CHARTWELL RETIREMENT RESIDENCES

and

COMPUTERSHARE TRUST COMPANY OF CANADA

THIRD SUPPLEMENTAL INDENTURE

Dated as of December 8, 2023

Providing for the issue of 6.000% Series C Debentures due 2026

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THIRD SUPPLEMENTAL INDENTURE

THIS INDENTURE dated as of December 8, 2023.

B E T W E E N:

CHARTWELL RETIREMENT RESIDENCES, a trust existing under the laws of the Province of Ontario pursuant to an amended and restated declaration of trust dated as of May 14, 2020

(the "**Trust**")

OF THE FIRST PART

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA, a trust company existing under the laws of Canada and duly authorized to carry on the business of a trust company in all of the provinces and territories of Canada

(the "**Indenture Trustee**")

OF THE SECOND PART

RECITALS:

A. The Trust has entered into a trust indenture (the "**Trust Indenture**") dated as of June 9, 2017 between the Trust and the Indenture Trustee, which provides for the issuance of one or more series of unsecured debt securities of the Trust by way of supplemental indentures.

B. This third supplemental indenture is entered into for the purpose of providing for the issue of 6.000% Series C Debentures due 2026 of the Trust (the "**Series C Debentures**") under the Trust Indenture and establishing the terms, provisions and conditions of the Series C Debentures.

NOW THEREFORE THIS THIRD SUPPLEMENTAL INDENTURE WITNESSES and it is hereby covenanted, agreed and declared as follows.

ARTICLE 1 INTERPRETATION

1.1 Supplemental Indenture

This Third Supplemental Indenture is a Supplemental Indenture within the meaning of the Trust Indenture. The Trust Indenture and this Third Supplemental Indenture will be read together and have effect so far as practicable as though all of the provisions of both indentures were contained in one instrument.

1.2 Third Supplemental Indenture

The terms "**this Third Supplemental Indenture**", "**this indenture**", "**herein**", "**hereof**", "**hereby**", "**hereunder**" and similar expressions, unless the context otherwise specifies or requires, refer to the Trust Indenture as supplemented by this Third Supplemental Indenture and not to any particular Article, section or other portion, and include every instrument supplemental or ancillary to this Third Supplemental Indenture.

1.3 Definitions

All terms used but not defined in this Third Supplemental Indenture have the meanings ascribed to them in the Trust Indenture, as such meanings may be amended by this Third Supplemental Indenture. In the event of any inconsistency between the terms in the Trust Indenture and this Third Supplemental Indenture, the terms in this Third Supplemental Indenture shall prevail.

Subject to the foregoing, in this Third Supplemental Indenture and in the Series C Debentures, the following terms have the following meanings.

"**Acquired Indebtedness**" means the Indebtedness of a Person (i) existing at the time such Person becomes a Subsidiary of the Trust, or (ii) assumed by the Trust or any of its Subsidiaries in connection with the acquisition of assets from such Person, calculated as of the date such Person becomes a Subsidiary or the date of such acquisition, in each case, other than Indebtedness incurred in connection with or in contemplation of such Person's becoming a Subsidiary or of such acquisition.

"**Aggregate Adjusted Assets**" means, at any time, determined on a consolidated basis in accordance with GAAP adjusted by Proportionate Consolidation Adjustments, the book value of the assets of the Trust, plus accumulated depreciation and amortization on property, plant and equipment and on intangible assets (including fully amortized assets), and plus the difference between the gross book value of assets calculated under the previous generally accepted accounting principles and IFRS on the IFRS transition date of January 1, 2010.

"**Appraisal**" means a written report of the estimated fair market value of an asset prepared by a qualified valuator of commercial real estate, with experience in valuing seniors housing facilities in the province where the asset is located and who is acting at arm's length (within the meaning of the *Income Tax Act* (Canada)) from the Trust and its Subsidiaries.

"**Balance Sheet Date**" has the meaning attributed to it in section 4.4.

"**Book-Based System**" means the record entry securities transfer system known as at the date of this Second Supplemental Indenture by the name "Depository Service", which is administered by CDS in accordance with the operating rules and procedures of the securities settlement service of CDS, in force from time to time, and any successor system thereof.

"**Canada Yield Price**" means a price equal to the price of a Series C Debenture, exclusive of accrued and unpaid interest, calculated to provide a yield to the Maturity Date, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Government of Canada Yield calculated on the date on which the Trust gives notice of redemption pursuant to Section 4.4 of the Trust Indenture, plus 0.58%.

"**Consolidated Depreciation and Amortization Expense**" means, for any period, depreciation and amortization expense of the Trust and its Subsidiaries, determined on a consolidated basis in accordance with GAAP adjusted by Proportionate Consolidation Adjustments.

"**Consolidated EBITDA**" of the Trust, for any period, means Consolidated Net Income for such period increased by the sum of, without duplication, (i) Consolidated Interest Expense for such period, (ii) Consolidated Depreciation and Amortization Expense for such period, (iii) Consolidated Income Tax Expense for such period (other than income taxes, either positive or negative, attributable to unusual or non-recurring gains or losses as adjusted for in calculating Consolidated Net Income), and (iv) the principal amount of any capital funding from any applicable governmental authority received by the Trust or a Subsidiary of the Trust in such period.

"**Consolidated Income Tax Expense**" of the Trust for any period means the income tax expense of the Trust for such period, determined on a consolidated basis and in accordance with GAAP adjusted by Proportionate Consolidation Adjustments.

"**Consolidated Indebtedness**" of the Trust as at any date means the consolidated Indebtedness of the Trust as at such date determined in accordance with GAAP adjusted by Proportionate Consolidation Adjustments.

"**Consolidated Interest Expense**" means, for any period, determined on a consolidated basis in accordance with GAAP adjusted by Proportionate Consolidation Adjustments, the aggregate amount of interest expense of the Trust in respect of Consolidated Indebtedness, Capital Lease Obligations, and to the extent interest has been capitalized on projects that are under development or held for future development during the period, the amount of interest so capitalized (including Proportionate Consolidation Adjustments), but excluding any yield maintenance, prepayment penalties or other related costs incurred with respect to repayments of Indebtedness, and any amortization of debt mark-to-market and finance cost. For the avoidance of doubt, distributions in respect of the Class B Master Care LP Units will not be included in determining Consolidated Interest Expense.

"**Consolidated Net Income**" of the Trust for any period means the net income (loss) of the Trust for such period determined on a consolidated basis in accordance with GAAP, excluding (i) the aggregate amount of distributions on the Class B Master Care LP Units for such period, (ii) any gain or loss attributable to the sale or other disposition of any asset or liability of the Trust, other than the sale or disposition of income properties held for resale, (iii) any non-cash changes in fair value and other non-cash gains or losses of the Trust, determined on a consolidated basis in accordance with GAAP, (iv) other non-recurring items, and adjusted by (v) any Proportionate Consolidation Adjustments; and including or excluding, as applicable, the related tax impact of items (i) to (iv).

"**Consolidated Unsecured Indebtedness**" of the Trust at any date means the Consolidated Indebtedness of the Trust that is not secured in any manner by any Lien as at such date, determined in accordance with GAAP adjusted by Proportionate Consolidation Adjustments.

"**Coverage Ratio**" has the meaning attributed to it in section 5.1.

"**Debentureholders**" means persons entered on a Register as holders of the Series C Debentures.

"**Global Debenture**" means one or more Global Debt Securities representing the Series C Debentures.

"**Government of Canada Yield**" as at any date, means the arithmetic average of the respective percentages determined by two major Canadian investment dealers selected by the Trust to be the yield to the Maturity Date, which, assuming semi-annual compounding, would be carried by a non-callable Government of Canada bond, having a term to maturity equal to the remaining term to the Maturity Date and issued in Canadian dollars in Canada at 100% of its principal amount.

"**Guarantee**" means a guarantee substantially in the form attached hereto as Schedule "B".

"**Indebtedness Percentage**" has the meaning attributed to it in section 4.2.

"**Interest Payment Date**" means June 8 and December 8 of each year that the Series C Debentures are outstanding, commencing on June 8, 2024.

"**Interest Period**" means the period commencing on the later of (i) the date of issue of the Series C Debentures and (ii) the immediately preceding Interest Payment Date on which interest has been paid, and ending on the date immediately preceding the Interest Payment Date in respect of which interest is payable.

"**Lien**" means any security interest, encumbrance, lien, hypothec, mortgage, pledge, charge or any other arrangement (including a deposit arrangement) or condition that in substance secures payment or performance of an obligation.

"**Maturity Date**" has the meaning attributed to it in section 2.3.

"**Permitted Indebtedness**" means:

(a) Indebtedness of (A) the Trust owed to any of its Subsidiaries and (B) any Subsidiary of the Trust owed to the Trust and/or another of its Subsidiaries (each of the entities in (A) and (B) being for these purposes a "**related entity**"), provided, however, that the provisions of this subsection (a) will no longer be applicable,

    i. upon the subsequent transfer or other disposition of such Indebtedness to any Person that is not a related entity to the transferor, to the amount that was so transferred or otherwise disposed of to such other Person; or

ii. in the case of Indebtedness of the Trust owed to any of its Subsidiaries, upon the subsequent issuance or disposition of common shares, units or equivalent securities (including, without limitation, by consolidation or merger) of such Subsidiary which results in such Subsidiary ceasing to be a Subsidiary of the Trust (and thereby for this purpose a "**third party**"), to the amount of such Indebtedness equal to the product obtained by multiplying the amount of such Indebtedness by the percentage of common shares, units or equivalent securities of the third party owned immediately after such issuance or disposition of such common shares, units or equivalent securities by persons other than the Trust or one of its Subsidiaries,

and, in each case, such amount of such Indebtedness will be deemed for the purpose of the calculation of the Indebtedness Percentage to have been incurred at the time of such transfer, issuance or disposition; and

(b) Indebtedness of the Trust or any of its Subsidiaries which is incurred or the proceeds of which are used to renew, extend, repay, redeem, purchase, refinance or refund (each, a "**refinancing**") any Indebtedness of the Trust or any of its Subsidiaries outstanding on the date hereof or permitted to be incurred hereunder, provided, however, that (i) the Indebtedness which is incurred will not exceed the aggregate principal amount of all Indebtedness which is so refinanced at such time, plus the amount of any premium required to be paid in connection with such refinancing pursuant to the terms of the Indebtedness which is so refinanced or the amount of any premium reasonably determined by the Trust or the relevant Subsidiary as necessary to accomplish such refinancing by means of a tender offer or privately negotiated agreement, plus the expenses of the Trust and the relevant Subsidiary incurred in connection with such refinancing and (ii) for purposes of the Series C Debentures, the Indebtedness which is incurred, the proceeds of which are used to refinance the Series C Debentures or Indebtedness of the Trust or any of its Subsidiaries which ranks equally and rateably with the Series C Debentures or Indebtedness of the Trust or any of its Subsidiaries which is subordinate in right of payment to the Series C Debentures, will only be permitted if, in the case of any refinancing of the Series C Debentures or Indebtedness of the Trust or any of its Subsidiaries which ranks equally and rateably with the Series C Debentures, the Indebtedness which is incurred is made equal and rateable to the Series C Debentures or subordinated to the Series C Debentures and, in the case of any refinancing of the Indebtedness of the Trust or any of its Subsidiaries which is subordinate to the Series C Debentures, the Indebtedness which is incurred is made subordinate to the Series C Debentures at least to the same extent as is such Indebtedness which is being so refinanced.

"**Proportionate Consolidation Adjustments**" means accounting adjustments to reflect assets, liabilities, equity, revenues and expenses on a proportionate ownership basis in place of the Trust's use of equity accounting in accordance with GAAP with respect to real estate investments or interests in which the Trust participates.

"**Reference Period**" means the most recently completed four fiscal quarters preceding the date of a calculation pursuant to section 4.1 for which consolidated financial statements of the Trust have been publicly released preceding the date of a calculation.

"**Series C Debenture Account**" means any account which is designated in writing to the Indenture Trustee as the Series C Debenture Account.

"**Subordinated Indebtedness**" means Indebtedness of the Trust (or its successor) (i) that is expressly subordinate in right of payment to the Series C Debentures and the obligations of the Trust and its Subsidiaries under its revolving credit facilities and (ii) in connection with the issuance of which the Specified Rating Agency confirms in writing that its Rating, if any, for the Series C Debentures upon the issuance of the Indebtedness will be at least equal to the Rating accorded to the Series C Debentures immediately prior to the issuance of such Indebtedness.

"**Unencumbered Aggregate Adjusted Assets**" as at any date means, as at the relevant Balance Sheet Date, determined on a consolidated basis, the value of the operating real estate properties of the Trust, including the Trust's proportionate indirect interest in operating real estate properties, calculated using the fair market value of such assets determined for each such property by way of an Appraisal (or updated Appraisal) with a currency date not more than two years prior to the applicable Balance Sheet Date, excluding such assets of the Trust that are (i) subject to any Lien, (ii) property under development or (iii) land held for development.

ARTICLE 2
THE SERIES C DEBENTURES

2.1 Creation and Designation

In accordance with the Trust Indenture, the Trust is authorized to issue under this Third Supplemental Indenture a series of debentures designated "6.000% Series C Debentures due 2026", which will have the terms set out in Article 2 and Article 3 hereof.

2.2 Aggregate Principal Amount Unlimited

The aggregate principal amount of Series C Debentures which may be issued under this Third Supplemental Indenture will be unlimited.

2.3 Date of Issue and Maturity

The Series C Debentures will be dated December 8, 2023 (regardless of their actual date of issue) and will become due and payable, together with all accrued interest and unpaid interest thereon, on December 8, 2026 (the "**Maturity Date**").

2.4 Interest

2.4.1 The Series C Debentures will be issued in $1,000 denominations or integral multiples thereof and bear interest on the unpaid principal amount thereof at the rate of 6.000% per annum from their date of issue, or from the last Interest Payment Date to which interest shall have been paid or made available for payment, whichever is later, to but excluding the Maturity Date, payable in equal semi-annual payments in arrears on each Interest Payment Date. The first Interest Payment Date in respect of the Series C Debentures issued on the date hereof will be June 8, 2024.

2.4.2 Interest will be payable in respect of each Interest Period (after as well as before maturity, default and judgement, with overdue interest at the same rate) on each Interest Payment Date in accordance with Section 2.7 and Section 2.8 of the Trust Indenture.

2.4.3 While the Series C Debentures are represented by a Global Debenture, the Record Date will be the close of business three Business Days preceding the relevant Interest Payment Date. If the Series C Debentures cease to be represented by a Global Debenture, the Trust may select a Record Date which will be a date that is at least 10 Business Days preceding an Interest Payment Date.

2.5 Interest Payments

As interest on the Series C Debentures becomes due, the Trust (except in case of payment of interest at maturity or as otherwise provided in the Trust Indenture, at which time payment of interest, less any taxes required by law to be deducted or withheld, may at the option of the Trust be made upon presentation and surrender of the certificate or certificates representing Series C Debentures), on the day that is two Business Days before each Interest Payment Date, will forward or cause to be forwarded to the registered address of each Debentureholder for the time being of a Series C Debenture a cheque for such interest, less any taxes required by law to be deducted or withheld, payable to the order of such Debentureholder. The forwarding of such cheque will satisfy and discharge the liability for interest upon the Series C Debenture to the extent of the sum represented thereby (plus the amount of any taxes deducted or withheld as aforesaid) unless such cheque is not paid on presentation. Upon a written request to do so, the Trust, at its option, may cause the amount payable in respect of interest to be paid to such Debentureholder by wire transfer to an account maintained by such Debentureholder or any other method acceptable to the Trust. Alternatively, in respect of Global Debentures, the Trust may, at its option, cause the amount payable in respect of such interest payments to be sent by wire transfer on the day such interest payments are due to an account maintained by such Debentureholder or any other method acceptable to the Trust and acceptable to the Indenture Trustee, further subject to the capabilities of the Indenture Trustee at the time.

2.6 Payment of Principal

The Trust will deposit to the Series C Debenture Account all amounts required to be paid to the order of holders of Series C Debentures one Business Day before the Maturity Date. The deposit of such funds will satisfy and discharge the liability for principal of the Series C Debentures to the extent of the sum represented thereby. Alternatively, in respect of Global Debentures, the Trust may, at its option, cause the amount payable on maturity to be sent by wire transfer on the day such maturity payment is due to an account maintained by such Debentureholder or any other method acceptable to the Trust.

2.7 Redemption of Series C Debentures

2.7.1 The Series C Debentures are redeemable at any time prior to the Maturity Date at the option of the Trust, in whole or, from time to time, in part, on payment of a redemption price equal to the greater of (i) the Canada Yield Price and (ii) 100% of the principal amount outstanding of the Series C Debentures being redeemed, together in each case with accrued and unpaid interest to, but excluding, the date fixed for redemption. The Trust will give notice of redemption not more than 60 days and not less than 10 days before the date fixed for redemption. Less than all of the Series C Debentures may be redeemed, if so redeemed, in accordance with Section 4.3 of the Trust Indenture.

2.7.2 Any redemption of the Series C Debentures may, at the option of the Trust, be made subject to conditions and, in such case, the notice of redemption shall state that such redemption shall be conditional upon the occurrence of any event (including a financing, asset disposition or other transaction) and that if such event does not occur, or the occurrence of such event as a condition to the redemption is not waived by the Trust in its sole discretion, on or prior to the date fixed for such redemption, then such notice shall be of no force or effect and the Trust shall not be required to redeem such Series C Debentures. In the event that such notice of redemption contains such a condition and such condition is not satisfied or waived by the Trust in its sole discretion, the redemption shall not be made and within a reasonable time thereafter (but in any event no later than the date fixed for redemption) notice shall be given, in the manner in which the notice of redemption was given, that such condition was not satisfied or waived and such redemption was not required to be made, and the Indenture Trustee shall promptly return to the holders thereof any of such Series C Debentures which had been surrendered for payment upon such redemption.

2.7.3 The Series C Debentures will not be subject to repurchase pursuant to any sinking fund or any other required repayment provisions.

2.8 Form of Series C Debentures

The Series C Debentures will be issuable as Registered Debt Securities, initially as one Global Debenture held by, or on behalf of, CDS, as depository, for its participants and registered in the name of CDS or its nominee. The Series C Debentures will be substantially in the form set out in Schedule "A" to this Third Supplemental Indenture with changes as may be reasonably required by CDS and which are not prejudicial to the holders of the Series C Debentures, and any other changes as may be approved or permitted by the Trust, with such approval in each case to be conclusively deemed to have been given by the officers of the Trust executing the same in accordance with Article 2 of the Trust Indenture.

2.9 Book-Based System

2.9.1 Registrations of ownership and transfers of the Series C Debentures will be made only through the Book-Based System.

2.9.2 The rights of holders of any beneficial interest in the Series C Debentures ("**Beneficial Holders**") represented by a Global Debenture (including the right to receive a certificate or other instrument evidencing an ownership interest in such Series C Debentures) will be exercised only through CDS or by proxy issued by CDS or its clearing agency participants and will be limited to those rights established by applicable law and agreements between CDS and its participants and between such participants and holders of such interests.

2.9.3 Neither the Trust nor the Indenture Trustee will be under any obligation to deliver, nor will the holder of an interest in the Series C Debentures represented by a Global Debenture have any right, except as provided in subsection 2.9.4, to require the delivery of a certificate evidencing a Series C Debenture to the holder of the interest in such Series C Debenture.

2.9.4 The Trust will deliver to the Indenture Trustee definitive Series C Debentures in fully registered form to be issued to Beneficial Holders, will allow transfers of Series C Debentures other than within the Book-Based System and will make payments or distributions required to be made under this Third Supplemental Indenture to Beneficial Holders if:

2.9.4.1 the Trust is required to do so by applicable law;

2.9.4.2 the Trust elects to do so;

2.9.4.3 the Book-Based System ceases to exist;

2.9.4.4 the Trust determines that CDS is no longer willing or able to discharge properly its responsibilities as depository and the Trust is unable to find a qualified successor;

2.9.4.5 the Trust elects to terminate the record entry system through CDS for any reason (including, without limitation, in circumstances where the Trust considers it impracticable or inefficient to effect any distribution of Series C Debentures through the Book-Based System or through the facilities of CDS); or

2.9.4.6 if after the occurrence of an Event of Default, Beneficial Holders holding beneficial interests representing over 50% of the aggregate principal amount of the outstanding Series C Debentures determine that the continuation of the Book-Based System is no longer in the interests of such Beneficial Holders and notify the Indenture Trustee and the Trust to such effect.

2.9.5 While the Series C Debentures are represented by a Global Debenture, the Trust and the Indenture Trustee will deal with CDS for all purposes, including the making of payments on the Series C Debentures, as the sole holder of the Series C Debentures and the authorized representative of the Beneficial Holders. In particular, the Indenture Trustee will give only to CDS all notices or other communications required to be provided to holders of Series C Debentures.

2.10 Currency of Payment

The principal of and interest on the Series C Debentures will be payable in Canadian dollars.

2.11 Additional Amounts

Neither the Trust nor the Guarantor will be required to pay an additional amount on the Series C Debentures in respect of any tax, assessment or government charge withheld or deducted.

2.12 Indenture Trustee, etc.

The Indenture Trustee will be the trustee, authenticating agent, transfer agent, paying agent and registrar for the Series C Debentures.

ARTICLE 3
GUARANTEE

3.1 Guarantee

The Guarantor will, on or before the issuance of any Series C Debentures, execute and deliver a Guarantee to the Indenture Trustee, which Guarantee shall be enforceable against the Guarantor by the Indenture Trustee acting on behalf of the Debentureholders in the same manner and upon the same terms that the Indenture Trustee may seek to enforce the obligations of the Trust hereunder.

ARTICLE 4
RESTRICTIONS ON INDEBTEDNESS

4.1 Consolidated EBITDA to Consolidated Interest Expense Ratio

The Trust will maintain at all times a ratio of Consolidated EBITDA to Consolidated Interest Expense of not less than 1.65 to 1.00 calculated based on the applicable Reference Period.

4.2 Restrictions on Additional Indebtedness

The Trust will not incur, or permit any Subsidiary to incur, any Indebtedness, other than Permitted Indebtedness, unless the quotient (expressed as a percentage) obtained by dividing Consolidated Indebtedness (excluding any convertible Indebtedness) by the amount of Aggregate Adjusted Assets (in the case of each such amount, less cash or cash equivalents on hand) and calculated on a pro forma basis in accordance with section 4.4 below would be less than or equal to 65% (the "**Indebtedness Percentage**").

The calculation of the Indebtedness Percentage will (i) be made on each day that the Trust or any Subsidiary proposes to incur such Indebtedness, and (ii) include Proportionate Consolidation Adjustments.

4.3 Calculations for Consolidated EBITDA

For the purposes of section 4.1, Consolidated EBITDA to Consolidated Interest Expense will be calculated on a pro forma basis for the Reference Period giving effect to Indebtedness incurred to and including the date of calculation and to the application of the proceeds therefrom and, for this purpose, (i) all Indebtedness incurred since the first day of the Reference Period and the application of the proceeds therefrom, including Indebtedness incurred to refinance other Indebtedness, will be deemed to have been incurred at the beginning of the Reference Period, (ii) the repayment or retirement of any other Indebtedness since the first day of the Reference Period will be deemed to have occurred at the beginning of the Reference Period (except that, in making such computation, the amount of Indebtedness under any revolving credit facility will be computed based upon the average daily balance of such Indebtedness during the Reference Period), (iii) in the case of Acquired Indebtedness acquired since the first day of the Reference Period, the related acquisition will be deemed to have occurred as of the first day of the Reference Period with the appropriate adjustments with respect to such acquisition being included in such pro forma calculation (including adjustments for revenue derived from such acquisition) and (iv) in the case of any acquisition or disposition by the Trust or its Subsidiaries of any asset or group of assets since the first day of the Reference Period, whether by merger, share purchase or sale, or asset purchase or sale, such acquisition or disposition or any related repayment of Indebtedness will be deemed to have occurred as of the first day of the Reference Period with the appropriate adjustments with respect to such acquisition or disposition being included in such pro forma calculation.

4.4 Calculations of Indebtedness Percentage

For the purposes of section 4.2, the Indebtedness Percentage will be calculated on a pro forma basis as at the date of the Trust's most recently publicly released annual or interim consolidated balance sheet (the "**Balance Sheet Date**") giving effect to the incurrence of the Indebtedness to be incurred and the application of the proceeds therefrom and to any other event that has increased or decreased Consolidated Indebtedness, convertible Indebtedness, or Aggregate Adjusted Assets (in each case, as applicable to such calculation) since the Balance Sheet Date to and including the date of calculation.

ARTICLE 5
MAINTENANCE OF UNENCUMBERED AGGREGATE ADJUSTED ASSETS

5.1 Maintenance of Unencumbered Aggregate Adjusted Assets

The Trust will maintain at all times a ratio of Unencumbered Aggregate Adjusted Assets (excluding construction assets and other non-income producing assets) to the aggregate principal amount of the Trust's outstanding Consolidated Unsecured Indebtedness (excluding Subordinated Indebtedness) (the "**Coverage Ratio**") of not less than 1.30:1.00.

5.2 Calculations for Coverage Ratio

For the purposes of section 5.1, the Coverage Ratio will be calculated on a pro forma basis as at the Balance Sheet Date giving effect to any event that has increased or decreased Consolidated Unsecured Indebtedness (other than Subordinated Indebtedness) or Unencumbered

Aggregate Adjusted Assets (excluding construction assets and other non-income producing assets) since the Balance Sheet Date to and including the date of calculation.

ARTICLE 6
MISCELLANEOUS

6.1 Indenture Trustee Accepts Trusts

The Indenture Trustee accepts the trusts declared in this Third Supplemental Indenture and agrees to perform the same upon the terms and conditions set out in this Third Supplemental Indenture and in accordance with the Trust Indenture.

6.2 Counterparts

This Third Supplemental Indenture may be executed in several counterparts, each of which so executed will be deemed to be an original and such counterparts together will constitute one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Third Supplemental Indenture under the hands of their proper officers or authorized signatories.

CHARTWELL RETIREMENT RESIDENCES

By: "*Jeffrey Brown*"
Name: Jeffrey Brown
Title: Chief Financial Officer

By: "*Jonathan Boulakia*"
Name: Jonathan Boulakia
Title: Chief Investment Officer and Chief Legal Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By: "*Lisa Kudo*"
Name: Lisa Kudo
Title: Corporate Trust Officer

By: "*Danny Snider*"
Name: Danny Snider
Title: Corporate Trust Officer

SCHEDULE "A"
SPECIMEN

Unless this certificate is presented by an authorized representative of CDS Clearing and Depository Services Inc. ("**CDS**") to Chartwell Retirement Residences or its agent for registration of transfer, exchange or payment, and any certificate issued in respect thereof is registered in the name of CDS & CO., or in such other name as is requested by an authorized representative of CDS (and any payment is made to CDS & CO. or to such other entity as is requested by an authorized representative of CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered holder hereof, CDS & CO., has a property interest in the securities represented by this certificate herein and it is a violation of its rights for another person to hold, transfer or deal with this certificate.

UNLESS PERMITTED UNDER APPLICABLE SECURITIES LEGISLATION, THE HOLDER OF THIS DEBENTURE MUST NOT TRADE THE DEBENTURE BEFORE ●.

Reference is made to the trust indenture made as of June 9, 2017 between Chartwell Retirement Residences and Computershare Trust Company of Canada, as Indenture Trustee, as supplemented by the third supplemental indenture dated as of December 8, 2023.

The following is the form of a fully registered 6.000% Series C Debenture due 2026.

No. [●]

CUSIP: 16141AAD5
ISIN: CA16141AAD50

CHARTWELL RETIREMENT RESIDENCES

(A trust established under the laws of the Province of Ontario)

6.000% SERIES C DEBENTURE DUE 2026

CHARTWELL RETIREMENT RESIDENCES (the "**Trust**") for value received hereby acknowledges itself indebted and, subject to the provisions of a trust indenture dated as of June 9, 2017 between the Trust and Computershare Trust Company of Canada (the "**Indenture Trustee**"), as supplemented by a third supplemental indenture dated December 8, 2023 (together, the "**Indenture**"), promises to pay to the registered holder hereof on December 8, 2026 or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture the principal sum of $● (● dollars) in lawful money of Canada on presentation and surrender of this Debenture at the head office of the Indenture Trustee in Toronto, Ontario, and to pay interest on the principal amount hereof from the date of this Debenture, or from the last interest payment date to which interest shall have been paid or made available for payment on the outstanding Debentures, whichever is later, at the rate of 6.000% per annum, in arrears in equal semi-annual instalments (less any tax required by law to be deducted) on June 8 and December 8 of each year, commencing on June 8, 2024 until December 8, 2026. If the Trust at any time defaults in the payment of any principal or interest, the Trust will pay interest on the amount in default at the same rate and semi-annually on the same dates.

This Debenture is one of the 6.000% Series C Debentures due 2026 (the "**Debentures**") of the Trust issued or issuable under the provisions of the Indenture. Reference is expressly made to the Indenture for a description of the terms and conditions upon which the Debentures are or are to be issued and held and the rights and remedies of the holders of the Debentures and of the Trust and of the Indenture Trustee, all to the same effect as if the provisions of the Indenture were set out in this Debenture, and all of which provisions the holder of this Debenture by acceptance hereof assents.

The Debentures are initially issuable only as fully registered Debentures in denominations of $1,000 and integral multiples thereof. Upon compliance with the provisions of the Indenture, Debentures of any denomination may be exchanged for an equal aggregate principal amount of Debentures in any other authorized denomination or denominations.

This Debenture may be redeemed in whole or in part at the option of the Trust on the terms and conditions set out in the Indenture at the Redemption Price set out in the Indenture.

The indebtedness evidenced by this Debenture and by all other Debentures now or hereafter certified and delivered under the Indenture is a direct unsecured and unsubordinated obligation of the Trust.

The right is reserved to the Trust to purchase Debentures for cancellation in accordance with the provisions of the Indenture.

The principal of this Debenture may become or be declared due and payable before the stated maturity in the events, in the manner, with the effect and at the times provided in the Indenture.

The Indenture contains provisions making binding upon all holders of Debentures outstanding under the Indenture resolutions passed at meetings of such holders held in accordance with such provisions and instruments signed by the holders of a specified majority of Debentures outstanding, which resolutions or instruments may have the effect of amending the terms of this Debenture or the Indenture.

This Debenture may only be transferred, upon compliance with the conditions prescribed in the Indenture, in one of the registers to be kept at the principal office of the Indenture Trustee in Toronto, Ontario and in such other place or places and/or by such other registrars (if any) as the Trust with the approval of the Indenture Trustee may designate, by the registered holder of this Debenture or its executors or administrators or other legal representatives, or its or their attorney duly appointed by an instrument in form and substance satisfactory to the Indenture Trustee or other registrar, and upon compliance with such reasonable requirements as the Indenture Trustee and/or other registrar may prescribe.

This Debenture will not become obligatory for any purpose until it has been certified by the Indenture Trustee under the Indenture.

IN WITNESS WHEREOF, CHARTWELL RETIREMENT RESIDENCES has caused this Debenture to be signed by a duly appointed officer as of ●.

CHARTWELL RETIREMENT RESIDENCES

Per: ______________________________
Authorized Signing Officer

Per: ______________________________
Authorized Signing Officer

(FORM OF INDENTURE TRUSTEE'S CERTIFICATE)

This Debenture is one of the 6.000% Series C Debentures due 2026 referred to in the Indenture within mentioned.

Date of Certification:

COMPUTERSHARE TRUST COMPANY OF CANADA

By: ______________________________
Authorized Signatory

(FORM OF REGISTRATION PANEL)

(No writing hereon except by Indenture Trustee or other Registrar)

Date of Registration	**In Whose Name Registered**	**Signature of Indenture Trustee or Registrar**

(PANEL)

CHARTWELL RETIREMENT RESIDENCES
CUSIP/ISIN: 16141AAD5 / CA16141AAD50
Schedule to Global Certificate

Surrender/Increase of 6.000% Series C Debentures Due 2026

The following records the increases/decreases in the principal amount of the 6.000% Series C Debentures represented by this Global Certificate, including as a result of a redemption/purchase for cancellation of the 6.000% Series C Debentures:

Date	Principal Amount of Increase	Principal Amount of Decrease	Principal Amount of 6.000% Series C Debentures outstanding after the Increase/Redemption/ Purchase for Cancellation	Registrar and Transfer Agent's Notation

SCHEDULE "B"

FORM OF GUARANTEE

WHEREAS Chartwell Retirement Residences (the "**Trust**") wishes to issue 6.000% Series C Senior Unsecured Debentures due 2026 (the "**Debentures**") pursuant to a supplemental indenture dated December 8, 2023 to the trust indenture dated June 9, 2017 (collectively, the "**Indenture**") between the Trust and Computershare Trust Company of Canada (the "**Indenture Trustee**");

AND WHEREAS Chartwell Master Care LP (the "**Guarantor**") will derive benefit from the issue of the Debentures through the increased liquidity and reduced cost of capital available to the Trust and the Guarantor and, accordingly, the Guarantor wishes to support the issue of the Debentures by providing a guarantee to the Indenture Trustee acting on behalf of and as trustee for the Debentureholders.

NOW THEREFORE, IN CONSIDERATION of the Debentureholders purchasing the Debentures from the Trust and of the sum of $10.00 now paid by the Trust to the Guarantor on behalf of the Debentureholders, the receipt and sufficiency of which is hereby acknowledged, the Guarantor covenants as follows:

1. All capitalized words or phrases shall have the meanings set forth herein or in the Indenture.

2. The Guarantor unconditionally and absolutely guarantees to the Indenture Trustee and the Debentureholders:

   (a) repayment of the indebtedness, obligations and liabilities of the Trust to the Debentureholders pursuant to the Debentures as governed by the Indenture (the "**Obligations**"), including, without limitation, all interest, costs and charges, at the times and in the manner set forth in the Indenture; and

   (b) the performance and observance by the Trust of all terms, conditions, covenants and agreements to be performed by the Trust that are contained in the Indenture.

3.

   (a) As between the Debentureholders and the Guarantor, the Guarantor is and shall continue to be liable hereunder notwithstanding:

      (i) any transaction which may take place between the Debentureholders, the Indenture Trustee and the Trust and whether or not the Guarantor has been given notice of such transaction and whether or not the Guarantor has consented thereto; and

      (ii) any act, omission, neglect or default of the Indenture Trustee or Debentureholders which might otherwise operate as a discharge, either partial or absolute, of the Guarantor, or any one or more of them, and whether or not the Guarantor has been given notice of such act, omission, neglect or default and whether or not the Guarantor has consented thereto.

   (b) Without restricting the generality of the foregoing, as between the Indenture Trustee, the Debentureholders and the Guarantor, the Guarantor is and shall continue to be liable hereunder, notwithstanding:

(i) the Debentureholders or Indenture Trustee failing to or abstaining from perfecting any security which may be offered by the Trust;

(ii) the release, discharge, renewal, modification, variation or amendment, in whole or in part, of the terms of the Obligations or any security (including without restriction any increase or decrease in the interest rate, the amortization period or the monthly payments or any extension or reduction in the length of the term as set forth in the Indenture or in the Debentures);

(iii) the granting of any time or other indulgences to the Trust or anyone else now or hereafter liable to the Indenture Trustee or the Debentureholders in respect of the Indebtedness;

(iv) the taking of collateral security or additional guarantees by the Debentureholders or Indenture Trustee on behalf of the Debentureholders;

(v) the Debentureholders or Indenture Trustee failing to or abstaining from realizing upon any security which may be available;

(vi) the acceptance, by the Debentureholders or the Indenture Trustee, of any composition or arrangement involving any security which is available, or the variation or termination of any contract or agreement between the Trust and the Indenture Trustee or the Debentureholders;

(vii) the release, howsoever obtained or caused, of the Trust from any or all obligations owed to the Indenture Trustee or the Debentureholders;

(viii) the bankruptcy, insolvency, winding up or other judicial proceedings relating to the dissolution of the Trust;

(ix) any compromise, reduction or disallowance of any of the Trust's obligations by virtue of the application of any bankruptcy, insolvency or similar such laws, and laws affecting creditors' rights generally or general principles of equity;

(x) the existence of any claims, set-off or other rights that the Guarantor may have against the Trust, the Indenture Trustee, any Debentureholder or any other Person, whether or not related to the transactions contemplated by the Indenture or this Guarantee;

(xi) any invalidity, illegality, irregularity or unenforceability for any reason of the Indenture or any Debenture or in any part thereof as regards the Trust, or any provision of applicable law or regulation purporting to prohibit the payment by the Trust of the principal of or interest on any Debenture or any other amount payable by the Trust under the Indenture;

(xii) any other act or omission to act or delay of any kind by the Trust, the Indenture Trustee, any Debentureholder or any other Person or any other circumstance whatsoever that might, but for the provisions of this paragraph, constitute a legal or equitable discharge or defense of the Guarantor's obligations hereunder;

(xiii) any contest by the Trust or any Person as to the amount of the Indebtedness;

(xiv) the recovery of any judgment against the Trust or any action to enforce the same;

(xv) the transfer of the Trust's obligations under the Debentures or the Indenture to the Debentureholders or to anyone else, or the assumption of any security with or without the release of the Trust and with or without consent of the Debentureholders, the Indenture Trustee, the Trust or the Guarantor; or

(xvi) the determination, for any cause or reason whatsoever, of any right of the Indenture Trustee or the Debentureholders held against the Trust or anyone else pursuant to the obligations represented by the Debentureholders and the Indenture.

The Indenture Trustee, for and on behalf of the Debentureholders, in its absolute discretion and without diminishing the liability of the Guarantor, or incurring any responsibility or liability to the Guarantor, may do, commit or cause all acts, omission and results which are contemplated by the foregoing subparagraphs (i) through (xvi).

4. The Guarantor may not consolidate with, amalgamate or merge with or into or sell, assign, transfer or lease all or substantially all of its properties and assets unless the entity formed by such consolidation or amalgamation or into which the Guarantor is merged or the entity which acquires by operation of law or by conveyance or by transfer the assets of the Guarantor substantially as an entirety (the "**Successor**") is a corporation or unincorporated organization organized or existing under the laws of Canada or any province or territory thereof, and (except where such assumption is deemed to have occurred solely by the operation of law) the Successor assumes, in form satisfactory to the Indenture Trustee (on advice of counsel) all obligations of the Guarantor under this Guarantee, and the Indenture Trustee receives an opinion from counsel acceptable to the Indenture Trustee to the effect that the Guarantee (as so assumed) is enforceable against the Successor in accordance with its terms, subject to qualifications customary in the provision of such opinions with respect to guarantees generally.

5. Any account settled or stated by or between the Debentureholders and the Trust, or admitted by or on behalf of the Trust, may be adduced by the Indenture Trustee or the Debentureholders and shall be conclusive evidence as against the Guarantor that the balance or amount appearing therein is the sum of money due by the Trust to the Debentureholders.

6. The Guarantor shall not, at any time, claim to be subrogated, in any manner, to the position of the Indenture Trustee or the Debentureholders and shall not claim the benefit of any security at any time held by the Indenture Trustee or the Debentureholders, provided, however, that in the event of the Guarantor paying to the Indenture Trustee on behalf of the Debentureholders (or otherwise making provision for repayment in accordance with the Indenture) all of the Obligations, then the Guarantor shall be entitled, on demand made by it in writing to the Indenture Trustee or the Debentureholders, to the assignment of so much of the security, if any, which remains in the Indenture Trustee's or Debentureholders' possession at the time of receipt of the said payment.

7. The Indenture Trustee on behalf of the Debentureholders shall not be bound to exhaust its legal remedies against the Trust, any other parties, or any additional or collateral security which it may hold, prior to becoming entitled to payment from the Guarantor.

8. The obligations of the Guarantor hereunder shall be direct and unconditional and independent of the obligations of the Trust, and a separate action or actions may be brought and maintained against the Guarantor without the necessity of joining or previously proceeding against or exhausting any other remedy against the Trust, or any security then held.

9. If an Event of Default occurs and all conditions have been met such that the Indenture Trustee is entitled to make a declaration pursuant to section 6.3 of the Indenture that the principal of, Premium

(if any) and the interest on the Debentures then outstanding and any other money payable under the Indenture is due and payable, then the Guarantor shall forthwith on demand of the Indenture Trustee acting on behalf of the Debentureholders, pay to the Indenture Trustee or the Debentureholders in the manner established for payment by the Trust to the Indenture Trustee or the Debentureholders all principal monies, interest, costs and charges due by virtue of this Guarantee. In the event of the Guarantor's failure to so pay, the outstanding sum may be recovered by the Indenture Trustee acting on behalf of Debentureholders against the Guarantor as a just debt due and improperly withheld and it is the express intention and agreement of the Guarantor and the Debentureholders that the Guarantor shall fully and totally indemnify the Indenture Trustee and the Debentureholders for all costs, expenses, charges and monies of any nature whatsoever, including, without restriction, all legal costs as between a solicitor and his own client either directly or indirectly, arising out of or associated with the enforcement of this Guarantee and the collection of all monies owing hereunder by the Guarantor to the Debentureholders.

10. It is expressly acknowledged and agreed by the Guarantor that should the Indenture Trustee acting on behalf of the Debentureholders obtain a judgment or judgments from a Court of competent jurisdiction pursuant to a default by the Guarantor with respect to any of the covenants contained herein, then interest shall accrue, be calculated, and be payable to the Debentureholders by the Guarantor upon that judgment or judgments at the rate of interest per annum and at the times as are stipulated in the Indenture. Such interest shall commence on the date that judgment is granted and shall continue to be payable until the judgment monies, including accrued interest, have been paid to the Debentureholders.

11. The Guarantor acknowledges that there have been no representations whatsoever, either written or oral, made to or relied upon by the Guarantor other than those contained herein. This Guarantee may be amended only by an agreement in writing executed by both the Indenture Trustee, on behalf of the Debentureholders, and the Guarantor.

12. In its absolute discretion, the Indenture Trustee, acting on behalf of the Debentureholders, may obtain an additional guarantee or guarantees of the Indebtedness. The taking of any additional guarantee shall not reduce the liability of the Guarantor, which liability shall be joint and several with any other guarantor, to the extent that the Guarantee is the same for each guarantor.

13. The Guarantor's liability shall not be diminished or affected, where any person expected or believed by the Guarantor to be or to become an additional guarantor, is not an additional guarantor and does not for any reason whatsoever become an additional guarantor. Further, the Guarantor's liability shall not be diminished or affected by any transaction whatsoever which may take place between the Debentureholders and any other guarantor, including but not restricted to any act, omission, neglect or default of the Debentureholders which may vary or terminate in whole or in part the liability of such other guarantor.

14. This Guarantee:

(a) shall enure to the benefit of the Indenture Trustee and the Debentureholders and their successors and assigns; and

(b) shall extend to and be binding upon the successors and assigns of the Guarantor.

15.

(a) All notices, requests, demands, pleadings, judicial documentation and any other communications required to be served or given by the terms of this Guarantee or any security or by any legislation or Rules of Court as a result of the default by the Guarantor, including but not restricted to any Statement of Claim issued by the Debentureholders or the Indenture Trustee on their behalf or a Notice of Motion requesting enforcement of the Debentureholders' rights hereunder, shall be sufficiently served either personally or by prepaid registered mail addressed to the party to whom the notice is to be given care of Chartwell Retirement Residences, 7070 Derrycrest Drive, Mississauga, Ontario, L5W 0G5.

(b) No want of notice of publication when required by this Guarantee or by any statute nor any impropriety nor irregularity shall invalidate any proceedings taken or purported to be taken pursuant to this Guarantee.

16. The unenforceability of any agreement, provision or covenant contained herein shall not affect the enforceability of any other agreement, provision or covenant and each of the said agreements, provisions and covenants so contained shall be deemed to be severable from all others.

17. Upon this Guarantee bearing the signature of the Guarantor coming into the hands of any officer, agent or employee of the Debentureholders, the same shall be deemed to be finally executed and delivered by the Guarantor and shall not be subject to or affected by any promise or condition which purports to affect or limit the Guarantor's liability, except as the same is expressly set forth herein. No statement, representation, agreement or promise on the part of any officer, employee or agent of the Indenture Trustee or Debentureholders, unless expressly contained herein, shall form any part of this Guarantee or has induced the making thereof or shall be deemed in any way to affect the Guarantor's liability hereunder.

18. No change in the name, objects, capital, business, trustee's powers, organization or management of the Trust shall in any way affect the obligations of the Guarantor, either with respect to transactions occurring before or after any such change, it being understood that this Guarantee is to extend to the person or persons or corporation or trust or other business entity for the time being and from time to time carrying on the business now carried on by the Trust notwithstanding any change or changes in the name or capitalization of the Trust and notwithstanding any reorganization of the Trust or its amalgamation with any other or others or the sale or disposal of its business in whole or in part to another or others.

19. Neither the Indenture Trustee nor the Debentureholders shall be concerned to see or enquire into the powers of the Trust or its trustees or agents acting or purporting to act on its behalf and any security obtained and granted in the professed exercise of such powers shall be deemed to form part of the Indebtedness even though the borrowing of the Indebtedness or granting of the security was irregular, fraudulent, defective or informally effected, or in excess of the powers of the Trust or of the Indenture Trustee, or the trustees or agents thereof.

20. This Guarantee shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the Guarantor hereby irrevocably submits to the jurisdiction of the Courts of the Province of Ontario with regards to any proceedings under this Guarantee.

21. Each reference in this Guarantee to any agreement (including this Guarantee and any other defined term that is an agreement) at any time shall be construed so as to include such agreement (including any attached schedules, appendices and exhibits) and each amendment, supplement, other modification, novation or replacement thereof made at or before that time.

22. The obligations of the Guarantor hereunder shall be solely those of the Guarantor and the limited partners of the Guarantor shall not have any liabilities or obligations with regards to such obligations and recourse hereunder shall be had solely against the Guarantor and to the property and assets of the Guarantor for payment or performance of the Guarantor's obligations hereunder.

23. Whenever the Guarantor is obligated to make a payment under this Guarantee in respect of which it is required by law, by the interpretation or administration thereof, or upon demand of a taxing authority, to withhold or deduct an amount for or on account of any present or future taxes imposed or levied by any taxing authority, the provision shall be read and construed so as to permit such deduction or withholding and such deduction or withholding will not otherwise result in the Guarantor failing to fully satisfy such payment obligation (whether or not explicitly stated in connection with the particular payment obligation).

24. The Guarantor will make, or will cause to be made, any of the aforementioned deductions or withholdings and shall remit, or cause to be remitted, the full amount deducted or withheld to the relevant taxing authority in accordance with applicable law and shall provide the Indenture Trustee with full particulars thereof. Such amount deducted, withheld and remitted will be considered to have been paid by the Guarantor to the relevant recipient with respect to a particular payment obligation (whether or not stated in connection with the particular payment obligation).

25. The Guarantor will not be required to pay an additional amount on the Debentures in respect of any tax, assessment or government charge withheld or deducted.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the Guarantor has executed this Guarantee effective this ___ day of December, 2023.

CHARTWELL MASTER CARE CORPORATION, in its capacity as the trustee of GP M TRUST, in its capacity as the general partner of CHARTWELL MASTER CARE LP

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title: