CHARTWELL MASTER CARE LP

EIGHTH AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT

MAY 19, 2011

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EIGHTH AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT

THIS AGREEMENT is amended and restated the 19th day of May, 2011.

AMONG:

GP M TRUST, an unincorporated limited purpose trust established under the laws of the Province of Ontario

OF THE FIRST PART

AND:

CSH TRUST, an unincorporated open-ended limited purpose trust established under the laws of the Province of Ontario

OF THE SECOND PART

AND:

and each person who, from time to time, is accepted as and becomes a limited partner of the partnership formed pursuant to this Agreement in accordance with the terms and conditions of this Agreement (the "**Limited Partners**")

OF THE THIRD PART

WHEREAS Alert Care Corporation and 2009357 Ontario Inc. entered into a Limited Partnership Agreement on September 30, 2003 to form the Partnership;

WHEREAS CSH Trust has acquired all of the limited partner's interests in the Partnership and GP M Trust has acquired all the general partner's interests in the Partnership;

WHEREAS GP M Trust and CSH Trust wish to amend and restate the Limited Partnership Agreement on the terms set forth herein; and

WHEREAS for greater certainty the amendment and restatement of the Limited Partnership Agreement shall not constitute a termination or a resettlement of the Partnership.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises, mutual covenants and agreements herein set forth, the parties covenant and agree, each with the others, as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement unless the context otherwise requires:

(a) "**Adjusted Gross Book Value**" means, at any time, the consolidated book value of the assets of the Fund, CSH Trust and the Operator, as shown on the Fund's then most recent consolidated balance sheet**,** plus (i) the difference between the gross book value of assets calculated under the previous generally accepted accounting principles and IFRS on the IFRS Transition Date; (ii) acquisition related costs in respect of completed property acquisitions that were expensed in the period incurred; and (iii) the amount of accumulated depreciation and amortization shown thereon or in the notes thereto less the corresponding value of any property for which any obligation of the Partnership has been issued or assumed as the Deferred Purchase Price of Property (or if approved by a majority of the Directors at any time, the appraised value of the assets of the Fund, CSH Trust and the Operator).

(b) "**Affiliate**", when used to indicate a relationship with a person or company, has the same meaning as in the *Securities Act* (Ontario).

(c) "**Associate**" when used to indicate a relationship with a person or company, has the same meaning as in the *Securities Act* (Ontario).

(d) "**Auditor**" means KPMG LLP or such other chartered accountant or firm of chartered accountants as approved by the General Partner from time to time.

(e) "**Business**" means the business of the Partnership as set out in Section 4.1.

(f) "**Business Day**" means a day which is not a Saturday, Sunday or legal holiday in the Province of Ontario.

(g) "**Call Right**" means the irrevocable right of the Partnership to acquire from each and every Unitholder the Class B LP Units held by such Unitholder in accordance with the provisions of Article 12.

(h) "**Capital Account**" has the meaning ascribed thereto in Section 6.3.

(i) "**Capital Contribution**" means the capital previously contributed by a Partner or agreed to be contributed by a Partner pursuant to Article 6.

(j) "**Certificate**" means a certificate in respect of the Partnership filed pursuant to the Partnership Act and as amended in accordance with all notices to such certificates filed pursuant to the Partnership Act.

(k) "**Certificate Date**" means the date on which the Certificate is filed in accordance with Section 2.4.

(l) "**Class A LP Units**" means the Class A limited partnership units in the Partnership, having the rights, privileges, restrictions and conditions set forth herein.

(m) "**Class B LP Units**" means the Class B limited partnership units in the Partnership having the rights, privileges, restrictions and conditions set forth herein, and in the resolution authorizing any particular series.

(n) "**Closing**" means completion of the Offering and the other transactions contemplated by the (final) prospectus dated October 31, 2003 of the Fund.

(o) **"Compensation Committee"** means the Compensation, Governance and Nominating Committee of the board of directors of the sole trustee, Trustee Corp., of the General Partner.

(p) "**Control Transaction**" means (i) any merger or similar transaction involving the Fund as a result of which all of the outstanding Fund Units are to be sold to or exchanged for securities and/or cash of another entity; (ii) any offer to acquire securities of the Fund to which are attached 50% or more of the voting rights attached to all outstanding securities of the Fund; (iii) any sale of all or substantially all of the assets and investments of the Fund or of all or substantially all of the business and undertaking of any of the Fund, CSH Trust or the Partnership; or, (iv) any publicly announced proposal to do any of the foregoing.

(q) "**CSH Trust**" means CSH Trust, an open-ended limited purpose trust established under the laws of Ontario pursuant to the CSH Trust Declaration.

(r) **"CSH Trust Declaration"** means the eighth amended and restated declaration of trust of CSH Trust dated May 19, 2011, as amended and restated from time to time.

(s) "**Current Account**" has the meaning ascribed thereto in Section 6.4.

(t) "**Current Market Price**" means, in respect of a Fund Unit on any date, the per Fund Unit average of the closing sale price of a board lot of Fund Units on each trading day on which there was a closing sale price (and, in the event that there was no closing sale price on a given trading day, the closing sale price for such trading day shall be deemed to be the simple average of the highest bid price and the lowest ask price on such trading day), during a period of ten consecutive trading days ending not more than three trading days before such date on the TSX, or, if Fund Units are not then quoted on the TSX, on such other stock exchange or automated quotation system on which Fund Units are listed or quoted, as the case may be, as may be selected by the General Partner, acting reasonably, for such purpose; provided, however, that if Fund Units are not quoted on any stock exchange or automated quotation system, then the Current Market Price of a Fund Unit shall be determined by the General Partner, acting reasonably, in good faith and in its sole discretion, and provided further that any such selection, opinion or determination by the General Partner shall be conclusive and binding.

(u) "**Declaration**" means the declaration of limited partnership of the Partnership filed on the date hereof with the Director under *The Business Names Registration Act* (Manitoba) as amended from time to time.

(v) "**Declaration of Trust**" means the seventh amended and restated declaration of trust dated as of May 20, 2010 in respect of the Fund and as supplemented, amended and restated from time to time.

(w) "**Deferred Purchase Price of Property**" means the amount of any obligation in respect of any property acquired or to be acquired by the Partnership which relates to any portion of the purchase price or consideration to be paid to the vendor on or after the closing of such an acquisition, but does not include any vendor-take-back mortgage or other secured deferred obligation in respect of such an acquisition.

(x) "**Directors**" means the members of the board of directors of Trustee Corp, the sole trustee of the General Partner.

(y) "**Distributable Amount**" has the meaning ascribed thereto in Section 8.1.

(z) "**Distributable Cash**" means, at any particular time, all the cash on hand of the Partnership that is derived from any source (other than receipt of any subscription proceeds for LP Units), net of the Preferred Distribution, and that is determined by the General Partner not to be required for use in connection with the Partnership Business, including without limitation, repayment of principal and interest on mortgages or other indebtedness or as required for reserves for capital expenditures or other reasonable reserves, but in any case shall not be, after distributions of the amounts contemplated in Sections 8.1(a) through 8.1(c), less than the Distributions in each Fiscal Year.

(aa) "**Distributions**" has the meaning ascribed thereto in the Declaration of Trust.

(bb) "**Effective Date**" means the date of Closing.

(cc) "**Eligible Person**" means a person who is neither a Non-Resident nor a Prohibited Transferee as defined in the Declaration of Trust, is neither a partnership that is not a Canadian partnership within the meaning of the Tax Act nor a Plan and has been approved by the General Partner.

(dd) "**Exchange Agreement**" means the exchange agreement dated the date hereof among the Fund, CSH Trust, Master LP, GP M Trust and the persons who from time to time hold Class B LP Units.

(ee) "**Exchange Right**" means the right of a holder of Class B LP Units to indirectly exchange such Class B LP Units for Fund Units on a one-for-one basis, subject to adjustment, in accordance with the Exchange Agreement.

(ff) "**Excluded Subsidiary Entity**" has the meaning ascribed thereto under the definition of "excluded subsidiary entity" in subsection 122.1(1) of the Tax Act, or under any corresponding term in any successor proposed legislation or successor legislation, and as amended from time to time.

(gg) "**Extraordinary Resolution**" means a written resolution in one or more counterparts consented to in writing by the General Partner, by all the holders of the Class A LP Units, and, subject to Section 14.1, by Limited Partners holding, in the aggregate, not less than two-thirds of the number of Class B LP Units outstanding in the Partnership.

(hh) “**Fiscal Year**” has the meaning ascribed thereto in Section 18.1.

(ii) “**Fund**” means Chartwell Seniors Housing Real Estate Investment Trust, an unincorporated, open-ended limited purpose real estate investment trust governed by the laws of the Province of Ontario.

(jj) “**Fund Distribution Declaration Date**” means the date on which the Fund declares any distribution on Fund Units.

(kk) “**Fund Distribution Payment Date**” means the date on which the Fund pays the distribution.

(ll) “**Fund Distribution Record Date**” means a record date for determining the holders of Fund Units entitled to a Distribution in accordance with the Declaration of Trust.

(mm) “**Fund Unit**” means a trust unit of the Fund (other than a Special Voting Unit).

(nn) “**Fund Unitholders**” means the holders of record of Fund Units.

(oo) “**Fund Voting Unitholders**” means the holders of record of Fund Units and Special Voting Units.

(pp) “**General Partner**” means GP M Trust, as represented by and acting through its sole trustee, Trustee Corp., which has acquired its General Partnership Interest from 2009357 Ontario Inc. and prior to such acquisition means 2009357 Ontario Inc., and from time to time means each other party who becomes an additional or substituted General Partner pursuant to the terms and conditions of this Agreement.

(qq) “**General Partnership Interest**” means the interest of the General Partner in the Partnership.

(rr) “**generally accepted accounting principles**” means Canadian generally accepted accounting principles determined with reference to The Handbook of The Canadian Institute of Chartered Accountants, as amended from time to time.

(ss) **“IFRS**” means International Financial Reporting Standards.

(tt) “**IFRS Transition Date**” means January 1, 2010.

(uu) “**Indemnity**” means the indemnity referred to in Section 16.5.

(vv) “**Initial Limited Partner**” means CSH Trust which acquired its initial limited partner interest from Alert Care Corporation and prior to such acquisition means Alert Care Corporation.

(ww) “**insolvent**” means the inability of the Partnership to pay its debts as they become due in the ordinary course of business.

(xx) "**Investment Committee**" means the Investment Committee of the board of directors of the sole trustee, Trustee Corp., of the General Partner.

(yy) "**Limited Partners**" means CSH Trust, those persons who from time to time become Unitholders, a person who has subscribed for and paid for one or more LP Units and whose subscription has been accepted by the General Partner who is registered as a limited partner in accordance with this Agreement and their respective successors and permitted assignees.

(zz) "**LP Unit Payment Date**" means, in respect of each and every Fund Record Date, on or about the 12th day of the next following month but in any case by noon at least one Business Day prior to the Distribution Date as defined in the Declaration of Trust.

(aaa) "**LP Units**" means Class A LP Units and Class B LP Units in the Partnership, and any other series of units in the Partnership which the General Partner may issue from time to time.

(bbb) "**Master LP**" means Chartwell Master Care LP.

(ccc) "**Net Income**" or "**Net Loss**" means, with respect to any period, the gross revenue of the Partnership from all sources, interest and other income for the period (including any gain or loss derived or sustained by the Partnership from any disposition of any capital property of the Partnership) less all expenses properly incurred by or on behalf of the Partnership, all as determined by the General Partner in accordance with generally accepted accounting principles.

(ddd) "**Non-Resident**" means a non-resident of Canada for purposes of the Tax Act and a partnership that is not a Canadian partnership for purposes of the Tax Act.

(eee) "**Offering**" means the initial public offering of 21,000,000 Fund Units under the (final) prospectus of the Fund dated October 31, 2003.

(fff) "**Operator**" means, collectively, the Partnership, the General Partner and the Partnership's Subsidiaries.

(ggg) "**Ordinary Resolution**" means a written resolution in one or more counterparts consented to in writing by the General Partner, and, subject to Article 14, by Limited Partners holding a simple majority of the number of LP Units outstanding in the Partnership.

(hhh) "**Partners**" means, collectively, the Limited Partners and the General Partner, and "Partner" means any one of the Partners.

(iii) "**Partnership**" means Master LP, the limited partnership formed pursuant to the Limited Partnership Agreement dated as of September 30, 2003 as amended and restated pursuant to this Agreement.

(jjj) "**Partnership Act**" means the *Partnership Act* (Manitoba), as amended.

(kkk) "**Partnership Assets**" means, at any time, all monies, properties and other assets as are at such time held by or on behalf of the Partnership or held by the General Partner on behalf of the Partnership.

(lll) "**person**" means and includes individuals, corporations, limited partnerships, general partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, pension funds, land trusts, business trusts or other organizations, whether or not legal entities and governments and agencies and political subdivisions thereof;

(mmm) "**Plan**" means trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plans under the Tax Act.

(nnn) "**Preferred Distribution**" has the meaning ascribed thereto in Section 8.2.

(ooo) "**Register**" has the meaning ascribed thereto in Section 18.3.

(ppp) "**Securities**" has the meaning ascribed thereto in Section 5.4(c).

(qqq) "**Securities Legislation**" means the securities legislation of each province and territory of Canada, the rules, regulations and forms made or promulgated under such legislation, the policies, bulletins and notices of the regulatory authorities administering that legislation and the rules, regulations, bylaws and policies of the TSX, as any of the foregoing may be amended from time to time.

(rrr) "**Special Voting Unit**" means a special voting unit of the Fund, which shall entitle the holder to one vote (for each Class B LP Unit held) at all meetings of the Fund Unitholders, to be issued to each holder of Class B LP Units.

(sss) "**Subsidiary**" means and includes, with respect to any person, company, partnership, limited partnership, trust, or other entity, any company, partnership, limited partnership, trust or other entity controlled, directly or indirectly, by such person, company or entity.

(ttt) "**TSX**" means the Toronto Stock Exchange.

(uuu) "**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time.

(vvv) "**Taxable Income**" and "**Tax Losses**" mean, in respect of any Fiscal year, income or loss of the Partnership for that Fiscal year, including any taxable capital gain or allowable capital loss, determined in accordance with the provisions of the Tax Act.

(www) "**Transfer**" has the meaning ascribed thereto in Section 5.12(a).

(xxx) "**Transfer Agent**" means such entity including the Partnership as may from time to time be appointed by the Partnership to act as registrar and transfer agent of the

Class B LP Units together with any sub-transfer agent duly appointed by the Transfer Agent.

(yyy) "**Trustee Corp.**" means Chartwell Master Care Corporation.

(zzz) "**Unit Certificate**" means a certificate in such form as may be approved by the General Partner, from time to time, specifying the numbers of LP Units held by a Limited Partner.

(aaaa) "**Unitholder**" means, when used with reference to the LP Units, the holder of LP Units as shown from time to time on the register of partners maintained by or on behalf of the Partnership in respect of the LP Units.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise indicated, all references in this Agreement to an "Article" or a "Section" followed by a number and/or a letter refer to the specified article or section of this Agreement. Unless otherwise indicated, the terms "this Agreement", "hereof", "herein", "hereunder" and "hereby" and similar expressions refer to this Agreement, as amended or supplemented from time to time pursuant to the applicable provisions hereof, and not to any particular section or other portion hereof.

1.3 Currency

Unless otherwise indicated, all sums of money referred to in this Agreement are expressed in lawful money of Canada.

1.4 Number, etc.

Unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing any gender shall include all genders.

1.5 Date for Any Action

In the event that any date on which any action is required to be taken hereunder by any of the parties hereto is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.6 Entire Agreement

This Agreement and the agreements and other documents referred to herein, including the Exchange Agreement, constitute the entire agreement between the parties with respect to the Arrangement and other transactions contemplated hereby and supersede all other prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties with respect thereto.

1.7 Accounting Matters

Unless otherwise indicated, all accounting terms used in this Agreement shall have the meanings attributable thereto under Canadian generally accepted accounting principles and all determinations of an accounting nature required to be made shall be made in a manner consistent with Canadian generally accepted accounting principles and past practice.

1.8 Construction

In this Agreement, unless otherwise indicated:

(a) the words "include", "including" or "in particular", when following any general term or statement, shall not be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as permitting the general term or statement to refer to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement;

(b) a reference to a statute, other than the Tax Act, means that statute, as amended and in effect as of the date of this Agreement, and includes each and every regulation and rule made thereunder and in effect as of the date hereof;

(c) where a word, term or phrase is defined, its derivatives or other grammatical forms have a corresponding meaning;

(d) time is of the essence; and

(e) references to a "party" or "parties" are references to a party or parties to this Agreement.

1.9 Governing Law

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

1.10 Limited Liability

Any provision of this Agreement which would have the effect of imposing on any Limited Partner, as such, any of the liabilities, obligations or powers of a General Partner is of no force and effect to the extent of such imposition.

ARTICLE 2
THE PARTNERSHIP

2.1 Nature of Partnership

The General Partner and the Limited Partners hereby establish and form the Partnership as a limited partnership pursuant to the laws of the Province of Manitoba and the provisions of this Agreement.

2.2 Subscription

An investor shall become a Limited Partner of the Partnership upon acceptance by the General Partner of that investor's subscription for LP Units. The General Partner may, for any reason in its discretion, refuse to accept a subscription for or to issue a LP Unit, except for a subscription by or issuance to CSH Trust pursuant to the Exchange Agreement which shall be subject to the terms of such agreement.

2.3 Action and Consent

Except as provided in this Agreement, no action or consent by any other Limited Partner shall be required for the admission of any new Limited Partners.

2.4 Filing of Certificates

As soon as practicable following the execution hereof, the General Partner shall cause to be executed and filed such certificates, instruments and documents as may be required under the Partnership Act or other laws of the Province of Manitoba to evidence the admission of the Limited Partners to the Partnership or otherwise. The General Partner and each Limited Partner shall execute and deliver as promptly as possible any documents that may be necessary or desirable to accomplish the purposes of this Agreement or to give effect to the formation and continuance of the Partnership under applicable laws. The General Partner shall take all necessary actions on the basis of information available to them in order to maintain the status of the Partnership as a limited partnership.

ARTICLE 3
NAME, PLACE OF BUSINESS AND DURATION OF THE PARTNERSHIP

3.1 Name of Partnership

The name of the Partnership shall be "Chartwell Master Care LP" or such other name or names as the General Partner may determine from time to time.

3.2 Place of Business

The head office of the Partnership shall be located at 100 Milverton Drive, Suite 700, Mississauga, Ontario L5R 4H1. The General Partner shall have the right to change the office and place of business of the Partnership within Canada from time to time in its sole discretion. The Partnership will carry on the Partnership Business in Canada and the United States of America.

3.3 Term of Partnership

The General Partner and each of the Limited Partners covenants and agrees to continue the Partnership pursuant to the provisions of the Partnership Act and this Agreement until such time as the Partnership is dissolved in accordance with the terms of this Agreement. In the event of the admission, resignation or withdrawal of a General Partner or Limited Partner, the business of the Partnership shall be continued by the General Partner without novation.

ARTICLE 4
BUSINESS OF THE PARTNERSHIP

4.1 Business of the Partnership

The Partnership is formed for the purpose of carrying out, directly or indirectly, the following businesses in Canada and the United States of America:

(a) to carry on the business of providing seniors housing care and accommodation and other ancillary matters, including seniors housing operations and development management;

(b) in connection with such business and ancillary activities to own, operate and lease assets, properties, projects and ventures in Canada and the United States of America;

(c) to manage and make investments and to hold direct or indirect rights in companies or other entities involved in the business of seniors housing care and accommodation and the ancillary matters in Canada and the United States of America;

(d) to provide mezzanine financing in connection with such activities; and

(e) to engage in all activities ancillary and incidental to the foregoing including, without limitation, opening bank accounts, granting security, mortgaging property, administering the affairs of the Fund, CSH Trust and any Affiliates and to engage in the type of activities on behalf of the Partnership and any Affiliate contemplated by Section 17.2.

4.2 Other Business

The Partnership shall not carry on any other business provided that the foregoing shall not be interpreted so as to prevent the Partnership from investing and re-investing its funds as permitted hereunder.

4.3 Partnership Property

Except as otherwise specifically provided in this Agreement, the General Partner will hold the property of the Partnership and apply it exclusively for the purposes of the Partnership in accordance with this Agreement. The General Partner shall maintain the property of the Partnership separate from all other property in its possession and from the property of all other persons. For greater certainty, the property of the Partnership shall not form part of or include the assets of the Fund, CSH Trust or any other person except to the extent that legal title to such assets are held by the General Partner on behalf of the Partnership.

4.4 Hold Title to Partnership Property

The General Partner is authorized to take legal title in its name to any or all property of the Partnership, which will be held in trust for the Partnership, but with authority to replace and dispose of it as deemed prudent in the conduct of the business and affairs of the Partnership.

4.5 Investment Restrictions

After the Closing, the assets of the Partnership may be invested, directly or indirectly, only in accordance with the following restrictions:

(a) the Partnership shall focus its acquisition activities on existing income-producing seniors housing facilities located in Canada and the United States of America that are substantially occupied, and on the seniors housing operations and development management businesses in Canada and in the United States of America;

(b) the Partnership shall not acquire any interest in a single real property if, after giving effect to the proposed acquisition, the cost to the Partnership of such acquisition (net of the amount of acquisition debt) will exceed 15% of Adjusted Gross Book Value;

(c) notwithstanding anything else contained in this Agreement, the Partnership shall not make any investment, take any action or omit to take any action that would result in the Fund failing or ceasing to qualify as a "mutual fund trust" or "registered investment" within the meaning of the Tax Act; or that would result in the Fund Units being disqualified for investment by any Plan;

(d) the Partnership may invest in a joint venture arrangement only if:

(i) the arrangement is one pursuant to which the Partnership holds an interest in a seniors housing facility jointly or in common with others ("**joint venturers**") either directly or through the ownership of securities of a corporation or other entity (a "**joint venture entity**");

(ii) the Partnership's interest in the joint venture arrangement is not subject to any restriction on transfer other than a right of first refusal or a right of first offer, if any, in favour of the joint venturers;

(iii) the Partnership has a right of first refusal or a right of first offer to buy the interests of the other joint venturers;

(iv) the joint venture arrangement provides an appropriate liquidity mechanism to enable the Partnership to purchase the other joint venturers' interests or to sell its interest; and

(v) the joint venture arrangement requires the Partnership or its designee to participate fully, directly or indirectly, in the management thereof;

(e) except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province of Canada, short-term government debt securities, some or all of the receivables under installment receipt agreements or money market instruments of, or guaranteed by, a Canadian bank listed on Schedule I to the *Bank Act* (Canada) maturing prior to one year from the date of issue, the Partnership may not hold securities other than securities of a joint venture entity or an entity wholly owned by the Partnership, CSH Trust and/or the Fund formed and operated solely for the purpose of holding a particular real property or real properties or managing real property or real properties or some or all of the receivables under installment receipt agreements, and provided further that, subject to paragraph (c) above, notwithstanding anything contained in this Agreement to the contrary, the Partnership may acquire securities of other Canadian real estate investment trusts or limited partnership units of limited partnerships that invest in real estate;

(f) the Partnership shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;

(g) the Partnership shall not invest in operating businesses other than seniors housing or related businesses;

(h) the Partnership shall not invest in raw land for development except for: (i) existing properties with additional development potential or properties adjacent to existing properties of the Partnership for the purpose of (y) the renovation or expansion of existing facilities, or (z) the development of new facilities which will be capital property of the Partnership or of the Partnership and its joint venture partners, as applicable; or (ii) the purpose of developing a facility which will replace an existing facility and to which it is intended that the residents of the existing facility will relocate;

(i) the Partnership may invest in mortgages and mortgage bonds (including, with the consent of a majority of the Directors, participating or convertible mortgages) where:

   (i) the real property which is security therefor is income-producing seniors housing facility which otherwise meets the general investment restrictions of the Partnership adopted by the Directors from time to time in accordance with this Partnership Agreement and the restrictions set out therein;

   (ii) the amount of the mortgage loan is not in excess of 75% of the market value of the property securing the mortgage and the mortgage has at least 1.2X debt service coverage;

   (iii) the mortgage is a first mortgage registered on title to the real property which is security therefor; and

   (iv) the aggregate value of the investments of the Partnership in these mortgages, after giving effect to the proposed investment, will not exceed 15% of Adjusted Gross Book Value calculated at the time of such investment;

(j) the Partnership may invest in mortgages, including mezzanine financings, if the sole intention is to use the acquisition of the mortgages as a method of acquiring control of real property that is income-producing or is being developed for that purpose which would otherwise meet the investment restrictions of the Partnership and provided that the aggregate value of the investments of the Partnership in these mortgages, after giving effect to the proposed investment, will not exceed 20% of Adjusted Gross Book Value (including the investments described in paragraph (i) above);

(k) notwithstanding paragraph (j), the Partnership may also invest in mortgages where:

(i) the mortgage is a "vendor take-back" mortgage granted to the Partnership in connection with the sale by it of existing real property and as a means of financing the purchaser's acquisition of such property from the Partnership;

(ii) the mortgage is interest bearing;

(iii) the mortgage is registered on title to the real property which is security therefor;

(iv) the mortgage has a maturity not exceeding five years;

(v) the amount of the mortgage loan is not in excess of 75% of the selling price of the property securing the mortgage; and

(vi) the aggregate value of these mortgages (including mortgages and mortgage bonds in which the Partnership is permitted to invest by virtue of paragraphs (i) and (j)), after giving effect to the proposed investment, will not exceed 20% of Adjusted Gross Book Value calculated at the time of such investment; and

(l) the Partnership may invest an amount (which, in the case of an amount invested to acquire real property, is the purchase price to the Partnership of such property) up to 15% of Adjusted Gross Book Value in investments or transactions which do not comply with paragraphs (e), (b) and (k) above.

4.6 Operating Policies

After the Closing, the operations and affairs of the Partnership will be conducted in accordance with the following policies:

(a) the Partnership shall not purchase, sell, market or trade in currency or interest rate futures contracts otherwise than for hedging purposes where, for the purposes hereof, the term "hedging" shall have the meaning ascribed thereto by National Instrument 81-102 – *Mutual Funds adopted by the Canadian Securities Administrators*, as amended from time to time;

(b) (i) any written instrument creating an obligation which is or includes the granting by the Partnership of a mortgage, and (ii) to the extent the Directors determine to be practicable and consistent with their fiduciary duty to act in the best interests of the Limited Partners, any written instrument which is, in the judgment of the Directors a material obligation, shall contain a provision or be subject to an acknowledgement to the effect that the obligation being created is not personally binding upon, and that resort shall not be had to, nor shall recourse or satisfaction be sought from, by way of lawsuit or otherwise, the private property of any of the Limited Partners and, to the extent applicable, trustees of the Fund, trustees of CSH Trust, all Fund unitholders, CSH Trust unitholders, annuitants or beneficiaries under a Plan of which such a unitholder acts as a trustee or carrier, or officers, employees or agents of the Partnership or the Fund, but that only the General Partner and the property of the Partnership or a specific portion thereof shall be bound; the Partnership, however, is not required, but shall use all reasonable efforts, to comply with this requirement in respect of obligations assumed by the Partnership upon the acquisition of real property;

(c) subject to Section 4.5(l) except for renovation, expansion, replacement or relocation of existing facilities and the development of new facilities on property adjacent to existing properties of the Partnership as permitted under Section 4.5(h), the Partnership shall not engage in construction or development of real property except as necessary to maintain its real properties in good repair, to enhance the income-producing ability of capital properties in which the Partnership has an interest or as necessary or advisable in connection with the exercise of its rights as a creditor upon the default of any borrower;

(d) title to each real property shall be held by and registered in the name of the General Partner, or a corporation or other entity wholly-owned by the Partnership or jointly-owned by the Partnership with joint venturers;

(e) the Partnership shall not incur or assume any indebtedness under a mortgage on any real property of the Partnership unless, at the date of the proposed assumption or incurring of the indebtedness, the aggregate of (i) the amount of all indebtedness, excluding operating lines, secured on such real property, and (ii) the amount of additional indebtedness, excluding operating lines, proposed to be assumed or incurred, does not exceed 75% of the market value of such real property provided that such aggregate indebtedness may exceed 75% of such market value (a) if the entire amount of such aggregate indebtedness is insured by the Canada Mortgage and Housing Corporation, or (b) where such indebtedness is the result of an assumption of mortgage indebtedness upon the acquisition of real property, until the maturity of the mortgage, at which time the amount of mortgage indebtedness outstanding must be reduced so as not to exceed 75% of the then applicable market value;

(f) the Partnership shall not incur or assume any indebtedness if, after giving effect to the incurring or assumption of the indebtedness:

(i) the total indebtedness of the Fund and its consolidated Subsidiaries, excluding convertible debentures, would be more than 60% of Adjusted Gross Book Value; or

(ii) the total indebtedness of the Fund and its consolidated Subsidiaries, including convertible debentures, would be more than 65% of Adjusted Gross Book Value;

(g) the Partnership shall not directly or indirectly guarantee any indebtedness or liabilities of any kind of a third party, except indebtedness assumed or incurred by a corporation, limited partnership or other entity directly or indirectly wholly-owned by the Fund or the Partnership or jointly-owned by the Partnership with partners, co-owners or joint venturers (collectively, "**joint venturers**" and such jointly-owned corporation, partnership or entity collectively, "**joint venture entity**"), and such corporation, limited partnership, other entity or joint venture entity, as the case may be, is operated solely for the purpose of holding a particular property or properties or managing a property or properties, where such indebtedness, if incurred by the Partnership directly, would not cause the Partnership to otherwise contravene the restrictions set out above, and, where such indebtedness is incurred by a joint venture entity, subject to a joint venturer being required to give up its interest in assets owned by the joint venture entity as a result of another joint venturer's failure to honour its proportionate share of the obligations relating to such property, the liability of the Partnership is limited strictly to the proportion of the indebtedness equal to the Partnership's proportionate ownership interest in the joint venture entity;

(h) the Partnership shall conduct or receive on terms approved by the Directors an independent appraisal and an engineering survey with respect to the physical condition thereof (including capital replacement programs) of each property that it intends to acquire;

(i) the Partnership shall obtain and maintain at all times insurance coverage in respect of potential liabilities of the Partnership and the accidental loss of value of the assets of the Partnership from risks, in amounts, with such insurers, and on such terms as the Directors consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties;

(j) the Partnership shall conduct or receive on terms approved by the Directors a Phase I environmental site assessment of each property to be acquired by it and, if the Phase I environmental site assessment recommends that further environmental site assessments be conducted, the Partnership shall conduct or receive on terms approved by the Directors such further environmental site assessments, in each case by an independent and experienced environmental consultant; such assessment as a condition to any acquisition shall be satisfactory to the Directors; and

(k) the Partnership shall not issue additional LP Units unless the Directors consider such issuances not to be dilutive to ensuing annual Distributions per Fund Unit to existing holders of Fund Units.

For the purposes of the foregoing restrictions and policies, the assets, liabilities and transactions of a corporation, partnership or other entity wholly or partially owned by the Partnership will be deemed to be those of the Partnership on a proportionate, consolidated basis. In addition, any references in the foregoing investment restrictions and operating policies to investment in real property will be deemed to include an investment in a joint venture arrangement. In addition, the term "indebtedness" means (without duplication) on a consolidated basis:

(i) any obligation of the Partnership for borrowed money;

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

(iii) any capital lease obligation of the Partnership; and

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

provided that (A) for the purposes of (i) through (iv), an obligation (other than an obligation relating to convertible debentures) will constitute indebtedness only to the extent that it would appear as a liability on the consolidated balance sheet of the Fund in accordance with IFRS; (B) obligations referred to in clauses (i) through (iv) exclude trade accounts payable, distributions payable to Unitholders and accrued liabilities arising in the ordinary course of business; (C) convertible debentures will constitute indebtedness to the extent of the principal amount thereof outstanding and (D) indebtedness shall not include any obligation of the Partnership which is Deferred Purchase Price of Property.

ARTICLE 5
PARTNERSHIP CAPITAL AND UNITS

5.1 Classes of Units

The authorized capital of the Partnership shall consist of the General Partnership Interest, an unlimited number of Class A LP Units and an unlimited number of Class B LP Units issuable in series. The Class A LP Units shall have the rights and restrictions described in Article 9 and the Class B LP Units shall have the rights and restrictions described in Article 10.

5.2 Partner Contributions

The Initial Limited Partner has contributed to the capital of the Partnership $99.00 in consideration for 99 Class A LP Units and properties pursuant to an asset purchase agreement between Alert Care Corporation and the Partnership effective as of October 1, 2003 in consideration for the number of Class A LP Units specified therein with full credit therefor to its capital account. The General Partner has contributed $1.00 to the capital of the Partnership, in consideration of the General Partnership Interest.

5.3 Class Provisions

Except as otherwise provided in this Agreement, each LP Unit shall rank equally with all other LP Units of the same class or series and shall entitle the holder thereof to the same rights and obligations as the holder of any other LP Unit of the same class or series and no Limited Partner shall be entitled to any privilege, priority or preference hereunder in relation to any other Limited Partner holding LP Units of the same class or series.

5.4 No Pre-Emptive Rights

Except as otherwise provided in this Agreement, no Partner shall have any pre-emptive, preferential or other similar right with respect to:

(a) additional Capital Contributions;

(b) issuance or sale of LP Units, whether unissued or held in treasury;

(c) issuance of any obligations, evidences of indebtedness or other securities (the "Securities") of the Partnership whether or not convertible into or exchangeable for or carrying or accompanied by any rights to receive, purchase or subscribe for, any LP Units, whether unissued or held in treasury;

(d) issuance of any right of, subscription to or right to receive, or any warrant or option for the purchase of, any of the foregoing Securities; or

(e) issuance or sale of any other Securities that may be issued or sold by the Partnership.

5.5 No Fractional Interests in the Partnership

No fractional LP Units or other interests in the Partnership may be issued by the Partnership or transferred by Partners.

5.6 Advances to Partnership

No Limited Partner shall be required to advance funds to the Partnership in addition to the Limited Partner's Capital Contribution previously contributed. If any Limited Partner shall advance funds to the Partnership in addition to the Limited Partner's Capital Contribution, the making of the advances shall not result in any increase in the Capital Contribution of the Limited Partner. The amounts of any such advance in addition to such Partner's Capital Contribution shall be a debt of the Partnership to the Limited Partner and shall be payable or collectible only out of the Partnership Assets in accordance with the terms and conditions upon which the advances are made. Default by the Partnership in repayment of such an advance shall not give the Limited Partner the right to demand or receive the return of any part of the Capital Account or Capital Contributions of such Limited Partner.

5.7 No Additional Contribution

Each LP Unit on issuance shall be fully paid and shall not be subject to any assessment for additional Capital Contributions.

5.8 Subdivision or Consolidation of LP Units

The General Partner may at any time subdivide or consolidate the LP Units on such basis as the General Partner in its discretion may determine provided that the General Partner shall not subdivide, redivide, reduce, combine, consolidate or change the then outstanding Class B LP Units into a greater or lesser number of Class B LP Units unless an equivalent change on a pro rata basis has been made in the Fund Units. After any subdivision or consolidation, the General Partner shall give to each Limited Partner such notice thereof as the General Partner in its discretion may consider reasonable in the circumstances.

5.9 General Partnership Interests

No certificate shall be issued to evidence the General Partnership Interest.

5.10 Unit Certificates

The General Partner shall within 30 days after a person becomes a Limited Partner, issue to such Limited Partner a copy of a Unit Certificate indicating that the registered holder thereof is the owner of the number of LP Units set out thereon and the original Unit Certificates shall be deposited with the Transfer Agent and may only be released upon a direction by the General Partner. Each Unit Certificate shall be signed by at least one officer or director of the General Partner. Subject to the provisions of this Agreement, the General Partner, upon request by a transferee, shall issue a new Unit Certificate for any LP Units transferred (which certificate shall be deposited with the Transfer Agent and may only be released upon a direction by the General Partner). In the case of a transfer of less than all of the LP Units represented by a Unit Certificate, the General Partner, upon request by the transferor, shall issue and deposit with the Transfer Agent a new Unit Certificate for the balance of the LP Units retained by the transferor which may only be released upon a direction by the General Partner. The Unit Certificates evidencing the Class B LP Units shall contain or have affixed thereto a legend in form and on terms approved by the General Partner, with respect to the Exchange Right and the Call Right. The provisions of this Section 5.10 dealing with the deposit and legending of Unit Certificates will not apply to certificates representing Class B LP Units acquired by the Partnership pursuant to the Exchange Right or to any transferee thereof.

5.11 Replacement, Cancellation

If an original Unit Certificate is released at the discretion of the General Partner and is not held by the Transfer Agent, the General Partner may, in its discretion, direct the Transfer Agent to issue a new Unit Certificate in lieu of and upon cancellation of a Unit Certificate that has been mutilated or in substitution of a Unit Certificate that has been lost, apparently destroyed or wrongfully taken, upon payment of such fee and on such terms as to indemnification, reimbursement of expenses, and evidence of loss and of title as the General Partner and the Transfer Agent may from time to time prescribe which Unit Certificates will be held as provided in Section 5.10.

5.12 Restriction on Transfers

(a) Subject to Article 12, no Limited Partner may sell, assign, encumber, grant a security interest in, cause the Partnership to redeem or otherwise dispose of or transfer (or permit any of the foregoing to occur) whether voluntarily or involuntarily or by operation of law or otherwise of (any such transaction being hereinafter called a “Transfer”) its Class B LP Units without the prior written approval of the General Partner.

(b)

(i) In this Section 5.12(b), the terms "Prohibited Transfer", "Prohibited Transferee", "Prohibited Transferor" and "Prohibited Units" have the meaning ascribed to them in Section 5.12(b)(iii).

(ii) Notwithstanding any other provision of this Agreement but subject to Article 12, no Limited Partner may Transfer its Class B LP Units if such Transfer would cause the Partnership to not qualify as an Excluded Subsidiary Entity and the General Partner shall not approve such Transfer.

(iii) Any purported Transfer of Class B LP Units in violation of this Section 5.12(b) (a "Prohibited Transfer") shall be null and void ab initio and of no force and effect. Any person who purports to acquire one or more Class B LP Units (the "Prohibited Units") pursuant to a Prohibited Transfer (a "Prohibited Transferee") shall be deemed to have not acquired any legal or beneficial interest in the Prohibited Units, shall not have any interest as a member of the Partnership, and shall be deemed to hold at all times the Prohibited Units as agent and in trust for the person who purports to Transfer the Prohibited Units (the "Prohibited Transferor"). All monies received, actions taken and rights exercised by such Prohibited Transferee in respect of such Prohibited Units shall be deemed to have been received and belong to, and have been taken or exercised on behalf of, the Prohibited Transferor, and any votes cast by a Prohibited Transferee attaching to Prohibited Units shall be treated as votes cast on behalf of and for the benefit of the Prohibited Transferor.

(iv) The General Partner shall have the sole right and authority to make any determination required for the administration of the provisions of, or contemplated under, this Section 5.12(b), and without limiting the generality of the foregoing, if the General Partner considers that there are reasonable grounds for believing that a Prohibited Transferee holds Prohibited Units, the General Partner shall make a determination with respect to the matter. Any such determination shall be conclusive, final and binding for the purposes of this Section 5.12(b) except to the extent modified by any subsequent determination by the General Partner. Notwithstanding the foregoing, the General Partner may delegate, in whole or in part, their power to make a determination to any officer of the General Partner.

(v) No Prohibited Transferee shall have any right enforceable against the General Partner or the assets of the Partnership arising out of or in connection with anything done in good faith or occurring under or pursuant to this Section 5.12(b), and each Prohibited Transferee shall conclusively be deemed to have agreed to indemnify the General Partner in respect of any liability the General Partner may incur as a result or in consequence of the Prohibited Transferee purporting to acquire Prohibited Units.

5.13 Exception

Subject to section 5.12(b) and Section 10.4, nothing contained in this Agreement shall prohibit or prevent:

(a) the Transfer of Class B LP Units pursuant to the Exchange Right or Call Right by a Limited Partner who prior to the Transfer has confirmed in writing to the General Partner that at the time of the Transfer the Limited Partner is an Eligible Person;

(b) a Partner from mortgaging, charging, assigning, pledging, hypothecating or granting a security interest in or otherwise encumbering any or all of its General Partnership Interest, Class A LP Units or Class B LP Units as security for any one or more bona fide loans to, guarantees given by or any other present and future indebtedness, liabilities or other obligations of such Partner provided: (i) the holder of any such mortgage, charge, assignment, pledge, hypothecation, security interest or other encumbrance is not a Non-Resident; and (ii) the General Partner has directed the release, pursuant to Section 5.10, of the Class B LP Units which are the subject of such security;

(c) the holder of any mortgage, charge, assignment, pledge, hypothecation, security interest or other encumbrance permitted by Section 5.13(b) from taking all such steps as may be necessary or desirable to exercise or enforce its rights and remedies under and realize upon the security of any such mortgage, charge, assignment, pledge, hypothecation, security interest or other encumbrance provided that the holder of any such mortgage, charge, assignment, pledge, hypothecation, security interest or other encumbrance is not a Non-Resident; or

(d) the completion of any sale or transfer of any or all of the General Partnership Interest, Class A LP Units or Class B LP Units of a Partner to any person pursuant to any enforcement or realization of security contemplated by Section 5.13(b) provided such transferee provides the General Partner with the acknowledgment in writing provided for in Section 5.14(c).

5.14 Requirements for Transfer

Subject to the provisions of the Exchange Agreement and Article 12, no Transfer of LP Units shall be effective or shall be registered on the register of transfers of the Partnership maintained by the Transfer Agent except upon delivery to the Transfer Agent of:

(a) the Unit Certificate(s) representing such LP Units (if not already held by the Transfer Agent) and a stock power of attorney in form acceptable to the Transfer Agent, duly endorsed for Transfer by the transferor to the transferee;

(b) such assurance or evidence of signatures, identifications or authority to Transfer the LP Units as the Transfer Agent may from time to time prescribe;

(c) acknowledgment in writing from the transferee agreeing to be bound by the terms of this Agreement and to assume all obligations of the transferor under this

Agreement that pertain to the LP Units being transferred in a form acceptable to the General Partner;

(d) evidence that the transferee is an Eligible Person acceptable to the General Partner;

(e) confirmation that the provisions of all applicable Securities Legislation are being complied with, in a form acceptable to the General Partner;

(f) a power of attorney and certificate of assumption in form acceptable to the General Partner, duly executed by the transferee; and

(g) confirmation in writing from the transferor that "best efforts" were used to minimize or eliminate the application of land transfer taxes payable in any jurisdiction as a result of such Transfer.

5.15 Land Transfer Tax

In the event that the "best efforts" of the transferor fail to eliminate the land transfer taxes referred to in Section 5.14(g), CSH Trust and/or the Partnership shall be responsible for the payment of such taxes.

ARTICLE 6
CAPITAL CONTRIBUTION AND ACCOUNTS

6.1 Contribution of Limited Partners

The Capital Contribution of each Limited Partner shall be the subscription price for LP Units paid by such Limited Partner. Where the subscription price for LP Units is satisfied by the delivery of assets, securities or other property, the amount of the Capital Contribution of the Limited Partner contributing such assets, securities or other property shall be the amount determined by the General Partner, in its sole discretion.

6.2 Contribution of General Partner

The General Partner shall have no obligation to contribute to the capital of the Partnership. The foregoing shall not be interpreted to prevent the General Partner or officers, directors, shareholders and other parties related to the General Partner from subscribing for or otherwise acquiring LP Units.

6.3 Separate Capital Accounts

The General Partner will maintain a separate capital account (a "**Capital Account**") for each Partner and will, on receipt of an amount in respect of a Capital Contribution, credit the Capital Account of such Partner with such Capital Contribution, including, without limitation, the contribution made by Alert Care Corporation to the Partnership pursuant to an asset purchase agreement between Alert Care Corporation and the Partnership dated as of October 1, 2003 in the amount specified therein, and will debit the Capital Account of such Partner with the amount of any Capital Contribution actually returned from time to time by the Partnership to the Partner. The interest of a Partner will not terminate by reason of there being a negative or nil balance in the Partner's Capital Account. Where a person holds LP Units of different classes or series, the Partnership shall maintain a separate Capital Account for such person in respect of each class or series of LP Units in like manner as if the LP Units were held by a separate person and any reference in this Agreement shall be deemed to be a reference to the Capital Account or Capital Accounts as the context requires.

6.4 Separate Current Accounts

A separate current account ("**Current Account**") shall be established and maintained by the General Partner for each Partner, and all allocations of Net Income shall be credited and of Net Loss and of amounts distributed other than as a return of capital shall be debited to the Current Account of the Partner for whom the allocation or to whom the distribution was made. Where a person holds LP Units of different classes or series, the Partnership shall maintain a separate Current Account for such person in respect of each class or series of LP Units in like manner as if the LP Units were held by a separate person and any reference in this Agreement shall be deemed to be a reference to the Current Account or Current Accounts as the context requires. No Limited Partner shall be responsible for any losses of any other Limited Partner, nor share in the allocation of Net Income, Net Loss, Taxable Income or Tax Losses attributable to the LP Units of any other Limited Partner.

6.5 No Interest Payable

No Partner shall be entitled to receive interest on the amount of its Capital Account or any balance in its Current Account from the Partnership and no Partner shall be liable to pay interest to the Partnership on any negative balance in its Capital Account or on any negative balance in its Current Account. No Partner shall be entitled to withdraw any funds from the Capital Account or Current Account maintained for such Partner except in compliance with this Agreement.

6.6 Return of Capital

Except upon dissolution of the Partnership or as otherwise specifically provided in this Agreement, no Partner shall have any right to demand or to receive the return of any part of the Capital Account or Capital Contributions of the Partner.

ARTICLE 7
ALLOCATION OF INCOME AND LOSS

7.1 Allocation of Income to LP Units

Subject to Section 7.2, Net Income, Net Loss, Taxable Income or Tax Losses for a particular Fiscal Year shall be allocated as follows at the end of each Fiscal Year:

(a) to a person who holds or has held a LP Unit at any time in that Fiscal Year that amount as is equal to such person's share of the aggregate of the distributions other than Preferred Distributions paid or payable to such holder with respect to such Fiscal Year under Section 8.1 multiplied by a fraction of which the numerator is the Net Income (net of the amounts of Net Income allocated pursuant to Section 7.1(b)) or Net Loss and Taxable Income (net of the amounts of Taxable Income allocated pursuant to Section 7.1(b)) or Tax Losses, as the case may be, for that Fiscal Year and the denominator is the aggregate of the distributions paid or payable to all Limited Partners with respect to such Fiscal Year under Section 8.1; and

(b) the General Partner will be allocated Net Income and Taxable Income equal to amount distributed to the General Partner pursuant to Section 8.1(b).

7.2 No Distributions

If, with respect to a given Fiscal Year, no cash distribution is made by the Partnership to the Limited Partners, the Net Income, Net Loss, Taxable Income or Tax Losses of the Partnership for such Fiscal Year will be allocated to the Limited Partners and to each Person who was a Limited Partner at any time in such Fiscal Year in the proportion determined by the General Partner in its sole discretion.

7.3 Allocation of Income and Loss

Except as specifically otherwise provided herein, each Partner's share of the income and losses of the Partnership will be allocated proportionately to the Partners in accordance with their respective interest in the Partnership as at the end of the fiscal period of the Partnership without regard to the number of days during which any Limited Partner has been a Limited Partner or has held any LP Unit hereof. Notwithstanding any of the foregoing, the amount of income of the Partnership allocated to the holder of the General Partnership Interest shall not exceed one thousand ($1,000) per fiscal period of the Partnership.

7.4 Tax and Other Information

The General Partner will:

(a) for each Fiscal Year, calculate and allocate all revenue and expenses of the Partnership among the Partners in accordance with this Agreement;

(b) prepare and provide financial statements, records and reports and any other information to the Partnership in accordance with Section 18.2; and

(c) provide the Limited Partners with any information that they may require for their financial reporting obligations.

The General Partner will send or cause to be sent to each Person who was (i) a Limited Partner in a Fiscal Year and received a distribution, or to whom a portion of the Taxable Income or Tax Losses of the Partnership has been allocated, in such Fiscal Year from the Partnership, or (ii) a Limited Partner on the date of dissolution of the Partnership, by the 15th day of March of the following Fiscal Year or within 120 days of dissolution, as the case may be, or within any other shorter period as may be required by applicable law, all information in suitable form, relating to the Partnership necessary for the Person to prepare that Person's Canadian federal and provincial income tax returns. The General Partner will file, on behalf of itself and the Limited Partners, annual Partnership information returns and any other information returns required to be filed under the Tax Act and any other applicable legislation in respect of the Partnership.

ARTICLE 8
DISTRIBUTIONS

8.1 Distributions of Distributable Cash

The General Partner shall determine on a monthly basis, but in any event no later than the Fund Distribution Declaration Date, the Distributable Cash for that month, and such amount (“**Distributable Amount**”) shall be distributed by the Partnership to the Partners on the applicable LP Unit Payment Date after such determination in the following manner:

(a) the Preferred Distribution shall be distributed in accordance with Section 8.2;

(b) an amount equal to 0.01% of the Distributable Amount shall be distributed to the General Partner provided that in no event shall aggregate distributions received by the General Partner in a Fiscal Year exceed one thousand dollars ($1,000);

(c) an amount equal to the balance of the Distributable Amount multiplied by a fraction of which the numerator is the number of the Class B LP Units outstanding on the applicable Fund Record Date and the denominator is the sum of (i) the number of the Class B LP Units outstanding on such Fund Record Date and (ii) the number of the Fund Units outstanding on such Fund Record Date divided by the Applicable Number as defined in Section 2.2 and, adjusted in Section 2.3, of the Exchange Agreement, shall be distributed to the holders of Class B LP Units on the basis of the number of Class B LP Units held by each of them; and

(d) an amount equal to the Distributable Amount less the amounts determined under paragraphs (a), (b) and (c) above, shall be distributed to the holder of Class A LP Units.

Distributable Cash may be estimated by the General Partner whenever the actual amount has not been fully determined. Such estimates shall be adjusted as of a subsequent Fund Distribution Declaration Date when the amount of Distributable Cash has been determined by the General Partner.

8.2 Preferred Distribution

Notwithstanding anything herein, before making any distribution on the LP Units and General Partnership Interest, the Partnership will distribute (a “**Preferred Distribution**”) to the Class A LP Units on the relevant distribution date, an aggregate amount of income determined by the General Partner and payable in a manner and at times determined by the General Partner sufficient to allow the Fund and the Trust to pay their expenses and the distributions on the Special Voting Units on a timely basis.

8.3 Payment

The Partnership shall issue or cause to be issued cheques payable upon presentation or by wire transfer of immediately available funds in respect of any cash distributions contemplated by Sections 8.1 and 8.2 hereof and the sending of such a cheque or wire transfer to each Partner entitled to such distribution shall satisfy the cash distributions represented thereby unless the cheque is not paid on presentation or the wire transfer is not received. In the event that a distribution will be declared on Fund Units other than in cash on a Fund Distribution Declaration Date, the distributions referred to in Section 8.1 (other than Section 8.1(c)) shall be paid out of assets or property of the Partnership properly applicable to the payment of distributions and the distributions referred to in Section 8.1(c) hereof shall be paid out of authorized but unissued Class B LP Units of the Partnership the value of which is economically equivalent to (as determined by the General Partner as contemplated by Section 10.3 hereof) the distribution on the Fund Units. Any other type and amount of property in respect of any distributions contemplated by this Section 8.3 shall be issued, distributed or transferred by the Partnership in such manner as the General Partner shall determine and the issuance, distribution or transfer thereof by the Partnership to each holder of LP Units or General Partnership Interest shall satisfy the distributions represented thereby. No holder of a Class B LP Unit shall be entitled to recover by action or other legal process against the Partnership any cash distribution that is represented by a cheque that has not been duly presented for payment or that otherwise remains unclaimed for a period of six years from the date on which such distribution was payable.

8.4 Partial Payment

If on any payment date for any distributions declared under Section 8.1, the distributions are not paid in full on all of the LP Units or General Partnership Interest then outstanding and entitled to receive such a distribution, any such distributions that remain unpaid shall be paid on a subsequent date or dates determined by the General Partner on which the Partnership shall have sufficient money, assets or property properly applicable to the payment of such distributions with each of the Class A LP Units and Class B LP Units having a pari passu entitlement to such available funds.

8.5 Right of Set-Off

The General Partner may, in its sole discretion, set-off and apply any sums otherwise payable to a Partner as a distribution hereunder against any amounts due to the Partnership from such Partner.

ARTICLE 9
CERTAIN RIGHTS AND RESTRICTIONS ATTACHED TO THE CLASS A UNITS

9.1 Attributes of Class A Unit

Subject to the said payment of any amount due to the holders of LP Units of any class or series as herein provided, the Class A LP Unit shall have attached thereto the following rights and privileges and be subject to the following restrictions, conditions and limitations:

(a) The Class A LP Units shall be issuable solely to or held solely by CSH Trust or an Affiliate of CSH Trust.

(b) On a distribution of Partnership Assets in the event of the liquidation, dissolution or winding-up of the Partnership, whether voluntary or involuntary, or any other distribution of the assets of the Partnership among the Partners for the purpose of winding-up its affairs, the holders of LP Units, shall be entitled to share pro rata in the distribution of the Partnership Assets.

(c) The rights, privileges, restrictions and conditions attaching to the Class A LP Units may not be added to, altered, abrogated, changed or removed without the consent of the holder thereof.

(d) Class A LP Units shall have the voting rights set out in Article 14.

ARTICLE 10
CERTAIN RIGHTS AND RESTRICTIONS ATTACHED TO CLASS B UNITS

10.1 Exchange Agreement

The Partnership will, on or before the Effective Date, enter into the Exchange Agreement with the Fund and CSH Trust whereunder the parties agree to use their best efforts to ensure that holders of Class B LP Units from time to time are able to indirectly exchange such Class B LP Units for Fund Units.

10.2 Attributes of Class B LP Units

The Class B LP Units shall have attached thereto the following rights, privileges and restrictions:

(a) Each Class B LP Unit shall have the benefit of the Exchange Right, shall have the benefit of a Special Voting Unit (subject to any adjustment) issued by the Fund and shall be subject to the Call Right.

(b) So long as any Class B LP Units are outstanding, then in the event that the Fund:

(i) issues or distributes rights, options or warrants to the holders of all or substantially all of the then outstanding Fund Units entitling them to subscribe for or to purchase Fund Units (or securities exchangeable for or convertible into or carrying rights to acquire Fund Units); or

(ii) issues or distributes to the holders of all or substantially all of the then outstanding Fund Units:

(A) securities of the Fund of any class other than Fund Units (or securities exchangeable for or convertible into or carrying rights to acquire Fund Units);

(B) evidences of indebtedness of the Fund; or

(C) assets of the Fund,

the General Partner shall, subject to and in accordance with the Exchange Agreement, ensure that the economic equivalent (determined in accordance with the provisions of Section 10.3) on a per unit basis of such rights, options, securities, evidences of indebtedness or other assets is issued or distributed simultaneously to holders of the Class B LP Units; provided that, for greater certainty, the above restrictions shall not apply to any securities issued or distributed by the Fund in order to give effect to and to consummate the transactions contemplated by the Offering.

(c) So long as any Class B LP Units are outstanding, then in the event that the Fund:

(i) subdivides, redivides or changes the then outstanding Fund Units into a greater number of Fund Units; or

(ii) issues or distributes Fund Units to the holders of all or substantially all of the then outstanding Fund Units other than the distribution of Fund Units to Fund Unitholders in lieu of a cash distribution pursuant to Section 5.6(b) of the Declaration of Trust as such section exists on the date hereof so long as such distribution is followed by a consolidation of Fund Units for the purpose of ensuring that the number of Fund Units outstanding after such distribution would be equal to the number of Fund Units outstanding before such distribution if no withholding were required in respect of any such distribution to any holder of such Fund Units; or

(iii) reduces, combines, consolidates or changes the then outstanding Fund Units into a lesser number of Fund Units; or

(iv) reclassifies or otherwise changes Fund Units or effect an amalgamation, merger, reorganization or other transaction affecting Fund Units,

the General Partner shall ensure that the same or an economically equivalent change shall simultaneously be made to the number of or to the rights attached to the Class B LP Units.

(d) Upon the Exchange Right being exercised and a Class B LP Unit being exchanged on a one-for-one basis, subject to adjustment, for a Fund Unit under the Exchange Agreement, each such exchanged Class B LP Unit once held beneficially or legally by CSH Trust as a result thereof shall be deemed to be an outstanding Class A LP Unit.

(e) Class B LP Units shall be non-voting except in the limited circumstances provided in Article 14.

(f) Notwithstanding any other provision of this Agreement, the Class B LP Units shall not be issuable to or held by any person or partnership if the issuance of Class B LP Units to or the holding of any Class B LP Units by such person or partnership would cause the Partnership to not qualify as an Excluded Subsidiary Entity.

10.3 Economic Equivalence

The General Partner shall determine, in good faith economic equivalence for the purposes of this Agreement each such determination shall be conclusive and binding on the Partnership and each of the Partners. In making each such determination, the following factors shall, without excluding other factors determined by the General Partner to be relevant, be considered by the General Partner:

(a) in the case of any distribution payable in Fund Units, the number of such Fund Units issued in proportion to the number of Fund Units previously outstanding;

(b) in the case of the issuance or distribution of any rights, options or warrants to subscribe for or purchase Fund Units (or securities exchangeable for or convertible into or carrying rights to acquire Fund Units), the relationship between the exercise price of each such right, option or warrant and the Current Market Price;

(c) in the case of the issuance or distribution of any other form of property (including without limitation any units or securities of the Fund of any class other than Fund Units, any rights, options or warrants other than those referred to in Section 10.2(b) above, any evidences of indebtedness of the Fund or any assets of the Fund), the relationship between the fair market value (as determined by the General Partner) of such property to be issued or distributed with respect to each outstanding Fund Unit and the Current Market Price; and

(d) in the case of any subdivision, redivision or change of the then outstanding Fund Units into a greater number of Fund Units or the reduction, combination, consolidation or change of the then outstanding Fund Units into a lesser number of Fund Units or any amalgamation, merger, reorganization or other transaction affecting Fund Units, the effect thereof upon the then outstanding Fund Units.

10.4 Restriction on Ownership of Class B LP Units

(a) For purposes of this Section 10.4, the terms "**Restricted Period**", "**Prohibited Transferee**", "**Arrangement Closing**" and "**TD Bank Group**" have the meaning that they have in section 14.6 of the Declaration of Trust.

(b) Notwithstanding any other provision of this Agreement, during the Restricted Period, no Class B LP Units shall be issued, exchanged, assigned or transferred to, and each person who subscribes for Class B LP Units during the Restricted Period shall by virtue of such subscription be deemed to represent that it is not, a person that is a Prohibited Transferee. No Prohibited Transferee shall in any circumstances during the Restricted Period acquire, hold or own a Class B LP Unit or, subject to the express terms of this Agreement, be entitled to any of the rights, privileges, benefits or legal or equitable interests which may attach to or be associated with any such Class B LP Unit.

(c) If at any time during the Restricted Period, a Prohibited Transferee purports to acquire one or more Class B LP Units ("**Prohibited Units**"),

(i) the Prohibited Transferee shall be deemed to have not acquired any legal or beneficial interest in such Prohibited Units, such purported acquisition shall be deemed to be void *ab initio* and the Prohibited Transferee shall be deemed to hold at all times the Prohibited Units as agent and in trust for the Partnership. All monies received, actions taken and rights exercised by such Prohibited Transferee in respect of such Prohibited Units shall be deemed to have been received and belong to, and have been taken or exercised on behalf of, the Partnership, and any votes cast by a Prohibited Transferee attaching to Prohibited Units shall be treated as votes cast on behalf of and for the benefit of the Partnership;

(ii) if the General Partner determines (a "**Determination**") that a Prohibited Transferee holds during the Restricted Period, as agent and in trust for the Partnership, one or more Prohibited Units, (a) to the extent that the Prohibited Units are held by such Prohibited Transferee at the time of the Determination, the General Partner shall forthwith cause the Prohibited Units to be cancelled without any consideration, payment or compensation to the Prohibited Transferee and the General Partner shall notify the Prohibited Transferee of such cancellation; and (b) whether or not the Prohibited Transferee holds, as agent and in trust for the Partnership, the Prohibited Units at the time of the Determination, the General Partner shall have the right to claim from the Prohibited Transferee for the benefit of the Partnership all distributions or other payments or amounts received by the Prohibited Transferee on or in connection with the Prohibited Units, and, if the Prohibited Transferee shall have disposed of the Prohibited Units, the General Partner shall have the right to claim from the Prohibited Transferee for the benefit of the Partnership any and all proceeds of disposition of the Prohibited Units, if any, received by such Prohibited Transferee.

(iii) where a Prohibited Transferee has transferred or purported to transfer Prohibited Units to a person who is neither a Prohibited Transferee nor, if such transfer occurs during the 60 day period immediately following the date of the Arrangement Closing, a person within the TD Bank Group, such Units shall not be Prohibited Units in the hands of such transferee and the rights of such transferee as a Class B LP limited partner hereunder shall not be affected by this Section 10.4;

(iv) any action taken by the General Partner in reliance on a vote of holders of Class B LP Units shall not be invalidated or otherwise affected by the exercise by a Prohibited Transferee of any voting rights attaching to Prohibited Units;

(v) the General Partner shall not be obligated to but shall be entitled to, and may, take any action the General Partner, in its sole discretion, deem advisable and practicable in the circumstances to recover any amounts received by a Prohibited Transferee in connection with Prohibited Units, including but not limited to amounts referred to in (ii) above.

(d) The General Partner shall have the sole right and authority to make any determination required for the administration of the provisions of, or contemplated under, this Section 10.4, and without limiting the generality of the foregoing, if the General Partner considers that there are reasonable grounds for believing that a Prohibited Transferee holds Prohibited Units within the Restricted Period, the General Partner shall make a determination with respect to the matter. Any such determination shall be conclusive, final and binding for the purposes of this Section 10.4 except to the extent modified by any subsequent determination by the General Partner. Notwithstanding the foregoing, the General Partner may delegate, in whole or in part, its power to make a Determination to any officer of the General Partner.

(e) No Prohibited Transferee shall have any right enforceable against the General Partner, the assets of the Partnership or any other Partner arising out of or in connection with anything done in good faith or occurring under or pursuant to this Section 10.4, and each Prohibited Transferee shall conclusively be deemed to have indemnified the General Partner in respect of any liability the General Partner may incur as a result or in consequences of the Prohibited Transferee purporting to acquire Prohibited Units.

(f) Notwithstanding any other provision in this Agreement, during the 60 day period immediately following the date of the Arrangement Closing, no Class B LP Units shall be issued, or exchanged, assigned or transferred to, and each person who subscribes for Class B LP Units during such period shall by virtue of such subscription be deemed to represent that it is not, a person that is a member of the TD Bank Group. No person within the TD Bank Group shall in any circumstances during the 60 day period immediately following the date of the Arrangement Closing acquire, hold or own a Class B LP Unit or, subject to the express terms of this Agreement, be entitled to any of the rights, privileges, benefits or legal or equitable interests which may attach to or be associated with any such Class B LP Unit. If at any time during the 60 day period immediately following the date of the Arrangement Closing, a person within of the TD Bank Group purports to acquire a Class B LP Unit, such Class B LP Unit shall be deemed to be a Prohibited Unit and such Prohibited Unit shall be subject to and governed by the provisions of Section 10.4(c) and the provisions of Sections 10.4(c), (d) and (e) shall apply, mutatis mutandis, to such Prohibited Unit and to the person within the TD Bank Group purporting to acquire the Prohibited Unit during this period.

10.5 Restrictions on Ownership by Certain Other Parties

(a) In this Section 10.5:

(i) "**Prohibited Transferee**" means.

(A) any direct or indirect beneficial owner of issued and outstanding common shares of CPAC (Care) Holdings Ltd.;

(B) a person related to or considered not to be dealing at arm's length within the meaning of the Tax Act with any person referred to in Section 10.5(a)(i)(A); and

(C) any affiliate, associate, insider, partner or Subsidiary of any person or of any group of persons referred to in Sections 10.5(a)(i)(A) and (a)(i)(B).

(ii) "**Restricted Period**" means the period from July 5, 2005 to and including July 31, 2007.

(b) Notwithstanding any other provision in this Agreement, no Class B LP Units shall be issued, or exchanged, assigned or transferred, to a Prohibited Transferee during the Restricted Period. No Prohibited Transferee shall in any circumstances during the Restricted Period acquire, hold or own a Class B LP Unit or, subject to the express terms of this Declaration of Trust, be entitled to any of the rights, privileges, benefits or legal or equitable interests which may attach to or be associated with any such Class B LP Unit.

(c) If at any time during the Restricted Period, a Prohibited Transferee purports to acquire one or more Class B LP Units ("**Prohibited Units**"):

(i) the Prohibited Transferee shall be deemed to have not acquired any legal or beneficial interest in such Prohibited Units, such purported acquisition shall be deemed to be void *ab initio* and the Prohibited Transferee shall be deemed to hold at all times the Prohibited Units as agent and in trust for the Partnership. All monies received, actions taken and rights exercised by such Prohibited Transferee in respect of such Prohibited Units shall be deemed to have been received and belong to, and have been taken or exercised on behalf of, the Partnership, and any votes cast by a Prohibited Transferee attaching to Prohibited Units shall be treated as votes cast on behalf of and for the benefit of the Partnership;

(ii) if the General Partner determines (a "**Determination**") that a Prohibited Transferee holds during the Restricted Period, as agent and in trust for the Partnership, one or more Prohibited Units, (a) to the extent that the Prohibited Units are held by such Prohibited Transferee at the time of the Determination, the General Partner shall forthwith cancel the Prohibited Units without any consideration, payment or compensation to the Prohibited Transferee and the General Partner shall notify the Transfer Agent of such cancellation; and (b) whether or not the Prohibited Transferee holds, as agent and in trust for the Partnership, the Prohibited Units at the time of the Determination, the General Partner shall have the right to claim from the Prohibited Transferee for the benefit of the Partnership all distributions or other payments or amounts received by the Prohibited Transferee on or in connection with the Prohibited Units, and, if the Prohibited Transferee shall have disposed of the Prohibited Units, the General Partner shall have the right to claim from the Prohibited Transferee for the benefit of the General Partner any and all proceeds of disposition of the Prohibited Units, if any, received by such Prohibited Transferee;

(iii) any action taken by the General Partner in reliance on a vote of holders of Class B LP Units shall not be invalidated or otherwise affected by the exercise by a Prohibited Transferee of any voting rights attaching to Prohibited Units;

(iv) the General Partner shall not be obligated to but shall be entitled to, and may, take any action the General Partner, in its sole discretion, deem advisable and practicable in the circumstances to recover any amounts received by a Prohibited Transferee in connection with Prohibited Units, including but not limited to amounts referred to in (ii) above.

(d) The General Partner shall have the sole right and authority to make any determination required for the administration of the provisions of, or contemplated under, this Section 10.5, and without limiting the generality of the foregoing, if the General Partner consider that there are reasonable grounds for believing that a Prohibited Transferee holds Prohibited Units within the Restricted Period, the General Partner shall make a determination with respect to the matter. Any such determination shall be conclusive, final and binding for the purposes of this Section 10.5 except to the extent modified by any subsequent determination by the General Partner. Notwithstanding the foregoing, the General Partner may delegate, in whole or in part, their power to make a Determination to any officer of the General Partner.

(e) No Prohibited Transferee shall have any right enforceable against the General Partner, the assets of the Partnership or any other Partner arising out of or in connection with anything done in good faith or occurring under or pursuant to this Section 10.5, and each Prohibited Transferee shall conclusively be deemed to have agreed to indemnify the General Partner in respect of any liability the General Partner or any of them may incur as a result or in consequences of the Prohibited Transferee purporting to acquire Prohibited Units.

ARTICLE 11
EXCHANGE RIGHT

11.1 Grant of the Exchange Right

The Partnership hereby grants to each of the holders of Class B LP Units from time to time the right (the "**Exchange Right**") to require the Partnership to indirectly exchange all or any part of the Class B LP Units held by such holder, all in accordance with the provisions of the Exchange Agreement and to ensure that holders of Class B LP Units are entitled to a number of Special Voting Units that will entitle them to vote at meetings of the unitholders of the Fund as provided therein. The Partnership shall observe and comply with all of the covenants and obligations set out in the Exchange Agreement.

ARTICLE 12
CALL RIGHT

12.1 Grant of Call Right

Each of the Unitholders hereby grants to the Partnership the overriding and irrevocable right (the "**Call Right**") to purchase from such Unitholder all, but not less than all, of the issued and outstanding Class B LP Units held by such Unitholder upon the occurrence of any of the following events:

(a) receipt by the Partnership from the Transfer Agent of a certificate to the effect that there are outstanding fewer than 10% of the Class B LP Units that were outstanding immediately after the Effective Date, such number to be adjusted as required in the reasonable determination of the General Partner, to give effect to any subdivision, consolidation or distribution in specie of the Class B LP Units, any issue or distribution of rights to acquire Class B LP Units or securities exchangeable for or convertible into Class B LP Units, any issue or distribution of other securities or rights or evidences of indebtedness or assets, or any other capital reorganization or other transaction affecting the Class B LP Units;

(b) the completion of a Control Transaction, in which case, provided that the Partnership first determines, in good faith and in its sole discretion, that either (i) it is not in the best interest of the Fund or the holders of Fund Units for the Class B LP Units to remain outstanding, or (ii) the exchange of the outstanding Class B LP Units is necessary to enable the completion of such Control Transaction in accordance with its terms, in either case, on payment to each Unitholder of the purchase price payable as provided in Section 12.2 (less any amounts required to be withheld pursuant to Section 24.1) for each Class B LP Unit held and each Unitholder is hereby obligated and covenants and agrees to sell all Class B LP Units held by such Unitholder to the Partnership upon payment therefor as provided in this Section 12.1; and

(c) the completion of a take-over bid for Fund Units by an offeror who, as a result thereof, is entitled to acquire Fund Units pursuant to Section 14.8(c) of the Declaration of Trust (a "**90% Transaction**")

12.2 Exercise of Call Right; Effect of Exercise

To exercise the Call Right, the Partnership shall deliver, in the manner set forth in Article 21, as soon as possible after the Partnership becoming aware that a Control Transaction or a 90% Transaction is reasonably anticipated to occur, written notice of the conditional exercise of the Call Right to the holders of the Class B LP Units. The Partnership shall promptly thereafter, on or before the date of such Control Transaction or a 90% Transaction, subject to Section 24.1, deposit with the Transfer Agent certificates representing the aggregate number of Fund Units and Aggregate Special Voting Unit Redemption Amount as defined in the Exchange Agreement deliverable by the Partnership in payment of the purchase price therefor and the Transfer Agent shall thereafter deliver or cause to be delivered to each holder of Class B LP Units, in the manner set forth in Article 21, certificates, registered in the name of such holder, representing the number of Fund Units issuable to such holder in connection with the exercise of the Call Right and the Aggregate Special Voting Unit Redemption Amount, which Fund Units shall be fully paid and non-assessable and shall be free and clear of all liens, charges and encumbrances. The Fund shall redeem immediately prior to that time in accordance with Section 7.1 of the Declaration of Trust the Special Voting Units that relate to such Class B LP Units. Upon deposit of such certificates and the Aggregate Special Voting Unit Redemption Amount with the Transfer Agent, the transaction of purchase and sale contemplated by the Call Right shall be deemed to have occurred and the holder of such Class B LP Units shall be deemed to have transferred to the Partnership all of such holder's right, title and interest in and to such Class B LP Units and Special Voting Units and shall cease to be a holder of such units and shall not be entitled to exercise any of the rights of a holder in respect thereof (including any rights under this Agreement) other than the right to receive the full amount of any distributions with respect to such units declared but not paid prior to such date. Concurrently with such Unitholder ceasing to be a holder of Class B LP Units and Special Voting Units, the Unitholder shall be considered and deemed for all purposes to be the holder of the Fund Units delivered to it pursuant to the Call Right. After delivery of such purchase price to a Unitholder, the Class B LP Units held by such Unitholder shall be deemed to have been transferred to the Partnership, certificates formerly representing such Class B LP Units shall cease to represent any interest in the Partnership and shall be deemed to represent only the right to receive the Fund Units transferred to the Unitholder upon exercise of the Call Right and the Partnership shall cancel the certificates representing such Class B LP Units. Upon the request of a Unitholder and the surrender by the Unitholder of Class B Unit certificates representing the right to receive Fund Units, duly endorsed in blank and/or accompanied by such instruments of transfer as the Partnership may reasonably require, together with payment of any amounts due by such Unitholder to the Partnership, the Partnership shall deliver or cause to be delivered to the Unitholder a certificate representing the Fund Units of which the Unitholder is the holder.

12.3 Automatic Call Right

(a) Each of the Unitholders covenants and agrees to give the Partnership written notice of any event which would result in such Unitholder becoming a Non-Resident, as soon as practicable and in any event at least 30 days prior to the anticipated effective date of any such event.

(b) On and as of the fifth Business Day prior to the date (the "**Change of Residency Date**") on which a Unitholder will become or be deemed to become a Non-Resident all of the then outstanding Class B LP Units held by such Unitholder shall be automatically exchanged for Fund Units. To effect such automatic exchange, the Partnership shall purchase on or as of the fifth Business Day prior to the Change of Residency Date each Class B LP Unit then outstanding and held by such Unitholder and such Unitholder shall sell all of the Class B LP Units held by it at or as of such time, for a purchase price per Class B LP Unit equal to the Current Market Price of a Fund Unit on the fifth Business Day prior to the Change of Residency Date, which shall be satisfied in full by the Partnership delivering, or causing to be delivered to such Unitholder one Fund Unit for each Class B LP Unit and the Aggregate Special Voting Unit Redemption Amount.

(c) On and as of the fifth Business Day prior to the date (the "**Dissolution Date**") on which the Partnership is to be dissolved pursuant to Article 22 of this Agreement, all of the then outstanding Class B LP Units shall be automatically exchanged for

Fund Units. To effect such automatic exchange, the Partnership shall purchase on or as of the fifth Business Day prior to the Dissolution Date each Class B LP Unit then outstanding and each Unitholder shall sell all of the Class B LP Units held by it at or as of such time, for a purchase price per Class B LP Unit equal to the Current Market Price of a Fund Unit on the fifth Business Day prior to the Dissolution Date, which shall be satisfied in full by the Partnership delivering, or causing to be delivered to such Unitholder one Fund Unit. At that time, the Fund shall also redeem pursuant to Section 7.1 of the Declaration of Trust, the Special Voting Units that relate to such Class B LP Units.

(d) On the fifth Business Day prior to the Change of Residency Date or the Dissolution Date, as the case may be, closing of the transaction of purchase and sale contemplated by the automatic exchange of Class B LP Units for Fund Units shall be deemed to have occurred and such Unitholder shall be deemed to have transferred all of such Unitholder's right, title and interest in and to such Unitholder's units other than the right of such Unitholder to receive any distributions declared and unpaid prior to such date on such Class B LP Units and such Unitholder shall cease to be a holder of such units and the Partnership shall deliver or cause to be delivered to the Unitholder the Fund Units issuable upon the automatic exchange of Class B LP Units for Fund Units, which Fund Units shall be duly issued as fully paid and non-assessable and shall be free and clear of all liens, charges and encumbrances and the Aggregate Special Voting Unit Redemption Amount (less any amounts withheld pursuant to Section 24.1). Concurrently with such Unitholder ceasing to be a holder of Class B LP Units and Special Voting Units, the Unitholder shall be considered and deemed for all purposes to be the holder of Fund Units issued pursuant to the automatic exchange of Class B LP Units for Fund Units and the certificates held by the Unitholder previously representing the Class B LP Units exchanged by the Unitholder with the Partnership pursuant to such automatic exchange shall cease to represent any interest in the Partnership and shall thereafter be deemed to represent only the right to receive the Fund Units and the Aggregate Special Voting Unit Redemption Amount transferred to the Unitholder by the Partnership pursuant to such automatic exchange. Upon the request of a Unitholder and the surrender by the Unitholder of Class B LP Unit certificates representing the right to receive Fund Units and the Aggregate Special Voting Unit Redemption Amount, duly endorsed in blank and/or accompanied by such instruments of transfer as the Partnership may reasonably require together with payment of all amounts due by such Unitholder to the Partnership, the Partnership shall deliver or cause to be delivered to the Unitholder a certificate representing the Fund Units of which the Unitholder is the holder and the Aggregate Special Voting Unit Redemption Amount.

(e) In the event that a Unitholder fails to comply with Section 12.3(a) or if, in any other case, the Partnership becomes aware that a Unitholder is a Non-Resident, the automatic exchange provided for in Section 12.3(b) shall be deemed to have occurred as of the date set out therein and any distributions made by the Partnership on the Class B LP Units and Special Voting Units which are the subject of such automatic exchange shall be deemed to have been distributions made by Fund on the Fund Units issuable upon such exchange.

(f) in the event that a payment in Fund Units is not possible then the Partnership may use a note or cash with a fair market value equal to the Fund Units that would otherwise have been used as payment.

ARTICLE 13
ACTIONS BY THE PARTNERSHIP UNDER THE EXCHANGE AGREEMENT

13.1 Further Actions

The General Partner on behalf of the Partnership will take all such actions and do all such things as shall be necessary or advisable to perform and comply with all provisions of the Exchange Agreement applicable to the Partnership and the Unitholders in accordance with the terms thereof including, without limitation, taking all such actions and doing all such things as shall be necessary or advisable to enforce to the fullest extent possible for the direct benefit of the Partnership and the Unitholders all rights and benefits in favour of the Partnership and the Unitholders under or pursuant to the Exchange Agreement.

13.2 Exception

The General Partner on behalf of the Partnership shall not propose, agree to or otherwise give effect to any amendment to, or waiver or forgiveness of the Partnership's rights or failure to perform the Partnership's obligations under the Exchange Agreement without the approval by Extraordinary Resolution of the holders of the Class B LP Units given in accordance with Article 14 hereof.

ARTICLE 14
VOTING RIGHTS

14.1 Voting Rights

Subject to Article 20 and except as otherwise provided herein, the holders of the Class A LP Units shall be entitled to one vote for each LP Unit held on any Ordinary Resolution or Extraordinary Resolution of the Partnership which is proposed by the General Partner and shall not otherwise have any voting rights hereunder. Holders of Class B LP Units shall be entitled to vote as required by law and in respect of any matter which affects directly the rights of the Class B LP Units and/or the rights of their holders or as provided in the Exchange Agreement. Otherwise the holders of Class B LP Units shall not be entitled to vote.

Pursuant to the terms of the Exchange Agreement and the Declaration of Trust, each Class B LP Unit will be accompanied by a Special Voting Unit issued by the Fund entitling the holder to receive notice of, to attend and to vote at all meetings of unitholders of the Fund (except in respect of Class B LP Units previously surrendered or exchanged).

14.2 Written Resolution Only

Any Ordinary Resolution or Extraordinary Resolution to be passed hereunder will be valid only if proposed by the General Partner (unless there are, at the applicable time, no general partners of the Partnership) and if consented to in writing by each of the General Partner and by the requisite number of holders of LP Units then outstanding, and no meeting will be required to be held for such resolution to be valid. Any resolution may be in counterparts, each consented to in writing by one or more Partners, which together shall be deemed to constitute one resolution. Any resolution shall be effective on the date stated thereon.

14.3 Approval for Change to Class or Series of Units

Except as set forth in Section 10.2(c), the rights, privileges and restrictions attaching to any class or series of LP Units may only be amended, altered or changed with the approval of the holders of the LP Units of such class or series given as specified in Section 14.4.

14.4 Evidence of Approval

Any approval given by the holders of any class or series of LP Units to amend, alter or change any right, preference, privilege or restriction attaching to such class or series of LP Units or any other matter requiring the approval or consent of the holders of the LP Units of any class or series shall be deemed to have been sufficiently given if it shall have been approved by a written resolution of the General Partner and of the holders of not less than two-thirds of the number of LP Units of such class or series then issued and outstanding.

14.5 Interested Parties

LP Units owned by a Limited Partner who is party to a contract or proposed contract or who has a material interest in a contract, proposed contract or transaction (either directly or indirectly, including through an Affiliate) which is the subject matter of a resolution shall not be entitled to a vote on such resolution; provided, however, that a Limited Partner shall be deemed not to have a material interest in a contract, proposed contract or transaction if the interest arises merely from the ownership of LP Units where the Limited Partner will have or receive no extra or special benefit or advantage not shared or enjoyed on a pro rata basis by all other Limited Partners.

14.6 Resolutions Binding

Any resolution passed in accordance with this Agreement will be binding on all the Partners and their respective heirs, executors, administrators, successors and assigns, whether or not any such Partner was present in person or voted against any resolution so passed.

ARTICLE 15
REPRESENTATIONS, WARRANTIES AND COVENANTS OF PARTNERS

15.1 Representations and Warranties of General Partner

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

(a) it is a trust duly formed under the laws of its governing jurisdiction and it is and shall continue to be duly existing under the laws of any jurisdiction in which it carries on business;

(b) it has and shall continue to have the capacity to act as a General Partner and its obligations herein do not conflict with or constitute a default under its constating documents or any agreement by which it is bound;

(c) it holds and shall maintain the registrations necessary for the conduct of its business and it has and shall continue to have the licenses and permits necessary to exploit the Business of the Partnership; and

(d) this Agreement constitutes a valid and legally binding obligation of it, enforceable against it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally and to the fact that specific performance is an equitable remedy available only in the discretion of the court.

15.2 Covenants of General Partner

The General Partner hereby covenants that:

(a) it will maintain the registrations necessary for the conduct of its business and will have the licences and permits necessary to carry on the Business of the Partnership in all jurisdictions where the activities of the Partnership require such licensing or other form of registration;

(b) it will make in a timely manner all filings respecting the Partnership which may be required to be made pursuant to the terms of this Agreement or applicable legislation;

(c) it will exercise the powers conferred upon it hereunder in furtherance of the Business of the Partnership and will devote such time and appropriate personnel to the conduct of the affairs of the Partnership as may be reasonably required for the proper management of the affairs of the Partnership;

(d) the majority of those serving on the board of directors of Trustee Corp. are not, and will continue not to be, the same individuals as the trustees of the Fund;

(e) it will, when necessary or appropriate cause or arrange for general liability insurance to be obtained and maintained in favour of the Partnership; and

(f) it is and will continue to be an Eligible Person.

15.3 Representations, Warranties of Limited Partners

Each Limited Partner acknowledges the following are conditions of entitlement for any Person to be a Limited Partner and represents and warrants to each of the General Partner and to all the other Limited Partners that:

(a) if an individual, the Limited Partner has attained the age of majority and has the legal capacity and competence to execute this Agreement and to take all actions required pursuant hereto;

(b) if a corporation, other body corporate, trust or partnership, the Limited Partner has the legal power and capacity to execute this Agreement and to take all actions required pursuant hereto and all necessary approvals by trustees, directors, shareholders and members of the Limited Partner, or otherwise, as applicable, have been given to authorize it to execute this Agreement and to take all actions required pursuant hereto;

(c) the Limited Partner, or any other beneficial owner of the LP Units registered in its name, is and will continue to be an Eligible Person; and

(d) it is not a Non-Canadian for the purposes of the Investment Canada Act.

15.4 Covenants of Limited Partners

Each of the Limited Partners hereby covenants that it will ensure that its status as described above will not be modified, and it will not knowingly transfer its LP Units in whole or in part to any person who would be unable to make such representations and warranties it will not transfer any Special Voting Unit separately from the Class B LP Unit to which the Special Voting Unit relates and hereby acknowledges that the transfer of the Special Voting Units will be subject to the same restrictions that apply to the transfer of the Class B LP Units pursuant to the Agreement, with necessary modifications, except as may otherwise be provided in the Declaration of Trust, and agrees to provide to the General Partner such evidence of its status, or the status of any beneficial owner of its LP Units for which any Limited Partner is acting for as nominee, as may reasonably be requested by the General Partner to ensure compliance with the terms of this Agreement.

15.5 Validity Beyond Execution

The representations, warranties and covenants contained in this Article 15 shall remain valid after execution of this Agreement and each party shall ensure that each representation and warranty made by such party shall remain true as long as it remains a Partner.

ARTICLE 16
LIABILITIES OF THE PARTNERS AND INDEMNITIES

16.1 Liability of General and Limited Partners

(a) The General Partner shall have unlimited liability for the debts, liabilities and obligations of the Partnership. The General Partner will not be liable to the Limited Partners for any mistakes or errors in judgment, or for any act or omission believed by it in good faith to be within the scope of the authority conferred upon it by this Agreement (other than an act or omission which is in contravention of this Agreement or which results from or arises out of negligence or wilful misconduct in the performance of, or wilful disregard of, the obligations or duties of the General Partner under this Agreement) or for any loss or damage to any of the property of the Partnership attributable to an event beyond the control of the General Partner or its Affiliates.

(b) Subject to applicable law, the liability of each Limited Partner for the undertakings, liabilities and obligations of the Partnership will not extend beyond such Limited Partner's Capital Contribution. Except as provided in Sections 16.1(c) and (e), a Limited Partner will have no further personal liability and, following payment in full of the subscription price for LP Units it has agreed to purchase, a Limited Partner will not be liable for any further calls or assessments or further contributions to the Partnership.

(c) The Limited Partners acknowledge the possibility that, among other reasons, they may lose their limited liability:

(i) to the extent that the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property or incurring obligations in another province;

(ii) by taking part in the business of the Partnership; or

(iii) as a result of false statements in the public filings made pursuant to the Partnership Act, in which case they may be liable to third parties.

(d) The General Partner will cause the Partnership to be registered as an extra-provincial limited partnership in those jurisdictions in which the Partnership operates, owns property, incurs obligations or otherwise carries on business, to keep such registrations up to date, and to otherwise comply with the relevant legislation of such jurisdictions. To ensure, to the greatest extent possible, the limited liability of the Limited Partners with respect to activities carried on by the Partnership in any jurisdiction where limitation of liability may not be recognized, the General Partner will cause the Partnership to operate, if at all, in such a manner as the General Partner, on the advice of counsel to the Partnership, deem appropriate.

(e) Each Limited Partner shall indemnify and hold harmless the Partnership, the General Partner and each other Limited Partner from and against all losses, liabilities, expenses and damages suffered or incurred by the Partnership, the General Partner or the other Limited Partners by reason of misrepresentation or breach of any of the representations, warranties or covenants of such Limited Partner as set out in Sections 15.3 and 15.4.

16.2 Indemnity of Limited Partners

(a) The General Partner will indemnify and hold harmless each Limited Partner from any and all losses, liabilities, expenses and damages suffered by such Limited Partner where the liability of such Limited Partner is not limited, provided that such loss of limited liability was caused by the negligence or wilful misconduct by either of the General Partner in the performance of, or wilful disregard or breach by either of the General Partner of, the obligations or duties of the General Partner under this Agreement. Such indemnity will apply only with respect to losses in excess of the Capital Contribution of the Limited Partner. The General Partner will also indemnify and hold harmless the Partnership and each Limited Partner from any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership and/or the Limited Partner, as the case may be, resulting from or arising out of negligence or wilful misconduct by either of the General Partner in the performance of, or wilful disregard or breach by either of the General Partner of, the obligations or duties of the General Partner hereunder.

(b) The amount of any such indemnity will be limited to the extent of the assets of the General Partner and will under no circumstance include the assets of any General Partner's parent corporation or trustee or any Affiliate of such General Partner. Except as specifically provided for in this Section 16.2, the General Partner will not otherwise be called upon or be liable to indemnify the Partnership or any Limited Partner.

16.3 Costs of Litigation

In any action, suit or other proceeding commenced by a Limited Partner against the General Partner, other than a claim for indemnity under Section 16.2(a), the Partnership shall bear the reasonable expenses of the General Partner in any such action, suit or other proceedings in which or in relation to which the General Partner is adjudged not to be in breach of any duty or responsibility imposed upon it hereunder, otherwise, such costs will be borne by the General Partner.

16.4 Relationship -- No Representations

No General Partner will have or represent that it has the authority or power, as agent or otherwise, to act for or to undertake or create any obligation or responsibility, express or implied, on behalf of, or in the name of any of the other Partners or the Partnership, except as specifically provided herein and then only to achieve the objectives and purposes of the Partnership set out in this Agreement.

16.5 Indemnity of Officers of Partnership

The Partnership shall indemnify and hold harmless each officer of the Partnership from any and all losses, liabilities, expenses and damages suffered by such officer where liability of such officer is not limited as a result of having taken part in the control or management of the business of the Partnership or exercised any power in connection therewith.

16.6 Costs of Litigation

In any action, suit or other proceeding commenced against a director or officer of the Partnership, the Partnership shall bear the reasonable expenses (including legal fees on a solicitor and his own client basis) of each of such director or officer of the General Partner in such action, suit or other proceedings, and unless otherwise agreed to, such director or officer shall have carriage of any such action, suit or other proceeding and shall be entitled to retain counsel of his or her choice.

ARTICLE 17
FUNCTIONS AND POWERS OF THE PARTNERS

17.1 Exclusive Authority

The General Partner shall have exclusive authority to administer, manage conduct, control and operate the Business and affairs of the Partnership, to make all decisions regarding the Business of the Partnership and do or cause to be done in a prudent and reasonable manner any and all acts necessary, appropriate or incidental to the Business of that Partnership and to bind the Partnership. No Limited Partner in its capacity as such shall:

(a) take part in the control or management of the Business of the Partnership or exercise any power in connection therewith;

(b) execute any document on behalf of the Partnership;

(c) represent that it has authority to bind the Partnership;

(d) have any authority to act for, bind or undertake any obligation or responsibility on behalf of the Partnership or any other Partner;

(e) except as provided in Section 20.2, propose any Ordinary or Extraordinary Resolution for approval by the holders of Class B LP Units unless there are, at the time, no general partners of the Partnership;

(f) bring any action for partition or sale or otherwise, in connection with the Partnership or any interest in any Partnership Assets or register or permit to be filed, registered or remain undischarged any lien or charge in respect of any Partnership Assets;

(g) compel or seek a partition, judicial or otherwise, of any of the Partnership Assets distributed or to be distributed to the Partners in kind; or

(h) take any action which will jeopardize or eliminate the status of the Partnership as a limited partnership,

except that each General Partner may do the foregoing in its capacity as a general partner of the Partnership, notwithstanding that it may also be a Limited Partner.

17.2 Rights, Powers and Obligations of General Partner

The General Partner will have all of the rights, powers and obligations that may be possessed by a general partner pursuant to the Partnership Act and such rights, powers and obligations otherwise conferred by law. Any action taken by a General Partner in the name of or on behalf of the Partnership shall be deemed to be an act of and shall bind the Partnership. Without limiting the foregoing, the General Partner shall be vested with the following powers and authority for and on behalf of and in the name of the Partnership:

(a) to negotiate, enter into, execute and carry out all agreements which require execution by or on behalf of the Partnership involving matters or transactions which are within the ordinary course of the Partnership's Business;

(b) to open and manage bank accounts in the name of the Partnership and to name signing officers for these accounts and to borrow funds in the name of the Partnership and execute loan, credit and security agreements therefor on behalf of the Partnership and to spend the capital of the Partnership in the exercise of any right or power possessed by the General Partner. The General Partner shall have the right to secure a line of credit with established financial institutions for the benefit of the Partnership;

(c) to manage, control and develop all the activities of the Partnership and to take all measures necessary or appropriate for the Business of the Partnership or ancillary thereto;

(d) to conclude agreements with third parties so that services may be rendered to the Partnership in the normal course of its affairs;

(e) to manage, administer, conserve, develop, operate and dispose of (subject to the provisions of Section 22.1(b)) any and all Partnership Assets and in general to engage in any and all phases of Business of the Partnership;

(f) to employ, retain, engage, appoint or dismiss such persons necessary or appropriate to carry out the Business and affairs of the Partnership and/or to assist it in the exercise of its powers and the performance of its duties hereunder and to pay such fees, expenses, salaries, wages and other compensation to such persons as the General Partner in their sole discretion shall determine;

(g) to make any and all expenditures and payments which, in its sole discretion, the General Partner deems necessary or appropriate in connection with the management of the affairs of the Partnership and the carrying out of its obligations and responsibilities under this Agreement, including, without limitation:

    (i) all legal, accounting and other related expenses incurred in connection with the organization and financing of the Partnership; and

    (ii) the fees payable to the General Partner;

(h) to file or execute on behalf of the Partnership, any and all returns and other documents, instruments or elections designations and determinations for tax or other purposes of any kind, including but not limited to any income tax and annual returns required by any governmental or like authority;

(i) to keep adequate books and records reflecting the activities of the Partnership;

(j) subject to the provisions of Article 5, to admit any person as a Limited Partner;

(k) to appoint and rescind the appointment of agents of the Partnership and grant and revoke powers of attorney of the Partnership;

(l) to commence and/or defend any and all actions and/or proceedings in connection with the Partnership;

(m) to retain legal counsel, experts, advisors or consultants as the General Partner considers appropriate and rely upon the advice of such persons;

(n) to execute any and all deeds, documents and instruments and to do all acts as may be necessary or desirable, in the opinion of the General Partner, to carry out the intent and purpose of this Agreement;

(o) to borrow and lend money in the name of the Partnership from time to time as the General Partner may determine, without limitation or regard to the amount, cost or conditions of repayment of such loan;

(p) to calculate Distributable Cash, Distributable Amount and Preferred Distribution and pay out as necessary the distributions;

(q) to give guarantees in the name of the Partnership in respect of the present and future indebtedness, liabilities and obligations of any of its direct or indirect Subsidiaries or Affiliates to any third party;

(r) to mortgage, charge, assign, hypothecate, pledge or otherwise create a security interest in or otherwise encumber any or all of the property, assets and undertaking of the Partnership, whether now owned or hereafter acquired, to secure any present and future borrowings and related expenses of the Partnership or any one or more guarantees given by the Partnership and to sell all or any of such property pursuant to a foreclosure under or other realization upon the foregoing encumbrances;

(s) to provide to any person holding any property or assets, or any interest therein, as Partnershipee or agent for and on behalf of the Partnership any and all consents, authorizations and directions on behalf of the Partnership as may be necessary or desirable in connection with the granting of any mortgage, charge, assignment, hypothecation, pledge or other encumbrance of or security interest in any or all of such property or assets as are held in such capacity for and on behalf of the Partnership;

(t) to purchase liability and other insurance that the General Partner considers necessary or appropriate; and

(u) to do all such other acts and things the General Partner, in its sole and absolute discretion, subject to this Agreement, shall deem necessary and desirable to carry out the intent and purpose of this Agreement or the Business of the Partnership.

17.3 Authority of General Partner

No person dealing with the Partnership or a General Partner purporting to act in the name or on behalf of the Partnership shall be required to enquire into the authority of a General Partner to do any act, take any proceeding, make any decision or execute and deliver any instrument, deed, agreement or document for or on behalf of or in the name of the Partnership.

17.4 Advances and Loans to Partnership

The General Partner may advance or loan to the Partnership the funds which may be necessary for the payment of administrative expenses of the Partnership. The rate of interest and any other expense relating to such advances or borrowing shall correspond to that which the General Partner pays in relation to borrowings from their principal lenders, but shall never surpass that which the Partnership could obtain from recognized financial establishments with respect to similar borrowings. In addition, the General Partner may guarantee certain obligations of the Partnership provided that in no event will funds advanced to the Partnership pursuant to any such guarantee be disbursed by the Partnership to the Limited Partners. The General Partner will not be entitled to any other remuneration or fees in respect of such loans or advances other than the administrative costs or expenses related thereto.

17.5 Delegation and Termination

The General Partner may contract with any person to carry out any of the duties of the General Partner hereunder and may delegate to such person any power and authority of the General Partner hereunder, but no such contract or delegation will relieve the General Partner of any of its obligations hereunder.

17.6 Exercise of Good Faith

(a) The General Partner, except to the extent that it is permitted to do otherwise by acting in accordance with the provisions regarding the resolutions of conflicts of interest set out in Section 17.9, shall exercise its powers and discharge its duties and obligations hereunder honestly, in good faith, and in what it reasonably believes to be the best interests of the Limited Partners and the Partnership and shall, in discharging its duties, exercise the degree of care, diligence and skill that a reasonably prudent and qualified manager would exercise in similar circumstances provided that the best interests of the holders of Class B LP Units shall be deemed to be protected if the exercise of its powers and the discharge of its duties by a General Partner will neither prevent, delay or diminish the distributions that Section 8.1 requires in respect of the Class B LP Units nor adversely affect the rights of the holders of Class B LP Units under the Exchange Agreement.

(b) During the existence of the Partnership, the officers of the General Partner shall devote such time and effort to the Business of the Partnership as may be necessary to promote adequately the interests of the Partnership and the mutual interests of the Limited Partners.

17.7 Indemnification

The Partnership shall indemnify the General Partner against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, actually and reasonably incurred by it, including an amount paid to settle an action or satisfy a judgment in a civil, criminal or administrative action or proceeding to which it is made a party by reason of being or having been a General Partner if:

(a) the General Partner has acted honestly, in good faith and in a manner that is in the best interests of the Partnership and in accordance with its fiduciary obligations to the Partnership; and

(b) the conduct of the General Partner does not constitute negligence or wilful misconduct.

17.8 Exception

The Partnership shall not incur the cost of that portion of liability insurance which insures a General Partner for any liability for which the General Partner is not permitted to be indemnified under Section 17.7.

17.9 Resolution of Conflicts of Interest

Unless otherwise expressly provided in this Agreement, whenever a potential conflict of interest exists or arises between the General Partner or any of its respective Affiliates, on the one hand, and the Partnership, or any Limited Partner on the other hand, any resolution or course of action by the General Partner in respect of such conflict of interest shall be permitted and deemed approved by all Limited Partners, and shall not constitute a breach of this Agreement, or of any standard of care or duty stated or implied by law, if the resolution or course of action is fair and reasonable to the Partnership. The General Partner shall be authorized in connection with the resolution of any conflict of interest to consider:

(a) the relative interests of any party to such conflict, agreement, transaction or situation and the benefits and burdens relating to such interests;

(b) any customary or accepted industry practices;

(c) any applicable generally accepted accounting principles; and

(d) such additional factors as the General Partner determine in their sole discretion to be relevant, reasonable or appropriate under the circumstances.

Nothing contained in this Agreement, however, is intended to nor shall it be construed to require the General Partner to consider the interests of any person other than the Partnership. In the absence of bad faith by the General Partner, the resolution, action or terms so made, taken or provided by the General Partner with respect to such matter shall be deemed to be fair and reasonable, shall be deemed to be in, or not opposed to, the best interests of the Partnership, and shall not constitute a breach of this Agreement or a breach of any standard of care or duty imposed herein or stated or implied under the Act, any law, rule or regulation.

17.10 Protection of Limited Liability

The General Partner shall operate and carry on the Partnership Business and conduct the affairs of the Partnership in such a manner that the liability of a Limited Partner is limited according to Section 16.1(b).

17.11 Compliance with Declarations of Trust

The General Partner shall at all times comply with and be bound by the terms and conditions set out in each of the Declaration of Trust and the amended and restated declaration of trust of CSH Trust.

17.12 Prohibition Against Guarantees

The General Partner will not cause the Partnership to guarantee the obligations or liabilities of the General Partner in its personal capacity.

17.13 Prohibition Against Sale of All Assets

Subject to Article 22, the General Partner will not sell or otherwise dispose of all or substantially all of the assets of the Partnership without the approval of the Limited Partners by an Extraordinary Resolution.

17.14 Board of Directors

The majority of those serving on the board of directors of Trustee Corp. shall not be the same individuals as the trustees of the Fund.

ARTICLE 18
ACCOUNTING AND REPORTING

18.1 Fiscal Year

The fiscal year of the Partnership will end on December 31 in each year or as the General Partner may otherwise determine. Each such fiscal year is herein referred to as a "Fiscal Year".

18.2 Books and Records

The General Partner shall keep, during the term of the Partnership and for a period of six years thereafter, at their principal place of business, proper and complete records and books of account reflecting the assets, liabilities, income and expenditures of the Partnership and a register listing the names and addresses of all the Limited Partners and the number of LP Units held by each of them, and, from time to time, furnish to each Limited Partner all the reports and financial statements which may be required by applicable securities laws, regulations, and orders and within the time periods provided therein.

18.3 Register

The General Partner shall maintain, or appoint the Transfer Agent to maintain, a register of Partners (the "Register") in which every person to whom a LP Unit is allotted shall be registered as a Partner. A register of transfers of LP Units in which every transfer of LP Units shall be registered shall also be maintained by the General Partner or the Transfer Agent, subject to compliance with this Agreement. With respect to any register or branch register, the General Partner may also appoint a registrar who may, but need not be, the same person as the transfer agent.

18.4 Access to Books and Records

The books, records and registers required to be maintained by the General Partner shall be kept available for inspection and audit by any Limited Partner for income tax purposes during business hours at the office of the General Partner. A Limited Partner, however, will not have access to any information of the Partnership which, in the opinion of the General Partner, should be kept confidential in the interests of the Partnership, and each Limited Partner hereby waives any right, statutory or otherwise, to greater access to the books, records and registers of the Partnership than is permitted herein.

18.5 Banking

The bankers of the Partnership and lenders to the Partnership will be determined by the General Partner, in its sole discretion.

ARTICLE 19
POWER OF ATTORNEY

19.1 Appointment

Each Limited Partner and each person who is a transferee of an LP Unit or is an assignee of the interest of a Limited Partner as the beneficial owner or holder of an LP Unit hereby irrevocably nominates, constitutes and appoints the General Partner, with full power of substitution, as his or her true and lawful attorney and agent, both before and after dissolution of the Partnership, with full power and authority in its name, place and stead to execute, under seal or otherwise, swear to, acknowledge, deliver, make, record and file when, as and where required or appropriate, any and all of the following:

(a) this Agreement and counterparts hereof, all documents and instruments, including amendments thereto, necessary or appropriate to form, qualify or continue the qualification of the Partnership as a valid and subsisting limited partnership in any jurisdiction where the Partnership may carry on business or own or lease property in order to establish or maintain the limited liability of the Limited Partners and to comply with the applicable laws of any such jurisdiction;

(b) all instruments and certificates necessary to reflect any amendments to the Partnership Agreement or the Certificate which are approved pursuant to Article 20;

(c) all instruments and certificates necessary to effect the realization or the seizure of any Limited Partner’s Unit Certificate, including but not limited to any certificate of transfer;

(d) all conveyances and other instruments necessary to effect the dissolution and termination of the Partnership (provided such dissolution and termination has been approved hereunder), including cancellation of any Unit Certificates and the signing of any elections under subsection 98(3) of the Tax Act, as may be amended or re-enacted from time to time, and any analogous provincial legislation;

(e) such documents on behalf of and in the name of the Partnership and for the Limited Partners as may be necessary to give effect to the purpose of the Partnership as described in this Agreement;

(f) all instruments, deeds, agreements or documents executed by the General Partner in carrying on the business of the Partnership as authorized in this Agreement, including those necessary to purchase, sell, or hold the Partnership Assets;

(g) all returns, applications, elections, determinations or designations under the Tax Act or any other taxation or other legislation or similar laws of Canada or of any other jurisdiction in respect of the affairs of the Partnership or of a Partner's interest in the Partnership including all returns, applications, elections, determinations or designations under the Tax Act or other legislation or similar laws of Canada or of any other jurisdiction with respect to any other governmental credit, grant or benefit, the sale or transfer of the Partnership Assets, the distribution of the Partnership Assets, or the dissolution and termination of the Partnership;

(h) any instrument or document which may be required to effect the continuation of the Partnership, or the admission of an additional or substitute Partner;

(i) the Exchange Agreement and any amendments thereto; and

(j) any instrument or document required or appropriate to be filed with any governmental body or respecting the business or property of the Partnership, the Partnership Assets or this Agreement,

but the foregoing grant of authority shall not include the authority to transfer the interest of the Limited Partner in his or her units or to vote in respect of or execute any Ordinary Resolution or any Extraordinary Resolution on behalf of any Limited Partner except to the extent required to comply with the provisions of the Exchange Agreement. By purchasing LP Units or accepting transfer of an LP Unit or accepting assignment of the interest of a Limited Partner as the beneficial owner or holder of a LP Unit, each Limited Partner acknowledges and agrees that it has given such power of attorney and will ratify any and all actions taken by the General Partner pursuant to such power of attorney.

19.2 Irrevocable

The power of attorney granted herein is irrevocable, is a power coupled with an interest, shall continue despite the mental incompetence of the Limited Partner, shall survive the death or disability of a Limited Partner and shall survive the transfer or assignment by the Limited Partner, to the extent of the obligations of a Limited Partner hereunder, of the whole or any part of the interest of the Limited Partner in the Partnership, extends to the heirs, executors, administrators, other legal representatives and successors, transferees and assigns of the Limited Partner, and may be exercised by the General Partner on behalf of each Limited Partner in executing any instrument by a facsimile signature or by listing all the Limited Partners and executing such instrument with a single signature as attorney and agent for all of them. Each Limited Partner agrees to be bound by any representations or actions made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under this power of attorney. In accordance with the Power of Attorney Act (Manitoba), and corresponding legislation in other jurisdictions, each Limited Partner declares that these powers of attorney may be exercised during any legal incapacity or mental infirmity on his or her part. The General Partner may require, in connection with the subscription for, or any transfer of LP units, that the subscription form or transfer form be accompanied by the explanatory notes set out in the Power of Attorney Act (Manitoba). This power of attorney shall continue in respect of a General Partner so long as it is the General Partner of the Partnership, and shall terminate thereafter, but shall continue in respect of a new General Partner as if the new General Partner were the original attorney.

ARTICLE 20
AMENDMENT

20.1 Amendment Procedures

All amendments to this Agreement shall be made in accordance with the requirements of this Article 20. Amendments to this Agreement may be proposed solely by the General Partner. Any such amendment will, subject to Section 20.2, be deemed to be effective if approved by the General Partner. In no event may the General Partner amend this Agreement if such amendment would (i) amend this Article 20; or (ii) cause the Fund to fail or cease to qualify as a “mutual fund trust” or “registered investment” under the Tax Act, cause the Fund Units to constitute “foreign property” under the Tax Act or subject the Fund to tax pursuant to Part XI of the Tax Act.

20.2 Consent Required

Notwithstanding the provisions of Section 20.1:

(a) this Article 20 may not be amended without the unanimous consent in writing of each of the Limited Partners and the General Partner;

(b) except as provided in Section 20.3, no amendment shall be made to this Agreement which would have the effect of (i) preventing, delaying or diminishing the distributions that Section 8.1 requires or the allocation of income that Section 7.1 requires in respect of the Class B LP Units or adversely affecting the rights of the holders of Class B LP Units under the Exchange Agreement; (ii) changing the liability of any Limited Partner; (iii) allowing any Limited Partner to exercise control over the Business of the Partnership; (iv) changing the right of a Limited Partner to vote on resolutions as provided in this Agreement; or (v) changing the Partnership from a limited partnership to a general partnership; and

(c) no amendment shall be made to this Agreement which would have the effect of adversely affecting the rights and obligations of the General Partner will become effective before 45 days after the date of the resolution approving such amendment.

20.3 Approval by Extraordinary Resolution

Any amendment of the kind contemplated by Section 20.2(b) may be and will be deemed to be approved if passed by an Extraordinary Resolution.

20.4 Notice of Limited Partners

Limited Partners shall be notified of the full details of any amendments to this Agreement within 30 days of the effective date of the amendment.

ARTICLE 21
NOTICES

21.1 Address

Any notice, request or other written communication which must be given or documents which must be sent under this Agreement shall be in writing and shall be valid and effective if given by mail (postage prepaid) or by telecopy or, in the case of the General Partner, by delivery to the registered office of the General Partner and shall be deemed to have been validly given or received the fifth Business Day following its sending to the address of each of the General Partner and the Limited Partners as follows:

in the case of the General Partner:

GP M TRUST
100 Milverton Drive, Suite 700
Mississauga, Ontario
L5H 4H1

Attention: The President
Facsimile: (905) 829-0943

with a copy to:

Osler, Hoskin & Harcourt LLP
First Canadian Place
100 King Street West, Suite 6100
Toronto, Ontario
M5X 1B8

Attention: Christopher Murray
Facsimile: (416) 862-6701

and in the case of the Limited Partners, to the postal address inscribed in the register of Partners. Any such notice, request or other communication, if given by mail, telecopy or delivery shall be deemed to be given and received on the fifth Business Day following its sending.

21.2 Change of Address

A Limited Partner may, at any time, change its address for the purpose of service by written notice to the General Partner and the Transfer Agent. The General Partner may change the address to which, or the person to whose attention, notices should be delivered from time to time by written notice in accordance herewith.

ARTICLE 22
DISSOLUTION AND LIQUIDATION

22.1 Events of Dissolution

The Partnership shall follow the procedure for dissolution established in Section 22.4 upon the occurrence of any of the following events or dates:

(a) the passage of an Extraordinary Resolution to dissolve the Partnership;

(b) the sale, exchange or other disposition of all or substantially all of the property of the Partnership, if approved by an Extraordinary Resolution; or

(c) the Partnership ceasing to have any General Partner unless a new General Partner is appointed as provided in Article 23.

22.2 No Dissolution

Notwithstanding any rule of law to the contrary, the Partnership shall not be terminated and dissolved except as provided in this Agreement. The Partnership shall not come to an end by the admission of any new Partner or by the withdrawal of any Partner or by reason of death, bankruptcy, assignment of property for the benefit of creditors, insolvency, mental incompetency or other disability of any Limited Partner or upon transfer of any LP Units or upon the issue or conversion of LP Units.

22.3 Continuation After Event of Dissolution

Upon the occurrence of any event described in Section 22.1(c), if within 90 days thereafter, the Partners elect a new General Partner by an Extraordinary Resolution, the Limited Partners shall reconstitute the Partnership and continue its business on the same terms and conditions set forth in this Agreement by forming a new limited partnership on terms identical to those set forth in this Agreement and having as a general partner a person approved by the Partners pursuant to the Extraordinary Resolution. Upon any such election by Extraordinary Resolution, all Partners shall be bound thereby and shall be deemed to have approved thereof. Unless such an election is made within the applicable time period as set forth above, the Partnership shall conduct only activities necessary to wind-up its affairs. If an election is made to reconstitute the Partnership, then:

(a) the reconstituted Partnership shall continue until the end of the term set forth in Section 22.1 unless earlier dissolved in accordance with this Article 22; and

(b) all necessary steps shall be taken to cancel this Agreement and the Certificate and to enter into and, as necessary, to file a new partnership agreement and Certificate and the successor general partner may for this purpose exercise the powers of attorney granted pursuant to Section 19.1, provided that the right of the Partners by an Extraordinary Resolution to approve a successor general partner and to reconstitute and to continue the business of the Partnership shall not exist and may not be exercised unless the Partnership has received an opinion of counsel that the exercise of the right would not result in the loss of limited liability of any Limited Partner.

22.4 Procedure on Dissolution

Upon the occurrence of any of the events set forth in Section 22.1, the General Partner (or in the event of any occurrence specified in Section 22.1(c), such other person as may be appointed by Ordinary Resolution) shall act as a receiver and liquidator of the assets of the Partnership and shall:

(a) sell or otherwise dispose of such part of the Partnership Assets as the receiver shall consider appropriate;

(b) pay or provide for the payment of the debts and liabilities of the Partnership and liquidation expenses;

(c) if there are any Partnership Assets remaining, distribute such remaining Partnership Assets to the holders of LP Units; and

(d) file the notice of dissolution prescribed by the Partnership Act and satisfy all applicable formalities in such circumstances as may be prescribed by the laws of the other jurisdictions where the Partnership is registered. In addition, the General Partner shall give prior notice of the dissolution of the Partnership by mailing to each Limited Partner such notice at least 21 days prior to the filing of the declaration of dissolution prescribed by the Partnership Act.

22.5 Dissolution

The Partnership shall be dissolved upon the completion of all matters set forth in Section 22.4.

22.6 No Right to Dissolve

Except as provided for in Section 22.1, no Limited Partner shall have the right to ask for the dissolution of the Partnership, the winding-up of its affairs or the distribution of the Partnership Assets.

22.7 Agreement Continues

Notwithstanding the dissolution of the Partnership, this Agreement shall not terminate until the provisions of Section 22.4 shall have been satisfied.

ARTICLE 23
CHANGE OF GENERAL PARTNER

23.1 Removal of General Partner

No General Partner may be removed as a General Partner of the Partnership.

23.2 Deemed Resignation of General Partner

The General Partner shall be deemed to resign as the general partner of the Partnership in the event of the bankruptcy, insolvency, dissolution, liquidation or winding up of the General Partner (or the commencement of any act or proceeding in connection therewith which is not contested in good faith by the General Partner); the appointment of a Trustee, receiver or receiver and manager of the affairs of the General Partner, a mortgagee or other encumbrancer shall take possession of all of the property or assets beneficially owned by the General Partner or a substantial part thereof; levy or execution or any similar process shall be levied or enforced against all of the property or assets of the General Partner or a substantial part thereof; the General Partner becoming a Non-Resident; or the General Partner sells all or substantially all of its assets. The General Partner shall forthwith advise the Limited Partners by written notice of the occurrence of any event referred to in this Section 23.2.

23.3 Transfer to New General Partner

On the admission of a new general partner to the Partnership, the new General Partner shall become a party to this Agreement by signing a counterpart hereof and the resigning General Partner will do all things and take all steps to transfer the administration, management, control and operation of the business of the Partnership and the books, records and accounts of the Partnership to the new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion. The departing General Partner hereby irrevocably constitutes and appoints the new General Partner or any officer of the new General Partner as the true and lawful attorney-in-fact and agent for, in the name and on behalf of the departing General Partner to execute and deliver all such agreements, deeds, certificates, declarations and other documents necessary to give effect to this Section 23.3. Such appointment and power of attorney, being coupled with an interest, shall not be revoked by the death, insolvency, bankruptcy or incapacity of the departing General Partner, and the departing General Partner hereby ratifies and confirms and agrees to ratify and confirm all that such attorney may lawfully do or cause to be done by virtue of the provisions hereof.

23.4 Transfer of Title to New General Partner

On the resignation of a General Partner and the admission of a new general partner, the resigning General Partner will, at the costs of the Partnership, transfer title to the Partnership's property which is registered in the name of such resigning or retiring General Partner to such new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion. The departing General Partner hereby irrevocably constitutes and appoints the new General Partner or any officer of the new General Partner as the true and lawful attorney-in-fact and agent for, in the name and on behalf of the departing General Partner to execute and deliver all such assignments, transfers, instruments and other documents as may be necessary to effectively transfer the Partnership's property registered in the name of the departing General Partner to the new General Partner. Such appointment and power of attorney, being coupled with an interest, shall not be revoked by the death, insolvency, bankruptcy or incapacity of the departing General Partner, and the departing General Partner hereby ratifies and confirms and agrees to ratify and confirm all that such attorney may lawfully do or cause to be done by virtue of the provisions hereof.

23.5 Release by Partnership

On the resignation of a General Partner, the Partnership will release and hold harmless the General Partner resigning from any costs, expenses, damages or liabilities suffered or incurred by the General Partner as a result of or arising out of events which occur in relation to the Partnership after such resignation except for those costs, expenses, damages or liabilities arising from the gross negligence or willful misconduct by the General Partner in the performance of, or wilful disregard or breach of, the obligations or duties of the General Partner under this Agreement prior to the date of resignation.

23.6 New General Partner

A new general partner may be appointed at any time by the General Partner in writing provided that such new general partner will not become a General Partner unless such new general partner is not a Non-Resident and such new general partner becomes a party to this Agreement by signing a counterpart hereof and agrees to be bound by all of the provisions hereof and to assume the obligations, duties and liabilities of a General Partner hereunder as from the date the new general partner becomes a party to this Agreement.

23.7 Transfer of General Partner Interest

A General Partner may transfer all, but not less than all, of its General Partnership Interest to any person provided that such transferee is not a Non-Resident and assumes the rights and duties of a General Partner and agrees to be bound by the provisions of this Agreement.

23.8 Resignation and Removal of General Partner

The General Partner may resign as the General Partner at any time on not less than 120 days notice to the Limited Partners; provided that the General Partner shall not be permitted to resign if resignation of such General Partner would:

(a) accelerate or cause to be due and payable any indebtedness of the Partnership other than payments due in the normal course;

(b) result in dissolution or winding-up of the Partnership; or

(c) constitute the Partnership a general partnership.

23.9 Effective Date of Resignation or Deemed Resignation of General Partner

In the event of the resignation of the General Partner pursuant to Section 23.8 or the deemed resignation of the General Partner of the Partnership and, (i) except when such resignation is due to the General Partner becoming Non-Resident, such resignation or deemed resignation shall be effective upon the admission of a new General Partner to the Partnership by Ordinary Resolution (and the filing of an amendment to the Certificate to evidence such fact) and (ii) and otherwise, immediately before the General Partner becomes a Non-Resident and the new General Partner shall be deemed to have been appointed effective as of that time or, in the event of there being another General Partner at such time, the expiration of 120 days from the date of the giving of the notice of resignation in the case of Section 23.8 or on the occurrence of the event referred to in Section 23.2 in the case of Section 23.2.

23.10 Continuity of Partnership

In the event of the bankruptcy, dissolution, liquidations, winding-up, resignation or deemed resignation of the General Partner, the Business of the Partnership shall be continued by any new General Partner or remaining General Partner, as the case may be.

ARTICLE 24
MISCELLANEOUS

24.1 Withholdings

The Partnership shall be entitled to deduct and withhold from any distribution or consideration otherwise payable to any holder of Class B LP Units or any other LP Units hereunder such amounts as the Partnership or the Fund are required to deduct and withhold (including, for greater certainty, any amount required to be withheld under Section 116 of the Tax Act in the case where a Unitholder has become a Non-Resident) with respect to such payment under the Tax Act or any provision of provincial, state, local or foreign tax law, in each case, as amended. To the extent that any amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder of the Class B LP Units in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority in the prescribed manner and within the prescribed time. To the extent that the amount so required to be deducted or withheld from any payment to a holder exceeds the cash portion of the consideration otherwise payable to the holder, the Partnership is hereby authorized to sell or otherwise dispose of such portion of the consideration as is necessary to provide sufficient funds to the Partnership to enable it to comply with such deduction or withholding requirement and the Partnership shall notify the holder thereof and remit any unapplied balance of the net proceeds of such sale.

24.2 Counterparts

This Agreement may be executed by multiple counterparts, each of which shall be deemed to be an original and all of which shall be construed together as one agreement.

24.3 Default by General Partner

Any default of either of the General Partner resulting from an omission to take any measure within a prescribed period shall be deemed to have been corrected if this measure is taken within 30 days following a notice of a Limited Partner enjoining the General Partner to remedy this default.

24.4 Severability

Each provision of this Agreement is intended to be severable. If any terms or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remaining terms and conditions hereof.

24.5 Successors and Assigns

This Agreement as amended and restated shall be binding upon and enure to the benefit of the respective heirs, executors, administrators and other legal representatives and, to the extent permitted hereunder, the respective successors and assigns of the parties hereto.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF this Eighth Amended and Restated Limited Partnership Agreement has been executed by the undersigned as of the date referenced above.

CHARTWELL MASTER CARE CORPORATION,
in its capacity as sole trustee of
GP M TRUST, as General Partner

By: (signed) *"W. Brent Binions"*
Name: W. Brent Binions
Title: President and Chief Executive Officer

W. Brent Binions
in his capacity as President and Secretary of
CSH TRUST, as Limited Partner

(signed) *"W. Brent Binions"*