any suit or the conduct of any proceeding brought to enforce such Claim; provided, however, that the defence shall be conducted through legal counsel acceptable to the Indemnified Party, acting reasonably, and provided that no admission of liability in respect of any such Claim may be made by or on behalf of an Indemnified Party or the Fund and the Management Entities, as applicable, without the prior written consent of all parties hereto.

(c) **Right of Indemnity in Favour of Others**

With respect to any Indemnified Party who is not a party to this Agreement, it is the intention of the Fund and the Management Entities to constitute the Agents as trustees for such Indemnified Party of the rights and benefits of this Section and the Agents agree to accept such trust and to hold the rights and benefits of this Section in trust for and on behalf of such Indemnified Party.

(d) **Retaining Counsel**

In any such Claim referred to in Section 12(a), the Indemnified Party shall have the right to retain other counsel to act on his, her or its behalf and participate in the defence of such Claim, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless: (i) the Fund and the Management Entities, as applicable, does not assume the defence of the Claim within a reasonable period of time of being notified of such Claim; (ii) the Fund and the Management Entities, as applicable, and the Indemnified Party shall have mutually agreed to the retention of the other counsel and the manner in which the costs of such counsel are to be shared; or (iii) the named parties to any such Claim (including any added, third or impleaded party) include both the Indemnified Party on the one hand and the Fund and/or the Management Entities, as applicable, on the other hand, and in the written opinion of counsel to the Indemnified Party, acting reasonably, the representation of both parties by the same counsel would be inappropriate due to the actual or potential conflicting interests between them or additional defences are available to an Indemnified Party, in each of which cases the Fund and/or the Management Entities, as applicable, shall not have the right to assume the defence of such suit on behalf of the Indemnified Party but shall be liable to pay the reasonable fees and expenses of counsel for the Indemnified Party. In no event shall the Fund and/or the Management Entities, as applicable, be required to pay the reasonable fees and expenses of more than one counsel in any one jurisdiction for all of the Indemnified Parties in respect of any particular Claim or related set of Claims.

(e) **Limitation**

The rights of indemnity contained in this Section 12 in respect of a Claim based on a misrepresentation, untrue statement or omission or alleged misrepresentation, alleged untrue statement, or alleged omission in the Prospectus shall not apply if the Fund and the Management Entities, as applicable, has complied with Sections 3(a) and (c) and, if applicable, Section 4 and the person asserting such claim was not provided with a copy of the Final Prospectus or a Prospectus Amendment (which is required under the applicable Canadian Securities Laws to be delivered to such person by the Agents or the Sub-Agents) which corrects such misrepresentation, untrue statement or omission or alleged misrepresentation, alleged untrue statement, or alleged omission. For greater certainty, the rights of indemnity contained in this Section 12 in respect of a Claim based on a misrepresentation, untrue statement or omission or alleged misrepresentation, alleged untrue statement or alleged omission in the Final Prospectus or a Prospectus Amendment, shall continue to apply to all other Agents who were not required to deliver or provide to the person asserting such claim a copy of the Final Prospectus or any Prospectus Amendment (which is required under the applicable Canadian Securities Laws to be delivered to such person by the Agents) which corrects such misrepresentation or omission or alleged misrepresentation, alleged untrue statement or alleged omission.

13. Contribution

In order to provide for a just and equitable contribution in circumstances in which the indemnity provided in Section 12 would otherwise be available in accordance with its terms but is, under applicable law, unavailable to or unenforceable by the Indemnified Party or enforceable otherwise than in accordance with its terms, the Fund and the Management Entities, as applicable (the “**Indemnifier**”) in lieu of indemnifying the Indemnified Party shall contribute to all Claims suffered or incurred by any Indemnified Party in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnifier on the one hand and any Indemnified Party on the other hand from the Distribution of the Offered Units but also the relative fault of the Indemnifier and any Indemnified Party as well as any relevant equitable considerations. The Indemnifier shall in any event be liable to contribute to the amount paid or payable by an Indemnified Party as a result of a Claim for which indemnification would otherwise be available, any amounts in excess of the Agency Fee, or any portion of such fee actually received by the Indemnified Party. The Agents shall not in any event be liable to contribute, in the aggregate, any amounts in excess of the Agency Fee, or any portion of such fee actually received. However, no party who has been determined by a court of competent jurisdiction in a final judgement from which no appeal can be made or by a securities regulatory authority in a final ruling from which no appeal can be made to have engaged in any fraud, fraudulent misrepresentation, wilful misconduct or gross negligence shall be entitled to claim contribution from any person who has not been so determined to have engaged in such fraud, fraudulent misrepresentation, wilful misconduct or gross negligence. For greater certainty, the Fund, the Management Entities and the Agents agree that they do not intend that any failure by the Agents to conduct such reasonable investigation as necessary to provide the Agents with reasonable grounds for believing that the Prospectus contained no misrepresentation shall constitute "**gross negligence**" or "**willful misconduct**" for the purposes of this Section 13 or otherwise disentitle the Agents from indemnification hereunder.

(a) **Right of Contribution in Addition to Other Rights**

The rights to contribution provided in this Section shall be in addition to and not in derogation of any other right to contribution which the Agents may have by statute or otherwise at law.

(b) **Calculation of Contribution**

The relative benefits received by the Indemnifier on the one hand and the Indemnified Party on the other shall be deemed to be in the same ratio as the total proceeds from the offering of the Offered Units, if any (net of the Agency Fee payable to the Agents but before deducting expenses) received by the Fund is to the Agency Fee received by the Agents. The relative fault of the Indemnifier on the one hand and of the Indemnified Party on the other shall be determined by reference to, among other things, whether the matters or things referred to in Section 13 which resulted in such Claims relate to information supplied by or steps or actions taken or done or not taken or not done by or on behalf of the Indemnifier or to information supplied by or steps or actions taken or done or not taken or not done by or on behalf of the Indemnified Party and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission or misrepresentation, or other matter or thing referred to in Section 13. The amount paid or payable by an Indemnified Party as a result of the Claims referred to above shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such Claims, whether or not resulting in an action, suit, proceeding or claim. The parties agree that it would not be just and equitable if contribution pursuant to this section were determined by any method of allocation which does not take into account the equitable considerations referred to in this section.

(c) **Right of Contribution in Favour of Others**

With respect to any Indemnified Party who is not a party to this Agreement, it is the intention of the Indemnifier to constitute the Agents as trustees for such Indemnified Party of the rights and benefits of this Section and the Agents agree to accept such trust and to hold the rights and benefits of this Section in trust for and on behalf of such Indemnified Party.

14. Severability

If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.

15. Expenses

Whether or not the transactions contemplated by this Agreement shall be completed, except as specifically provided below, all expenses of or incidental to the issue, sale and delivery of the Offered Units and all expenses of or incidental to all other matters in connection with the Offering set out in this Agreement shall be borne directly by the Fund (subject to a maximum of C$790,000 in the case of the Minimum Offering and increasing on a straight-line basis to C$1,330,000 in the case of the Maximum Offering) or, in the event the transactions contemplated by this Agreement are not completed, by the Canadian Manager including, without limitation, fees and expenses payable in connection with the qualification of the Offered Units for Distribution, the reasonable fees and disbursements of counsel to the Fund, counsel to the Agents, local counsel, all fees and expenses of the Fund's auditors, the reasonable fees and expenses relating to the marketing of the Offered Units (including, without limitation, "road shows", marketing meetings and marketing documentation) and all reasonable out-of-pocket expenses of the Agents relating to this transaction including all travel expenses in connection with due diligence and marketing and all costs incurred in connection with the preparation, translation, filing, printing and mailing of the Prospectus and Prospectus Amendments. All expenses incurred by the Agents and the fees and disbursements of counsel to the Agents shall be payable forthwith upon receiving an invoice therefor.

16. Survival of Representations and Warranties

The representations, warranties, obligations and agreements contained in this Agreement and in any certificate delivered pursuant to this Agreement or in connection with the purchase and sale of the Offered Units shall survive the purchase of the Offered Units and shall continue in full force and effect for a period of three years and one day following the Closing Date unaffected by the termination of the Agents' obligations and shall not be limited or prejudiced by any investigation made by or on behalf of the Agents in connection with the preparation of the Prospectus, any Prospectus Amendment or the distribution of the Offered Units.

17. Time of the Essence

Time shall be of the essence of this Agreement.

18. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Ontario and the federal laws of Canada applicable therein.

19. Funds

All funds referred to in this Agreement shall be in Canadian dollars, unless otherwise stated.

20. Notice

Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a "**Notice**") shall be in writing addressed as follows:

If to the Fund or the UK Manager, addressed and sent to:

Padlock Partners UK Fund III
c/o Clear Sky Capital Inc.
199 Bay Street, Suite 4000
Commerce Court West
Toronto, Ontario M5L 1A9

Attention: Chief Executive Officer
Email: jstevenson@clearskycap.com

With copy to:

Blake, Cassels & Graydon LLP
199 Bay Street
Suite 4000, Commerce Court
Toronto, Ontario M5L 1A9

Attention: Stacy McLean
Fax: 416-863-2653

If to the Canadian Manager, addressed and sent to:

Clear Sky Capital Inc.
Suite 2600, Three Bentall Centre
595 Burrard Street, P.O. Box 49314
Vancouver, BC V7X 1L3

Attention: President
Email: mkurschat@clearskycap.com

With copy to:

Blake, Cassels & Graydon LLP
199 Bay Street
Suite 4000, Commerce Court
Toronto, Ontario M5L 1A9

Attention: Stacy McLean
Fax: 416-863-2653

If to CIBC World Markets Inc., addressed and sent to:

CIBC World Markets Inc.
161 Bay Street
7th Floor, P.O. Box 500
Toronto, ON M5J 2S8

Attention: Mark Driman
Fax: 416-956-6320

If to Richardson GMP Limited, addressed and sent to:

Richardson Wealth Limited
145 King Street West, Suite 500
Toronto, ON M5H 1J8

Attention: Nargis Sunderji

If to Wellington-Altus Private Wealth Inc., addressed and sent to:

Wellington-Altus Private Wealth Inc.
201 Portage Avenue, 3rd Floor
Winnipeg, Manitoba R3B 3K6

Attention: Trevor Coates
Fax: 204-289-2833

If to Canaccord Genuity Corp., addressed and sent to:

Canaccord Genuity Corp.
Brookfield Place, Suite 3000
161 Bay Street, P.Q. Box 516
Toronto, ON M5J 2S1

Attention: Dan Sheremeto
Fax: 416-869-7368

If to National Bank Financial Inc., addressed and sent to:

National Bank Financial Inc.

130 King Street West, Suite 3200
Toronto, Ontario M5X 1J9

Attention: Gavin Brancato

If to Raymond James Ltd., addressed and sent to:

Raymond James Ltd.
40 King Street West, Suite 5300
Scotia Plaza, P.O. Box 415
Toronto, ON M5H 3Y1

Attention: Onorio Lucchese
Fax: 416-777-7114

In case of any Notice to an Agent, with a copy to:

McCarthy Tétrault LLP
Toronto Dominion Bank Tower
66 Wellington Street West, Suite 5300
Toronto, ON M5K 1E6

Attention: Andrew Armstrong
Fax: 416-868-0673

or to such other address as any of the persons may designate by Notice given to the others.

Each Notice shall be personally delivered or sent by commercial courier to the addressee or sent by fax to the addressee and (i) a Notice which is couriered or personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and (ii) a Notice which is sent by fax shall be deemed to be given and received on the first Business Day following the day on which it is sent.

21. Entire Agreement

This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof.

22. Press Releases and Advertisements

From and after the date hereof, the Fund shall provide CIBC WM with a copy of all press releases and advertisements to be issued by the Fund or the Management Entities concerning the Offering prior to the issuance thereof, and shall give CIBC WM a reasonable opportunity to provide comments on any such press release or advertisement.

23. Authority of CIBC WM

CIBC WM is hereby authorized by the other Agents to act on their behalf and the Fund shall be entitled to and shall act on any Notice given in accordance with Section 20 or agreement entered into by or on behalf of the Agents by CIBC WM, who represent and warrant that they have irrevocable authority to bind the Agents, except in respect of: (i) any consent to an admission of liability pursuant to Section 12 which consent must be given by each of the Agents; (ii) a notice of termination pursuant to Section 10 which notice may be given by any of the Agents; (iii) any waiver of any significant closing condition, which waiver must be signed by all the Agents; or (iv) any proposed amendment of any provision of this Agreement. CIBC WM shall consult fully with the other Agents with respect to any such consent, notice, waiver, amendment or other communication. To the extent practicable, CIBC WM agrees to use commercially reasonable efforts to consult with the other Agents concerning any material matters which may arise hereunder before it binds the Agents with respect to any such matters.

24. Attornment

Each of the Fund, each Management Entity and each Agent hereby agree:

(i) that any action or proceeding relating to this Agreement may (but need not) be brought in any court of competent jurisdiction in the Province of Ontario, and for that purpose now irrevocably and unconditionally attorns and submits to the non-exclusive jurisdiction of such Ontario court;

(ii) that it irrevocably waives any right to, and will not, oppose any such Ontario action or proceeding on any jurisdictional basis, including forum non conveniens; and

(iii) it will not oppose the enforcement against it in any other jurisdiction of any judgment or order duly obtained from an Ontario court as contemplated by this Section 24.

25. Counterparts/Facsimile/Electronic Signatures

This Agreement may be executed by any one or more of the parties to this Agreement in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument. The transmission by facsimile or electronically in PDF format of a copy of the execution page hereof reflecting the execution of this Agreement by any party hereto shall be effective to evidence that party’s intention to be bound by this Agreement and that party’s agreement to the terms, provisions and conditions hereof, all without the necessity of having to produce an original copy of such execution page.

26. Wire Transfers

In order to facilitate an efficient and timely closing at the Closing Time, the Agents may choose to initiate a wire transfer of funds to the Fund prior to the Closing Time. If the Agents do so, the Fund agrees that such transfer of funds to the Fund prior to the Closing Time does not constitute a waiver by the Agents of any of the conditions of the Closing set out in this Agreement.

Furthermore, the Fund agrees that any such funds received from the Agents prior to the Closing Time will be held by the Fund in trust solely for the benefit of the Agents until the Closing Time and, if the Closing does not occur at the scheduled Closing Time such funds shall be immediately returned by wire transfer to CIBC WM, on behalf of the Agents, without interest. Upon the satisfaction of the conditions of the Closing the funds held by the Fund in trust for the Agents shall be deemed to be delivered by the Agents to the Fund in satisfaction of the obligation of the Agents hereunder and upon such delivery, the trust constituted by this Section 26 shall be terminated without further formality. For greater certainty, termination of the Closing without protest by CIBC WM on behalf of the Agents that all deliveries have not been completed is conclusive evidence that the same have been completed and that the Closing has occurred and become effective and that the funds held by the Fund in trust for the Agents are irrevocably released to the Fund without further act or formality.

[Remainder of Page Intentionally Left Blank]

If the foregoing is in accordance with your understanding and is agreed to by you, please signify your acceptance by executing the enclosed copies of this letter where indicated below and returning the same to CIBC WM upon which this letter as so accepted shall constitute an agreement among us.

Yours very truly,

CIBC WORLD MARKETS INC.

By: *"Mark Driman"*
Name: Mark Driman
Title: Authorized Signatory

RICHARDSON WEALTH LIMITED

By: *"Nargis Sunderji"*
Name: Nargis Sunderji
Title: Authorized Signatory

WELLINGTON-ALTUS PRIVATE WEALTH INC.

By: *"Trevor Coates"*
Name: Trevor Coates
Title: Authorized Signatory

CANACCORD GENUITY CORP.

By: *"Dan Sheremeto"*
Name: Dan Sheremeto
Title: Authorized Signatory

NATIONAL BANK FINANCIAL INC.

By: *"Gavin Brancato"*
Name: Gavin Brancato
Title: Authorized Signatory

RAYMOND JAMES LTD.

By: *"Onorio Lucchese"*
Name: Onorio Lucchese
Title: Authorized Signatory

The foregoing is accepted and agreed to as of the date first above written.

PADLOCK PARTNERS UK FUND III

By: *"John Stevenson"*
Name: John Stevenson
Title: Chief Executive Officer

CLEAR SKY CAPITAL INC.

By: *"Marcus Kurschat"*
Name: Marcus Kurschat
Title: President

PADLOCK CAPITAL PARTNERS III, LLC

By: *"John Stevenson"*
Name: John Stevenson
Title: Chief Executive Officer