



**WILLOW LIMITED PARTNERSHIP**  
**SECOND AMENDED AND RESTATED LIMITED PARTNERSHIP**  
**AGREEMENT**

**AMONG**

**WILLOW RET GP INC.**

**AND**

**WILLOW REAL ESTATE TECHNOLOGIES INC.**

**AND**

**EACH PERSON ADMITTED TO THE PARTNERSHIP**  
**AS A LIMITED PARTNER**

**April 27, 2022**

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## WILLOW LIMITED PARTNERSHIP

### SECOND AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

**THIS AGREEMENT** is made as of April 27, 2022

**AMONG:**

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

- and -

**EACH PERSON ADMITTED TO THE PARTNERSHIP AS A LIMITED PARTNER FROM TIME TO TIME** (each, a “**Limited Partner**”);

**WHEREAS** Willow Limited Partnership (“**Willow LP**”) was formed by Willow RET GP Inc., as General Partner and Willow RET Financial Services Inc., as initial limited partner, by a limited partnership agreement entered into on December 15, 2021 (the “**Initial Limited Partnership Agreement**”)

**AND WHEREAS** the Initial Limited Partnership Agreement was amended and restated on April 19, 2022 to, among other things, appoint Willow Real Estate Technologies Inc. as the Manager of Willow LP and create the RRDO Units;

**AND WHEREAS** the Manager operates an online platform that allows Investors to buy and sell fractional interests in Canadian real estate (the “**Willow Platform**”);

**AND WHEREAS** the General Partner wishes to further amend and restate the limited partnership agreement to, among other things, create the QSWT Units and the WILLOW Units on the terms and conditions set out herein;

**THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

#### ARTICLE 1 INTERPRETATION

##### 1.1 Definitions

In this Agreement, including the Schedules, the following words have the following meanings:

“**Act**” means the *Limited Partnerships Act*, RSO 1990, c L. 16, and the regulations made thereunder;

“**Affiliate**” has the meaning ascribed thereto in the *Business Corporations Act* (Ontario) and the regulations made thereunder;

“**Agreement**” means this limited partnership agreement and the Schedules, each as may be amended, supplemented or restated from time to time;

“**Applicable Law**” means applicable laws, rules and regulations of Canada and the provinces and territories thereof, including Securities Legislation and the Income Tax Act;

“**Associate**” has the meaning ascribed thereto in the *Business Corporations Act* (Ontario) as amended from time to time;

“**Auditor**” means a firm of chartered accountants which is initially selected as the auditor of Willow LP by the General Partner, being Segal LLP, as described in Section 9.5;

“**Available Cash**” has the meaning given to it in Section 6.6;

“**Business Day**” means any day on which the TSX is open for business;

“**Capital Account**” means an account for a Partner maintained pursuant to Section 5.2;

“**Class**” means a class of Units of limited partnership interest of Willow LP;

“**Class Net Asset Value**” means the Net Asset Value of the Class of Units of Willow LP attributable to a particular Class of Units on the basis of the net asset value of the Underlying Property;

“**Closing**” means the completion of an issue and sale to Investors of a Class of Units of Willow LP under an Offering from time to time;

“**Contributed Capital**” means at any time the aggregate of all amounts of cash contributed to the capital of Willow LP by Partners pursuant to subscriptions on the Willow Platform accepted at any Closing and in accordance with and subject to Article 5, less the amounts returned to Partners as capital;

“**Corresponding Class**” has the meaning given to it in Schedule B;

“**Declaration**” means the declaration of limited partnership for Willow LP, filed under the Act, as the same may be amended, supplemented, renewed, replaced or otherwise modified from time to time;

“**distribution record date**” means a date designated by the General Partner as a record date for the determination of Limited Partners of Willow LP entitled to receive a distribution;

“**distribution payment date**” means the distribution record date or such other business day that the General Partner determines as a date on which Willow LP will pay a distribution to its Limited Partners;

“**Fiscal Year**” has the meaning set forth in Section 2.6;

“**General Partner**” means Willow RET GP Inc. or any other party who may become the general partner of Willow LP in place thereof or in substitution therefor, from time to time, in each case until such general partner ceases to be the general partner of Willow LP under the terms of this Agreement;

“**IFRS**” means International Financial Reporting Standards and other interpretations as issued by the International Accounting Standards Board from time to time;

“**Income Tax Act**” means the *Income Tax Act* (Canada) and any regulations made thereunder;

“**Initial Limited Partnership Agreement**” means the limited partnership agreement entered into on December 15, 2021 between Willow RET GP Inc., as General Partner and Willow RET Financial Services Inc., as initial limited partner.

“**Investor**” means a Person purchasing Units pursuant to an Offering of Units;

“**Limited Partner**” means a Unitholder of Willow LP;

“**Manager**” means Willow Real Estate Technologies Inc.;

“**Net Asset Value of Willow LP**” (of a Class) means the value of the assets of Willow LP allocated to that Class, being the value of the Underlying Property of the Class, less the total amount of liabilities associated with the Underlying Property at that time;

“**Net Asset Value per Unit**” (of a Class) means the net assets attributable to holders of Units of a Class divided by the number of Units of the Class outstanding as determined by the General Partner;

“**Net Income**” and “**Net Loss**” for a period of Willow LP means the net income or loss, as the case may be, of Willow LP for that period determined in accordance with IFRS consistently applied as reported in the financial statements of Willow LP, as set forth in Section 6.5;

“**non-resident**” has the meaning ascribed thereto in subsection 248(1) of the Income Tax Act;

“**Offering**” means Willow LP’s offering, issue and sale of a Class of Units on a private placement basis, as more particularly described in the Offering Memorandum or Prospectus of each Class;

“**Offering Memorandum**” means the offering memorandum under which a Class of Units may be offered;



“**Ordinary Resolution**” means a resolution passed by greater than 50% of the votes cast by the Limited Partners who voted in respect of that resolution whether at a meeting or by way of written resolution;

“**Partners**” means the General Partner and the Limited Partners, and “**Partner**” means any one of them;

“**Partnership**” means Willow LP, a limited partnership formed under the laws of the Province of Ontario;

“**Partnership Interest Percentage**” means, in respect of each Partner holding Units of a Class, the Limited Partner’s Capital Account that is attributable to such Class, divided by the sum of the Capital Accounts of all Limited Partners that are attributable to the same Class;

“**Person**” means an individual, partnership, limited partnership, corporation, unlimited liability company, limited partnership, unincorporated organization, association, government, or any department or agency thereof and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual, or any other entity recognized by law;

“**Property**” means a residential, commercial or industrial real estate property acquired by Willow LP;

“**Prospectus**” means any prospectus of Willow LP which may be filed from time to time;

“**Register**” means the register, as updated from time to time, listing all of the Partners, their addresses and the amounts they have contributed or agreed to contribute to Willow LP, as required by the Act to be kept by the General Partner;

“**Registrar**” means the registrar of the Units appointed by the General Partner, or, if no such registrar is appointed, the General Partner;

“**Reserves**” has the meaning given to it in Section 6.6;

“**Securities Legislation**” means the laws, regulations, rules, requirements and policies of the securities authorities which are in effect from time to time and applicable to Willow LP;

“**Special Resolution**” means a resolution passed by not less than 66 2/3<sup>rd</sup>% of the votes cast by the Limited Partners who voted in respect of that resolution whether at a meeting or by way of written resolution;

“**Subscription Form**” means a form of subscription to be prescribed by the General Partner and used in connection with an issuance of Units of Willow LP, which may include an electronic form of subscription submitted on the Willow Platform;

“**Target Sale Date**” for a Class of Units is the date on which Willow LP expects that the Underlying Property of such Class will be sold, as set out in Schedule A;

“**Unit**” means a unit of limited partnership interest of Willow LP;

“**Unitholder**” means a holder of Units and a Limited Partner in Willow LP;

“**Underlying Property**” means the Property owned by Willow LP, the ownership interests in which are represented by a Class of Units of Willow LP, as set forth in Section 4.2;

“**Valuation Date**” means any day designated by the General Partner on which the Net Asset Value and Net Asset Value per Unit of a Class of Willow LP will be calculated;

“**Valuation Time**” means 4:00 p.m. (Toronto time) or such other time as the General Partner deems appropriate on each Valuation Date;

“**Willow**” means Willow Holdings Inc. together with all of its wholly-owned subsidiaries;

“**Willow LP**” means Willow Limited Partnership;

“**Willow Platform**” means the online platform operated by Willow that allows Investors to buy and sell fractional interests in Canadian real estate; and

“**Willow Special Limited Partner**” means any subsidiary of Willow Holdings Inc. that is incorporated for the purpose of acquiring all outstanding Units of a Class (not then held by Willow) immediately prior to the sale of the Underlying Property of the Class on the Target Sale Date.

## 1.2 Headings

In this Agreement, the headings are for convenience of reference only, do not form a part of this Agreement and are not to be considered in the interpretation of this Agreement.

## 1.3 Interpretation

In this Agreement:

- (a) words importing gender include all genders, and words in the singular include the plural, and *vice versa*, wherever the context requires;
- (b) all references to designated Articles and Sections are to the designated Articles and Sections of this Agreement;
- (c) all accounting terms not otherwise defined will have the meanings assigned to them by, and all computations to be made will be made in accordance with, IFRS from time to time;
- (d) any reference to a statute will include and will be deemed to be a reference to the regulations made pursuant to it, and to all amendments made to the statute and regulations in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute referred to or the relevant regulation except as otherwise provided herein;

- (e) any reference to a Person will include and will be deemed to be a reference to any Person that is a successor to that Person;
- (f) business day means any day (which is not a Saturday or Sunday) on which banks are open for business in the City of Toronto, Ontario; and
- (g) “hereof”, “hereto”, “herein”, and “hereunder” mean and refer to this Agreement and not to any particular Article or Section.

#### **1.4 Currency**

Unless otherwise indicated, all references to currency herein are references to lawful money of Canada.

### **ARTICLE 2 THE PARTNERSHIP AND ITS BUSINESS**

#### **2.1 Formation and Name of Partnership**

The General Partner hereby acknowledges and confirms that Willow LP has been formed as a limited partnership in accordance with the laws of the Province of Ontario and the provisions of this Agreement to carry on business in common with a view to profit under the firm name and style of “Willow LP” or any other name or names as the General Partner may determine from time to time. The General Partner shall promptly notify each Limited Partner in writing of any change in Willow LP’s name or business name.

#### **2.2 Business of Willow LP**

Willow LP has been created to acquire income-generating purpose-built residential, commercial and industrial properties, with an emphasis on assets within stable markets, to provide Limited Partners with “PropSharing” opportunities to invest in fractional interests in Properties in core urban centres in Canada. Willow LP’s sole investment activities will be the purchase, sale and holding of Properties, and arranging for capital improvements and management of such Properties.

#### **2.3 Business Restrictions**

- (a) Willow LP will not undertake any activities other than the business described in Section 2.2 and activities incidental thereto.
- (b) Willow LP:
  - (i) shall not invest in mortgage-backed securities, subprime single family residential owner-occupied real estate, and real estate situated outside Canada;
  - (ii) shall not make any investments other than as permitted by Section 2.2;

- (iii) shall not reallocate the available funds raised in connection with the offering of one Class of Units toward anything other than the purchase and management of the Underlying Property for that specific Class; and
- (iv) may use borrowed funds in order to meet fund cash requirements, if any, of the underlying investments, with the maximum amount of indebtedness for such purposes not exceeding 25% of Willow LP's assets. This maximum 25% debt to asset restriction applies only at the level of Willow LP and does not apply at the level of underlying investments such as specific real estate entities or Properties (except where Willow LP has guaranteed the debt of an underlying investment, in which case the amount of the debt guaranteed shall be included in the maximum 25% limit). Underlying investments of Willow LP which own real estate directly may employ leverage by issuing or assuming debt, including mortgage debt.

## **2.4 Maintaining Limited Liability**

Willow LP will carry on business in such a manner as to ensure, to the greatest extent possible, the limited liability of the Limited Partners, and the General Partner will register Willow LP in other jurisdictions where the General Partner considers it appropriate to do so. Willow LP will not carry on business in any jurisdiction unless the laws of that jurisdiction make provision for limiting the liability of limited partners of limited partnerships, and the General Partner has taken all steps which may be required by the laws of that jurisdiction for the Limited Partners to benefit from limited liability to the same extent that such Limited Partners enjoy limited liability under the Act.

## **2.5 Office of Willow LP**

The principal place of business of Willow LP will be 220 King Street West, Suite 200, Toronto, Ontario, M5V 3M2 or such other address in Ontario as the General Partner may designate in writing from time to time to the Limited Partners. The General Partner will notify each Limited Partner of any change in the principal place of business of Willow LP within five business days of such change.

## **2.6 Fiscal Year**

The first fiscal period of Willow LP will commence on January 1 in each year and end on the earlier of December 31 in that year or on the date of dissolution or other termination of Willow LP. Each such fiscal period is herein referred to as a "**Fiscal Year**".

# **ARTICLE 3 RELATIONSHIP AMONG PARTNERS**

## **3.1 Status of Partners**

- (a) The General Partner represents, warrants, covenants and agrees with each Limited Partner that:
  - (i) the General Partner is a corporation incorporated under the laws of the Province of Ontario and is validly subsisting under such laws;

- (ii) the General Partner has the capacity and corporate authority to act as a general partner and to perform its obligations under this Agreement, and such obligations do not conflict with nor result in a breach of any of its constating documents, or any agreement by which it is bound;
  - (iii) the General Partner is not a non-resident of Canada for the purposes of the Income Tax Act, or a non-Canadian for the purposes of the *Investment Canada Act* (Canada);
  - (iv) the General Partner will not, nor will any Affiliate or Associate of the General Partner, borrow money from Willow LP;
  - (v) the General Partner holds and will maintain the registrations necessary for the conduct of its business, and has and will continue to have all licenses and permits necessary to carry on its business as the General Partner of Willow LP in all jurisdictions where the activities of Willow LP require such licensing or other form of registration of the General Partner;
  - (vi) this Agreement constitutes a legal, valid and binding obligation of the General Partner, enforceable against the General Partner in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction; and
  - (vii) Willow LP is a limited partnership duly formed under the laws of the Province of Ontario.
- (b) Each Limited Partner represents, warrants covenants and agrees with the General Partner that:
- (i) the Limited Partner is a Person who is resident in Canada for the purposes of the Income Tax Act and not a “non-resident” for the purposes of the Income Tax Act or a “non-Canadian” under the Investment Canada Act;
  - (ii) the Limited Partner is not a partnership or a partner, other than a “Canadian partnership” as defined in section 102 of the Income Tax Act;
  - (iii) an interest in such Limited Partner is not a “tax shelter investment” for purposes of the Income Tax Act, and that such Partner is not acquiring Units as a “tax shelter investment” for purposes of the Income Tax Act;
  - (iv) such Limited Partner is not a “financial institution” within the meaning of the Income Tax Act and such Limited Partner will continue not to be a financial institution during such time as Units are held by such Limited Partner;

- (v) the Limited Partner's acquisition of Units has not been financed with borrowings for which recourse is, or is deemed to be, limited within the meaning of the Income Tax Act;
  - (vi) such Limited Partner has the capacity and competence and, if a corporation, the necessary corporate authority, to enter into this Agreement; and
  - (vii) such Limited Partner will continue to comply with these representations, warranties and covenants during the time that Units are held by such Limited Partner.
- (c) If at any time after the date hereof a representation, warranty and declaration set out in Section 3.1(b) or Section 3.1(c) is no longer correct in respect of any Limited Partner, on the day immediately preceding the date on which such representation becomes incorrect the Limited Partner shall be deemed to have tendered to the General Partner for the account of Willow LP, and the General Partner shall be deemed to have accepted the tender of, all the Limited Partner's Units in accordance with Section 7.3 and the redemption request will be deemed to have been given on the date the General Partner becomes aware of such change in the Limited Partner's status pursuant to paragraph (b) above.

### **3.2 Survival of Representations, Warranties and Covenants**

The representations, warranties and covenants made pursuant to Section 3.1 will survive execution of this Agreement and each Partner will ensure that each representation, warranty and covenant made pursuant to Section 3.1 remains true so long as such Partner remains a Partner.

### **3.3 Limitation on Authority of Limited Partners**

No Limited Partner will:

- (a) take part in the administration, control, management or operation of the business of Willow LP or exercise any power in connection therewith or transact business on behalf of Willow LP;
- (b) execute any document which binds or purports to bind any other Partner or Willow LP;
- (c) hold itself out as having the power or authority to bind any other Partner or Willow LP;
- (d) have any authority or power to act for or undertake any obligation or responsibility on behalf of any other Partner or Willow LP;
- (e) except as contemplated in this Agreement, bring any action for partition, distribution or sale or otherwise in connection with Willow LP, any interest in any property of Willow LP, whether real or personal, tangible or intangible, or file or register or permit to be filed or registered any lien or charge in respect of any property of Willow LP; or

- (f) compel or seek a partition, judicial or otherwise, of any of the assets of Willow LP distributed or to be distributed to the Partners in kind in accordance with this Agreement.

### **3.4 Limited Liability of Limited Partners**

Subject to the provisions of this Agreement, the Act and any Applicable Law, the liability of each Limited Partner for the debts, liabilities and obligations of Willow LP will be limited to the amount the Limited Partner contributes to Willow LP, less any amounts properly returned to the Limited Partner plus its share of any undistributed income of Willow LP determined in accordance with Article 6. A Limited Partner may lose his, her or its status as a Limited Partner and the benefit of limited liability if such Limited Partner takes part in the control of the business of Willow LP.

Where a Limited Partner has received the return of all or part of the Limited Partner's cash contribution to the capital of Willow LP, the Limited Partner is nevertheless liable to Willow LP or, following the dissolution of Willow LP, to its creditors for any amount, not in excess of the amount returned with interest (calculated at a rate per annum equal to the prime commercial lending rate of Willow LP's bankers), necessary to discharge the liabilities of Willow LP to all creditors who extended credit or whose claims otherwise arose before the return of any contributed capital. Furthermore, if after a distribution the General Partner determines that a Limited Partner was not entitled to all or some of such distribution, the Limited Partner shall be liable to Willow LP to return the portion improperly distributed, together with interest at a rate per annum equal to the prime commercial lending rate of Willow LP's bankers if repayment of such excess amount is not made by the Limited Partner within fifteen (15) days of receiving notice of such overpayment. The General Partner may set off and apply any sums otherwise payable to a Limited Partner against such amounts due from such Limited Partner, provided that there shall be no right of set-off against a Limited Partner in respect of amounts owed to Willow LP by a predecessor of such Limited Partner.

The General Partner shall be liable for the debts, obligations and any other liabilities of Willow LP in the manner and to the extent required by the Act and as set forth in this Agreement to the extent that Willow LP's assets are insufficient to pay such liabilities.

The General Partner will indemnify and hold harmless each Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by such Limited Partner that result from or arise out of such Limited Partner not having unlimited liability as set out in this Agreement, other than any liability caused by or arising out of any act or omission of such Limited Partner.

### **3.5 Compliance with Laws**

Each Limited Partner will, on the request of the General Partner from time to time, promptly execute any documents considered by the General Partner to be necessary to comply with the Act and any Applicable Law or regulation of any jurisdiction in Canada, for the continuation, operation or good standing of Willow LP.

## **ARTICLE 4 PARTNERSHIP UNITS**

### **4.1 The Units**

The interests of the Limited Partners in Willow LP will be divided into and represented by Units issued to the Limited Partners. Willow LP is authorized to issue an unlimited number of Units of an unlimited number of Classes, as may from time to time be determined by the General Partner. The name and attributes of each Class of Units of Willow LP shall be set out on the Willow Platform and incorporated by reference as Schedule A herein. The General Partner will establish additional Classes of Units of Willow LP by amending Schedule A. The Units are a “security” (as defined in the *Securities Transfer Act* (Ontario)) for the purposes of the *Securities Transfer Act* (Ontario).

### **4.2 Nature of Units**

The General Partner may create and name (or rename) from time to time one or more Classes of Units, without approval of or notice to Limited Partners, with such attributes as the Manager, acting in the best interests of Willow LP, may determine in its discretion, provided that such attributes do not adversely affect the existing Limited Partners.

The General Partner will create a specific Class of Units for each Property acquired by Willow LP, which shall be referred to as the “**Underlying Property**” of the Class. Willow LP will issue 100,000 Units of each Class, representing 100,000 equal fractional interests in an Underlying Property.

Effective April 27, 2022, the General Partner has created a Class of Units known as “WILLOW Units” and having the attributes described in Schedule B. Unless explicitly provided in Schedule B, the WILLOW Units have the same attributes as all other Classes of Units.

### **4.3 Subdivision of Units; Fractional Units**

The General Partner may consolidate or subdivide the Units of a Class from time to time in such manner as it considers appropriate. Fractional Units may be issued. None of the rights described in this Agreement as being available to Limited Partners are available to the holder of a fractional Unit other than a proportional right to distributions and the proceeds of redemption.

### **4.4 Offerings of Units**

The General Partner may raise capital for Willow LP by offering Units of any Class of Willow LP in accordance with applicable securities laws. Units may be offered under an Offering Memorandum pursuant to exemptions from the prospectus requirement, or under a Prospectus.

### **4.5 Redemption of Initial Unit**

On April 19, 2022, upon the closing of the first offering of Units of a Class, the initial unit of limited partnership interest that was issued to Willow RET Technologies Inc. has been redeemed by Willow LP.



#### **4.6 Closings**

- (a) The General Partner, in its sole discretion, may complete the offering of Units contemplated by Section 4.4 in one or more Closings. The Closing date for each Offering will be announced by the General Partner at least three business days prior to the closing date.
- (b) Any Person accepted as a Limited Partner will be required to accept the terms and conditions set out in the Subscription Form, which provides that such Person will be bound by the provisions of this Agreement as a Limited Partner, and such other documents as the General Partner may require. Upon Closing and upon the acceptance by the General Partner of a subscription for Units, each Investor will become a Unitholder and will be deemed to have been admitted to Willow LP as a Limited Partner and will become party to this Agreement.

#### **4.7 Terms of Offering**

The General Partner may, in its discretion, do all things necessary to effect the offering and sale of the Units.

#### **4.8 Subscription for Partnership Units**

- (a) The General Partner will have the right, in its sole discretion, to accept or to refuse to accept a subscription for Units. Subject to the foregoing, each subscriber for Units must subscribe for the aggregate minimum amount set forth in the Offering Memorandum or Prospectus relating to the Class of Units subscribed for by the subscriber.
- (b) The Offering of each Class of Units will be open for a prescribed period, and subscriptions for Units will be accepted by Willow on a “First Come, First Served” basis. Subscriptions will be submitted electronically on the Willow Platform and will not be accepted unless the Investor has sufficient funds in their account on the Willow Platform.
- (c) A subscription must be received by the General Partner by the Closing at which any Units are to be issued. If, for any reason, a subscription is not accepted by the General Partner, then the General Partner will promptly redeliver any subscription monies for such Units without interest or deduction to the Investor’s account on the Willow Platform.
- (d) Subscription proceeds will be held in escrow until the Closing time for the respective Offering. Investors will receive electronic notice of the Closing on the Willow Platform and will see their purchased Units in their account.

#### **4.9 No Unit Certificates**

- (a) Unless the General Partner otherwise determines, no Limited Partner shall be entitled to receive a certificate representing Units held.

- (b) If the General Partner determines that certificates will be issued, the unit certificates will be substantially in such form as may be determined from time to time by the General Partner.

#### **4.10 Execution of Unit Certificates**

Every Unit certificate issued pursuant to Section 4.8 must be signed by at least one authorized signatory of the General Partner, but any signature appearing thereon may be mechanically reproduced, and the validity of a certificate will not be affected by the fact that a Person whose signature is so reproduced is deceased or no longer holds the office which he held when the reproduction of his signature in that office was authorized.

#### **4.11 Admittance as Limited Partner**

Upon acceptance by the General Partner of any subscription, all Partners will be deemed to consent to the admission of the subscriber as a Limited Partner, and the General Partner will execute this Agreement on behalf of the subscriber, will cause the Register to be amended, and such other documents as may be required by the Act or under legislation similar to the Act in other provinces to be filed or amended, specifying the prescribed information, and will cause the foregoing information in respect of the new Limited Partner to be included in any other of Willow LP's books and records.

#### **4.12 Payment of Fees and Expenses**

Each Class of Units will be responsible for the costs of its Offering, transaction costs and all ordinary and extraordinary expenses applicable to its Underlying Property, which will be set out in the Offering Memorandum or Prospectus for the applicable Class. Operating expenses associated with a particular Class of Units will be borne by the Class, while operating expenses applicable to Willow LP will be borne by all Classes on a pro rata basis. Willow LP will be responsible for all reasonable expenses (including all legal and audit fees) associated with its formation and the preparation and filing of each Offering Memorandum, the Prospectus, financial statements and other continuous disclosure documents.

#### **4.13 Management Fees**

Each Class of Units will pay to the Manager annual management fees as set out in the Offering Memorandum or Prospectus for the Class, calculated as a percentage of the asset value of its Underlying Property, plus HST, to compensate the Manager for operating and administering Willow LP and the Willow Platform. Management fees will be calculated on a monthly basis and payable as of the last business day of each month.

#### **4.14 Origination Fees**

Each Class of Units will also pay to the Manager one-time origination fees as set out in the Offering Memorandum or Prospectus for the Class, calculated as a percentage of the asset value of each Underlying Property, plus HST, payable out of the proceeds of the Offering of the applicable Class of Units, to compensate the Manager for sourcing the Underlying Property, including conducting due diligence, arranging for debt financing and underwriting the Underlying Property.

#### **4.15 Trading Commissions**

Investors may pay trading commissions to Willow RET Financial Services Inc., in its capacity as a securities dealer, for subscriptions for Units entered on the Willow Platform.

#### **4.16 Effective Date**

The rights and obligations of a subscriber as a Limited Partner who is admitted to Willow LP will commence and are enforceable by and against the Limited Partner as between the Limited Partner and the other Partners from the date on which the Register is amended adding such Limited Partner as a limited partner of Willow LP.

#### **4.17 Register of Limited Partners**

The General Partner will maintain at Willow LP's principal place of business a current Register stating for each Limited Partner, the Limited Partner's name, address, incorporation number, if any, the amount of money contributed by the Limited Partner to Willow LP and the number and Class of Units held by each Limited Partner. With the exception of any income tax information required to be sent to Limited Partners pursuant to the Income Tax Act and any other applicable tax legislation, no Limited Partner will be entitled to any certificate or other instrument from Willow LP or the General Partner evidencing the ownership of Units.

#### **4.18 Changes in Membership of Partnership**

No change of name or address of a Limited Partner, no transfer of Units and no admission of a substituted Limited Partner will be effective for the purposes of this Agreement until all reasonable requirements as determined by the General Partner with respect thereto have been met.

#### **4.19 No Transfer of Partnership Units**

A Limited Partner may not transfer, pledge or otherwise encumber any of its Units, except with the consent of the General Partner. Until Willow LP becomes a reporting issuer in one or more provinces of Canada, the transfer or resale of Units is also subject to restrictions under applicable securities legislation.

#### **4.20 Deemed Consent**

Where a transferee or assignee of a Partner's Units is otherwise entitled to be admitted to Willow LP as a Limited Partner under this Agreement, all Partners shall be deemed to consent to such Person being admitted to Willow LP and authorize the transferor or assignor to constitute the transferee or assignee a substitute Limited Partner without the need of any further act of the Partners. The Declaration and the books and records of Willow LP shall be amended, if necessary, and all other steps shall be taken which, in the opinion of the General Partner, are reasonably necessary to admit such Person as a substitute Limited Partner, and such Person shall thereupon become a substitute Limited Partner.

#### **4.21 Notice of Change to General Partner**

No name or address of a Limited Partner will be changed, no transfer of Units and no substitution or addition of a Limited Partner in Willow LP will be recorded on the Register of Limited Partners except pursuant to a notice in writing received by the General Partner or the Manager.

#### **4.22 Inspection of Register**

A Limited Partner, or an agent of a Limited Partner duly authorized in writing, has the right to inspect the Register during normal business hours.

#### **4.23 Non-Recognition of Trusts or Beneficial Interests**

Except as required by law, no Person will be recognized by Willow LP, the General Partner or any Limited Partner as holding any Unit in trust, and Willow LP, the General Partner and the Limited Partners will not be bound or compelled in any way to recognize (even when having actual notice) any equitable, contingent, future or partial interest in any Unit or in any fractional part of a Unit or any other rights in respect of any Unit except an absolute right to the entirety of the Unit of the Limited Partner shown on the Register as holder of such Unit.

### **ARTICLE 5 CAPITAL CONTRIBUTIONS AND ACCOUNTS**

#### **5.1 Capital Contributions**

Subject to Section 5.4, Capital Contributions by Limited Partners shall be made by way of subscriptions for Units. The General Partner shall issue Units on the Closing date for each Offering and may, in its discretion, issue additional Units from time to time.

#### **5.2 Separate Capital Accounts**

The General Partner will maintain a separate Capital Account for each Partner and, in the case of a Partner holding more than one Class, shall provide sufficient detail to identify the portion of such Capital Account that is attributable to each Class held by such Partner. The General Partner will, on receipt of an amount in respect of the Capital Contribution of a Partner, credit the account of such Partner with such amount and will debit the account with the amount of any funds distributed from time to time by Willow LP to the Partner as a return of capital. The interest of a Partner will not terminate by reason of there being a negative or nil balance in the Partner's account. No Limited Partner will be responsible for any losses of any other Limited Partner, nor share in the income or allocation of tax deductible expenses attributable to the Units of any other Limited Partner. The General Partner may create Class specific Capital Accounts to separate the allocations attributable to the Underlying Property designated as to any specific Class from Willow LP's other Classes.

#### **5.3 No Interest on Capital Account**

Willow LP will not pay interest on any credit balance of the Capital Account of a Partner. Except as provided in this Agreement or the Act or similar applicable legislation in Canada, no Limited

Partner is required to pay interest to Willow LP on any capital contribution returned to the Limited Partner or on any negative balance in its Capital Account.

## **ARTICLE 6 PARTICIPATION IN PROFITS, LOSSES AND DISTRIBUTIONS**

### **6.1 Net Asset Value of Willow LP and Net Asset Value per Unit**

- (a) The Net Asset Value of Willow LP, Net Asset Value of each Class of Units and the Net Asset Value per Unit of each Class, will be calculated and published as of the Valuation Time on each Valuation Date based on the following methodology:
  - (i) Cash and cash equivalents will be valued at amortized cost (cost plus any accrued interest);
  - (ii) Loans and mortgages will be stated at fair value. Interest income is recorded on the accrual basis provided that the loan or mortgage is not impaired. An impaired loan is any loan, where, in the General Partner's opinion, there has been a deterioration of credit quality to the extent that Willow LP no longer has reasonable assurance as to the timely collection of the full amount of principal and interest. As the loans and mortgages do not trade in actively quoted markets the Manager will estimate fair value based upon: market interest rates, credit spreads for similar products, and the specific creditworthiness and status of an existing borrower. The General Partner will consider, but not be limited in considering, the following as part of the creditworthiness and status of a borrower: payment history, value of Underlying Property securing the loan or mortgage, overall economic conditions, status of construction (if applicable) and other conditions specific to the property or building;
  - (iii) Debt and other securities will be measured at fair value. The value of any security which is not listed on a stock exchange will be the estimated fair value as determined by the Manager in accordance with the following:
    - i. Such investment will be valued at cost unless:
      - 1. There is an arm's length transaction which, in the Manager's reasonable opinion, establishes a different fair value; or
      - 2. A material change in value of the investment occurs, including in the case of a debt like instrument, there is a change in market interest rates or the creditworthiness of a security issuer;
  - (iv) the value of all assets of Willow LP quoted or valued in terms of foreign currency, the value of all funds on deposit and contractual obligations payable to Willow LP in foreign currency and the value of all liabilities and contractual obligations payable by Willow LP in foreign currency shall be

determined using the applicable rate of exchange current at, or as nearly as practicable to, the applicable date on which net asset value is determined;

- (v) estimated operating expenses of Willow LP shall be accrued to the date as of which net asset value is being determined; and
  - (vi) the value of all liabilities and contractual obligations of Willow LP will be the value determined by the General Partner to most accurately reflect fair value.
- (b) If any investment cannot be valued in accordance with Willow LP's valuation principles set forth above or if such principles are at any time considered by the General Partner to be inappropriate under the circumstances, then, notwithstanding the foregoing, the General Partner shall make such valuation as it considers fair and reasonable.
- (c) Each portfolio transaction will be reflected in the calculation of Net Asset Value per Unit no later than the calculation of Net Asset Value per Unit next made after the date on which the transaction becomes binding. The issue of Units of a Class will be reflected in the calculation of Net Asset Value per Unit of a Class next made after the subscription order for such Units is accepted. The redemption of Units of a Class will be reflected in the calculation of Net Asset Value of Willow LP next made after the redemption has occurred.
- (d) The value of any security or property to which, in the opinion of the Manager, the above valuation principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair value thereof determined in such manner as the Manager from time to time provides.

## **6.2 Currency of Willow LP**

The base currency of Willow LP is Canadian dollars and the accounts of Willow LP shall be maintained in Canadian dollars. Assets and liabilities denominated in other currencies shall be converted at the rates of exchange in effect on the relevant Valuation Date and conversion adjustments are reflected in the results of operations of Willow LP. Portfolio transactions and income and expenses shall be converted at the rates of exchange in effect at the time of each transaction.

## **6.3 Hedging**

The General Partner shall have power and authority, exercisable upon approval of the board of directors of the General Partner, to undertake prudent risk management and portfolio management with respect to Willow LP so as to bind Willow LP and without prior consultation with any of the Limited Partners, including the power and authority to enter into, or require Willow LP to enter into, interest rate or foreign exchange contracts, to invest in interest rate or currency futures, options or swaps, contracts for differences or other instruments with a view to hedging Willow LP's exposure or any Class of Units exposure to interest rate, currency and other risks (but so that,

for the avoidance of doubt, no omission to hedge or otherwise enter into arrangements to cover the risk of losses as a result of exchange or interest rate movements or other reasons shall constitute a breach of any fiduciary or other duty). The costs and fiscal results of any such hedging for a Class of Units will be solely for the account of such Class of Units. Any expenses attributable to a particular Class will be allocated solely to such Class including, without limitation, any costs of hedging.

#### **6.4 Weekly Valuation Dates**

Unless otherwise specified by the General Partner, the last Business Day in each week shall be a Valuation Date, and the Net Asset Value of each Class, and the Net Asset Value per Unit of each Class, will be published on the Willow Platform as of each Valuation Date.

#### **6.5 Calculation of Income on Distribution Record Date**

The General Partner shall determine, as of the Valuation Time on each distribution record date, the amount of the Net Income of Willow LP and each Class of Units for the period since the then preceding distribution record date (or in the case of the first distribution record date, from the inception of Willow LP) up to and including the relevant distribution date. The General Partner may allocate Net Losses attributable to a Class among the Unitholders of such Class whose names appear on the Register in the same proportions as the allocation of Net Income.

#### **6.6 Distributions**

Willow LP will pay distributions to Limited Partners on a monthly basis with payments made within 15 days from the record date. All of Willow LP's Net Income is payable to Limited Partners in the form of cash distributions on the Units, subject to withholding Reserves as described below. The distribution record date and the distribution payment date is the last day of every month.

Willow LP intends to distribute, on a monthly basis, substantially all Available Cash for the preceding month as distributions on Units of each Class, apportioned to Limited Partners holding Units of each Class *pro rata* based on their respective Partnership Interest Percentages of such Class.

“**Available Cash**” means, in respect of each Class for any period, the amount, if any, which the General Partner determines to be the amount by which:

(a) the aggregate of: (i) revenue earned by Willow LP from the Underlying Property during or in respect of such period; and (ii) amounts set aside as Reserves at the commencement of the period;

exceeds:

(b) the aggregate of: (i) payments by Willow LP in respect of such period on account of principal, interest and other amounts in respect of any financing relating to the Underlying Property; (ii) expenditures of Willow LP in respect of such period relating to the Underlying Property, including management fees and property management fees applicable to the Property; and (iii) amounts set aside as Reserves at the end of such period;

all as calculated without duplication;

“**Reserves**” means reasonable reserves which the General Partner determines are necessary or desirable to withhold from any distribution to Limited Partners of the Class having regard to the current and anticipated cash requirements of Willow LP or the Class, including for operating expenses, payments in respect of any financing or other commitments and obligations, and reserves to ensure compliance with any agreements to which Willow LP is subject and to ensure that monthly distributions during any fiscal year do not exceed Available Cash in respect of such fiscal year.

## **6.7 Repayment**

If after a distribution the General Partner determines that any Limited Partner was not entitled to all or some of such distribution, then the Limited Partner will be liable to Willow LP to return the portion improperly distributed, together with interest at a rate per annum equal to the prime commercial lending rate of Willow LP’s bankers if repayment of such excess amount is not made by the Limited Partner within fifteen (15) days of receiving notice of such overpayment. The General Partner may set off and apply any sums otherwise payable to a Limited Partner against such amounts due from such Limited Partner, provided that there shall be no right of set-off against a Limited Partner in respect of amounts owed to Willow LP by a predecessor of such Limited Partner.

## **6.8 Payment of Distributions**

Willow LP may pay distributions in an amount per Unit and in a manner set forth in the Offering Memorandum or Prospectus for the relevant Class of Units.

## **6.9 Other Distributions**

In addition to the distributions made to Limited Partners pursuant to Section 6.6, the General Partner from time to time may declare on behalf of Willow LP additional distributions, including in connection with returns of capital, in such amounts per Unit, payable at such time or times and to Limited Partners of record as at such distribution record date, as from time to time may be determined by the General Partner.

## **6.10 Methods of Payment of Distributions**

- (a) The General Partner shall pay the aggregate amount of any cash distributions directly to Limited Partners or to the Registrar, if applicable, and/or such other Persons as the General Partner shall determine for such purpose.
- (b) Subject to Section 6.8 and Section 6.11, distributions to Limited Partners pursuant to Section 6.3 and Section 6.9 shall be paid in cash by electronic funds transfer, as directed by the Limited Partner (with any fee for such funds transfer to be borne by Willow LP). Unless otherwise indicated, distributions will be paid in cash to Unitholders’ accounts on the Willow Platform, including accounts registered in the names of joint holders. In the event of the non-receipt of any distribution by the Person to whom it is sent, the General Partner or the Registrar on direction of the



General Partner, as applicable, and upon satisfactory indemnity being given to it and to Willow LP, shall issue or cause to be issued a replacement distribution for a like amount to such Person.

- (c) The amounts of any distributions payable to Limited Partners (including any tax required by law to be deducted therefrom) shall not be included in the assets of Willow LP for the purpose of determining the Net Asset Value per Unit of a class at any Valuation Time after the distribution record date. Notwithstanding the foregoing, the General Partner may apply any amounts payable hereunder to a Limited Partner towards the amount of any fees or charges owing by the Limited Partner.
- (d) All distributions shall be calculated and paid in Canadian currency or such other currency as the General Partner may determine.

### **6.11 Distributions to the General Partner**

The General Partner may receive distributions from Willow LP in such amounts as may be required to cover the ongoing expenses of the General Partner, as described in Section 8.7 hereof. Any distributions payable to the General Partner will be payable by Willow LP and will be borne by all Classes of Units, on a pro rata basis based on the Net Asset Value of the Class as at the Valuation Date when the distribution is declared and paid or if such day is not a Valuation Date, the Valuation Date most recently preceding the day on which such distribution is declared and paid.

### **6.12 Nature of Distributions**

A distribution will only be a return of capital if it is designated as such by this Agreement or by written designation of the General Partner.

## **ARTICLE 7 REDEMPTION**

### **7.1 Return of Contributed Capital**

To the extent the distribution of the net proceeds of Willow LP represents all or part of the Contributed Capital of a Partner (as designated by the General Partner pursuant to Section 6.12), the Contributed Capital under that Partner's Capital Account is deemed to be reduced by such amount.

### **7.2 No Redemptions by a Limited Partner**

Units of Willow LP are not redeemable by Limited Partners.

### **7.3 Retraction of Units**

The General Partner may, by giving 30 days written notice to a Limited Partner, retract in whole or in part the Units held by such holder for the amount paid up on such Units to be retracted plus any accrued but unpaid distributions. The General Partner may exercise this right in order to maintain Willow LP's status as a Canadian resident partnership or if the General Partner, acting

reasonably, is concerned that the Limited Partner may be engaged in fraud or wilful misconduct on the Willow Platform or otherwise.

#### **7.4 Purchase of Units by Willow Special Limited Partner**

Immediately prior to the sale of an Underlying Property, all outstanding Units of the relevant Class (not then owned by Willow) will be purchased by Willow Special Limited Partner for a purchase price equal to Net Asset Value per Unit of the Class of Units, which will reflect the sale price for the Underlying Property less transaction costs, taxes and other costs associated with the sale. Each other Limited Partner (other than a Willow affiliate) hereby agrees and consents to such sale to Willow Special Limited Partner.

#### **7.5 Redemption of Units after Sale of Underlying Property**

Immediately after the sale of the Underlying Property, all Units of the relevant Class which had been purchased by Willow Special Limited Partner will be redeemed by Willow LP for a redemption price equal to the proceeds of sale less transaction costs, taxes and other costs associated with the sale and less any outstanding mortgage or other debt on the Underlying Property.

### **ARTICLE 8 POWERS, DUTIES AND OBLIGATIONS OF GENERAL PARTNER**

#### **8.1 One General Partner**

The Partnership will have only one general partner at any time.

#### **8.2 Powers, Duties and Obligations**

- (a) The General Partner will have:
  - (i) unlimited liability for the debts, obligations and liabilities of Willow LP;
  - (ii) subject to the terms of this Agreement and to any applicable limitations set forth in the Act and similar legislation in Canada, the full and exclusive right, power and authority to manage, control, administer and operate the business and affairs, and to make decisions regarding the undertaking and business of Willow LP; and
  - (iii) the full and exclusive right, power and authority to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document necessary for or incidental to carrying out the business of Willow LP for and on behalf of and in the name of Willow LP.
- (b) An action taken by the General Partner on behalf of Willow LP will be deemed to be the act of Willow LP and will bind Willow LP. No Persons dealing with Willow LP will be required to enquire into the authority of the 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 Willow LP.

### **8.3 Exercise of Duties**

The General Partner will act in the best interest of Willow LP and exercise its powers and discharge its duties under this Agreement honestly, in good faith, and in the best interests of Willow LP.

### **8.4 Specific Powers and Duties**

- (a) Without limiting the generality of Section 8.2, the General Partner will have full power and authority and duty for and on behalf of and in the name of Willow LP to:
  - (i) execute and carry out all agreements which require execution by or on behalf of Willow LP in connection with the day-to-day operation of Willow LP's business;
  - (ii) open and manage bank accounts in the name of Willow LP and spend the capital of Willow LP in the exercise of any right or power exercisable by the General Partner hereunder;
  - (iii) borrow funds or refinance any existing debt in the name of Willow LP from time to time, from any recognized financial institutions selected by the General Partner, on such terms as the General Partner, in its sole discretion, considers commercially reasonable, subject to the restriction on leverage set out in Section 2.3(b)(iv);
  - (iv) charge, encumber or otherwise grant security interests in the assets of Willow LP, or any part thereof, as security for funds borrowed;
  - (v) create and issue one or more Classes of Units, each corresponding to one Underlying Property;
  - (vi) employ retain, engage or dismiss from employment personnel, agents, representatives or professionals with the powers and duties, upon the terms and for the compensation as in the discretion of the General Partner may be necessary or advisable in the carrying on of the business of Willow LP;
  - (vii) retain such legal counsel, experts, advisors or consultants as the General Partner considers appropriate and rely upon the advice of such Persons;
  - (viii) pay operating expenses and capital expenditures or other expenses of Willow LP;
  - (ix) commence or defend any action or proceeding in connection with Willow LP or the property of Willow LP;
  - (x) file returns or other documents required by Applicable Law and any governmental or like authority;

- (xi) do anything that is in furtherance of or incidental to the business of Willow LP or that is provided for in this Agreement; and
  - (xii) delegate any and all authority that has been granted to the General Partner to one or more managers or other service providers, including without limitation the Manager, who may or may not be affiliates of the General Partner;
  - (xiii) hold legal title to any of the assets or property of Willow LP in its name for the benefit of Willow LP;
  - (xiv) invest cash assets of Willow LP that are not immediately required for the business of Willow LP;
  - (xv) act as attorney in fact or agent of Willow LP in disbursing and collecting moneys for Willow LP, paying debts and fulfilling the obligations of Willow LP and handling and settling any claims of Willow LP;
  - (xvi) execute, acknowledge and deliver the documents necessary to effectuate any or all of the foregoing or otherwise in connection with the business of Willow LP;
  - (xvii) obtain any insurance coverage, including coverage for it and any of its officers and directors in respect of any liability which may be incurred by them in the performance of any of their duties and obligations in respect of Willow LP;
  - (xviii) subject to Section 6.3, decide in its sole and entire discretion any time in addition to those times described in Section 6.3 at which the Net Income of Willow LP will be distributed to the Partners and the amount of any such distribution;
  - (xix) subject to Section 6.3, decide in its sole and entire discretion any time in addition to those times described in Section 6.3 at which the capital or other assets of Willow LP will be distributed to the Partners and the amount of any such distribution;
  - (xx) determine, subject to IFRS, in its sole and entire discretion, what proportion of a distribution is Net Income or capital;
  - (xxi) at any time, establish an investment committee to review and approve investments for Willow LP; and
  - (xxii) carry out the objects, purposes and business of Willow LP.
- (b) The determinations by the General Partner will be final and conclusive, absent manifest error, as to all the Partners.

## **8.5 Delegation**

The duties to be performed and the services to be provided by the General Partner hereunder may be provided by the General Partner or by an Associate or Affiliate of the General Partner or by third parties retained by the General Partner. The General Partner has engaged the Manager to manage and administer the day-to-day operations and affairs of Willow LP.

## **8.6 Restrictions upon the General Partner**

The General Partner's power and authority will not extend to any powers enumerated in Section 10.14 unless and until the requisite Special Resolution is passed. The General Partner will not:

- (a) cause Willow LP to guarantee the obligations or liabilities of or make loans to any Person except for purposes set out in Section 2.2;
- (b) co-mingle the funds of Willow LP with the funds of the General Partner or any of its Affiliates or Associates or with the funds of any other Person;
- (c) dissolve the affairs of Willow LP except in accordance with the provisions of Article 12 hereof; or
- (d) effect a sale or disposition of all or substantially all of the business and assets of Willow LP other than in the ordinary course of business or in connection with the dissolution of Willow LP in accordance with Article 12.

## **8.7 Liability for Costs and Expenses**

Each Class of Units will be responsible for the costs of its Offering, transaction costs and all ordinary and extraordinary expenses applicable to its Underlying Property. Willow LP will be responsible for all reasonable expenses (including all legal and audit fees) associated with its formation and the preparation and filing of any Offering Memorandum the Prospectus, financial statements and other continuous disclosure documents. For greater certainty, the costs and expenses of Willow LP and each Class of Units include the management fees and origination fees described in Sections 4.13 and 4.14 and all property management fees and other fees which may be payable to a service provider engaged by the General Partner or the Manager on behalf of Willow LP. Operating expenses associated with a particular Class of Units will be borne by the Class, while operating expenses applicable to Willow LP will be borne by all Classes on a pro rata basis.

The General Partner shall be responsible for the costs and expenses of its own formation and operation (including all legal and audit fees), and shall receive distributions from Willow LP to cover the full amount of such costs and expenses as set out in Section 6.11.

## **8.8 Limitation of Liability**

Subject to Applicable Law, neither the General Partner nor any officer, director or shareholder thereof shall be liable to any Limited Partner or Willow LP for any act, omission or error in judgment other than an act, omission or error in judgment which:

- (a) is in contravention of Section 8.3 of this Agreement; or
- (b) results in a loss of limited liability or otherwise exposes a Limited Partner to unlimited liability, provided that such loss of limited liability was caused by an act or omission of the General Partner or by the gross negligence or misconduct in the performance of, or disregard or breach of, the obligations or duties of the General Partner under this Agreement.

## **8.9 Indemnity of the General Partner**

- (a) To the extent permitted by Applicable Law, Willow LP shall indemnify and hold harmless the General Partner and its directors, officers, employees or agents of the General Partner or any committee established by the General Partner, or on behalf of the General Partner, against all claims, liabilities, damages and expenses (including legal fees) which they may suffer or incur or to which they may be or become subject by reason of their activities on behalf of Willow LP or in connection with any investment or arising out of their activities with respect thereto; provided, however, that this indemnity will not apply to any losses arising out of the gross negligence, wilful misconduct, fraud or bad faith on the part of the indemnified party.
- (b) Any party seeking indemnification from Willow LP pursuant to this Section 8.9, must so notify Willow LP.
- (c) Expenses incurred by any party entitled to indemnification under this Section 8.9 in respect of any costs, expenses, damages or claims up to a maximum amount in the aggregate of \$25,000 may be paid by Willow LP in advance of the final disposition of any such claim or action at the discretion of the General Partner upon the receipt of an undertaking by or on behalf of such party to repay the amount if it is ultimately determined that such party is not entitled to be indemnified by Willow LP as authorized by this Section 8.9.
- (d) If the General Partner becomes aware of the specifics of a claim pursuant to this Section 8.9, then the General Partner will make reasonable commercial efforts to promptly notify the Limited Partners in writing of the existence of such claim and provide the details thereof.
- (e) Any party entitled to indemnification from Willow LP under this Section 8.9 will seek recovery under any other indemnity or any insurance policies by which such party is indemnified or covered, as the case may be, and any amounts received by such party will reduce Willow LP's obligation or liability to such party under this Section 8.9. In the event that the amount of Willow LP's obligation and liability to such party arising under this Section 8.9 is less than the aggregate of the amount paid by Willow LP in respect thereof plus the amount received by the party under any other indemnity or any insurance policies, such party will forthwith pay to Willow LP the difference.

- (f) The General Partner will hold the benefit of this Section 8.9 for its own benefit and for the benefit of the other parties.

### **8.10 Indemnity by General Partner**

The General Partner will indemnify Willow LP for any costs or damages suffered or incurred by Willow LP as a result of a breach of Section 8.3. The General Partner will indemnify and hold harmless each Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by such Limited Partner that result from or arise out of such Limited Partner not having unlimited liability as set out in this Agreement, other than any liability caused by or arising out of any act or omission of such Limited Partner.

### **8.11 Other Matters Concerning the General Partner**

- (a) The General Partner may rely and will be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper Person or parties.
- (b) The General Partner may consult with legal counsel, accountants, investment bankers and other consultants and advisors selected by it, and any act taken or omitted in reliance upon the opinion (including, without limitation, an opinion of legal counsel) of such persons as to matters that the General Partner reasonably believes to be within such person's professional or expert competence will be conclusively presumed to have been done or omitted in good faith and in accordance with such opinion.
- (c) The General Partner will have the right, in respect of any of its power, authority or obligations hereunder, to act through any of its duly authorized officers or agents.

### **8.12 Resignation of General Partner**

The General Partner may resign upon a sale of all or substantially all of the assets of Willow LP, provided that such sale has been approved by Ordinary Resolution of the Limited Partners of Willow LP.

### **8.13 Deemed Resignation and Removal of the General Partner**

The General Partner will be deemed to resign as general partner upon: (a) the bankruptcy, insolvency, receivership, dissolution, liquidation, winding-up of the General Partner, or the seizure by a judgment creditor of the General Partner's interest in Willow LP; (b) the conveyance by the General Partner of its interest as general partner in Willow LP to a third party other than as permitted by and in accordance with the terms of this Agreement; or (c) the involuntary withdrawal of the General Partner from Willow LP as a consequence of a law or legal action. The Limited Partners shall be entitled to compel the General Partner, by Ordinary Resolution, to withdraw as general partner upon the occurrence of any of the following events: (a) if the General Partner should default in a material way under the terms of this Agreement and such default is not remedied

within 30 days after notice; or (b) if the General Partner commits fraud, theft, negligence or any other wilful act or omission detrimental to the interests of the Limited Partners.

Such deemed resignation or removal shall not be effective until any instrument or declaration required to be filed pursuant to applicable laws reflecting such withdrawal has been filed. The General Partner is permitted to withdraw or resign as general partner, or to voluntarily dissolve or liquidate itself upon 90 days' prior written notice to the Limited Partners.

#### **8.14 Transfer to New General Partner**

Upon notice of the resignation of the General Partner and the admission of a new general partner to Willow LP, the General Partner will do all things and take all steps to transfer the administration, management, control and operation of the business of Willow LP and the books, records and accounts of Willow LP to the new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfers in a timely fashion.

#### **8.15 Transfer of Title to New General Partner**

Upon notice of the resignation of the General Partner and the admission of a new general partner to Willow LP, the General Partner will, at the cost of Willow LP, transfer title to Willow LP's property 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.

#### **8.16 Release by Partnership**

Willow LP will release and hold harmless the General Partner 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 Willow LP upon the effective date of such resignation and any date thereafter (but for greater certainty not in respect of any events which occurred prior to such resignation).

#### **8.17 New General Partner**

A new general partner will not be a non-resident of Canada for the purposes of the Income Tax Act or a non-Canadian for the purposes of the *Investment Canada Act* (Canada), and will become a party to this Agreement by signing a counterpart hereof and will agree to be bound by all of the provisions hereof and to assume the obligations, duties and liabilities of the General Partner hereunder as from the date the new general partner becomes a party to this Agreement. The new general partner will subscribe for one general partnership interest.

#### **8.18 Power of Attorney**

Each of the Limited Partners hereby irrevocably nominates, constitutes and appoints the General Partner, with full power of substitution, as his, her or its agent and true and lawful attorney for property and agent to act on his, her or its behalf, with full power and authority in his, her or its name, place and stead to execute, swear to, ratify, confirm, acknowledge, deliver, file and record in the appropriate public offices in any jurisdiction where the General Partner considers it appropriate any and all of:



- (a) this Agreement, and any amendment, change or modification thereto from time to time made in accordance with its terms, and all declarations and other instruments or documents necessary or required to continue and keep in good standing Willow LP as a limited partnership in the Province of Ontario and elsewhere;
- (b) all documents on behalf of the Limited Partner and in the Limited Partner's name as may be necessary to give effect to the sale or assignment of a Unit or to give effect to the admission of additional or substituted Limited Partners or a transferee of Units as a new Limited Partner of Willow LP as required by and/or subject to the terms and restrictions of this Agreement;
- (c) all conveyances and other instruments or documents required in connection with the dissolution and liquidation of Willow LP subject to the terms and restrictions of this Agreement, including the distribution of assets of Willow LP;
- (d) all other instruments and documents on the Limited Partner's behalf and in the Limited Partner's name or in the name of Willow LP as may be deemed necessary by the General Partner to carry out fully this Agreement in accordance with its terms; and
- (e) all elections, determinations, designations, applications, declarations of status or beneficial ownership, claims, information returns, forms, or similar documents or instruments under the Income Tax Act (Canada) (including without limitation elections under Section 97(2) thereof as it may be amended or replaced from time to time) or any other taxation or other legislation or laws of like import in Canada, in the United States of America, or in any other foreign jurisdiction, in respect of the affairs of Willow LP or of the Limited Partner's interest in Willow LP, for and including all taxation years in which the Limited Partner is or is deemed to be a Limited Partner.

Each Limited Partner acknowledges that the ability of the General Partner to carry out its duties and discharge its obligations to Willow LP is dependent on the validity and survival of this power-of-attorney.

The power-of-attorney hereby granted is a power coupled with an interest and is irrevocable; it shall survive the assignment by each Limited Partner of the whole or any part of the interest of the Limited Partner in Willow LP, extends to the heirs, executors, administrators, successors, assigns and other legal representatives of each Limited Partner, shall survive the death or disability of each Limited Partner and may be exercised by the General Partner on behalf of each Limited Partner in executing such instrument with a single signature as attorney and agent for all of them. Each Limited Partner agrees to be bound by any representation or action made or taken by the General Partner pursuant to such 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 such power of attorney. In the event that a court of competent jurisdiction (or an arbitrator in circumstances where the General Partner has agreed to be bound by such arbitrator's decision) determines that this power-of-attorney has been terminated, been duly revoked or has become invalid, any exercise of the power by the General Partner following such termination, revocation or invalidity shall be valid and binding as between each Limited Partner or the estate of each

Limited Partner and any person, including the General Partner, who acted in good faith and without knowledge of the termination, revocation or invalidity.

Each Limited Partner hereby releases the General Partner from all liability of any kind that may arise in consequence of any act or omission of the General Partner, so long as the General Partner exercises its authority hereunder in good faith. Each Limited Partner agrees to be bound by any representation or action made or taken by the General Partner pursuant to this power of attorney and, if requested, agrees to ratify any such representation or action, including the execution of any documents necessary to effect such ratification. Each Limited Partner hereby indemnifies the General Partner with respect to all liability that may arise hereunder in consequence of any act or omission of the General Partner in the exercise of its authority hereunder, unless the General Partner is found by a court of competent jurisdiction in the Province of Ontario to have acted without good faith in exercising its authority hereunder, and such indemnification shall remain effective for any entity that ceases to be General Partner in respect of any such act or omission that occurred while such entity was General Partner.

This power of attorney becomes effective on the date of acceptance of this Agreement and shall continue in respect of the General Partner so long as it is the General Partner of Willow LP, and shall terminate thereafter, but shall continue in respect of a new general partner as if the new general partner were the original attorney. This power-of-attorney is in addition to and does not override or terminate any other power-of-attorney previously granted by any Limited Partner; however in the event of a conflict between the terms of the power-of-attorney contained herein, and the provisions relating to a power-of-attorney contained in this Agreement or in any previous subscription for Units of Willow LP by any Limited Partner, the terms of this power-of-attorney shall prevail. This power-of-attorney shall survive the granting of any subsequent power of attorney by any Limited Partner. Each Limited Partner agrees to take any action reasonably required by the General Partner to ratify any decision made or step taken by the General Partner pursuant to this power-of-attorney.

## **ARTICLE 9 FINANCIAL INFORMATION**

### **9.1 Books and Records**

- (a) The General Partner will keep or cause to be kept on behalf of Willow LP, during the term of Willow LP, according to the requirements of applicable law, at its principal place of business, books of proper and complete accounts, records and registers of the business and affairs of Willow LP.
- (b) Such books, records and registers will be kept available for inspection and audit by a Limited Partner or its authorized representative at such Limited Partner's expense, on reasonable notice to the General Partner and during normal business hours at the principal place of business of the General Partner, but a Limited Partner may not have access to any information of Willow LP which, in the reasonable opinion of the General Partner, should be kept confidential in the interests of Willow LP.

## 9.2 Financial Statements/Reports

- (a) Not later than 45 days after the end of each quarter during each Fiscal Year, the General Partner will send to each Person who was a Limited Partner as at the end of such quarter the following:
  - (i) the unaudited quarterly financial statements of Willow LP;
  - (ii) a report on allocations and distributions to Partners in respect of such quarter; and
  - (iii) a written summary about the progress of Willow LP.

Within 90 days of the end of each Fiscal Year, the General Partner will send to each Person who was a Limited Partner as at the end of the Fiscal Year:

- (iv) audited financial statements for the Fiscal Year, prepared in accordance with the provisions of this Agreement, with comparative financial statements as at the end of and for the immediately preceding Fiscal Year;
  - (v) the report of the Auditor on such financial statements;
  - (vi) a report on allocations and distributions to Partners in respect of the Fiscal Year; and
  - (vii) information concerning the amount of Net Income or Net Loss and tax income or tax loss for the Fiscal Year, the allocation thereof among the Limited Partners as a group and the General Partner, and the allocation thereof per Unit.
- (b) Willow LP may send financial statements and progress reports regarding the Underlying Properties to Limited Partners by posting the relevant documents on the Willow Platform and notifying Limited Partners that such documents are available by email or other electronic means. Willow LP may send reports on allocations and distributions to each Limited Partner electronically by secure delivery to the Limited Partner's account on the Willow Platform.

## 9.3 Income Tax Information

The General Partner will send or cause to be sent to each Person who was a Limited Partner as at the last day of a Fiscal Year by March 31 of the calendar year following the calendar year in which such Fiscal Year ends, all information, in suitable form, relating to Willow LP necessary for such Person to prepare and file returns required under the *Income Tax Act* with respect to the Partnership. The General Partner will file or cause to be filed, on behalf of itself and the Limited Partners, annual partnership information returns and any other information required to be filed under the *Income Tax Act* and any other applicable tax legislation in respect of partnership matters.

Each Limited Partner will generally be required to report its share of the income or loss of Willow LP for a particular taxation year in his or her income tax return for that year.

#### **9.4 Accounting Policies**

The General Partner is authorized to establish from time to time accounting policies with respect to the financial statements of Willow LP and to change from time to time any policy that has been so established so long as such policies are consistent with the provisions of this Agreement, with IFRS and, to the extent possible, with the provisions of the Income Tax Act.

#### **9.5 Auditor**

The Auditors of Willow LP are Segal LLP, Suite 502, 4101 Yonge Street, North York, Ontario. Segal LLP is independent of Willow LP within the meaning of the relevant rules of professional conduct and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

The Auditor shall review and report to the Partners upon the financial statements of Willow LP for and as at the end of each Fiscal Year, and to advise upon and make determinations with regard to financial questions relating to Willow LP or required by this Agreement to be determined by the Auditor. Any change of Auditor must be approved by a Special Resolution.

### **ARTICLE 10 MEETINGS OF THE LIMITED PARTNERS**

#### **10.1 Requisitions of Meetings**

The Manager may, at any time, and will upon receipt of a written request from two (2) Limited Partners holding in aggregate, not less than 50% of the Units of Willow LP or, in the case of a meeting of a Class of Units, not less than 50% of the Units of the Class, call a meeting of the Limited Partners of Willow LP or the Class. Meetings may be held electronically or by conference call, and notice of meeting may be delivered electronically on the Willow Platform. The Chief Executive Officer, or in his absence, any officer of the Manager, will be the Chair of any meeting of Limited Partners.

#### **10.2 Notice of Meeting**

- (a) Notice of any meeting of Limited Partners will be given to each Limited Partner not less than 21 days, but not more than 60 days, prior to such meeting, and will state:
  - (i) the time, date and place (which may be electronically on the Willow platform) of such meeting; and
  - (ii) in general terms, the nature of the business to be transacted at the meeting in sufficient detail to permit a Limited Partner to make a reasoned decision thereon.
- (b) Notice of an adjourned meeting of Limited Partners need not be given if the adjourned meeting is held within 14 days of the original meeting. Otherwise, but subject to Section 10.11, notice of adjourned meetings will be given not less than 10 days in advance of the adjourned meeting and otherwise in accordance with this

Section 10.2, except that the notice need not specify the nature of the business to be transacted if unchanged from the original meeting.

### **10.3 Register Dates**

For the purpose of determining the Limited Partners who are entitled to vote or act at any meeting of Limited Partners or any adjournment thereof, or for the purpose of any other action, the General Partner may from time to time cause the Register to be closed for such period, not exceeding 30 days, as the General Partner may determine or, without causing the Register to be closed, the General Partner will fix a date not more than 30 days prior to the date of any meeting of Limited Partners or other action as a record date for the determination of Limited Partners entitled to vote at such meeting or any adjournment thereof or to be treated as Limited Partners of record for purposes of such other action, and any Person who was a Limited Partner at the time so fixed will be entitled to vote at such meeting or any adjournment thereof or treated as a Limited Partner of record even though the Person has since that date disposed of its Units, and no Limited Partner becoming such after that date will be a Limited Partner of record for purposes of such action. A Person will be a Limited Partner of record at the relevant time the Person's name appears in the Register as amended and supplemented at such time.

### **10.4 Proxies**

Any Limited Partner entitled to vote at a meeting of Limited Partners may vote by proxy if a form of proxy has been received by the General Partner or the chairman of the meeting for verification prior to the commencement of the meeting.

### **10.5 Validity of Proxies**

A proxy purporting to be executed by or on behalf of a Limited Partner will be considered to be valid unless challenged at the time of or prior to its exercise. The Person challenging the proxy will have the burden of proving to the satisfaction of the chairman of the meeting that the proxy is invalid and any decision of the chairman concerning the validity of a proxy will be final. Proxies will be valid only at the meeting with respect to which they were solicited, or any adjournment thereof, but in any event will cease to be valid one year from their date. A proxy given on behalf of joint holders of a Unit must be executed by all of the joint holders of that Unit and may be revoked by any of them, and if more than one of several joint holders is present at a meeting and they do not agree which of them is to exercise any vote to which they are jointly entitled, they will for the purposes of voting be deemed not to be present. A proxy holder need not be a holder of a Unit.

### **10.6 Form of Proxy**

Every proxy will be substantially in the form as may be approved by the General Partner or as may be satisfactory to the chairman of the meeting at which it is sought to be exercised.

### **10.7 Revocation of Proxy**

A vote cast in accordance with the terms of an instrument of proxy will be valid notwithstanding the previous death, incapacity, insolvency or bankruptcy of the Person giving the proxy or the

revocation of the proxy unless written notice of such death, incapacity, insolvency, bankruptcy or revocation will have been received by the chairman of the meeting prior to the commencement of the meeting.

### **10.8 Corporations**

A Limited Partner which is a corporation may appoint an officer, director or other authorized person as its representative to attend, vote and act on its behalf at a meeting of the Limited Partners. Such Limited Partner may be required to provide proof of appointment if requested by the General Partner.

### **10.9 Attendance of Others**

Any officer or director of the General Partner and legal counsel for the General Partner and Willow LP may attend any meeting of Limited Partners. The General Partner may authorize the presence of any Person at a meeting regardless of whether the Person is a Limited Partner. The General Partner may permit that Person to address the meeting. Each of the Limited Partners may, at their own expense, have legal counsel or other advisers attend any meeting of Limited Partners.

### **10.10 Chairman**

The General Partner may nominate any individual, including, without limitation, an officer or director of the General Partner, or an individual who is not a Limited Partner to be chairman of a meeting of Limited Partners and the person nominated by the General Partner will be chairman of such meeting unless the Limited Partners elect another chairman by Ordinary Resolution.

### **10.11 Quorum**

A quorum at any meeting of Limited Partners will consist of two (2) or more Limited Partners present in person or by proxy holding in the aggregate, not less than 10% of the issued and outstanding Units or, for a meeting of a Class of Units, at least two (2) Limited Partners of a Class holding not less than 10% of the issued and outstanding Units of the Class. If, within half an hour after the time fixed for the holding of such meeting, a quorum for the meeting is not present, then the meeting:

- (a) if called by or on the requisition of Limited Partners, will be terminated; and
- (b) if called by the General Partner, will be held at the same time and place on the day which is 14 days later (or if that date is not a business day, the first business day after that date), or, subject to Section 10.2, such later date as the General Partner determines. At such reconvened meeting the quorum will consist of the Limited Partners then present in person or represented by proxy.

### **10.12 Voting**

- (a) Every question submitted to a meeting of Limited Partners which requires an Ordinary Resolution or a Special Resolution under this Agreement will be decided by a poll, which may be conducted electronically.

- (b) Unless otherwise explicitly stated herein to the contrary, on a poll, each Person present at the meeting will have one vote for each Unit in respect of which such Person is shown on the Register as the holder of the Unit at the record date and for each Unit in respect of which such Person is the proxyholder. Each Limited Partner present at the meeting and entitled to vote thereat will have one vote on a show of hands. If a Unit is held jointly by two or more Persons and only one of them is present or represented by proxy at a meeting of Limited Partners, then such Person may, in the absence of the other or others, vote with respect thereto, but if more than one of them is present or represented by proxy, they will vote together on the Unit held jointly.
- (c) In the case of an equality of votes, the chairman will not have a casting vote and the resolution will be deemed to be defeated. The chairman will be entitled to vote in respect of any Units held by him or for which he may be a proxyholder. On any vote at a meeting of Limited Partners, a declaration of the chairman concerning the result of the vote will be conclusive.
- (d) Willow shall be entitled to vote Units owned by it, however, neither the General Partner nor the Manager will be entitled to a casting vote at any meeting of Limited Partners or a Class.

### **10.13 Powers of Limited Partners – Resolutions Binding**

The Limited Partners will have only the powers set forth in this Agreement and any additional powers provided by law. Subject to the foregoing sentence, any resolution passed in accordance with this Agreement will be binding on all the Limited Partners and their respective heirs, executors, administrators, successors and assigns, whether or not any such Limited Partner was present in person or voted against any resolution so passed.

### **10.14 Powers Exercisable by Special Resolution**

The following powers of Willow LP will only be exercisable by a Special Resolution:

- (a) termination of Willow LP;
- (b) a change in the nature of the business of Willow LP or otherwise engaging Willow LP in other business or activities that are not incidental to the business of Willow LP;
- (c) waiving any default on the part of the General Partner on such terms as the Limited Partners may determine;
- (d) any amendment to this Agreement that in the opinion of the General Partner, acting reasonably, is materially adverse to Limited Partners;
- (e) amending, modifying, altering or repealing this Section 10.14 or any Special Resolution previously passed by the Limited Partners;

- (f) requiring the General Partner on behalf of Willow LP to enforce any obligation or covenant on the part of any Limited Partner;
- (g) appointing a new Auditor of Willow LP to replace the Auditor in accordance with Section 9.5; and
- (h) appointing a Person as the new general partner of Willow LP upon the deemed resignation or removal of the then general partner under Section 8.13 or the resignation of the General Partner under Section 8.12 of the then general partner of Willow LP.

### **10.15 Minutes**

The General Partner will cause minutes to be kept of all proceedings and resolutions at every meeting and will cause all such minutes and all resolutions of the Limited Partners consented to in writing to be made and entered in books to be kept for that purpose. The General Partner will deliver copies of all such minutes to each of the Limited Partners. Any minutes of a meeting signed by the chairman of the meeting will be deemed evidence of the matters stated in them and such meeting will be deemed to have been duly convened and held and all resolutions and proceedings shown in them will be deemed to have been duly passed and taken.

### **10.16 Additional Rules and Procedures**

To the extent that the rules and procedures for the conduct of a meeting of the Limited Partners are not prescribed in this Agreement, the rules and procedures will be determined by the General Partner having regard to rules of conduct customary for the holding of meetings of shareholders of a corporation.

### **10.17 Meeting Expenses**

Each Limited Partner will be solely responsible for its own expenses in connection with attending at and participating in general meetings of the Limited Partners.

## **ARTICLE 11 NOTICES**

### **11.1 Address**

Any notice or other written communication which is required or permitted be given or sent to Limited Partners under this Agreement will be delivered electronically on the Willow Platform to the email address specified in the account-opening process on the Willow Platform. Any notice or other written communication which is required or permitted be given or sent to the General Partner under this Agreement may be delivered electronically on the Willow Platform to the email address specified on the Willow Platform.

In the event that it is not possible or practicable for electronic notices to be delivered on the Willow Platform or otherwise, any notice or other written communication which is required or permitted be given or sent under this Agreement may be given by first-class mail or personal delivery or email to, in the case of the General Partner, the address as specified below, or such other address



in Ontario as the General Partner may designate in writing from time to time to the Limited Partners after filing an amendment to the Certificate with respect to such change, and in the case of the Limited Partners, to the postal address inscribed in the Register pursuant to information provided by the Limited Partner in the account-opening process on the Willow Platform, or any other new address following a change of address in conformity with Section 11.2:

If to the General Partner:

Willow RET GP Inc.  
220 King Street West, Suite 200  
Toronto, Ontario, M5V 3M2

Email: [willowgp@willow.ca](mailto:willowgp@willow.ca)

Each such communication is deemed to be given, in case of electronic delivery, upon confirmation that the message has been sent and, in case of first-class mail, on the third business day after deposit of such communication in the mail, or, in case of personal delivery, on the day of delivery.

## **11.2 Change of Address**

A Limited Partner may, at any time, change its address for the purposes of service by written notice to the General Partner, which notice may be delivered electronically on the Willow Platform. The General Partner may change its address for the purpose of service by written notice to all Limited Partners, which notice may be delivered electronically on the Willow Platform.

## **11.3 Accidental Failure**

An accidental omission in the giving of, or failure to give, a notice required by this Agreement will not invalidate or affect in any way the legality of any meeting or other proceeding in respect of which such notice was or was intended to be given.

## **11.4 Disruption in Mail**

In the event of any disruption, strike or interruption in the Canadian postal service after mailing and before receipt or deemed receipt of a document, it will be deemed to have been received on the fifth business day following full resumption of the Canadian postal service.

## **11.5 Undelivered Notices**

If the General Partner sends a notice or document to a Limited Partner in accordance with Section 11.1 and the notice or document is returned on three consecutive occasions because the Limited Partner cannot be found, then the General Partner is not required to send any further notices or documents to the Limited Partner until the Limited Partner informs the General Partner in writing of the Limited Partner's new address.

## **ARTICLE 12 DISSOLUTION, LIQUIDATION AND BULK SALES**

### **12.1 Events of Dissolution**

Willow LP does not have a fixed termination date. Willow LP will follow the procedure for dissolution established in Section 12.3 upon the occurrence of the earliest of any of the following events or dates, on 60 days' notice to the Limited Partners:

- (a) the General Partner determines in its sole discretion, without the approval of the Limited Partners, acting reasonably, that it would be in the best interests of Willow LP and the Limited Partners to terminate Willow LP; or
- (b) the General Partner determines in its sole discretion, without approval of the Limited Partners, acting reasonably, that it is no longer economically feasible to continue Willow LP; or
- (c) the deemed resignation, removal or resignation of the General Partner as provided in this Agreement, unless the General Partner is replaced.

### **12.2 No Dissolution**

Willow LP will not come to an end by reason of the death, bankruptcy, insolvency, mental incapacity or other disability of any Limited Partner or upon transfer of any Units.

### **12.3 Procedure on Dissolution**

- (a) Upon the occurrence of any of the events set forth in Section 12.1, the General Partner (or in the event of Section 12.1(c), such other Person as may be appointed by a Special Resolution) will act as a receiver and liquidator of the assets of Willow LP and will:
  - (i) distribute the net assets of Willow LP first to the General Partner, in the amount of \$1,000, provided that Willow LP will generate sufficient profit during its terms to pay such distribution, and then, the remaining net assets of each Class of Units will be distributed to the Limited Partners of such Class on a pro rata basis;
  - (ii) convert the assets of Willow LP to cash and, after paying or making adequate provisions for all of Willow LP's liabilities, distribute the net assets of Willow LP to the Limited Partners;
  - (iii) sell or otherwise dispose of such part of Willow LP's assets as the receiver, if any, will consider appropriate;
  - (iv) distribute the remaining assets of Willow LP, if any, to the General Partner and to Limited Partners of record on the date of dissolution; and

- (v) file the declaration of dissolution prescribed by the Act, do all such further acts and file all such further documents and instruments as required by the Act, and satisfy all applicable formalities in such circumstances as may be prescribed by the laws of other jurisdictions where Willow LP is registered. In addition, the General Partner (or the Person so appointed in connection with this Section) will give prior notice of any dissolution of Willow LP in such manner as may be required by Applicable Law and by giving each Limited Partner and the Registrar such notice at least 21 days prior to the filing of the declaration of dissolution prescribed by the Act.
- (b) The General Partner may, in its discretion, defer the effective date of termination for up to 90 days if the General Partner provides written notice of such deferral to the Limited Partners.
- (c) Following termination and dissolution of Willow LP and upon liquidation and winding up of Willow LP, the General Partner (or the Person so appointed in connection with this Section) will make a final allocation of all items of income and loss in accordance with Article 6, and Willow LP's liabilities and obligations to its creditors will be paid or adequately provided for prior to any distributions to the Limited Partners. After payment or provision for payment of all liabilities and obligations of Willow LP, the remaining assets, if any, will be distributed among the Limited Partners in accordance with Article 6. If requested by the General Partner, each Limited Partner agrees to jointly file an election under subsection 98(3) of the Income Tax Act to provide for the distribution of such assets on a tax-deferred basis, and hereby irrevocably and unconditionally appoints the General Partner (or the Person so appointed in connection with this Section) as its attorney to sign such election.

#### **12.4 Dissolution**

Willow LP will be dissolved upon the completion of all matters set forth in Section 12.3. Within 60 days of the dissolution of Willow LP the General Partner (or in the event of an occurrence specified in Section 8.13, such other Person as may be appointed by a Special Resolution) will act as a receiver and liquidator of the assets of Willow LP and will send to each person who was a Limited Partner immediately prior to the dissolution the financial statements and reports described in Article 9, provided that such statements and reports will be prepared up to the effective date of the dissolution in place of the Fiscal Year.

#### **12.5 No Right to Dissolve**

Except as provided for in Section 12.1, no Limited Partner will have the right to ask for the dissolution of Willow LP, for the winding-up of its affairs or for the distribution of its assets.

#### **12.6 Agreement Continues**

Notwithstanding the dissolution of Willow LP, this Agreement will not terminate until the provisions of Section 12.3 and 12.4 will have been satisfied.

## **ARTICLE 13 AMENDMENT**

### **13.1 Power to Amend**

This Agreement may be amended to reflect the following changes with the approval of Limited Partners at a meeting duly called and held for such purpose or by written resolution. Other than the change described in paragraphs (1) and (4) below which shall require approval by Special Resolution of Limited Partners as outlined in Section 10.14(d), and subject to Section 13.2 and except as otherwise expressly provided herein, each change described below may be approved by Ordinary Resolution of Limited Partners, and any item which would affect one Class of Units differently from the other Classes must also be approved by Ordinary Resolution of Limited Partners of such Class, voting separately as a Class:

- (a) a change in the nature of the business of Willow LP or otherwise engaging Willow LP in other business or activities that are not incidental to the business of Willow LP;
- (b) in respect of an existing Class of Units, any increase in payments, fees, charges or other compensation to the General Partner, the Manager or any other service provider;
- (c) any other change that would materially adversely affect the rights of the Units or any Class of Units; and
- (d) termination of Willow LP.

Neither this Section 13.1 nor Section 2.2 may be amended without the unanimous written consent of the Limited Partners.

Unless approved by Special Resolution, no amendment will be made to this Agreement which would have the effect of (i) reducing any Limited Partner's share of the Net Income of Willow LP, (ii) reducing the interest of the Limited Partners in Willow LP, (iii) changing the liability of any Limited Partner, (iv) changing the right of a Limited Partner to vote at any meeting, or (v) changing Willow LP from a limited partnership to a general partnership.

No amendment which would have the effect of adversely affecting the rights and obligations of the General Partner in any material respect may be made without the consent of the General Partner.

### **13.2 Amendment by General Partner**

Other than the amendments set out above under "Power to Amend" which require Limited Partner approval, this Agreement may be amended by the General Partner or the Manager upon 60 days' written notice to Limited Partners.

Notwithstanding the foregoing, this Agreement may be amended to create new Classes of Units (provided that such new Class does not adversely affect the rights of existing Limited Partners),

ensure compliance with law, bring Willow LP into conformity with industry practice, correct typographical errors and make other non-material amendments without notice to Limited Partners.

### **13.3 Notice of Amendments**

The General Partner will provide a complete copy of any amendment to this Agreement to each Limited Partner within 30 days of the effective date of the amendment, which amendment may be provided electronically on the Willow Platform.

## **ARTICLE 14 MISCELLANEOUS**

### **14.1 Binding Agreement**

Subject to the restrictions on assignment and transfer herein contained, this Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators and other legal representatives, successors and permitted assigns.

### **14.2 Time**

Time will be of the essence hereof.

### **14.3 Counterparts**

This Agreement, or any amendment to it, may be executed in multiple counterparts, each of which will be deemed an original agreement. This Agreement may also be executed and adopted in any Subscription Form or similar instrument signed by a Person purporting to be or to become a Limited Partner with the same effect as if such Person had executed a counterpart of this Agreement. All counterparts and adopting instruments will be construed together and will constitute one and the same agreement.

### **14.4 Governing Law**

This Agreement and the Schedules hereto will be governed and construed exclusively according to the laws of the Province of Ontario and the laws of Canada applicable therein and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

### **14.5 Severability**

If any part of this Agreement is declared invalid or unenforceable, then such part will be deemed to be severable from this Agreement and will not affect the remainder of this Agreement.

### **14.6 Further Acts**

The parties will perform and cause to be performed such further and other acts and things, and execute and deliver or cause to be executed and delivered such further and other documents as counsel to Willow LP considers necessary or desirable to carry out the terms and intent of this Agreement.

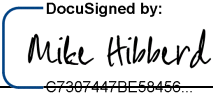
## **14.7 Entire Agreement**

Subject to the Subscription Forms of the Limited Partners, this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral, and there are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as herein provided.

*[Remainder of Page Left Intentionally Blank]*

The parties have executed this Agreement as of the 27<sup>th</sup> day of April, 2022.

**WILLOW RET GP INC., as general partner  
of WILLOW LIMITED PARTNERSHIP**

By:    
Name: Michael Hibberd  
Title: Chief Operating Officer

**SCHEDULE A**  
**CLASSES OF UNITS**

| <b>Class</b>              | <b>Underlying Property</b>                      | <b>Offering Price</b> | <b>Closing Date</b> | <b>Target Sale Date</b> |
|---------------------------|---|-----------------------|---------------------|-------------------------|
| RRDO                      | 388 Richmond Road, Ottawa, Ontario K2A 0E8      | \$12.56               | April 19, 2022      | April 19, 2032          |
| QSWT                      | 356 Queen Street West, Toronto, Ontario M5V 2A2 | \$36.06               | April 27, 2022      | April 27, 2032          |
| WILLOW Units, Series QSWT | 356 Queen Street West, Toronto, Ontario M5V 2A2 | \$36.06               | April 27, 2022      | April 27, 2032          |



## **SCHEDULE B**

### **WILLOW UNITS**

#### **1 Issuance**

In the event that Willow LP has not received subscriptions for the minimum number of Units of a Class by the closing date for the purchase of the Underlying Property of the Class, Willow LP may raise sufficient capital to fund the purchase price for the Underlying Property by issuing WILLOW Units to the Manager.

#### **2 Series and Corresponding Class**

WILLOW Units are issuable in series, with a specific series of WILLOW Units corresponding to each Underlying Property, and the Class of Units of such Underlying Property (each, a “**Corresponding Class**”). Except as set out below, each series of WILLOW Units has the same attributes as its Corresponding Class of Units.

After a series of WILLOW Units has been issued, Willow LP will continue to offer Units of the Corresponding Class until the maximum number of Units of such Class have been issued.

#### **3 Purchase Price**

The purchase price for a series of WILLOW Units will be the same as the purchase price for the Corresponding Class of Units as set out in Schedule A and in the Offering Memorandum or Prospectus of the Corresponding Class.

#### **4 Redemptions**

Each series of WILLOW Units is redeemable for a price equal to the purchase price of such series. Redemptions will occur on a weekly basis on the Valuation Date in each week on which Units of the Corresponding Class are issued. Willow LP will use the proceeds of the issuance of Units of the Corresponding Class to fund such redemptions.

#### **5 Financing and Pledge**

The Manager may borrow funds to finance the purchase of WILLOW Units, and may pledge the WILLOW Units to the lender as security for such loan.