

FOURTH AMENDED AND RESTATED CREDIT AGREEMENT

RIOCAN-HBC LIMITED PARTNERSHIP
as Borrower

AND

BANK OF MONTREAL
as Administrative Agent

AND

THE FINANCIAL INSTITUTIONS
from time to time parties hereto
as Lenders

AND

BMO CAPITAL MARKETS
and CANADIAN IMPERIAL BANK OF COMMERCE
as Co-Lead Arrangers and Joint Bookrunners

AND

THE GUARANTORS
as Guarantors

Made as of May 31, 2024

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FOURTH AMENDED AND RESTATED CREDIT AGREEMENT

THIS AGREEMENT is made as of the 31st day of May, 2024,
BETWEEN

RIOCAN-HBC LIMITED PARTNERSHIP, a limited partnership formed under the laws of the Province of Ontario (the “**Borrower**”),

- and -

BANK OF MONTREAL, in its capacity as agent for the Lenders (the “**Administrative Agent**”),

- and -

THE FINANCIAL INSTITUTIONS from time to time party to this Agreement and designated as Lenders on Schedule A hereto (each, a “**Lender**” and, collectively, the “**Lenders**”),

- and -

THE GUARANTORS identified on Schedule 1.1(A) of this Agreement and on the signature pages hereto and such other Subsidiaries of the Borrower as become parties hereto as Guarantors (the “**Guarantors**”).

WHEREAS the parties hereto entered into an amended and restated credit agreement dated as of February 25, 2022 (the “**Original Credit Agreement**”);

AND WHEREAS the parties hereto have agreed to amend and restate, without novation, the Original Credit Agreement for the purpose of replacing the CDOR Rate and the availability of Bankers’ Acceptances with CORRA Loans as per the terms and conditions contained herein;

AND WHEREAS it is a condition of providing the Credit Facility that the Guarantors guarantee the obligations of the Borrower on the terms and conditions herein set forth;

AND WHEREAS the Lenders wish the Administrative Agent to continue to act on their behalf with regard to certain matters associated with the Credit Facility on the terms and conditions herein set forth.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties agree as follows:

ARTICLE 1

INTERPRETATION

1.1 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

“Acceptable Appraisal” means a “market value” appraisal (including “desktop” updates) of a Secured Property prepared in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada and conducted in accordance with the standards of the Appraisal Institute of Canada by an independent appraiser, which is approved by the Required Lenders in form, substance and date, acting reasonably and which is addressed to the Administrative Agent and the Lenders.

“Adjusted Daily Compounded CORRA” means, for purposes of any calculation, the rate per annum equal to (a) Daily Compounded CORRA for such calculation plus (b) the Daily Compounded CORRA Adjustment; provided that if Adjusted Daily Compounded CORRA as so determined shall be less than the Floor, then Adjusted Daily Compounded CORRA shall be deemed to be the Floor.

“Adjusted Net Operating Income” means, with respect to any Secured Property and for a given period, the sum of the following (without duplication):

- (i) contractual rents, budgeted expense recoveries, and other revenues to be received in the ordinary course from the in place Leases (excluding Leases in monetary default or any other material default) or operating of such Secured Property,
- (ii) minus all budgeted expenses related to the ownership, operation or maintenance of such Secured Property, including but not limited to Taxes, assessments and other similar charges, insurance, utilities, payroll costs, maintenance, repair expenses, but in any event excluding amortization and depreciation and general and administrative expenses (excluding normalized management fees set out in (iii)),
- (iii) minus, to the extent not already deducted in clause (ii) above, (a) for Secured Properties where HBC is the single tenant, actual management and repair and maintenance expenses and (b) for all other Secured Properties where HBC is not a sole tenant, 3% management allowance (based on gross revenues) for a normalized management fee, and a 1.0% structural allowance (based on gross revenues).

For certainty, paragraphs (i), (ii) and (iii) of this definition of Adjusted Net Operating Income shall exclude any extraordinary or non-recurring expenses or income, any payments on account of interest, fees and amortization of principal in respect of any Indebtedness and cash reserves.

“Adjusted Partners’ Equity” means, on any date, in respect of the Borrower, the aggregate of the amount of partners’ equity and the amount of accumulated amortization of income properties, including accumulated amortization of deferred costs and the accumulated amortization of the fair value of tangible and intangible assets and liabilities recorded on the acquisition of income properties, as shown on the Borrower’s most recent consolidated financial statements at such time, calculated in accordance with GAAP.

“Adjusted Term CORRA” means, for purposes of any calculation, the rate per annum equal to (a) Term CORRA for such calculation plus (b) the Term CORRA Adjustment; provided that if Adjusted Term CORRA as so determined shall ever be less than the Floor, then Adjusted Term CORRA shall be deemed to be the Floor.

“Administrative Agent” means Bank of Montreal, in its capacity as administrative agent for the Lenders under this Agreement and any successor appointed as administrative agent in accordance with this Agreement.

“Administrative Questionnaire” means an administrative questionnaire in a form provided by the Administrative Agent.

“Affiliate” means, with respect to any Person, (a) each Person that, directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, 5% or more of the Equity Interests having ordinary voting power in the election of directors of such Person, (b) each Person that Controls, is Controlled by or is under common Control with such Person, (c) each of such Person's officers, directors and trustees.

“Agent Party” has the meaning set out in Section 20.1(g)(ii).

“Agent’s Office” means the branch of the Administrative Agent located at the address set out on the signature pages of this Agreement for the Administrative Agent, or such other office in Canada that the Administrative Agent may from time to time designate by notice to the Borrower and the Lenders.

“Aggregate Gross Book Value” means, at any time, the total book value of the assets of the Borrower and its Subsidiaries, excluding goodwill, determined on a consolidated basis, plus accumulated amortization of income properties, including accumulated amortization of the fair value of tangible and intangible assets and liabilities recorded on the acquisition of income properties, recorded in the books and records at such time, determined in accordance with GAAP.

“Aggregate Hedge Exposure” means, at any time, the negative net marked to market amount, if any, that would be carried in the accounts of the Borrower or any Credit Party on a consolidated basis at such time with respect to any Hedge Arrangements.

“Aggregate Outstandings” means, at any time, the aggregate amount of all Loans outstanding under the Credit Facility. In determining the Aggregate Outstandings under the Credit Facility, the aggregate amount thereof shall be determined on the basis of the aggregate (without duplication) of aggregate principal amount of all advances of Prime Rate Loans and CORRA Loans.

“**Agreement**” means this credit agreement, including its recitals and schedules, as amended, restated, supplemented and otherwise modified from time to time.

“**Applicable Law**” means, at any time, in respect of any Person, property, transaction, event or other matter, as applicable, all then current laws, rules, statutes, regulations, treaties, orders, judgments and decrees and all official directives, rules, guidelines, orders, policies, decisions and other requirements of any Governmental Authority, in each case to the extent having the force of law (collectively, the “**Law**”) relating or applicable to such Person, property, transaction, event or other matters and shall also include any interpretation of the Law, or any part of the Law, by any Person having jurisdiction over it or charged with its administration or interpretation.

“**Applicable Margin**” means, as regards to any Loan, the percentage rate *per annum*, determined in accordance with the applicable table below.

<i>Prime Rate Margin</i>	<i>CORRA Margin</i>
2.00%	3.00%

“**Applicable Percentage**” means, with respect to any Lender, the percentage of the total Commitments represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Applicable Percentage shall be the percentage of the total outstanding Loans represented by such Lender’s outstanding Loans.

“**Assignee Lender**” has the meaning set forth in Section 2.3(b)(i).

“**Availability Period**” means, in relation to the Credit Facility, the period commencing on the Closing Date and ending on the Maturity Date.

“**Available Tenor**” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.14(d).

“**Available Term Credit**” means the lesser of (i) the Total Term Commitment and (ii) the Borrowing Base.

“**Bankers’ Acceptance**” means a depository bill, as defined in the *Depository Bills and Notes Act* (Canada) (“DBNA”), deposited with, and make payable to, a “clearing house”

(as defined in the DBNA), in Canadian Dollars that is in the form of a Draft signed by the Borrower and accepted by a Lender, or for Lenders not participating in clearing services as contemplated in that Act, a draft or other bill of exchange in Canadian Dollars that is signed on behalf of the Borrower and accepted by a Lender.

“Benchmark” means, initially, the Term CORRA Reference Rate or Daily Compounded CORRA, as the case may be; provided that if a Benchmark Transition Event has occurred with respect to the Term CORRA Reference Rate, Daily Compounded CORRA, or the then-current Benchmark, then **“Benchmark”** means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.14(a).

“Benchmark Replacement” means, with respect to any Benchmark Transition Event,

- (a) where a Benchmark Transition Event has occurred with respect to Term CORRA Reference Rate, Daily Compounded CORRA; and
- (b) where a Benchmark Transition Event has occurred with respect to a Benchmark other than the Term CORRA Reference Rate, the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Canadian Dollar-denominated syndicated credit facilities and (ii) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Canadian Dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Date” means a date and time determined by the Administrative Agent, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:

- (a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or
- (b) in the case of clause (c) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “**Benchmark Replacement Date**” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Bank of Canada, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or
- (c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the

calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a “**Benchmark Transition Event**” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Unavailability Period**” means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.13 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.13.

“**Beneficial Owner**” means the Borrower.

“**Borrower**” means RioCan-HBC Limited Partnership and its respective successors and assigns permitted by this Agreement.

“**Borrower’s Counsel**” means Goodmans LLP or such other firm of legal counsel as the Borrower may from time to time designate and that is acceptable to the Administrative Agent.

“**Borrowing Base**” means, at any time, the aggregate of the Lending Values of the then applicable pool of Secured Properties.

“**Borrowing Base Shortfall**” has the meaning set out in Section 6.1(b).

“**Business Day**” means a day of the year, other than a Saturday, Sunday or statutory holiday, on which banking institutions are open for business in Toronto, Ontario and New York, New York.

“**Canadian Dollars**” and the symbol “\$” mean the lawful money of Canada.

“**Canadian Pension Plan**” means each pension plan required to be registered under Canadian federal or provincial pension benefits Applicable Law that is maintained or contributed to by a Credit Party for its employees or former employees and that has a defined benefit provision, but does not include the Canadian Pension Plan or the Quebec Pension Plan as maintained by the Government of Canada or the Province of Quebec, respectively.

“**Capital Lease Obligation**” means, with respect to any Person, any lease or any property (whether real, personal or mixed) by such Person as lessee that in accordance with GAAP, would be required to be classified and accounted for as a finance or capital lease on the balance sheet of such Person.

“Carrefour Laval Secured Property” has the meaning given to it in Schedule 10.1(j).

“CCQ” means the Civil Code of Quebec.

“Change in Applicable Laws” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Applicable Laws, (b) any change in any Applicable Laws or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any Applicable Laws by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the *Dodd Frank Wall Street Reform and Consumer Protection Act* and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank of International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the Canadian or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a **“Change in Applicable Laws”**, regardless of the date enacted, adopted or issued.

“Change of Control” means an event, transaction, or series of events or transactions by which: (a) any Person or one or more Related Persons or one or more Persons acting jointly or in concert (other than HBC and/or RioCan and/or their respective Affiliates), beneficially or otherwise, owns Equity Interests of the Borrower and/or the General Partner representing 50% or more of the aggregate voting power represented by the issued outstanding Equity Interests of the Borrower and/or the General Partner, provided that no change in the direct or indirect ownership of Equity Interests in HBC or RioCan will result in any Change of Control; (b) any Guarantor (including any general partner of trustees thereof) is no longer a wholly owned Subsidiary, directly or indirectly, of the Borrower or HBC.

“Charged Personal Property” means the following personal property relating exclusively to a Secured Property that are owned by each Credit Party from time to time: equipment, Material Agreements, Leases and Rents, Permitted Encumbrances, accounts and proceeds of the foregoing; Charged Personal Property will not include Excluded Property.

“Claims” means, in respect of any event, circumstance, matter or thing, all actions, litigation, suits, disputes, arbitrational, legal or other proceedings, losses, damages, liabilities, taxes, claims, demands, judgments, rights (including set-off), remedies, costs and expenses of any nature or kind, including legal fees and disbursements on a full indemnity basis, and **“Claim”** means any one of them, but excluding punitive and consequential damages and losses.

“Closing Date” means February 25, 2022.

“Code” means the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

“Collateral” means collectively, (i) each of the Secured Properties, and (ii) the Charged Personal Property and all proceeds therefrom.

“Commitment” means, in respect of any Lender, the amount specified with respect to such Lender in Schedule A (which will be amended and distributed to all parties by the Administrative Agent from time to time as other Persons become Lenders), being the sum of the maximum aggregate amount of Loans that such Lender is obliged to make, as such amount may be reduced from time to time by such Lender’s Applicable Percentage of the amount of any permanent repayments, reductions or prepayments required or made hereunder.

“Communications” has the meaning set out in Section 20.1(c).

“Compliance Certificate” means the certificate required pursuant to Section 11.3(c), substantially in the form attached as Schedule 1.1(B), signed by any one of the President, any Vice-President or any other senior officer of the general partner of the Borrower approved by the Administrative Agent.

“Conditions of the Contribution Agreement” means the closing conditions to the Transactions (as defined in the Contribution Agreement).

“Conforming Changes” means, with respect to the use or administration of a Benchmark or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Prime Rate,” the definition of “Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of Drawdown Notices or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Consenting Lender” has the meaning set out in Section 2.3(b)(ii).

“Consolidated EBITDA” means, with respect to the Borrower and its Subsidiaries, for any period, the Consolidated Net Income for such period (A) increased by the sum of (to the extent deducted in calculating Consolidated Net Income), without duplication, (i) Consolidated Interest Expense, excluding interest that has been capitalized on projects that are under development or held for future development, for such period, (ii) income tax expense for such period (other than income taxes, either positive or negative, attributable to extraordinary or nonrecurring gains or losses) determined on a consolidated basis in accordance with GAAP, (iii) amortization of income properties (including provisions for diminution in value of income properties) for such period, determined on a consolidated

basis in accordance with GAAP, (iv) amortization of the fair value of tangible and intangible assets and liabilities recorded on the acquisition of income properties, determined on a consolidated basis in accordance with GAAP, (v) amortization of financing costs, leasing costs or any other assets for such period, determined on a consolidated basis in accordance with GAAP, and (vi) other non-cash items reducing Consolidated Net Income resulting from a change in accounting principles in determining Consolidated Net Income for such period and (B) decreased, by the sum of other non-cash items increasing Consolidated Net Income resulting from a change in accounting principles in determining Consolidated Net Income for such period and (C) increased or decreased by any unrecognized gains or losses on the assets or liabilities included in the calculation of Consolidated Net Income (such as, for greater certainty, foreign exchange adjustments, derivatives adjustments and other non-cash adjustments).

“Consolidated Indebtedness” means, with respect to the Borrower and its Subsidiaries, and subject to Section 11.2, as at any date the consolidated Indebtedness of the Borrower and its Subsidiaries as at such date determined in accordance with GAAP.

“Consolidated Interest Expense” means, with respect to the Borrower and its Subsidiaries for any period and subject to Section 11.2, the aggregate amount of interest expense in respect of Consolidated Indebtedness, the interest component of any Capital Lease Obligations, the original issue discount of any Consolidated Indebtedness issued at a price less than the face amount thereof paid, accrued or scheduled to be paid or accrued during such period and, to the extent interest has been capitalized on projects that are under development or held for future development during the period, the amount of interest so capitalized (except where such interest forms part of the principal Indebtedness under a financing in connection with such development), all as determined on a consolidated basis in accordance with GAAP (provided that, notwithstanding its presentation under GAAP, all interest expense in respect of convertible debenture Indebtedness will be included at the face rate of interest paid in cash (without duplication), and excluded if paid in units of the Borrower and its Subsidiaries in determining Consolidated Interest Expense).

“Consolidated Net Income” means, with respect to the Borrower and its Subsidiaries for any period and subject to Section 11.2, the net income (loss) for such period determined on a consolidated basis in accordance with GAAP, excluding (i) any gain or loss attributable to the sale or other disposition of any asset or liability of the Borrower or its Subsidiaries, (ii) any extraordinary gains and losses other than non-cash gains or losses of the Borrower or its Subsidiaries, (iii) other non-recurring items, and (iv) any non-controlling interest, in each case, determined on a consolidated basis in accordance with GAAP; and including or excluding, as applicable, the tax impact of the items (i) to (iv).

“Construction Lien Legislation” has the meaning set out in Section 11.1(u).

“Contribution Agreement” means a contribution and subscription agreement dated February 24, 2015 among HBC, RioCan, the General Partner and HBC JV Limited Partnership (renamed RioCan-HBC Limited Partnership) as amended by an amending agreement dated July 9, 2015.

“**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “**Controlling**” and “**Controlled**” have corresponding meanings.

“**Conversion**” means a conversion of a Loan pursuant to Section 2.6.

“**Conversion Date**” means the Business Day specified by the Borrower in a Conversion Notice as being the date on which the Borrower has elected to convert one type of Loan into another type of Loan.

“**Conversion Notice**” means a Notice, substantially in the form set out in Schedule 1.1(C), to be given to the Administrative Agent by the Borrower pursuant to Section 2.6.

“**Co-owned Property**” means any real or immovable property in which the Borrower or any Subsidiary has a co-ownership interest from time to time.

“**CORRA**” means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

“**CORRA Loans**” means Term CORRA Loans and Daily Compounded CORRA Loans.

“**CORRA Margin**” means, for any period, the applicable percentage rate per annum applicable to that period as set out below the heading “CORRA Margin” in the definition of “Applicable Margin”.

“**Credit Facility**” has the meaning set out in Section 2.1.

“**Credit Parties**” means the Borrower, the Guarantors and the Nominees and their respective successors and assigns permitted by this Agreement, and “**Credit Party**” means any one of them. For the purposes of Article 9, Article 11 and Article 12 of this Agreement, reference to “Credit Party” or “Credit Parties” therein shall include each general partner of such Credit Parties. Notwithstanding any other provision of the Agreement, neither HBC or RioCan will be a Credit Party for any purpose.

“**Current Maturity Date**” has the meaning set out in Section 2.3(a).

“**Daily Compounded CORRA**” means, for any day (a “**Daily Compounded CORRA Rate Day**”), a rate per annum equal to CORRA, with interest accruing on a compounded daily basis, for the day (such day, the “**Daily Compounded CORRA Determination Day**”), that is five (5) Business Days prior to (i) if such Daily Compounded CORRA Rate Day is a Business Day, such Daily Compounded CORRA Rate Day or (ii) if such Daily Compounded CORRA Rate Day is not a Business Day, the Business Day immediately preceding such Daily Compounded CORRA Rate Day, in each case, as CORRA is published by the administrator; provided, however, that if as of 5:00 p.m. (Toronto time) on any Daily Compounded CORRA Determination Day, CORRA for the applicable tenor has not been published by the administrator and a Benchmark Replacement Date with respect to Daily Compounded CORRA has not occurred, then Daily Compounded CORRA

will be CORRA as published by the administrator on the first preceding Business Day for which CORRA was published by the administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Daily Compounded CORRA Determination Day; provided, that to the extent such rate as determined above shall, at any time, be less than the Floor, such rate shall be deemed to be Floor for all purposes herein.

“Daily Compounded CORRA Adjustment” means with respect to Daily Compounded CORRA a percentage equal to 0.29547% per annum (29.547 basis points).

“Daily Compounded CORRA Determination Day” has the meaning set forth in the definition of “Daily Compounded CORRA”.

“Daily Compounded CORRA Loan” means a Loan made by the Lenders to the Borrower that bears interest at a rate based on Adjusted Daily Compounded CORRA.

“Daily Compounded CORRA Rate Day” has the meaning set forth in the definition of “Daily Compounded CORRA”.

“DBRS” means DBRS Limited and its successors and assigns.

“Debt Guaranteed” by any Person means the maximum amount which may be outstanding as recorded in the books and reflected in the consolidated balance sheet of the Borrower at the relevant time of all Indebtedness which is directly or indirectly guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire, or in respect of which such Person has otherwise assured a creditor or other Person against loss, provided that (a) in circumstances in which less than such amount has been guaranteed by such Person, only the guaranteed amount shall be taken into account in determining such Person's Debt Guaranteed, (b) endorsements of instruments for deposit or collection in the ordinary course of business shall be excluded from the amounts determined hereunder and (c) where there is a co-maker for a note, only the actual amount guaranteed shall be included rather than the amount for which the co-maker is liable.

“Debt Service” means, with respect to the Borrower and its Subsidiaries, for any period and on a consolidated basis and subject to Section 11.2, the sum of (without duplication) (i) Consolidated Interest Expense; (ii) all regularly scheduled debt payments made with respect to Consolidated Indebtedness during such period, other than any balloon, bullet or similar principal payment which repays such Indebtedness in full; (iii) all payments on Capital Lease Obligations paid by such Person during such period; and (iv) all other payments made in respect of any preferred securities that are treated as debt in accordance with GAAP by such person during such period, excluding any interest expense of such Person in respect of such preferred securities that is paid in common shares or units of such Person.

“Debt Service Coverage Ratio” means, with respect to the Borrower and its Subsidiaries, and subject to Section 11.2, the ratio of (i) Consolidated EBITDA for the most recently completed four Fiscal Quarters, to (ii) Debt Service for the same period.

“Debt to Aggregate GBV Ratio” means, with respect to the Borrower and its Subsidiaries, the ratio calculated at the end of a Fiscal Quarter of (i) the Consolidated Indebtedness of the Borrower and its Subsidiaries as at such time, to (ii) the Aggregate Gross Book Value of the Borrower as at such time.

“Default” means any event or condition, the occurrence of which would, with the lapse of time or giving of notice, or both, become an Event of Default.

“Direct Agreement” means each of (i) the leasehold lender agreement dated July 9, 2015 by and among the Administrative Agent, Ontrea Inc., the Borrower and 2472596 Ontario Inc. as nominee for and on behalf of the Borrower regarding the St. Bruno Secured Property; and (ii) the leasehold lender agreement dated July 9, 2015 by and among the Administrative Agent, Ontrea Inc., the Borrower and 2472598 Ontario Inc. as nominee for and on behalf of the Borrower regarding the Carrefour Laval Secured Property.

“discretion” means sole, absolute and subjective discretion.

“Disposition” means, with respect to a Person, any sale, assignment, transfer, conveyance or other disposition of any nature or kind whatsoever of any property, asset or of any right, title or interest in or to any property or asset; provided that Dispositions excludes (a) any leases, subleases or agreements to lease and (b) transfers between Credit Parties, and the verb “Dispose” has a corresponding meaning.

“Dissenting Lender” has the meaning set out in Section 2.3(b)(i).

“Distribution” means, with respect to any Credit Party (a) the declaration or payment by such Credit Party of any dividend or the incurrence of any liability to make any other payment or distribution of cash or other property or assets in respect of Equity Interests; (b) any payment by such Credit Party on account of the purchase, redemption, defeasance, sinking fund or other retirement of such Credit Party's Equity Interest or any other payment or distribution made in respect thereof, either directly or indirectly; (c) any payment made by such Credit Party to redeem, purchase, repurchase or retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire Equity Interests of such Credit Party now or hereafter outstanding; (d) any payment by such Credit Party of a claim for the rescission of the purchase or sale of, or for material damages arising from the purchase or sale of, any shares of such Credit Party's Equity Interests or of a claim for reimbursement, indemnification or contribution arising out of or related to any such claim for damages or rescission; (e) any payment, loan, contribution, or other transfer of funds or other property by such Credit Party to any unitholder or shareholder of such Credit Party (including shareholder or partner loan advances) other than payment of reasonable compensation in the ordinary course of business to unitholders or shareholders who are employees of such Credit Party (but including each such payment or transfer under any employee or executive compensation or option plan or any plan or arrangement of similar effect); and (f) any payment by such Credit Party of management fees (or other fees of a similar nature) by such Credit Party to any shareholder of such Credit Party or its Affiliates.

“Downtown Calgary Secured Property” has the meaning given to it in Schedule 10.1(j)

“Downtown Vancouver Property” means that certain property beneficially owned by the Borrower with registered ownership held by HBC in its capacity as title nominee, located in the City of Vancouver and municipally known as 674 Granville Street, Vancouver, British Columbia, and legally described in Parcel Identifier: 011-168-803.

“Drawdown” means the advance of a Prime Rate Loan or a CORRA Loan.

“Drawdown Date” means the date on which a Drawdown is made by the Borrower pursuant to the provisions hereof.

“Drawdown Notice” means a notice, substantially in the form set out in Schedule 1.1(D), to be given to the Administrative Agent by the Borrower pursuant to Section 2.6.

“Eligible Assignee” means any proposed assignee (other than a natural person, any Credit Party or any Affiliate of a Credit Party) of an assignment pursuant to Article 21 that is:

- (a) approved by the Borrower (such approval not to be unreasonably withheld or delayed) unless a Default has occurred and is continuing;
- (b) following a Default that has occurred and is continuing, any Person (other than a natural person, any Credit Party or any Affiliate of a Credit Party);
- (c) an Affiliate of a Lender; or
- (d) a Schedule I, Schedule II or Schedule III Canadian chartered bank under the *Bank Act* (Canada) whose senior, unsecured, non-credit enhanced, long-term debt is rated at least A3, A- or A low by at least two of Moody's, S&P and DBRS, respectively.

“Encumbrance” means any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, lien, charge, claim, assignment by way of security, deemed trust, security interest, easement or encumbrance, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of, or agreement to give, any financing statement and/or renewal (in each case, filed by, with the consent or approval of, or the authorization of, any Credit Party) perfecting and/or renewing, as applicable, a security interest under the PPSA or comparable notice filing under the law of any other jurisdiction), and **“Encumbrances”** and **“Encumbered”** have corresponding meanings. Encumbrances excludes finance leases, operating leases and consignments or other similar arrangements.

“Environmental Law” means any Applicable Law relating to the protection and regulation of the natural environment, occupational or public health and safety or Hazardous Substances including those pertaining to:

- (a) reporting, licensing, permitting, investigating, remediating and cleaning up in connection with any presence or Release, or the threat of the same, of Hazardous Substances, and

- (b) the manufacture, processing, distribution, use, treatment, storage, disposal, transport, handling and the like of Hazardous Substances, including those pertaining to occupational health and safety.

“Environmental Activity” means the storage, Release or other accumulation of Hazardous Substances.

“Equity Interests” means, with respect to any Person, shares of capital stock of (or other ownership or profit interests in) such Person, warrants, options or other rights for the purchase or other acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or other acquisition from such Person of such shares (or such other interests), and other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such shares, warrants, options, rights or other interests are authorized on any date of determination.

“Erroneous Payment” has the meaning specified in Section 19.11(1).

“Erroneous Payment Notice” has the meaning specified in Section 19.11(2).

“Estimated Value” means the fair market value of the relevant Secured Property as set forth in the most recent Acceptable Appraisal in respect of such Secured Property; and calculated (or, where applicable, allocated, estimated or adjusted) to the satisfaction of the Administrative Agent in respect of the relevant Secured Property (which, for the purposes of this calculation, shall exclude any value attributable to excess lands or development potential of such Secured Property as determined by an independent appraiser acceptable to the Administrative Agent), such calculations as they relate to the Secured Properties as of the date hereof being shown in the Compliance Certificate to be delivered pursuant to Section 3.1(e).

“Event of Default” has the meaning set out in Section 12.1.

“Excluded Property” means (i) all inventory, trade fixtures, equipment, goodwill, intellectual property and other personal property of HBC and its Affiliates (other than the Credit Parties), (ii) any leased personal property, and (iii) the interests of any Credit Party in the Transaction Documents (other than the interests of the Credit Parties and the Nominees in (x) the Nominee Agreements and (y) Major Leases or other Leases relating to the Secured Properties) and (iv) any bank account of the Borrower or any other Credit Party (other than any Bank account established by the Borrower or any Credit Party exclusively for the purposes of depositing Rents from any Secured Property).

“Excluded Taxes” means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Credit Parties hereunder or under any other Loan Document, (a) taxes imposed on or measured by its net income, capital gains, or capital, and franchise taxes imposed on it by the jurisdiction (or any political subdivision thereof) under the laws of which such recipient is

organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located, or (b) any branch tax, branch profits tax or any similar tax imposed by any jurisdiction.

“Extension Period” has the meaning specified in Section 2.3(a).

“FATCA” means Sections 1471 through 1474 of the Code and any regulations or official interpretations thereof or any amended or successor version that is substantively comparable and not materially more onerous to comply with (including any Revenue Ruling, Revenue Procedure, Notice or similar guidance issued by the U.S. Internal Revenue Service thereunder as a precondition to relief or exemption from Taxes under such provisions), any agreements entered into pursuant to Section 1471(b)(1) of the Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code.

“Financial Assistance” means, without duplication and with respect to any Person, all loans granted by that Person and guarantees or Debt Guaranteed incurred by that Person, in each case, for the purpose of or having the effect of providing financial assistance to another Person or Persons, including letters of guarantee, letters of credit, legally binding comfort letters or indemnities issued in connection therewith, endorsements of bills of exchange (other than for collection or deposit in the ordinary course of business), obligations to purchase assets regardless of the delivery or non-delivery thereof and obligations to make advances or otherwise provide financial assistance to any other Person.

“Fiscal Quarter” means each successive three-month period of the Borrower’s Fiscal Year ending on or about March 31, June 30, September 30 and December 31.

“Fiscal Year” means, in respect of each Credit Party and each Secured Property, the twelve month period ending on or about the last day of December in any year.

“Floor” means a rate of interest equal to zero percent (0%).

“Foreign Lender” means any Lender that is not resident for income tax or withholding tax purposes under the laws of the jurisdiction in which the Borrower is resident for tax purposes on the date hereof and that is not otherwise considered or deemed in respect of any amount payable to it hereunder or under any Loan Document to be resident for income tax or withholding tax purposes in the jurisdiction in which the Borrower is resident for tax purposes by application of the laws of that jurisdiction. For purposes of this definition, Canada and each Province and Territory thereof shall be deemed to constitute a single jurisdiction and the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“GAAP” means the generally accepted accounting principles in Canada (which for certainty includes International Financial Reporting Standards) as in effect from time to time.

“General Partner” means RioCan-HBC General Partner Inc. a corporation incorporated under laws of the Province of Ontario.

“Government of Canada Rate” means, at any particular date, that rate of interest referred to as the “benchmark bond yield” (expressed as a percentage rate *per annum*) published by the Bank of Canada correlating to the Government of Canada bond having a term of five years.

“Governmental Authority” means the government of Canada or any other nation, or of any political subdivision thereof, whether state, provincial, territorial or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including a Minister of the Crown, the Superintendent of Financial Institutions or other comparable authority or agency.

“Guarantors” means (i) each Person identified on Schedule 1.1(A) and the signature pages hereto as a Guarantor, (ii) each Person (other than the Borrower) that owns the registered and/or beneficial interest in a Secured Property and (iii) in each case, their successors and assigns permitted by this Agreement, and **“Guarantor”** means any one of them. Notwithstanding the foregoing, HBC and RioCan shall not be a Guarantor.

“Hazardous Substance” means any substance or material that is prohibited, controlled or regulated by any Governmental Authority pursuant to Environmental Laws, including pollutants, contaminants, dangerous goods or substances, toxic or hazardous substances or materials, wastes (including solid non-hazardous wastes and subject wastes), petroleum and its derivatives and by-products and other hydrocarbons, all as defined in or pursuant to any Environmental Law.

“HBC” means Hudson’s Bay Company ULC.

“HBC Debt” means intercompany indebtedness owing by the Borrower to HBC pursuant to a non-interest bearing demand note issued by the Borrower in favour of HBC in connection with the Contribution Agreement.

“HBC Insolvency Triggering Event” means any of the applications or proceedings set out in Section 12.1(j) or Section 12.1(k) as applied to or are instituted against or in respect of HBC, in each case subject to the same applicable conditions provided in such provisions (other than the 30 day grace period in Section 12.1(k), which shall not apply for the purpose of this definition).

“HBC Obligations” means, collectively, in respect of the Credit Facility, the following obligations of HBC in respect of the Credit Facility in its capacity as Nominee: (i) the execution, delivery and performance of the Security described in Section 8.1 on behalf of the Borrower in respect of the Secured Properties for which HBC acts as Nominee, in each case on a limited recourse basis subject to Section 13.13, and (ii) the covenants, representations and warranties and other obligations of HBC in the Security, in each case on a limited recourse basis subject to Section 13.13. Notwithstanding the foregoing and any other provision hereof, “HBC Obligations” do not include any Obligations of any

Credit Party, but the Security granted by HBC shall secure the Obligations of the Credit Parties.

“HBC PPSA Certificate” means the PPSA certificate executed and delivered by an officer of HBC confirming that to the knowledge of such officer, the PPSA registrations against HBC do not perfect or relate to any Encumbrances on the Collateral or have a Material Adverse Effect on the Collateral.

“HBC YSS LP 1” means HBC YSS 1 Limited Partnership, its general partner and its subsidiaries.

“HBC YSS LP 2” means HBC YSS 2 Limited Partnership, its general partner and its subsidiaries.

“Hedge Arrangement” means, with respect to any Person, any arrangement or transaction between such Person and any other Person other than in the case of a Credit Party another Credit Party that is a Hedging Transaction.

“Hedging Transaction” means (a) any transaction now existing or hereafter entered into which is (i) a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, weather index transaction or forward purchase or sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions) or (ii) a transaction that is similar to any transaction referred to in clause (i) above that is currently, or in the future becomes, entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made, and (b) any combination of these transactions.

“Hypothec” means a hypothec granted in favour of the Administrative Agent, in its capacity as hypothecary representative in respect of each Secured Property and all Charged Personal Property in the Province of Quebec.

“Impermissible Qualification” means relative to the financial statements (including notes thereto) of any Person or report or opinion of any independent auditor in respect thereof, any qualification or exemption to such financial statements (or notes thereto) or report or opinion thereon which is of a **“going concern”** or similar nature.

“Indebtedness” of any Person means (without duplication):

- (i) any obligation of such Person for money borrowed or raised and any interest thereon, or any financial accommodation (including, for greater certainty, the full principal amount of convertible debt, notwithstanding its presentation under GAAP),
- (ii) any obligation of such Person issued or assumed as the deferred purchase price of property or any obligation under conditional sale or other title retention agreements relating to property acquired by such Person,
- (iii) any Capital Lease Obligation of such Person,
- (iv) any reimbursement obligation or other obligation in connection with a bankers' acceptance or any similar instrument, or letter of credit or letter of guarantee issued by or for the account of such Person,
- (v) all Aggregate Hedge Exposure,
- (vi) the aggregate amount at which any securities of such Person that are redeemable or retractable at the option of the holder of such shares (except where the holder is such Person) may be redeemed or retracted prior to the Maturity Date for cash or obligations constituting Indebtedness or any combination thereof,
- (vii) all Debt Guaranteed; and
- (viii) any other obligation arising under arrangements or agreements that, in substance, provide financing to such Person and which, in accordance with GAAP, would be classified upon a balance sheet as a liability (absolute or contingent) of such Person including an obligation to accept or deliver goods or services designed to provide credit support or a take or pay arrangement.

Indebtedness excludes (A) trade accounts payable, (B) accrued liabilities and other payables arising in the ordinary course of business which are not overdue or which are being contested in good faith, (C) intangible liabilities, (D) deferred revenues and (E) Distributions permitted hereunder, all of which will be deemed not to be Indebtedness for the purposes of this definition. In calculating the amount of any Indebtedness under (i) any Capital Lease Obligations, the amount shall be the aggregate portion of all rent in the nature of principal, and (ii) any Hedging Arrangements, the amount shall be the Aggregate Hedge Exposure.

“Indemnified Taxes” means Taxes other than Excluded Taxes.

“Indemnitee” has the meaning set out in Section 21.1(b).

“Independent Insurance Consultant” means InTech Risk Management Inc. or such other insurance consultant appointed by the Administrative Agent.

“Interbank Reference Rate” means the interest rate expressed as a percentage *per annum* that is customarily used by the Administrative Agent when calculating interest due by it or owing to it arising from the correction of errors and other adjustments between the Administrative Agent and other Canadian chartered banks.

“Interest Payment Date” means:

- (a) with respect to any Prime Rate Loan, the first Business Day of each calendar month;
- (b) with respect to any CORRA Loan, the last Business Day of each applicable Interest Period and, if any Interest Period is greater than three (3) months, the last Business Day of each such three (3) month period during such Interest Period.

“Interest Period” means:

- (a) with respect to each Prime Rate Loan, the period commencing on the applicable Drawdown Date or Conversion Date, as the case may be, and ending on the date selected by the Borrower for the Conversion of such Loan into another type of Loan or for the repayment of such Loan;
- (b) with respect to each Term CORRA Loan, the initial period (subject to availability) of one (1) month, three (3) months or such other period as the Administrative Agent and the Lenders permit commencing on and including the date on which a Drawdown Notice or Conversion Notice is made, or the Rollover Date, as the case may be, applicable to such Term CORRA Loan and ending on and excluding the last day of such initial period, and thereafter, each successive period (subject to availability) of approximately one (1) or three (3) months or such other permitted period as selected by the Borrower and notified to the Administrative Agent in writing commencing on and including the last day of the prior Interest Period; and
- (c) with respect to each Daily Compounded CORRA Loan, the initial period (subject to availability) of approximately one (1) month or such other period as the Administrative Agent and the Lenders permit commencing on and including the date on which a Drawdown Notice or Conversion Notice is made, or the Rollover Date, as the case may be, applicable to such Daily Compounded CORRA Loan and ending on and excluding the last day of such initial period, and thereafter, each successive period (subject to availability) of approximately one (1) month or such other permitted period commencing on and including the last day of the prior Interest Period;

provided that in any case the last day of each Interest Period will be also the first day of the next Interest Period (provided that for the purposes of calculation of interest payable by the Borrower, the last day of each Interest Period shall not be included in such Interest Period but shall be included in the calculation of interest payable for the subsequent Interest Period) and further provided that the last day of each Interest Period will be a Business Day. If the last day of an Interest Period selected by the Borrower is not a Business Day the Borrower will be deemed to have selected an Interest Period the last day of which is the Business Day next following the last day of the Interest Period otherwise selected

unless such next following Business Day falls in the next calendar month in which event the Borrower will be deemed to have selected an Interest Period the last day of which is the Business Day next preceding the last day of the Interest Period otherwise selected and further provided that the last Interest Period hereunder must expire on or prior to the Maturity Date.

“Investment” means any direct or indirect (i) acquisition of any Equity Interests, partnership interests, participation interests in any arrangement, options or warrants, or any Indebtedness of a Person, whether or not evidenced by any bond, debenture or other written evidence, (ii) investment (including, without limitation, by way of loan) made or held by a Person, directly or indirectly, in another Person (whether such investment was made by the first-mentioned Person in such other Person or acquired from a third party), (iii) acquisition, by purchase or otherwise, of all or substantially all of the business, assets or stock or other evidence of beneficial ownership of a Person, or (iv) acquisition by purchase or otherwise of any real property and related personal property of a Person. Any binding commitment to make an Investment in any Person or property and assets, as well as any option of another Person to require an Investment in such Person or property and assets, shall constitute an Investment.

“Leases” means any leases, subleases or agreements to lease, together with any amendments or any supplements thereto, granted, from time to time, by any Person entitling the lessee or sublessee to use or occupy any part of a Secured Property, including any rent or revenue agreements in respect of a Secured Property.

“Lender Assignment and Assumption” means an assignment and assumption entered into by a Lender and an assignee pursuant to Article 22 and accepted by the Administrative Agent, in substantially the form of Schedule 1.1(E) or any other form approved by the Administrative Agent.

“Lenders” means (i) each of the Persons from time to time party to this Agreement and identified as a Lender in Schedule A (which will be amended and distributed to all parties by the Administrative Agent from time to time as other persons become Lenders), and reference to a **“Lender”** in this Agreement may mean any such Lender.

“Lenders’ Counsel” means the firm of McCarthy Tétrault LLP or such other firm of legal counsel as the Administrative Agent may from time to time designate.

“Lending Value” means, in respect of a Secured Property, the lower of: (i) 45% of the most recent Estimated Value for each Secured Property and (ii) the Mortgageability Amount.

“Loan” means any extension of credit by a Lender under this Agreement, including by way of a Prime Rate Loan, Term CORRA Loan, or Daily Compounded CORRA Loan.

“Loan Documents” means (a) this Agreement, (b) the Security, (c) Qualifying Hedge Arrangements, (d) Direct Agreements, (e) the fee letters described in Section 4.3, (f) the HBC PPSA Certificate, and (g) all present and future agreements, documents, certificates and instruments delivered by any Credit Party to the Administrative Agent or the Lenders

pursuant to or in respect of this Agreement or the Security, in each case as the same may from time to time be amended, restated, supplemented and otherwise modified, and “**Loan Document**” means any one of the Loan Documents.

“**Major Lease**” means in respect of a Secured Property, any Lease in respect of gross leaseable area equal to or in excess of 30,000 square feet (or Leases to a single tenant and its Affiliates in respect of gross leaseable areas which, in the aggregate, will exceed such amount).

“**Material Adverse Effect**” means a material adverse effect on (a) the business, property, financial condition or prospects of the Borrower taken as a whole, (b) the ability of any Credit Party to perform its obligations under any Loan Document, (c) the Collateral taken as a whole or Administrative Agent's or the Lenders' Encumbrances thereon or the priority of such Encumbrances or (d) Administrative Agents' or any Lender's rights under, or the enforceability against the Credit Parties and the Nominees of, this Agreement or the other Loan Documents.

“**Material Agreements**” means, with respect to a particular Credit Party or Nominee, each of the Nominee Agreements and contracts set out in Schedule 10.1(v) in respect of such Credit Party or Nominee and all other contracts to which such Person is a party or by which it is bound or may hereafter become a party or be bound which are material and which either relate to the operation or ownership of any of the Secured Properties or which, if breached or contravened by any Credit Party or Nominee or otherwise terminated, could reasonably be expected to have a Material Adverse Effect, and “**Material Agreement**” means any one thereof.

“**Maturity Date**” means February 24, 2025.

“**Moody's**” means Moody's Investors Service Inc. and its successors and assigns.

“**Mortgageability Amount**” means the notional principal amount, from time to time, calculated (or, where applicable, allocated, estimated or adjusted) to the satisfaction of the Administrative Agent, acting reasonably, in respect of a Secured Property that can be serviced (in blended monthly payments of principal and interest) by the quotient obtained by dividing the annual Adjusted Net Operating Income by 1.35 and assuming:

- (a) a 25 year amortization period; and
- (b) an annual interest rate, compounded semi-annually, equal to the greater of:
 - (i) the then current Government of Canada Rate plus 2.25%; and
 - (ii) 5.0% per annum,

such notional principal amounts as they relate to each of the Secured Properties as of the date hereof being shown in the Compliance Certificate to be delivered pursuant to Section 3.1(e).

“Net Issuance Proceeds” means, in respect of any issuance of debt, the cash proceeds (including cash proceeds as and when received in respect of non-cash proceeds received or receivable in connection with such issuance), net of underwriting discounts and out-of-pocket costs and expenses paid or incurred in connection therewith in favour of any Person not an Affiliate of the Borrower, and net of any third party arms-length secured indebtedness required to be paid from such proceeds solely as it relates to the asset being refinanced.

“Net Proceeds” means, with respect to any Disposition, the cash proceeds of such Disposition (including cash proceeds as and when received in respect of non-cash proceeds received or receivable in connection with such Disposition) net of transaction costs and expenses incurred in connection with such Disposition and net of any third party arms-length secured indebtedness solely related to such Disposition required to be paid from such proceeds.

“Nominees” means each Person that owns registered title to a Secured Property from time to time including HBC (in its capacity as title nominee under the applicable Nominee Agreements to which it is a party or bound as nominee) and those Persons listed on Schedule 1.1(A) under the heading “Nominee”, and in each case, their successors and assigns permitted by this Agreement, and **“Nominee”** means any one of them.

“Nominee Agreements” means each nominee agreement in respect of each Secured Property between each Nominee and the Beneficial Owner, as more particularly described in Schedule 10.1(v).

“Obligations” means all obligations of the Credit Parties to the Administrative Agent, the Lenders, or any of them, under or in connection with this Agreement or the other Loan Documents, including all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, and obligations of performance, at any time and howsoever arising, owing or to be performed by the Credit Parties to the Administrative Agent or the Lenders, or any of them, in any currency or remaining unpaid or unperformed by the Credit Parties to the Administrative Agent or the Lenders, or any of them, under or in connection with this Agreement or the other Loan Documents whether arising from dealings between the Administrative Agent or the Lenders, or any of them, and the Credit Parties or from any other dealings or proceedings by which the Administrative Agent or the Lenders, or any of them, may be or become in any manner whatever a creditor or obligee of the Credit Parties pursuant to this Agreement or the other Loan Documents, and wherever incurred, and whether incurred by any Credit Party alone or with another or others and whether as principal or surety, and all principal, interest, Termination Amounts, fees, legal and other costs, charges and expenses relating thereto.

“Officer’s Certificate” means a certificate in writing signed by a senior signing officer of the Borrower by its General Partner, which certificate shall be to the best of such person’s knowledge and not in his or her personal capacity.

“Overnight Rate” means for any day, and from time to time as in effect, the greater of (a) the Bank of Canada overnight rate; and (b) an overnight rate determined by the

Administrative Agent in accordance with banking industry rules on interbank compensation.

“Opinion of Counsel” means an opinion or opinions in writing in form and subject to qualifications satisfactory to the Administrative Agent, acting reasonably, signed by Borrower’s Counsel.

“Organizational Documents” means, with respect to any Person, such Person’s articles, memorandum or other charter documents, partnership agreement, declaration of trust, trust agreement, by-laws, unanimous shareholder agreement, or any and all other similar agreements, documents and instruments pursuant to which such Person is constituted, organized or governed.

“Original Currency” has the meaning specified in Section 23.2(a).

“Other Currency” has the meaning specified in Section 23.2(a).

“Other Taxes” means all present or future stamp or documentary taxes or any other similar excise or property taxes, charges or levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery or enforcement of this Agreement or any other Loan Document, but does not include Excluded Taxes.

“Participant” has the meaning specified in Section 22.1(d).

“Periodic Term CORRA Determination Day” has the meaning assigned to it under the definition of Term CORRA.

“Permitted Encumbrances” means, in respect of any Person or any Secured Property:

- (a) Encumbrances for taxes, assessments or governmental charges incurred in the ordinary course of business that are not yet due and payable (or, in British Columbia only, which are due and payable, but notice of which have not been received) or the validity of which is being actively and diligently contested in good faith by such Person, provided that adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;
- (b) construction, mechanics', carriers', warehousemen's, materialmen's and similar Encumbrances incurred in the ordinary course of business and Encumbrances in respect of vacation pay, workers' compensation, employment or unemployment insurance, pension, social security or similar statutory obligations incurred in the ordinary course of business, provided that the obligations secured by such Encumbrances are not yet due and payable and, in the case of construction and mechanics' Encumbrances, claims for which have not yet been filed in the applicable land registry office against title to a Secured Property and of which such Person has not received written notice or which are being contested in good faith

by appropriate proceedings, and provided that adequate reserves with respect thereto are maintained on the books of such Person, in accordance with GAAP;

- (c) Encumbrances arising from court or arbitral proceedings, provided that the claims secured thereby are being contested in good faith by such Person, provided that adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP, execution thereon has been stayed and continues to be stayed and such Encumbrances do not result in an Event of Default;
- (d) good faith deposits made in the ordinary course of business to secure the performance of bids, tenders, contracts (other than for the repayment of borrowed money), utility obligations, leases, surety, customs, performance bonds and other similar obligations;
- (e) pledges or deposits to secure statutory obligations or in connection with any matter giving rise to an Encumbrance;
- (f) pledges or deposits of cash or securities in connection with any appeal, review or contestation of any Encumbrance or any matter giving rise to an Encumbrance;
- (g) security given by such Person to a public utility or any Governmental Authority, when required by such utility or Governmental Authority in connection with the operations of such Person, in the ordinary course of its business, which singly or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of such Person;
- (h) the reservation in any original grants from the Crown of any land or interest therein;
- (i) all Encumbrances in respect of any judgement rendered, or claims filed, against such Person, which are being contested in good faith by such Person, and in respect of which there shall have been paid into court a bond or other security or deposited with the Administrative Agent collateral in an amount sufficient to pay such judgment or claim together with any interest thereon and costs in respect thereof;
- (j) all Encumbrances created by others upon lands through which easements or rights-of-way have been or will be acquired by such Person which do not in the aggregate have a material adverse effect on the related Secured Property;
- (k) any zoning or private deed restrictions, easements, reservations from title, rights of way, development agreements, subdivision agreements, site plan agreements, cross-easement agreements, servitudes, leases or other similar Encumbrances or privileges in respect of a particular Secured Property which in the aggregate do not have a material adverse effect on the related Secured Property;
- (l) rights reserved to or vested in any Governmental Authority by the terms of any lease, licence, franchise, grant or permit, or by any statutory provision;

- (m) title defects or irregularities which, are of a minor nature and in the aggregate will not materially impair the use or value of the Secured Property concerned;
- (n) statutory limitations and exceptions to title set forth in the *Land Titles Act* (Ontario) or any similar statute of another Province of Canada in which a Secured Property is situate;
- (o) Encumbrances in respect of which a title insurer has insured the Administrative Agent and the Lenders against loss or damage or over which the title insurer has assured the Administrative Agent and the Lenders that the Security will have a priority, provided that such insurance or assurance is acceptable to the Administrative Agent and the Lenders, acting reasonably;
- (p) any Encumbrances listed as exceptions to coverage in Schedule B to any title insurance policy relating to a Secured Property in favour of the Administrative Agent in respect of the Credit Facility;
- (q) the Security;
- (r) Purchase Money Security Interests and Capital Leases;
- (s) Leases;
- (t) Encumbrances on assets of any Credit Party which are not Collateral; and
- (u) any registered liens or legal hypothecs relating to work done for or for the benefit of a tenant of a Secured Property (a “**Tenant Lien**”) so long as (i) such Tenant Lien does not attach, bind or otherwise affect such Credit Party or Nominee’s interest in such Secured Property and such Credit Party or Nominee has not otherwise assumed responsibility for such Tenant Lien and (ii) if such Tenant Lien does attach, bind or otherwise affect such Credit Party or Nominee’s interest in such Secured Property, such Credit Party or Nominee is taking all commercially reasonable steps and proceedings to cause any such Tenant Lien to be discharged or vacated from such Secured Property and shall be discharged no later than 90 days following registration of such Tenant Lien; provided that no such Tenant Lien may be registered on title to any Secured Property at the time of a Drawdown unless the Administrative Agent is satisfied that the conditions in (i) and (ii) above have been satisfied;
- (v) such other Encumbrances as are agreed to in writing by the Administrative Agent.

The existence or approval by the Administrative Agent and/or the Lenders of a Permitted Encumbrance shall not be construed as a subordination by the Administrative Agent and/or the Lenders of its Security in favour of that Permitted Encumbrance.

“**Person**” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, limited partnership, Governmental Authority or other entity.

“Platform” has the meaning set out in Section 20.1(g).

“PPSA” means the *Personal Property Security Act* (Ontario) and the Regulations thereunder, as from time to time in effect; provided, however, if attachment, perfection or priority of Administrative Agent's security interests in any Collateral are governed by the personal property security laws of any jurisdiction other than Ontario, PPSA shall mean those personal property security laws in such other jurisdiction for the purposes of the provisions hereof relating to such attachment, perfection or priority and for the definitions related to such provisions.

“Prime Rate” means, with respect to a Prime Rate Loan, on any day the greater of:

- (a) the annual rate of interest announced from time to time by the Administrative Agent as being its reference rate then in effect on such day for determining interest rates on Canadian Dollar denominated commercial loans made by it in Canada; and
- (b) Term CORRA for an interest period of one month in effect from time to time plus 100 basis points per annum,

and provided that in no event shall the Prime Rate be less than zero for the purposes of this Agreement. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. Any change in the Prime Rate determined by the Administrative Agent shall be effective on the date the change becomes effective generally.

“Prime Rate Loan” means a Loan in or a Conversion into Canadian Dollars made by the Lenders to the Borrower with respect to which the Borrower has specified that interest is to be calculated by reference to the Prime Rate.

“Prime Rate Margin” means, for any period, the applicable percentage rate *per annum* applicable to that period as set out below the heading “Prime Rate Margin” in the definition of “Applicable Margin”.

“Property Specific Lending Value” means the Lending Value of any particular Secured Property.

“Property” means, with respect to any Person, all or any portion of that Person's undertaking and property, both real and personal.

“Proportionate Share” means, in respect of any Co-owned Property, co-ownership interest of the Borrower or any Subsidiary in such Co-owned Property, expressed as a percentage.

“Purchase Money Security Interest” means any Encumbrance given, assumed or arising by operation of law, to provide or secure, or to provide the obligor thereunder with funds to pay, the whole or any part of the consideration for the acquisition of property (but excluding real property or inventory) where the principal amount of the obligation secured by such Encumbrance: (a) is not in excess of the cost to such obligor of the property

(including the costs of installation and servicing of such property) Encumbered thereby, and (b) is secured only by the property being acquired by such obligor, and includes the renewal or refinancing of any such Encumbrance upon the same property provided that the indebtedness secured and the security therefor are not increased thereby.

“Qualifying Hedge Arrangements” means a Hedge Arrangement that is entered into by a Credit Party on or after the date hereof and meets the following requirements:

- (a) such Hedge Arrangement is an interest rate swap, interest rate option, forward interest rate transaction, or other transaction related to the hedging of interest rate risk of the Credit Facility;
- (b) the counterparty under such Hedge Arrangement is a Lender in respect of this Agreement;
- (c) such Hedge Arrangement has been entered into by the Credit Party bona fide and in good faith in the ordinary course of its business for the purpose of carrying on the same and not for speculative purposes;
- (d) the term of such Hedge Arrangement does not (i) extend beyond the Maturity Date or (ii) exceed five years, provided that if such Hedge Arrangement extends beyond the Maturity Date, it contains a “market-out” provision which allows the relevant Lender to terminate such Hedge Arrangement (and to settle amounts owing thereunder in accordance with the terms of the Hedge Arrangement) on or before the Maturity Date; and
- (e) concurrently with the entering of such Hedge Arrangement, the Administrative Agent has received written notice from the Borrower providing the Administrative Agent with particulars of such Hedge Arrangement together with an Officer’s Certificate that (i) provides the details of all then outstanding Hedge Arrangements and the Aggregate Hedge Exposure in respect of Qualifying Hedge Arrangements, and (ii) certifies that the new Hedge Arrangement to which such certificate relates complies with the limitations set out in this definition and Section 8.5 and that no Default or Event of Default will result from entering into such Hedge Arrangement.

“Qualified HBC Insolvency Transfer” means upon an HBC Insolvency Triggering Event that is continuing, a transfer by HBC of registered title to all Secured Properties to which HBC is Nominee to a new wholly-owned Subsidiary of the Borrower or HBC on terms acceptable to the Administrative Agent, acting reasonably.

“Register” has the meaning specified in Section 22.1(c).

“Related Persons” means, with respect to any Person, such Person’s Affiliates and the directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates and **“Related Person”** means any one of them.

“Release” means any release or discharge of any Hazardous Substance including any discharge, spray, injection, inoculation, abandonment, deposit, spillage, leakage, seepage,

pouring, emission, emptying, throwing, dumping, placing, exhausting, escape, leaching, migration, dispersal, dispensing or disposal.

“Relevant Governmental Body” means the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto.

“Relevant Jurisdiction” means, from time to time, with respect to a Person that is granting Security hereunder, any province or territory of Canada in which such Person has its chief executive office, place of business or domicile (within the meaning of the CCQ) or has Collateral and, for greater certainty, includes the provinces set out in Schedule 10.1(m).

“Rents” means all revenues, receipts, income, credits, deposits, profits, royalties, rents, additional rents, recoveries, accounts receivable and other receivables of any kind and nature whatsoever arising from or relating to each of the Secured Properties or any part thereof (including all amounts payable to the Credit Parties under any Lease).

“Repayment Notice” means the notice substantially in the form set out in Schedule 1.1(F).

“Required Lenders” means (i) where there is one Lender (as defined under paragraph (i) of the definition of Lender), such Lender (ii) where there are two Lenders (as defined under paragraph (i) of the definition of Lender) party to this Agreement, each such Lender, and (iii) where there are three or more Lenders (as defined under paragraph (i) of the definition of Lender), Lenders whose aggregate Applicable Percentage is equal to at least 66 2/3%.

“Requirements of Law” means, with respect to any Person, the Organizational Documents of such Person and any Applicable Law or any determination of a Governmental Authority, in each case applicable to or binding upon such Person or any of its business or property or to which such Person or any of its business or property is subject.

“RioCan” means RioCan Real Estate Investment Trust.

“Rollover” means, with respect to any CORRA Loan, the continuation of all or a portion of such Loan (subject to the terms and conditions hereof) for an additional Interest Period subsequent to the initial or any subsequent Interest Period applicable thereto.

“Rollover Date” means the date of commencement of a new Interest Period applicable to a CORRA Loan.

“Rollover Notice” means the notice, substantially in the form set out in Schedule 1.1(G), to be given to the Administrative Agent by the Borrower in connection with the Rollover of a CORRA Loan.

“S&P” means Standard and Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc. or any successor thereto.

“Secured Properties” means the real property described on Schedule 10.1(j) which are security for the Obligations and subject to the Security; and includes the lands, premises, buildings, improvements, structures, lease rights and rights of superficies and appurtenant

rights relating thereto owned or leased by the Credit Parties, but in each case not including the Excluded Property; and **“Secured Property”** means any one of them. For greater certainty, any Secured Property which is released from the Security pursuant to Section 9.1 will cease to be a Secured Property for the purposes of this Agreement. Any other release of a Secured Property will be subject to the consent of the Lenders

“Security” means the documents creating an Encumbrance in favour of, or any collateral held from time to time by, the Lenders or on behalf of the Lenders by the Administrative Agent, in each case securing or intended to secure repayment of the Obligations, including all security and agreements described in Article 8.

“St. Bruno Secured Property” has the meaning given to it in Schedule 10.1(j).

“Subsidiary” means, at any time, with respect to any Person, any other Person, if at such time the first mentioned Person (i) owns, directly or indirectly, securities or other ownership interests in such other Person, having ordinary voting power sufficient to elect a majority of the board of directors or persons performing similar functions for such other Person, or (ii) has, directly or indirectly, through the operation of any agreement or otherwise, the ability to elect or cause the election of a majority of the board of directors or other persons performing similar functions for such other Person or otherwise exercise control over the management and policies of such other Person, and in either case will include any other Person in like relationship to a Subsidiary of such first mentioned Person and, for greater clarity, HBC YSS 1 LP and HBC YSS 2 LP are Subsidiaries of the Borrower.

“Tax” and **“Taxes”** means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto, and including any realty taxes, duties, rates, imposts, levies, assessments and other similar charges, whether general or special, ordinary or extraordinary, foreseen or unforeseen including municipal taxes, school taxes and local improvement charges and all related interest, penalties and fines which at any time may be levied, assessed, imposed or form an Encumbrances upon real property.

“Termination Amount” means, with respect to any Qualifying Hedge Arrangement all amounts due to a Lender party to a Qualifying Hedge Arrangement under the relevant ISDA Master Agreement related thereto as a result of a Termination Event.

“Termination Event” means any event that causes a Qualifying Hedge Arrangement to terminate prior to its maturity date.

“Term CORRA” means, for any calculation with respect to a Term CORRA Loan, the Term CORRA Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the **“Periodic Term CORRA Determination Day”**) that is two (2) Business Days prior to the first day of such Interest Period, as such rate is published by the Term CORRA Administrator; provided, however, that if as of 1:00 p.m. (Toronto time) on any Periodic Term CORRA Determination Day the Term CORRA Reference

Rate for the applicable tenor has not been published by the Term CORRA Administrator and a Canadian Benchmark Replacement Date with respect to the Term CORRA Reference Rate has not occurred, then Term CORRA will be the Term CORRA Reference Rate for such tenor as published by the Term CORRA Administrator on the first preceding Business Day for which such Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Periodic Term CORRA Determination Day; provided, however, if the Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator more than three (3) Business Days prior to such Periodic Term CORRA Determination Day, then Term CORRA will be the interest rate (expressed as a rate per annum on the basis of a year of 365 days) for a comparable tenor quoted by the Administrative Agent as of such Periodic Term CORRA Determination Day.

“Term CORRA Adjustment” means, with respect to Term CORRA, for an Interest Period of a duration of (a) one-month, a percentage equal to 0.29547% per annum (29.547 basis points), and (b) three-months, a percentage equal to 0.32138% per annum (32.138 basis points).

“Term CORRA Administrator” means Candeal Benchmark Administration Services Inc., TSX Inc., or any successor administrator.

“Term CORRA Loan” means a Loan made by the Lenders to the Borrower that bears interest at a rate based on Adjusted Term CORRA (other than pursuant to clause (ii) of the definition of “Prime Rate”).

“Term CORRA Reference Rate” means the forward-looking term rate based on CORRA.

“Total Commitment” means the aggregate of the Lenders’ Term Commitment set forth on Schedule A, as such amount may be reduced from time to time pursuant to the terms of this Agreement.

“Total Term Commitment” means the aggregate of the Lenders’ Term Commitments set forth on Schedule A.

“Transaction Documents” has the meaning as set out in the Contribution Agreement.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

1.2 Extended Meanings and References

In this Agreement words importing the singular number include the plural and *vice versa*, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term “including” means “including without limiting the generality of the foregoing” and the term “third party” means any Person other than a Person who is a party to this Agreement. References to any document, contract, instrument or agreement (a) shall include all

exhibits, schedules and other attachments thereto, (b) shall include all documents, instruments or agreements issued or executed in replacement thereof, and (c) shall mean such document, instrument, contract or agreement, or replacement or predecessor thereto, as amended, modified, supplemented, restated or otherwise modified from time to time in accordance with the terms of this Agreement and in effect at any given time unless otherwise specifically stated. Any reference to any Person shall include its successors and permitted assigns in the capacity indicated, and in the case of any Governmental Authority, any Person succeeding to its functions and capacities. Any reference to Requirements of Law and Applicable Laws shall include all references to such Requirements of Law and Applicable Laws as amended, supplemented or replaced unless otherwise specifically stated. The Loan Documents are the result of negotiations between, and have been reviewed by each Credit Party, the Administrative Agent, each Lender and their respective counsel. Accordingly, the Loan Documents shall be deemed to be the product of all parties thereto, and no ambiguity shall be construed in favour of or against any Credit Party, the Administrative Agent, or the Lender except as expressly provided under the Loan Documents. Following an acceleration of the Loans following the occurrence of an Event of Default pursuant to Section 12.1, any reference in this Agreement or any Loan Document to an Event of Default that has occurred and is **“continuing”** shall be deemed to be an Event of Default that has occurred and is continuing for all times thereafter unless otherwise agreed in writing by the Lenders or the Required Lenders, as applicable in their discretion; and the terms **“continued”**, **“continuation”** and **“discontinuation”** shall have corresponding meanings. The term **“asset”** includes all property, assets, and undertakings of every kind wheresoever situate, whether now or hereafter acquired.

1.3 Accounting Principles

(a) Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation is required to be made, for the purpose of this Agreement or any Loan Document, such determination or calculation will, to the extent applicable and except as otherwise specified herein or as otherwise agreed in writing by the parties, be made in accordance with GAAP applied on a consistent basis.

(b) Each of the parties hereto acknowledges that the financial covenants and financial ratios contained in this Agreement have been established and agreed upon on the basis of the current accounting policies, practices and calculation methods or components thereof adopted by the Borrower on a consolidated basis and made on a basis consistent with GAAP, and as reflected in the financial model of the Borrower dated June 11, 2015. If at any time an Accounting Change occurs which would affect the computation of any financial ratio or requirement set forth in this Agreement, and either the Borrower or the Administrative Agent shall so require, the Administrative Agent (with the approval of the Required Lenders) and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP; provided that, until so amended, (i) such ratio or replacement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Lender financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. For the purposes of this Section 1.3, “Accounting Changes” refers to changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Canadian

Institute of Chartered Accountants, and in all events including changes resulting from implementation of the International Financial Reporting Standards to the extent required by the Canadian Accounting Standards Board.

1.4 Interest Calculations and Payments; Interest Rate Disclaimer

(a) Unless otherwise stated, wherever in this Agreement reference is made to a rate of interest “*per annum*” or a similar expression is used, such interest will be calculated (i) in respect of all Loans except CORRA Loans, on the basis of a calendar year of 365 days or 366 days, as the case may be, and (ii) in respect of CORRA Loans, on the basis of a calendar year of 365 days, and using the nominal rate method of calculation and not the effective rate method of calculation or on any other basis that gives effect to the principle of deemed reinvestment of interest. Interest will continue to accrue after maturity and default and/or judgment, if any, until payment thereof, and interest will accrue and be compounded monthly on overdue interest, if any.

(b) For the purposes of the *Interest Act* (Canada) and disclosure under such act, whenever interest to be paid under this Agreement is to be calculated on the basis of a year of 365 days or 366 days or any other period of time that is less than a calendar year, the yearly rate of interest to which the rate determined pursuant to such calculation is equivalent is the rate so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by either 365, 366 or such other period of time, as the case may be.

(c) Notwithstanding anything herein to the contrary, in no event shall any interest rate or rates referred to herein (together with other fees payable hereunder which are construed by a court of competent jurisdiction to be interest or in the nature of interest) exceed the maximum interest rate permitted by Applicable Law. If such maximum interest rate would be exceeded by the terms hereof, the rates of interest payable hereunder shall be reduced to the extent necessary so that such rates (together with other fees which are construed by a court of competent jurisdiction to be interest or in the nature of interest) equal the maximum interest rate permitted by Applicable Law, and any overpayment of interest received by the Administrative Agent or the Lenders theretofore shall be applied, forthwith after determination of such overpayment, to pay all then outstanding interest, and thereafter to pay outstanding principal, as if the same were a prepayment of principal and treated accordingly hereunder.

(d) The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Prime Rate, Term CORRA, Daily Compounded CORRA, Adjusted Term CORRA, Adjusted Daily Compounded CORRA, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Prime Rate, Term CORRA, Daily Compounded CORRA, Adjusted Term CORRA, Adjusted Daily Compounded CORRA, or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Prime Rate, Term

CORRA, Daily Compounded CORRA, Adjusted Term CORRA, Adjusted Daily Compounded CORRA, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Prime Rate, Term CORRA, Daily Compounded CORRA, Adjusted Term CORRA, Adjusted Daily Compounded CORRA, or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to any Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

1.5 Permitted Encumbrances

The inclusion of reference to Permitted Encumbrances in any Loan Document is not intended to subordinate and will not subordinate, any Encumbrance created by any of the Security to any Permitted Encumbrance.

1.6 Currency

Unless otherwise specified in this Agreement, all references to currency (without further description) are to lawful money of Canada.

1.7 Severability

If any provision of this Agreement is determined by any court of competent jurisdiction to be illegal or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any of the parties.

1.8 Entire Agreement and Conflicts

This Agreement and the other Loan Documents constitute the whole and entire agreement between the Credit Parties, the Lenders and the Administrative Agent and cancels and supersedes any prior agreements, undertakings, declarations, commitments and representations, written or oral, in respect thereof. In the event of a conflict between the provisions of this Agreement and the provisions of any other Loan Document, then, unless such Loan Document or an acknowledgement from the Credit Party and the Administrative Agent relative to such Loan Document expressly states that this Section 1.8 is not applicable to such Loan Document, notwithstanding anything else contained in such other Loan Document, the provisions of this Agreement will prevail and the provisions of such other Loan Document will be deemed to be amended to the extent necessary to eliminate such conflict.

1.9 Further Assurances

Each Credit Party will promptly cure any default by it in the execution and delivery of this Agreement, the Loan Documents or of any of the agreements provided for hereunder to

which it is a party. Each Credit Party, at its expense, will promptly execute and deliver, or cause each Nominee to execute and deliver, to the Administrative Agent, upon request by the Administrative Agent, all such other and further documents, agreements, opinions, certificates and instruments in compliance with, or for the accomplishment of the covenants and agreements of such Credit Party or Nominee hereunder or more fully to state the obligations of such Credit Party or Nominee as set forth herein or to make any recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

1.10 Schedules

The following are the Schedules attached hereto and incorporated by reference and deemed to be part hereof:

Schedule A	- Lenders and Commitments
Schedule 1.1(A)	- Guarantors and Nominees
Schedule 1.1(B)	- Compliance Certificate
Schedule 1.1(C)	- Conversion Notice
Schedule 1.1(D)	- Drawdown Notice
Schedule 1.1(E)	- Form of Lender Assignment and Assumption
Schedule 1.1(F)	- Repayment Notice
Schedule 1.1(G)	- Rollover Notice
Schedule 10.1(j)	- Secured Properties
Schedule 10.1(m)	- Ownership Structure
Schedule 10.1(v)	- Material Agreements

ARTICLE 2

THE CREDIT FACILITY

2.1 Borrower Facility

Subject to the terms and conditions of this Agreement, each of the Lenders establishes in favour of the Borrower such Lender's Applicable Percentage of a non-revolving term credit facility (the "**Credit Facility**") in an amount up to the Available Term Credit.

2.2 Availability of Credit Facility

The parties hereto acknowledge and agree that the Credit Facility has been fully drawn and no further Drawdown or availability under the Credit Facility is available, other than Conversions and Rollovers.

2.3 Extension of Credit Facility

(a) The Commitment of each Lender under the Credit Facility will expire on the last day of the Availability Period unless extended by such Lender in its discretion at the request of the Borrower for a further requested term (“**Extension Period**”) in accordance with this Section 2.3(a). Such expiry date of each Commitment, as extended from time to time in accordance with this Section 2.3(a), is referred to herein as the “**Maturity Date**”. Provided no Event of Default or Default has occurred and is continuing, the Borrower will deliver to the Administrative Agent, at least 60 but not more than 90 days in advance of any Maturity Date (the “**Current Maturity Date**”), a notice in which the Borrower requests each Lender to extend its respective Commitment for the Extension Period after the Current Maturity Date. On the date that such notice is received by the Administrative Agent from the Borrower, the Administrative Agent will deliver a copy thereof to each Lender. Each such Lender must provide notice to the Administrative Agent not more than 30 days after receipt of such notice from the Administrative Agent either (i) to authorize and direct the Administrative Agent to make an irrevocable offer to the Borrower (which may be accepted with effect on the Current Maturity Date) to extend its Commitment for the Extension Period, with effect from the Current Maturity Date, or (ii) to advise the Administrative Agent that it declines to approve the requested Extension Period; the decision of a Lender to approve or decline approval of the Extension Period shall be made in their discretion. If all the Lenders approve the requested Extension Period, the Credit Facility will be extended for the Extension Period from the Current Maturity Date.

(b) If the Required Lenders approve the requested extension as set out in Section 2.3(a), the Borrower may elect to either:

- (i) arrange for the assignment, pursuant to Article 22 of this Agreement, of the outstanding indebtedness and obligations owing to any Lender that has not approved the requested extension (a “**Dissenting Lender**”) to one or more Lenders that have approved such request (a “**Consenting Lender**”) and each of whom has agreed to accept an assignment of such indebtedness and obligations or a new Lender (such Consenting Lender or new Lender, the “**Assignee Lender**”) and the assumption by the Assignee Lender of the Dissenting Lender’s Commitment, such assumption to be effected by the Assignee Lender and Dissenting Lender entering into a Lender Assignment and Assumption on or before the Current Maturity Date;
- (ii) repay the Dissenting Lenders, whose indebtedness and obligations are not assigned in accordance with (i) above, their *pro rata* share of indebtedness and obligations under the Credit Facility, cancel their respective Commitments under the Credit Facility and continue the Credit Facility with the Total Commitment permanently reduced by the aggregate amount of such repayments; or
- (iii) do a combination of: (i) and (ii) such that no Dissenting Lender has an outstanding Commitment after the Current Maturity Date,

in which case the then Current Maturity Date as it relates to the Consenting Lenders and Assignee Lenders will be extended for the Extension Period from the first day following the then Current Maturity Date.

(c) If Lenders having, in aggregate, Commitments of less than 66 2/3% of the aggregate Commitments under the Credit Facility approve the requested extension, or if no request for an extension of the Current Maturity Date is received, the Credit Facility will terminate on the Current Maturity Date.

(d) A Dissenting Lender will remain committed to make Loans under the Credit Facility until the earlier of (i) the date on which the indebtedness and obligations owing to it and its Commitment are assigned as aforesaid, and (ii) the Current Maturity Date previously agreed to by the Dissenting Lender. For greater certainty any amendments relating to the Credit Facility made pursuant to the provisions of Section 2.3(a) shall not take effect until such time as all Dissenting Lenders have been repaid all amounts owing to them in respect of the Credit Facility pursuant to Sections 2.3(b) above.

2.4 Purpose of Credit Facility

(a) The Loan under the Credit Facility was used to repay the HBC Debt.

(b) For greater certainty, neither the Borrower nor any other Credit Party shall use the proceeds of any Loans under the Credit Facility to make a hostile take-over bid for any other Person or to make any issuer bids or enter into unit buy back transactions, unless approved by the Lenders.

2.5 Manner of Borrowing

Subject to the terms and conditions of this Agreement, the Borrower may, during the Availability Period, in Canadian Dollars, make Drawdowns and Conversions of Prime Rate Loans, Term CORRA Loans and Daily Compounded CORRA Loans, and Rollovers of Term CORRA Loans and Daily Compounded CORRA Loans under the Credit Facility. Notwithstanding the foregoing or anything herein to the contrary, Daily Compounded CORRA Loans are not available under this Agreement unless otherwise agreed to in writing by the Administrative Agent and the Lenders in their sole and absolute discretion.

The parties hereto acknowledge and agree that the Credit Facility has been fully drawn and no further Drawdown or availability under the Credit Facility is available.

2.6 Drawdowns, Conversions and Rollovers

(a) Subject to the provisions of this Agreement, the Borrower may (i) make the Drawdown hereunder up to the Available Term Credit being advanced by way of Prime Rate Loans, (ii) convert the whole or any part of any type of Loan into any other type of Loan, or (iii) rollover any Term CORRA Loan or Daily Compounded CORRA Loan on the last day of the applicable Interest Period therefor, by giving the Administrative Agent a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be.

(b) Subject to Section 2.4, the Borrower's right to make Drawdowns under the Credit Facility shall be subject to the satisfaction of the conditions set forth in Section 3.3.

(c) Subject to Section 2.4, a Borrower must give the Administrative Agent a Drawdown Notice, Conversion Notice, or Rollover Notice, as the case may be, at least three (3) Business Days prior to the proposed Drawdown Date, Conversion Date or Rollover Date, as the case may be; provided, however that notice shall be given no later than three (3) Business Days prior to the date of any Drawdown in excess of \$20,000,000. A Drawdown Date, Conversion Date and Rollover Date must be a Business Day.

(d) Each Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, must be delivered to the Administrative Agent by the Borrower on or prior to 10:00 a.m. (Toronto time) on a Business Day.

(e) Subject to Section 2.4, each Drawdown, Conversion or Rollover must:

- (i) in the case of Prime Rate Loans, Term CORRA Loans, and Daily Compounded CORRA Loans, be in a minimum principal amount of \$500,000 and increments of \$100,000.

2.7 Administrative Agent's Obligations with Respect to Loans

Upon receipt of a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, the Administrative Agent will forthwith notify the Lenders of the proposed Drawdown Date, Conversion Date or Rollover Date, as the case may be, of each Lender's Applicable Percentage of such Loan and, if applicable, the account of the Administrative Agent to which each Lender's Applicable Percentage is to be credited.

2.8 Lenders' and Administrative Agent's Obligations with Respect to Loans

Each Lender will, prior to 12:00 p.m. (noon) (Toronto time) on the Drawdown Date, Conversion Date or Rollover Date, as the case may be, specified by the Borrower in a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, credit the Administrative Agent's account specified in the Administrative Agent's notice given under Section 2.7 with such Lender's Applicable Percentage of any Loan to be advanced thereunder and by 12:00 p.m. (noon) (Toronto time) on the same date the Administrative Agent will advance to the Borrower the full amount of the amounts so credited.

2.9 Irrevocability

Each Drawdown Notice, Conversion Notice and Rollover Notice given by the Borrower hereunder is irrevocable and will oblige the Borrower to take the action contemplated on the date specified therein.

2.10 Account of Record

The Administrative Agent will open and maintain books of account evidencing all Loans and all other amounts owing by the Borrower to the Lenders hereunder. The Administrative

Agent will enter in the foregoing accounts details of all amounts from time to time owing, paid or repaid by the Borrower hereunder. The information entered in the foregoing accounts will constitute *prima facie* evidence, absent manifest error, of the obligations of the Borrower to the Lenders hereunder with respect to all Loans and all other amounts owing by the Borrower to the Lenders hereunder. After a request by the Borrower, the Administrative Agent will promptly advise the Borrower of such entries made in the Administrative Agent's books of account.

2.11 Inability to Determine Rates

(a) Subject to Section 2.13, if, on or prior to the first day of any Interest Period for any Term CORRA Loan or Daily Compounded CORRA Loan, as applicable:

- (i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that "Adjusted Term CORRA", "Adjusted Daily Compounded CORRA", as applicable, cannot be determined pursuant to the definition thereof, for reasons other than a Benchmark Transition Event, or
- (ii) the Required Lenders determine that for any reason in connection with any request for a Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, or a conversion thereto or a continuation thereof that Term CORRA or Daily Compounded CORRA, as applicable, for any requested Interest Period with respect to a proposed Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, does not adequately and fairly reflect the cost to such Lenders of making and maintaining such Loan, and the Required Lenders have provided notice of such determination to the Administrative Agent,

the Administrative Agent will promptly so notify the Borrower and each Lender.

(b) Upon delivery of such notice by the Administrative Agent to the Borrower under Section 2.11(a), any obligation of the Lenders to make Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, and any right of the Borrower to continue Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, or to convert Prime Rate Loans to Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, shall be suspended (to the extent of the affected Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, or affected Interest Periods) until the Administrative Agent (with respect to Section 2.11(a)(ii), at the instruction of the Required Lenders) revokes such notice.

(c) Upon receipt of such notice by the Administrative Agent to the Borrower under Section 2.11(a), (i)(x) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, (to the extent of the affected Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, or affected Interest Periods); (y) in respect of Term CORRA Loans, the Borrower may elect to convert any such request into a request for a Drawdown of or conversion to Daily Compounded CORRA Loans; or, failing such revocation or election, (z) the Borrower will be deemed to have converted any such request into a request for a Drawdown of or conversion

to Prime Rate Loans, in the amount specified therein and (ii) (x) in respect of Term CORRA Loans, the Borrower may elect to convert any outstanding affected Term CORRA Loans at the end of the applicable interest Period, into Daily Compounded CORRA Loans, and (y) otherwise, or failing such election, any outstanding affected Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, will be deemed to have been converted, at the end of the applicable Interest Period, into Prime Rate Loans. Upon any such conversion, the Borrower shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Section 6.4.

2.12 Amendment and Restatement

This Agreement shall amend and restate the Original Credit Agreement in its entirety and the Original Credit Agreement as so amended and restated is hereby ratified and confirmed by the parties hereto. Nothing in this Agreement shall be construed as a substitution or novation of any existing Loans outstanding under the Original Credit Agreement as of the date hereof which shall remain outstanding under this Agreement after the date hereof. For greater certainty (i) all “Loans” outstanding under the Original Credit Agreement as of the date hereof are, and shall be, “Loans” under this Agreement and constitute “Obligations” under this Agreement and shall be secured by the Security; and (ii) the amounts outstanding on the date hereof under the Credit Facility pursuant to or contemplated by the Original Credit Agreement are deemed to be outstanding under the Credit Facility and constitute “Obligations” under this Agreement and shall be secured by the Security. The Lenders party to this Agreement as of the date hereof shall allocate the outstanding Obligations among the applicable Credit Facility to reflect the Applicable Percentages of each Lender as of the date hereof and any Loans allocated to a Lender to reflect the Commitments and Applicable Percentages shall be deemed purchased and assumed by such Lender and any such Loans allocated by a Lender shall be deemed sold and assigned by such Lender.

The Borrower and each Guarantor originally party thereto, acknowledge, confirm and agree that, notwithstanding the amendment and restatement of the Original Credit Agreement, (i) all Security granted by it continues in full force and effect, constitutes a legal, valid and binding obligation of the Borrower and each Guarantor, as applicable, enforceable against it in accordance with its terms (except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, moratorium, reorganization and other laws of general application limiting the enforcement of creditor’s rights generally and the fact that the courts may deny the granting or enforcement of equitable remedies), and secures payment and performance by the Borrower and each Guarantor of its Obligations, and (ii) the Security to which it is a party is hereby ratified and confirmed.

2.13 Existing Bankers’ Acceptances

Notwithstanding anything to the contrary herein, the Borrower shall be permitted to maintain all Loans existing under the Original Credit Agreement by way of Bankers’ Acceptances after the date hereof (each an “**Existing Bankers’ Acceptance**”); provided that, on the last day of the current interest period of each Existing Bankers’ Acceptance (each, an “**Existing Bankers’ Acceptance Maturity Date**”), the Borrower shall either (a) convert such Existing Bankers’ Acceptance to another type of Drawdown by delivering a Conversion Notice to the Administrative Agent (who shall promptly notify the Lenders) not later than 11:00 a.m. (Toronto

time) three (3) Business Days prior to the Existing Bankers' Acceptance Maturity Date, or (b) repay such Existing Bankers' Acceptance in full upon delivery of a Repayment Notice to the Administrative Agent not later than 11:00 a.m. (Toronto time) three (3) Business Days prior to the Existing Bankers' Acceptance Maturity Date, failing which the Borrower shall be deemed to have converted such Existing Bankers' Acceptance into a Prime Rate Loan. Each Existing Bankers' Acceptance shall constitute a "Loan" for purposes of this Agreement until such Existing Bankers' Acceptance is converted or repaid, as applicable, in accordance with this Section 2.13. If the Borrower elects to convert or repay, as applicable, any Existing Bankers' Acceptance prior to the Existing Bankers' Acceptance Maturity Date applicable to such Existing Bankers' Acceptance, the Borrower will compensate the Lenders for any losses or expenses that the Lenders incur as a result thereof, including any breakage costs.

2.14 Benchmark Replacement Setting

(a) Benchmark Replacement Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (a) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (Toronto time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. If the Benchmark Replacement is Adjusted Daily Compounded CORRA, all interest payments will be payable on the last day of each Interest Period.

(b) Conforming Changes In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent will have the right to make such Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) Notices; Standards for Decisions and Determinations The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any such Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.14(d) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the

Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.13 including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.13.

(d) Unavailability of Tenor of Benchmark Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term CORRA) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Canadian Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a Drawdown of, conversion to or continuation of Loans, which are of the type that have a rate of interest determined by reference to the then-current Benchmark, to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Drawdown of or conversion to, (i) for a Benchmark Unavailability Period in respect of Term CORRA, Daily Compounded CORRA Loans, and (ii) for a Benchmark Unavailability Period in respect of a Benchmark other than Term CORRA, Prime Rate Loans.

(f) Amendments The Administrative Agent and the Borrower may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Loan Documents or to enter into additional Loan Documents as the Administrative Agent deems appropriate in order to implement any Benchmark Replacement or any Conforming Change or otherwise effectuate the terms of this Section 2.13 in accordance with the terms hereof.

ARTICLE 3
DISBURSEMENT CONDITIONS

3.1 Conditions Precedent to Closing Date of the Original Credit Agreement

The Agent acknowledges that, prior to the Closing Date of the Original Credit Agreement, the following conditions were satisfied:

- (a) this Agreement shall have been executed and delivered;
- (b) the representations and warranties set forth in Section 10.1 and each other Loan Document shall be true and correct in all material respects (except to the extent where any such representation and warranty is materially qualified therein, then such representation and warranty shall be true and correct);
- (c) no Default or Event of Default shall have occurred and be continuing on the Closing Date;
- (d) the Lenders shall have completed such investigations with respect to the Credit Parties and the Secured Properties as they determine to be appropriate and shall have received all financial, corporate and other information requested by a Lender and the Administrative Agent shall be satisfied, in its discretion, with the results of such investigations;
- (e) a Compliance Certificate which certifies, without limitation, the calculation of the Borrowing Base and the Mortgageability Amount for each of the Secured Properties as of the date hereof will have been delivered to the Administrative Agent;
- (f) certified copies of the Material Agreements not delivered pursuant to the Original Credit Agreement will have been delivered to the Administrative Agent;
- (g) except as otherwise agreed by the Administrative Agent in writing, the Administrative Agent will have received certified copies of all material, regulatory, governmental, third party and other approvals, if any, required in order for the Credit Parties to enter into this Agreement and the other Loan Documents and the Transaction Documents and to perform their obligations hereunder and thereunder;
- (h) duly executed copies of the Loan Documents will have been delivered to the Administrative Agent and all such Security will have been duly registered, filed and recorded in all Relevant Jurisdictions where required by Applicable Law or where the Administrative Agent considers it necessary, in its discretion, to do so and the Administrative Agent and Lenders' Counsel shall be satisfied that all registrations and other actions necessary to perfect the security interest created by the Security and maintain the required priority of the Encumbrance in favour of the Administrative Agent and the Lenders have been made;

- (i) the Administrative Agent will have received certified copies of the Organizational Documents or applicable extracts thereof of each Credit Party, the resolutions authorizing the execution and delivery of, and performance of each Credit Party's respective obligations under, this Agreement and the transactions contemplated herein, and a certificate as to the incumbency of the officers of the Credit Parties executing this and any other documents to be provided pursuant to the provisions hereof;
- (j) except as otherwise agreed by the Administrative Agent, certificates of status or comparable certificates for all Relevant Jurisdictions of each Credit Party will have been delivered to the Administrative Agent;
- (k) a currently dated Opinion of Counsel as to such matters and in such form as Lenders' Counsel deems appropriate and consistent with the form delivered under the Original Credit Agreement addressed to the Administrative Agent, the Lenders and to Lenders' Counsel will have been delivered to the Administrative Agent, including, without limitation, enforceability, and non-contravention of the Organizational Documents and Applicable Laws;
- (l) the Administrative Agent will have received on its own behalf or on behalf of the Lenders payment of all fees and expenses payable to the Administrative Agent or the Lenders (including all fees and expenses of the Lenders' Counsel) that are due and payable at such time;
- (m) the Credit Parties shall have provided all documentation and other information to the Administrative Agent and the Lenders required by any applicable "know your customer" or "know your client" requirements and anti-money laundering and anti-terrorism laws, rules and regulations;
- (n) nothing shall have occurred (nor shall the Administrative Agent or any Lender become aware of any facts not previously known), which the Administrative Agent or the Lenders determine is reasonably likely to result in a Material Adverse Effect;
- (o) the Administrative Agent and the Lenders being satisfied that there is no pending or threatened judicial, administrative or other proceedings, investigations or litigation which seek to adjourn, delay, enjoin, prohibit or impose material limitations on any aspect of the transactions contemplated by the Loan Documents or Material Agreements or which has resulted in, or could reasonably be expected to result in the occurrence of a Material Adverse Effect;
- (p) the Administrative Agent and Lenders' Counsel shall be satisfied that all registrations and other actions necessary to perfect the security interest created by the Security and maintain the first priority of the Encumbrance in favour of the Administrative Agent and the Lenders have been made have been made;
- (q) in consideration of the Lenders agreeing to extend the term of the Credit Facility, the Borrower shall pay to the Administrative Agent for the account of the Lenders a non-refundable extension fee in accordance with Section 4.3 herein; and

- (r) such other matters shall have been attended to as the Lenders determine, acting reasonably, to be necessary.

provided that all documents delivered pursuant to this Section 3.1 must be in full force and effect, and in form and substance satisfactory to the Lenders, acting reasonably.

3.2 Conditions Precedent to Effectiveness of Amended and Restated Credit Agreement

The parties hereto acknowledge and agree that effectiveness of this Agreement is subject to and conditional upon the satisfaction of the following conditions precedent:

- (a) the Administrative Agent will have received on its own behalf or on behalf of the Lenders payment of all fees and expenses payable to the Administrative Agent or the Lenders that are due and payable at such time;
- (b) No Default or Event of Default shall have occurred and be continuing; and
- (c) No Material Adverse Change shall have occurred.

3.3 Waiver

The conditions set forth in Sections 3.1 and 3.2 are inserted for the sole benefit of the Lenders and may be waived by the Lenders, in whole or in part (with or without terms or conditions).

ARTICLE 4 **PAYMENTS OF INTEREST AND FEES**

4.1 Interest

(a) Subject to the following sentence, the Borrower will pay interest on each Prime Rate Loan during each Interest Period applicable thereto in Canadian Dollars at a rate *per annum* equal to the sum of (a) the Prime Rate in effect from time to time during such Interest Period plus (b) the Prime Rate Margin. Any amount of principal of, or interest on, any such Prime Rate Loan which is not paid when due (whether at stated maturity, by acceleration or otherwise) shall be payable on demand and shall bear interest (both before and after judgment), from the date on which such amount is due until such amount is paid in full, at a rate *per annum* equal to the Prime Rate in effect from time to time plus the Prime Rate Margin plus, to the extent permitted by law, 2.0%.

(b) Subject as provided in the following sentence, the Borrower will pay interest on each Term CORRA Loan during each Interest Period applicable thereto in Canadian Dollars at a rate *per annum* equal to the sum of (a) Adjusted Term CORRA in effect from time to time during such Interest Period plus (b) the CORRA Margin. Any amount of principal of, or interest on, any such Term CORRA Loan which is not paid when due (whether at stated maturity, by acceleration or otherwise) shall be payable on demand and shall bear interest (both before and after judgment), from the date on which such amount is due until such amount is paid in full, at a rate *per annum*

equal to Adjusted Term CORRA in effect from time to time plus the CORRA Margin plus, to the extent permitted by law, 2.0%.

(c) Subject as provided in the following sentence, the Borrower will pay interest on each Daily Compounded CORRA Loan during each Interest Period applicable thereto in Canadian Dollars at a rate *per annum* equal to the sum of (a) Adjusted Daily Compounded CORRA in effect from time to time during such Interest Period plus (b) the CORRA Margin. Any amount of principal of, or interest on, any such Daily Compounded CORRA Loan which is not paid when due (whether at stated maturity, by acceleration or otherwise) shall be payable on demand and shall bear interest (both before and after judgment), from the date on which such amount is due until such amount is paid in full, at a rate per annum equal to Adjusted Daily Compounded CORRA in effect from time to time plus the CORRA Margin plus, to the extent permitted by law, 2.0%.

(d) Accrued interest on each Loan will be (a) calculated daily and payable in arrears on (i) each Interest Payment Date for such Loan for the period from and including the Drawdown Date, Conversion Date or preceding Interest Payment Date, as the case may be, for such Loan to but excluding such Interest Payment Date (or, if such Interest Payment Date follows the repayment of such Loan or the Conversion of such Loan, to but excluding the date of such repayment or Conversion), and (ii) on the day on which such Loan becomes due and payable in full pursuant to the provisions hereof; and (b) calculated on the principal amount of such Loan outstanding during such period and on the basis of the actual number of days elapsed in a year of (i) 365 days or 366 days, in the case of Prime Rate Loans, and (ii) 365 days, in the case of CORRA Loans.

(e) Changes in the Prime Rate will cause an immediate adjustment of the interest rate applicable to such Loan without the necessity of any notice to the Borrower. Each determination by the Administrative Agent of the Prime Rate applicable from time to time during an Interest Period will, in the absence of manifest error, be binding upon the Borrower.

4.2 Fees

In consideration of the Administrative Agent and Lenders providing the Credit Facility pursuant to the terms of this Agreement and for the Administrative Agent acting as administrative agent pursuant to the Loan Documents, the Borrower will pay the fees as set out and on the terms and conditions agreed to in writing pursuant to the fee letter between, *inter alios*, the Borrower and Bank of Montreal dated February 25, 2022. All such written arrangements will constitute Loan Documents.

4.3 Upfront Fee

In consideration of the Administrative Agent and Lenders entering into this Agreement, the Borrower will pay to the Administrative Agent on the date hereof for the account of the Lenders a fee of 45 bps of the Total Commitment, to be allocated on a pro rata basis to each Lender according to its pro rata share of the Total Commitment. The Administrative Agent acknowledges that payment of this upfront fee has been made in conjunction with the Original Credit Agreement.

4.4 Default Interest

From and after the date of the occurrence of an Event of Default and for so long as such Event of Default continues, all Loans outstanding hereunder shall, to the extent permitted by Applicable Laws and at the option of the Administrative Agent, bear interest or fees at the rates otherwise applicable plus 2% per annum in order to compensate the Lenders for the additional risk.

4.5 Conforming Changes

In connection with the use or administration of CORRA or Term CORRA, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of CORRA or Term CORRA, as applicable.

ARTICLE 5 **INTENTIONALLY DELETED**

5.1 Intentionally Deleted

ARTICLE 6 **REPAYMENT**

6.1 Mandatory Repayment

(a) The Borrower shall repay in full the outstanding principal amount of all Loans and other Obligations under the Credit Facility on or before the Maturity Date as it may be extended pursuant to the terms hereof.

(b) If at any time the Aggregate Outstandings exceed the Borrowing Base (the “**Borrowing Base Shortfall**”), the Borrower shall, within 5 days of the earlier of the Borrower becoming aware of such Borrowing Base Shortfall or receipt of notice from the Administrative Agent of such Borrowing Base Shortfall, repay to the Administrative Agent Loans in an amount equal to the Borrowing Base Shortfall, together with delivery of a concurrent Repayment Notice, which shall result in an equivalent permanent reduction of the Commitment. The Borrowing Base may be increased or decreased, as the case may be, by subsequent calculation of the Lending Values for the Secured Properties, pursuant to Sections 6.5 herein, provided that at no time shall the Loans outstanding at any time hereunder exceed the Total Commitment and provided further that notwithstanding that the Borrowing Base may be increased by subsequent calculation of the Lending Values, the parties hereto acknowledge and agree that the Credit Facility has been fully drawn and no further Drawdown or availability under the Credit Facility is available.

6.2 Mandatory Repayments on Dispositions and Financings

In addition to the mandatory repayments of the Credit Facility described in Section 6.1, repayment of the Credit Facility and permanent reduction of the Commitment shall be made from time to time as follows:

(a) Upon the sale of the Downtown Vancouver Property, the Borrower will have an obligation under this Section 6.2 to make a repayment under the Credit Facility in an amount equal to the lesser of the then Aggregate Outstandings and the Net Proceeds received from the sale. Such amount shall be paid by the Borrower on the first Business Day following receipt by the Borrower or any of its Subsidiaries of such Net Proceeds.

(b) Intentionally deleted.

(c) Upon the issuance of any financing of the Downtown Vancouver Property, the Borrower will have an obligation under this Section 6.2 to make a repayment under the Credit Facility in an amount equal to one hundred percent (100%) of the Net Issuance Proceeds received by the Borrower or its Subsidiaries from such funded Indebtedness or financing in excess of \$50,000,000, provided that (i) the initial \$50,000,000 comprising the Net Issuance Proceeds shall be expended toward the renovation, expansion and/or improvement of the Downtown Vancouver Property and, for greater certainty, the Borrower shall not be permitted to make any Distribution on account thereof; and (ii) if the initial \$50,000,000 comprising the Net Issuance Proceeds or any portion thereof is not expended as aforesaid, the Borrower will have an obligation under this Section 6.2 to make a repayment under the Credit Facility in an amount equal to such amount not so expended. Such amount (excluding the initial \$50,000,000 as aforesaid) shall be paid by the Borrower on the first Business Day following receipt by the Borrower or any of its Subsidiaries of such Net Issuance Proceeds. It is acknowledged that this Section 6.2(c) does not alter the obligations of the Borrower described in Section 11.4(b) of this Agreement.

6.3 Voluntary Repayments

The Borrower may at any time, from time to time, repay without penalty, the whole or any part of any Loan provided that the Borrower shall give a Repayment Notice to the Administrative Agent at least two Business Days prior to the repayment date (which shall indicate which Credit Facility the repayments should apply to), provided that (a) each such repayment must be in increments of \$100,000 and (b) other than as contemplated in Section 6.4, a Term CORRA Loan or Daily Compounded CORRA Loan may only be repaid on the last day of the applicable Interest Period.

6.4 Repayment Compensation

In the event of (a) the payment of any principal of any Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, prior to the last day of an Interest Period (including as a result of an Event of Default), (b) the conversion of any Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, other than on the last day of the Interest Period, (c) the failure to borrow, convert, continue or prepay any Loan on the date specified in any notice delivered pursuant hereto, or (d) the assignment of any Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, other than on the last day of the Interest Period as a result of a request

by the Borrower pursuant to Section 3.3 of Schedule A, then, in any such event, the Borrower shall, after receipt of a written request by any Lender affected by any such event (which request shall set forth in reasonable detail the basis for requesting such amount), compensate each Lender for the loss, cost and expense attributable to such event. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section delivered to the Borrower shall be presumptively correct absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt of such demand.

6.5 Borrowing Base Calculation

The Borrower shall calculate the Borrowing Base for each of the Secured Properties as at the end of each Fiscal Quarter (such calculation to be delivered to the Administrative Agent pursuant to Section 11.3(c)) for the Administrative Agent's approval, with such supporting information in form and content acceptable to the Administrative Agent. The Borrower shall also calculate the Borrowing Base for each of the Secured Properties if and when requested by the Administrative Agent or the Required Lenders (such calculation to be delivered to the Administrative Agent within 30 days of such request).

ARTICLE 7

PLACE AND APPLICATION OF PAYMENTS

7.1 Place of Payment of Principal, Interest and Fees

(a) All payments of principal, interest, fees and other amounts to be made by the Borrower to the Administrative Agent and the Lenders pursuant to this Agreement shall be made in immediately available funds at its Agent's Office in Toronto or to such other address as the Administrative Agent may direct in writing from time to time. All such payments received by the Administrative Agent on a Business Day before 2:00 p.m. (Toronto time) shall be treated as having been received by the Administrative Agent on that day; payments made after such time on a Business Day shall be treated as having been received by the Administrative Agent on the next Business Day.

(b) Whenever any payment shall be due on a day which is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day. Interest shall continue to accrue and be payable thereon as provided herein, until the date on which such payment is received by the Administrative Agent.

7.2 Netting of Payments

If, on any date, amounts would be due and payable under this Agreement in the same currency by a Credit Party to any Lender, and by such Lender to a Credit Party, then, on such date, upon notice from the Administrative Agent or such Lender stating that netting is to apply to such payments, the obligations of each such party to make payment of any such amount will be automatically satisfied and discharged if the amounts payable are the same. If the aggregate amount that would otherwise have been payable by a Credit Party to such Lender exceeds the aggregate amount that would otherwise have been payable by such Lender to a Credit Party or vice versa, such obligations will be replaced by an obligation upon whichever of the Credit Party or

such Lender would have had to pay the larger aggregate amount, to pay to the other the excess of the larger aggregate amount over the smaller aggregate amount. For greater certainty, prior to acceleration of repayment pursuant to Section 12.2 and subject to Section 16.1, this Section 7.2 will not permit any Lender to exercise a right of set-off, combination or similar right against any amount which a Credit Party may have on deposit with such Lender in respect of any amount to which netting is to apply pursuant to this Section 7.2, but will apply only to determine the net amount to be payable by the Lenders to a Credit Party, or by a Credit Party to the Lenders.

ARTICLE 8 **SECURITY**

8.1 Security

As general and continuing security for the payment and performance of the Obligations the security described below will be granted to the Administrative Agent on behalf of the Lenders, in each case in a form acceptable to the Administrative Agent:

- (a) a first lien over each of the Secured Properties and Charged Personal Property (subject only to Permitted Encumbrances), which shall include:
 - (i) with respect to Secured Properties and Charged Personal Property outside of Quebec,
 - (A) a first ranking debenture in the original principal amount of \$500,000,000 from each applicable Credit Party and Nominee registered against each of the Secured Properties in favour of the Administrative Agent;
 - (B) a first ranking general assignment of Leases and Rents from each applicable Credit Party and Nominee registered against each of the Secured Properties in favour of the Administrative Agent;
 - (C) a security agreement from each Credit Party creating a first ranking security interest (subject only to Permitted Encumbrances) over all of the present and future interest of such Credit Party in the Charged Personal Property;
 - (D) an assignment by each Credit Party of all policies of insurance and all proceeds thereunder with respect to the Secured Properties that are subject to the foregoing security and all other security hereafter granted by a Credit Party pursuant to this Agreement, including any policies providing business interruption insurance, with the Administrative Agent named as first loss payee and additional insured, with a standard mortgage clause endorsement, and certificates evidencing all such insurance; and
 - (E) the Direct Agreements.

- (ii) with respect to each Secured Property, Leases and Rents and Charged Personal Property in the Province of Quebec, a Hypothec in the principal amount of \$500,000,000 from each applicable Credit Party and Nominee of such Secured Property in favour of the Administrative Agent, as hypothecary representative,
- (b) a beneficial owner and direction agreement between each Beneficial Owner and Nominee of each Secured Property; and
- (c) such other security or agreements relating to the Secured Properties as the Lenders may reasonably require.

The parties hereto acknowledge and agree that the security described in subparagraphs (a) to (c) above in respect of the Secured Properties were executed and delivered in connection with the credit agreement dated as of July 9, 2015, which was entered into by certain parties hereto and amended and restated from time to time including by the Original Credit Agreement, and such security continues to be good and valid security for the Obligations and shall be deemed to have been delivered to the Administrative Agent pursuant to the terms of this Agreement.

8.2 Registration and Protection of Security

Each Credit Party shall provide the Security perfected to the proper satisfaction of the Administrative Agent and the Lenders and shall, at the Borrower's expense, register, file or record or cause the registration, filing or recording of the Security granted by it in all offices in each jurisdiction where such registration, filing or recording is necessary or of advantage to the creation, perfection and preservation of the Security applicable to it. Each Credit Party shall provide the Administrative Agent with such assistance and do such acts as the Administrative Agent may from time to time request and provide such other materials of conveyance, assignment, transfer or charge to properly effect the Administrative Agent's Security as contemplated and shall renew and maintain such registrations, filings and recordings from time to time as and when required to keep them in full force and effect and to maintain the required priority of such Security.

8.3 After Acquired Property and Further Assurances

Each Credit Party will from time to time execute and deliver all such further deeds or other instruments of conveyance, assignment, transfer, mortgage, hypothec, pledge or charge in connection with any Charged Personal Property acquired by any Credit Party or Secured Property added by any Credit Party pursuant to this Agreement after the date hereof, or as may be required to properly perfect the security interest of the Administrative Agent and the Lenders, or any of them, in any Secured Property and collateral subject to the Security.

8.4 Form of Security

The Security will be in form satisfactory to the Lenders, acting reasonably.

8.5 Qualifying Hedge Arrangements

(a) The Security shall also secure all Obligations owing under or in respect of all Loan Documents including without limitation Qualifying Hedge Arrangements. For greater certainty, if a Lender has entered into a Qualifying Hedge Arrangement where such Lender thereafter ceases to have any outstanding Commitments hereunder, the obligations and amounts owing under such Qualifying Hedge Arrangement entered into and in effect at the time such Lender ceases to have any outstanding Commitments hereunder, shall, subject to Section 8.5(d), continue to be secured by the Security and shall continue to rank *pari passu* with all Obligations.

(b) Notwithstanding payment and performance in full of all of the Obligations (other than the obligations under the Qualifying Hedge Arrangements), the Security shall continue to secure the Obligations of the Borrower and the Guarantors under all outstanding Qualifying Hedge Arrangements and the Credit Parties shall not be entitled to a discharge of the Security until all Qualifying Hedge Arrangements have been terminated and all amounts, if any, owing by the Borrower and each Guarantor in respect thereof have been paid to the relevant Lenders thereunder.

(c) Upon request by the Administrative Agent, each Lender party to a Qualifying Hedge Arrangement shall provide the Administrative Agent and the Borrower within a reasonable period of time following such request its aggregate mark-to-market exposure and amounts outstanding under all Qualifying Hedge Arrangements from time to time.

(d) Notwithstanding the rights of the Lenders that are party to Qualifying Hedge Arrangement to benefit from the Security and the application of payments in Section 12.8, all decisions, rights and benefits concerning the Loan Documents and the enforcement rights set out in the Loan Documents and pursuant to Applicable Laws shall be made by the Lenders having outstanding Commitments or, if the Commitments have been terminated, by the Lenders having outstanding Loans or the Required Lenders in accordance with this Agreement and the other Loan Documents. Each Lender party to a Qualifying Hedge Arrangement that no longer has any outstanding Commitment and that no longer has any Loans outstanding hereunder shall not have any right to participate in any decision or any right to influence the Loan Documents or the enforcement thereof as long as this Agreement and the other Loan Documents remain in force and any Commitment or Loans remain outstanding; provided that once all Commitments have been terminated and all Loans have been repaid in full or realized in full and the Credit Facility is irrevocably cancelled or terminated and following notice by the Administrative Agent to the Lenders party to the outstanding Qualifying Hedge Arrangements that such repayment, cancellation and termination has occurred, such Lenders shall be “**Lenders**” for all purposes (including, for greater clarity, for the purposes of the definition of Required Lenders) hereunder and under the other Loan Documents.

ARTICLE 9

SECURED PROPERTIES

9.1 Release of Security/Credit Parties

(a) The Administrative Agent agrees that upon the successful completion of a sale of any Property of the Borrower or its Subsidiaries that is a Secured Property or upon a financing of any Property of the Borrower or any of its Subsidiaries that is a Secured Property, it will release such Secured Property to the extent they constitute real or immovable property, and such ancillary personal property solely as it relates to the Secured Property, from the Security (and for greater certainty, in both cases, such real property will cease to constitute a Secured Property) provided that:

- (i) where such Secured Property cannot be legally mortgaged, charged or hypothecated separately from the balance of any other parcel(s) or lot(s) of mortgaged, charged or hypothecated property of which such Secured Property forms a part, then such Secured Property shall not be released unless such Secured Property comprising such other parcel(s) or lot(s) of mortgaged, charged or hypothecated property must also be subject to the release, provided that each of such Secured Property satisfies Sections 9.1(a)(ii), 9.1(a)(iv) and 9.1(a)(v);
- (ii) the Administrative Agent receives from the Borrower as of the date of the release an (a) Officer's Certificate, satisfactory to the Administrative Agent, confirming that the Aggregate Outstandings do not exceed the Borrowing Base immediately prior to the effective date of such release, less the Lending Value of the Secured Property to be released and (b) amount equal to the amount by which the Aggregate Outstandings exceeds the Borrowing Base (less the Lending Value of the Secured Property to be released) or evidence and confirmation that such amount is subject to conventional purchase and sale or refinancing escrow arrangements satisfactory to the Administrative Agent in its discretion;
- (iii) intentionally deleted;
- (iv) the Lenders have consented, in their sole and absolute discretion, to the release of such Secured Property; and
- (v) no Borrowing Base Shortfall, no Default or Event of Default shall have occurred and be continuing (except where such Default or Event of Default will be cured by such release pursuant to the provisions of Section 12.1) or would occur as a result of such release.

(b) The Administrative Agent shall, upon satisfaction of the conditions set out above, execute and deliver to the relevant Guarantor, at the Borrower's expense, all such releases of security and discharges as such Guarantor may reasonably require in respect of the release of such Security against the applicable Secured Property and the related Credit Parties will be released

other than the Borrower and any other Credit Party holding an interest in any other Secured Property.

(c) If Security with respect to a Secured Property is released and discharged pursuant to this Section 9.1, the Borrower will prepare, with approval of the Administrative Agent, acting reasonably, a revised Schedule 10.1(j), and Schedule 10.1(m), as applicable, and deliver same to the Administrative Agent concurrently with the satisfaction of the conditions set forth in this Section 9.1 to reflect the removal of such Secured Property from the pool of Secured Properties.

ARTICLE 10

REPRESENTATIONS AND WARRANTIES

10.1 Representations and Warranties

Each Credit Party represents and warrants, on a joint and several basis, to the Administrative Agent and to each of the Lenders as follows, and acknowledges and confirms that the Administrative Agent and each of the Lenders is relying upon such representations and warranties:

- (a) **Existence and Qualification.** The Borrower and each of the other Credit Parties (i) that is a corporation or company has been duly incorporated, amalgamated or continued, as the case may be, and is validly subsisting as a corporation or company under the laws of its jurisdiction of incorporation, amalgamation, or continuance, as the case may, (ii) that is not a corporation or company has been duly created or established as a partnership, trust or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) is duly qualified to carry on business in all jurisdictions in which it carries on its business except where the failure to be so qualified could not reasonably be expected to have a Material Adverse Effect, and (iv) has not adopted or designated any name (including any French name) except as set forth on Schedule 10.1(j).
- (b) **Power and Authority.** Each of the Credit Parties has the power, authority and right (i) to enter into and deliver, and to exercise its rights and perform its obligations under, the Loan Documents to which it is a party and all other instruments and agreements delivered by it pursuant to any of the Loan Documents or the Transaction Documents, and (ii) to own its assets (including the Secured Properties) and carry on its business as currently conducted and as currently proposed to be conducted by it.
- (c) **Duly Licensed.** The Borrower and each of the other Credit Parties is duly licensed, registered or qualified to carry on business in all jurisdictions where the character of its assets and property owned or leased or the nature of the activities conducted by it make such licensing, registration or qualification necessary or desirable under Applicable Law, except where any failure to be so licensed or registered could not reasonably be expected to have a Material Adverse Effect.

- (d) **Execution, Delivery, Performance and Enforceability of Documents.** The execution, delivery and performance of each of the Loan Documents and the Transaction Documents to which a Credit Party is a party, and every other instrument or agreement delivered by it pursuant to any Loan Document, has been duly authorized by all actions, if any, required on its part and by its shareholders and directors (or, where applicable, partners, members or managers), and each of such documents has been duly executed and delivered and constitutes a valid and legally binding obligation of the particular Credit Party enforceable against it in accordance with its terms (subject only to such qualifications as are set forth in the enforceability opinions of Borrower's Counsel which are delivered pursuant to the terms hereof).
- (e) **Loan Documents Comply with Applicable Laws, Organizational Documents and Contractual Obligations.** Neither the entering into nor the delivery of, and neither the consummation of the transactions contemplated in nor compliance with the terms, conditions and provisions of, the Loan Documents by any Credit Party conflicts with or will conflict with, or results or will result in any breach of, or constitutes a default under or contravention of, (i) in any material respect any Requirement of Law applicable to it, (ii) any of its Organizational Documents, (iii) any Material Agreement, (iv) any Permitted Encumbrances, (v) any Major Lease, or (vi) any Indebtedness outstanding by any of the Credit Parties, or results or will result in the creation or imposition of any Encumbrance upon any of the Secured Properties that is not a Permitted Encumbrance.
- (f) **Consents Respecting Loan Documents.** Each of the Credit Parties has obtained, made or taken all consents, approvals, authorizations, declarations, registrations, filings, notices and other actions whatsoever required by or from any Governmental Authority or any other third party as to the date hereof in connection with the execution and delivery by it of each of the Loan Documents and Transaction Documents to which it is a party and the consummation of the transactions contemplated in the Loan Documents and Transaction Documents except where any failure to do so could not reasonably be expected to have a Material Adverse Effect.
- (g) **Taxes.** Each Credit Party has paid or made adequate provision for the payment of all Taxes (including for greater certainty installments on amount of Taxes for the current year) levied on it or on its property or income that are due and payable, including interest and penalties, or has accrued such amounts in its financial statements for the payment of such Taxes except Taxes, that are not delinquent or if delinquent are being contested in good faith by appropriate proceedings and for which the Credit Party has made adequate reserves in accordance with GAAP and the details of which have been provided to the Administrative Agent, and there is no material investigation, audit or Claim now pending, or to its knowledge threatened, by any Governmental Authority regarding any Taxes nor has it agreed to waive or extend any statute of limitations with respect to the payment or collection of Taxes.

- (h) **Judgments, Etc.** Neither the Credit Parties nor any of their Subsidiaries is subject to any judgment, order, writ, injunction, decree or award, or to any restriction, rule or regulation (other than customary or ordinary course restrictions, rules and regulations consistent or similar with those imposed on other Persons engaged in similar businesses) that has not been stayed or of which enforcement has not been suspended and that could reasonably be expected to exceed \$20,000,000 in the aggregate.
- (i) **Absence of Litigation.** There are no actions, suits or proceedings pending or, to the best of the Borrower's knowledge and belief, after due inquiry and all reasonable investigation, threatened against or affecting any Credit Party or any of its Subsidiaries that could be reasonably likely to cause, either separately or in the aggregate, a Material Adverse Effect.
- (j) **Title.** (i) each Nominee is the sole registered owner and the Beneficial Owner is the sole beneficial owner of the Secured Properties as their interests appear on Schedule 10.1(j) or as otherwise notified to the Administrative Agent by the Borrower, with good and marketable freehold or leasehold title or, in the case of Secured Property in Quebec, good and valid freehold or leasehold title to each of the Secured Properties, free and clear of all Encumbrances except Permitted Encumbrances, and no Person has any agreement, option or right to acquire an interest in any Secured Property or any part thereof; (ii) each Credit Party has good title to all its undertaking and property relating to the relevant Secured Property, both real and personal, free and clear of all Encumbrances except Permitted Encumbrances and no Person has any agreement, option or right to acquire an interest in such property; (iii) each Nominee has no interest in the Secured Property except as registered owner and none of the rights to the rents, income or profits of the Secured Property is owned by the Nominee (except in the case of HBC, in its capacity as a limited partner of the Borrower); and (iv) the Nominee has no authority to deal with the Secured Property except as specifically authorized and directed by the applicable Beneficial Owner(s) pursuant to and in accordance with its respective nominee agreements.
- (k) **Compliance with Laws.** No Credit Party is in default under any Applicable Law where such default could reasonably be expected to result in a Material Adverse Effect, and all its undertakings and property, both real and personal, and the operation and use thereof are in compliance with all Applicable Law except to the extent that a failure to comply could not be reasonably expected to have a Material Adverse Effect.
- (l) **No Default.** No Default or Event of Default has occurred and is continuing.
- (m) **Ownership Structure.** As of the Closing Date, (and after giving effect to the transaction contemplated pursuant to the Contribution Agreement) the ownership structure set out in Schedule 10.1(m) accurately reflects the organizational and ownership structure of each Credit Party and the Secured Properties. The Relevant Jurisdictions for the Credit Parties are set forth on Schedule 10.1(m).

- (n) **Security.** The Security is or, when required to be put in place, effective to create in favour of the Administrative Agent, in its capacity as agent for the Lenders, as security for the Obligations described therein, a legal, valid, binding and enforceable security interest in the Collateral described therein and proceeds thereof (subject only to such qualifications as are set forth in the enforceability opinions of Borrower's Counsel which are delivered pursuant to the terms hereof), and constitutes a first priority security interest (subject to Permitted Encumbrances) against each Secured Property.
- (o) **Financial Statements.** All of the financial statements that have been furnished to the Lenders in connection with this Agreement are accurate and complete in all material respects and such financial statements fairly present the financial position of the Borrower or other Credit Party, as the case may be, as of the dates referred to therein and have been prepared in accordance with GAAP. None of the Credit Parties has any liabilities (contingent or other) or other obligations of the type required to be disclosed in accordance with GAAP that are not fully disclosed on the consolidated financial statements of the Borrower provided to the Lenders other than liabilities and obligations incurred in the ordinary course of business, and the Obligations.
- (p) **No Material Adverse Effect.** Since the date of the Borrower's most recent annual audited financial statements provided to the Administrative Agent (if any), there has been no condition (financial or otherwise), event or change in any Credit Party's business, liabilities, operations, results of operations, assets or prospects which constitutes, or could reasonably be expected to constitute, or result in, a Material Adverse Effect.
- (q) **Environmental Matters.**
 - (i) Each Secured Property and the operations of the Credit Parties are in full compliance in all respects with all Environmental Laws other than where such non-compliance could not reasonably be expected to materially adversely affect the relevant Secured Property; each Credit Party is not aware of, nor has it received notice of, any past, present or future condition, event, activity, practice or incident that may interfere with or prevent the compliance or continued compliance by it or any other Credit Party in respect of the Secured Properties under all Environmental Laws other than where such non-compliance could not reasonably be expected to materially adversely affect the relevant Secured Property; and each Credit Party has obtained all licences, permits and approvals that are currently required in respect of the Secured Properties under all Environmental Laws and is in compliance with the provisions of such licences, permits and approvals other than where such non-compliance could not reasonably be expected to materially adversely affect the relevant Secured Property.
 - (ii) Each Credit Party is not aware that any Hazardous Substances exist on, about or within or have been used, generated, stored, transported, disposed

of on, or released from any of the Secured Properties other than in compliance with all Environmental Laws except where such non-compliance could not reasonably be expected to materially adversely affect the relevant Secured Property.

- (iii) The use which each Credit Party has made and intends to make of its Secured Property will not result in the use, generation, storage, transportation, accumulation, disposal, or release of any Hazardous Substances on, in or from such Secured Property other than in compliance with all Environmental Laws except where such non-compliance could not reasonably be expected to materially adversely affect the relevant Secured Property.
- (iv) There is no action, suit or proceeding, or, to its knowledge, any investigation or inquiry, before any Governmental Authority pending or, to its knowledge, threatened against any Credit Party relating in any way to any Environmental Law that could be reasonably expected to cause, either separately or in the aggregate a Material Adverse Effect.
- (v) No Credit Party has (A) incurred any current and outstanding liability for any clean-up or remedial action under any Environmental Law with respect to current or past operations, events, activities, practices, incidents or the condition or use of the Secured Properties, (B) received any outstanding written request for information (other than information to be provided in the normal course in connection with applications for licences, permits or approvals) by any Person under any Environmental Law with respect to the condition, use or operation of the Secured Properties, or (C) received any outstanding written notice or claim under any Environmental Law with respect to any violation of or liability under any Environmental Law or relating to the presence of Hazardous Substance on or originating from its Secured Property, except in respect of any matter set out in clauses (A), (B) or (C), where such matter relates to any condition that could not reasonably be expected to have a Material Adverse Effect.
- (r) **Pension Plans.** No Credit Party has established, is a party to, liable under or participates in any Canadian Pension Plans.
- (s) **Labour Dispute and Casualties.** Neither the Secured Properties nor the business of the Credit Parties are affected in any material respect by any strike, lockout or other labour dispute, or by any fire, accident or other casualty, in each case which has not been advised to the Administrative Agent in writing.
- (t) **Solvency.** Each Credit Party is solvent, able to pay its debts as they mature, has sufficient capital to carry on its business and has assets the fair market value of which exceeds its liabilities, and it will not be rendered insolvent, under-capitalized or unable to pay debts generally as they become due by the execution or performance of this Agreement or any other Loan Document to which it is a party.

- (u) **Full Disclosure.** All information provided or to be provided to the Administrative Agent and the Lenders in connection with the Credit Facility is, to the Borrower's knowledge, true and correct in all material respects and none of the documentation furnished to the Administrative Agent and the Lenders by or on behalf of it, to its knowledge, omits or will omit as of such time, a material fact necessary to make the statements contained therein not misleading in any material way, and all expressions of expectation, intention, belief and opinion contained therein were honestly made on reasonable grounds after due and careful inquiry by it (and any other Person who furnished such material on behalf of it).

Any projections from time to time delivered hereunder or in connection herewith to the Administrative Agent or the Lenders are or will be based upon the estimates and assumptions stated therein, all of which Borrower believed at the time of delivery to be reasonable and fair in light of current conditions and current facts known to Borrower as of such delivery date, and reflect Borrower's good faith and reasonable estimates of the future financial performance of Borrower and of the other information projected therein for the period set forth therein. Such projections are not a guarantee of future performance and actual results may differ from those set forth in such projections.

- (v) **Material Agreements, Permitted Encumbrances and Major Leases.** True copies of each of the Material Agreements and Major Leases, have been delivered or made available to the Lenders or the Lenders' Counsel (in the case of any new Major Leases, such Major Leases have been delivered concurrently with the delivery of the financial statements in Section 10.1(u)). With respect to each of the Material Agreements and each of the Major Leases: (i) it is in full force and effect and has not, except as has been disclosed to the Lenders, been amended (except as disclosed in writing to and accepted in writing by the Administrative Agent); (ii) it has been duly executed and delivered and constitutes a valid and binding obligation of the relevant Credit Party; (iii) the relevant Credit Party has not received any notice or claim of any material default by any Credit Party and there is no event, which with the giving of notice of the lapse of time or both would constitute a material default by any Credit Party under any Material Agreement (except as disclosed in writing to and accepted in writing by the Administrative Agent); and (iv) is binding upon each Credit Party which is party to it. With respect to each of the Material Agreements and each of Major Lease: (x) to the best of the knowledge of the Credit Parties, all obligations and covenants required to be met or complied with on the part of the relevant Credit Party have been complied with in all material respects and as of the Closing Date, with respect to any other party thereto have been met or complied with in all material respects to the best of such Person's knowledge; and (y) no continuing material default or event, which with the giving of notice or a lapse of time or both would constitute a material default on the part of the Credit Parties exists.

The Material Agreements, Permitted Encumbrances and Major Leases constitute the only agreements which are material to the ownership or operation of each Secured Property.

(w) **Zoning and Uses.**

- (i) As at the Closing Date, no Credit Party has received notice of any proposed rezoning of all or any part of the Secured Property.
- (ii) As of the Closing Date, no part of the Secured Property has been taken or expropriated by any Governmental Authority, no Credit Party has received notice of any expropriation or proceedings in respect thereof of all or any part of the Secured Property nor is any Credit Party aware of any intent to give any such notice or commence any proceedings.

(x) **Consents.** No material consent or approval is required in order to enable the Credit Parties to enter into and perform its obligations under the Loan Documents or to enable the creation, registration and perfection of the Security to be provided to the Lenders hereunder or to enable the registration and perfection of the Security to be provided to the Administrative Agent and/or the Lenders, other than consents and approvals which have been obtained or which will be delivered on or prior to the delivery of the Security.

(y) **Work Orders.** There are no outstanding judgments, writs of execution, seizures, injunctions or directives against any Credit Party in respect of the Secured Properties, nor any work orders or directives or notices of deficiency capable of resulting in work orders or directives with respect to the Secured Properties that could result in a Material Adverse Effect.

(z) **Condition of the Secured Properties.** To the best of its knowledge and as of the Closing Date, except as set out in the building condition reports delivered to the Administrative Agent, all buildings and improvements comprising part of any Secured Property are in good physical condition having regard to other improvements of similar age, use and location. The Secured Properties are fit for their present use.

(aa) **Real Property.** The only property interests necessary for the operation of each Secured Property in the manner in which it is currently operated are the property interests comprising or appurtenant to such Secured Property. All easements, licences, servitudes and other agreements necessary for the operation and maintenance of each Secured Property in the manner in which it is currently being operated have been obtained and, to the best of its knowledge, are in good standing.

(bb) **Rent Roll.** The current rent rolls, if delivered to the Administrative Agent, for each Secured Property delivered to the Administrative Agent are true and accurate in all material respects as at the date thereof.

(cc) **Use of Proceeds.** The Borrower confirms and agrees that the Credit Facility will only be used by the Borrower for the purposes set out in Section 2.4 and shall not be used by, or on behalf of, any other Person.

- (dd) **Insurance.** The insurance policies required pursuant to Section 11.1(i) are in place and maintained in respect of each Secured Property.
- (ee) **No Construction Liens.** All accounts for work and services performed or materials placed or furnished upon or in respect of construction at the Secured Properties and which are due and payable on or before the Closing Date have been fully paid (subject to applicable holdbacks required by Applicable Law) and no one shall be entitled on the Closing Date to register or claim a lien under any applicable Construction Lien Legislation for work performed by or on behalf of any of the Credit Parties or their predecessor in title..
- (ff) **Leases.** With respect to each of the Leases, except as set out in the Leases or otherwise disclosed to the Lenders or for any non-compliance which would not likely have a material adverse effect on the Property Specific Lending Value in respect of any Secured Property:
 - (i) the only Leases affecting the Secured Properties are those in connection with the tenancies set out in the rent rolls delivered to the Administrative Agent;
 - (ii) other than the Leases identified in the rent rolls, there are no material agreements, offers to lease, licences or other occupancy rights affecting the Secured Properties and the tenants or their assignees or subtenants are in possession and occupying their premises at the Secured Properties and paying full rent as required under the Leases in all material respects;
 - (iii) no tenant is in material default;
 - (iv) no defence, right to set-off, litigation or counterclaim that would be material to any Secured Property has been asserted against any Credit Party by any tenant of a Secured Property;
 - (v) no tenant has prepaid rent or deposited security in excess of one month's rent and there are no rent-free periods; and
 - (vi) to the best of Borrower's knowledge, the Borrower and each of the other Credit Parties' as landlord under the Leases has performed all of its material obligations and observed all of the material conditions required of it under all Leases and no default on the part of the Credit Parties or other event of any kind has occurred or condition exists (or which with the giving of notice or lapse of time, or both, would be a default) or agreement entered into which would permit any of the tenants to terminate their Lease or withhold or reduce payment of rent.
- (gg) **Services.** The Secured Properties are serviced by all required municipal, private and public utility services, including without limitation, storm and sanitary sewers, water, hydro, telephone and gas, which services are installed and available to the boundary of the lands comprising part of the Secured Properties or through existing

easements or servitudes. There are no material arrears for water, electricity, sewer, or fuel charges and levies relating to the Secured Properties.

- (hh) **Access.** Each Secured Property has a right of access to and from adjoining public highways, streets and/or roads and no Credit Party has knowledge of any existing fact or condition which would reasonably be expected to result in termination of such access.
- (ii) **Change of Law.** As of the Closing Date, no Credit Party has received written notice of and does not otherwise have actual knowledge of any pending or proposed amendment to any Applicable Law relating to the Collateral which could reasonably be expected to materially adversely limit or materially adversely affect the intended use of any such Secured Property.
- (jj) **Management.** As of the date hereof, there are no management contracts or agreements related to the Secured Properties as HBC, as tenant under the Major Leases, will be providing management of the Secured Properties, provided that the Borrower may elect to manage the Secured Properties at any time.
- (kk) **Non-Resident.** Neither the Borrower nor any other Credit Party is a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).

10.2 Survival and Repetition of Representations and Warranties

The representations and warranties set out in Section 10.1 survive the execution and delivery of this Agreement and all other Loan Documents and, unless expressly stated to be made as of the Closing Date, will be deemed to be repeated upon the delivery of each Compliance Certificate hereunder, except to the extent that on or prior to such date (a) the Borrower has advised the Administrative Agent in writing of a variation in any such representation or warranty, and (b) if such variation, in the opinion of the Required Lenders in their discretion could either have a material adverse effect upon the Security or result in a Material Adverse Effect, the Required Lenders have approved such variation.

ARTICLE 11 **COVENANTS**

11.1 Positive Covenants

So long as this Agreement is in force, and except as otherwise permitted by the prior written consent of the Required Lenders or, where applicable, all of the Lenders pursuant to Section 23.1, each Credit Party, on a joint and several basis, will:

- (a) **Timely Payment.** Make due and timely payment of the Obligations required to be paid by it hereunder and punctually perform its other Obligations hereunder and under the other Loan Documents to which it is a party at the time and place and in the manner provided hereunder and under the other Loan Documents.

- (b) **Conduct of Business, Maintenance of Existence, Compliance with Laws.** Carry on and conduct its business and operations in a proper, efficient and businesslike manner, in accordance with good business practice; preserve, renew and keep in full force and effect its existence and take all reasonable action to maintain all rights, privileges and franchises necessary in the normal conduct of its business and shall comply in all material respects with all Requirements of Law.
- (c) **Obligations and Taxes, etc.**
 - (i) Except as expressly set forth below, promptly pay and discharge or cause to be promptly paid and discharged all Taxes payable by it before any thereof shall become past due, including (i) Taxes imposed upon it, its income and profits, or any of its property (real, personal or mixed) and all Taxes with respect to all withholding obligations including employee source deduction obligations and employer obligations to its employees, (ii) lawful claims for labour, materials, supplies and services or otherwise, and (iii) all storage or rental charges payable to warehousemen and bailees, in each case, before any thereof shall become past due, except in the cases of clauses (ii) and (iii), and then before the failure to pay or discharge such Charges would result in aggregate liabilities in excess of \$2,500,000. Each Credit Party shall also duly and timely collect all amounts on account of any sales or transfer taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by law to be collected by it, and shall duly and timely remit to the appropriate Governmental Authority any such amounts required by law to be remitted by it. Each Credit Party may in good faith contest, by appropriate proceedings, the validity or amount of any Taxes or claims described in this Section; provided, that (U) adequate reserves with respect to such contest are maintained on the books of such Credit Party, in accordance with GAAP; (V) if any Encumbrance shall arise or be imposed to secure payment of such Taxes or claims that are superior to any of the Encumbrances securing payment of the Obligations, Borrower shall promptly notify Administrative Agent in reasonable detail thereof; (W) such contest is maintained and prosecuted continuously and with diligence and operates to suspend collection or enforcement of such Taxes or claims, (X) none of the Collateral becomes subject to forfeiture or loss as a result of such contest, (Y) such Credit Party shall promptly pay or discharge such contested Taxes or claims and all additional charges, interest, penalties and expenses, if any, and shall deliver to Administrative Agent evidence reasonably acceptable to Administrative Agent of such compliance, payment or discharge, if such contest is terminated or discontinued adversely to such Credit Party or the conditions set forth in the proviso of this Section are no longer met; and (Z) Administrative Agent has not advised Borrower in writing that Administrative Agent reasonably believes that non-payment or non-discharge thereof could have or result in a Material Adverse Effect.
 - (ii) File all tax returns required to be filed by it.

- (d) **Use of Credit Facility.** Use the proceeds of the Credit Facility only for the purposes specified in Section 2.4 and not for any other purpose or for any other Person other than the Credit Parties.
- (e) **Security.** Provide the Security contemplated hereunder (when required) perfected to the satisfaction of the Administrative Agent against the Collateral in the priority required, subject only to Permitted Encumbrances.
- (f) **Compliance with Environmental Laws.** Comply and cause any other party that is acting under its authority to comply, in all material respects, with all Environmental Laws.
- (g) **Environmental Audits.** Commission an environmental site assessment/audit report addressed to the Administrative Agent, the Borrower's Counsel and Lenders' Counsel of a Secured Property or an update of such assessment/audit report upon the written request of the Administrative Agent if, in its reasonable opinion, there is a material concern about its, or Borrower's compliance with Environmental Laws or a Default in respect of an environmental matter has occurred, all in scope, form and content satisfactory to the Administrative Agent, acting reasonably. Deliver to the Administrative Agent, the Borrower's Counsel and the Lenders' Counsel the assessment/audit reports referred to in the preceding sentence within 30 Business Days of the date on which they are requested (or such longer period of time as may be reasonably required to obtain such reports; provided that if such period exceeds 30 Business Days, the Borrower shall provide the Administrative Agent with regular written updates setting forth in sufficient detail the expected delivery date and the reason for the delay). Deliver to the Administrative Agent, the Borrower's Counsel and Lenders' Counsel any assessment/audit report that has been prepared at the request of or on behalf of any Governmental Authority, and all such assessments/audits reports or updates thereof shall be at its expense and risk. An environmental site assessment/audit includes, for purposes of this Section 11.1(f), without limitation, any inspection, investigation, test, sampling, analysis or monitoring pertaining to air, land or water relating to the Secured Property.
- (h) **Access to Information and Rights of Inspection.** Permit the Administrative Agent, and its agents, consultants, officers and employees, at the Borrower's expense and upon reasonable prior notice during normal business hours, from time to time but no more frequently than quarterly for each Secured Property, unless a Default has occurred, to visit and inspect any Secured Property and to examine and, at the Borrower's expense, make abstracts from and copies of its physical and computer books of account and records as they pertain to such Secured Property or such applicable Credit Party, (and where such information is not kept at the applicable Secured Property, at such other locations where such information is kept) as well as all data and computer data relating to the managing, servicing, developing and marketing of the applicable Secured Property or such applicable Credit Party, which are in its possession and control and discuss its affairs, finances and accounts as they pertain to such Secured Property or such Credit Party, and be advised as to the same by their officers, consultants and legal counsel (with, prior

to an Event of Default which is continuing, representatives of the Borrower present), all at such reasonable times as the Administrative Agent may desire (provided that the Lenders and the Borrower shall be entitled, at their own expense, to accompany the Administrative Agent). The Credit Parties shall maintain, or cause to be maintained adequate books, accounts and records in relation to the Secured Properties.

(i) **Insurance.** For so long as any amounts are due hereunder, the Credit Parties shall:

(i) Maintain or cause to be maintained:

- (A) all risks property insurance (including boiler and machinery) on property of every description located at the Secured Properties (or property for which they are obliged to insure pursuant to Major Leases or other agreements relating to the Secured Properties) on a replacement cost, stated amount (or no co-insurance) basis, and including coverage for sewer back-up, flood, earthquake and by-laws, in amounts satisfactory to the Administrative Agent;
- (B) business interruption insurance under the property and boiler and machinery insurance policies referred to in Section 11.1(i)(i)(A), adequate to reimburse all lost revenues relating to the Secured Property for a term of not less than 18 months;
- (C) commercial general and umbrella liability insurance, including insurance against claims for bodily injury, personal injury, death, property damage arising out of the business of the Credit Parties or the operation of the Secured Properties and extended to include coverage for contractual liability and liability in respect of collapse and explosion with a minimum limit of liability for any one occurrence of \$10,000,000; and
- (D) such other insurance as the Administrative Agent upon consultation with the Independent Insurance Consultant may reasonably require from time to time;

all with insurance companies satisfactory to the Administrative Agent, acting reasonably. Such insurance is to be in such form and amounts and with such deductibles or self-insured retentions as are customary for Persons carrying on a similar business and in any event as are acceptable to the Administrative Agent.

(ii) The all risk, boiler and machinery and business interruption insurance policies referred to in Section 11.1(i)(i) shall:

- (A) name the applicable Credit Party as an additional named insured thereunder;

- (B) name the Administrative Agent as first mortgagee and loss payee and have attached the standard Insurance Bureau of Canada mortgage clause with respect to the all-risk, property, boiler and machinery and business interruption insurance;
- (C) provide that no cancellation or termination thereof, shall take effect unless the insurer concerned has given the Administrative Agent not less than 30 days' prior written notice of such proposed action (except for cancellation due to non-payment of premium for which statutory 15 days' notice may apply);
- (D) contain a waiver by the insurer or insurers of all rights of subrogation or indemnity or any other claim to which such insurer or insurers might otherwise be entitled against the Administrative Agent;
- (E) contain a breach of conditions clause; and
- (F) otherwise be in such form as the Administrative Agent shall reasonably require;

and such insurance policies may contain reasonable deductibles or self insurance retentions per occurrence as approved by the Administrative Agent in consultation with the Independent Insurance Consultant;

- (iii) The third party liability insurance policies referred to in Section 11.1(i)(i) shall:
 - (A) name the Administrative Agent as an additional insured to the extent that such policies relate to the Secured Properties or the operation thereof;
 - (B) provide that no cancellation or termination thereof shall take effect unless the insurer concerned has given the Administrative Agent not less than 30 days' prior written notice of such proposed action (except for cancellation due to non-payment of premium for which statutory 15 days' notice may apply);
 - (C) contain a waiver by the insurer of all rights of subrogation or indemnity or any other claim to which the insurer might otherwise be entitled against the Administrative Agent;
 - (D) contain a cross-liability clause and a severability of interests clause; and
 - (E) otherwise be in such form as the Administrative Agent shall reasonably require.

- (iv) so long as no Event of Default has occurred and is continuing, the proceeds of all insurance referred to in Section 11.1(i)(i) (other than third party liability insurance, which may be remitted to the Borrower without condition or further action by the Administrative Agent) shall:
 - (A) if the total amount of such proceeds is less than \$10,000,000, be payable to the applicable Credit Party;
 - (B) if the total amount of such proceeds equals or exceeds \$10,000,000, such amount shall be payable to the Administrative Agent to either
 - a. to be held as additional security for the payment of all amounts payable hereunder, to be released by it to the applicable Credit Party upon receipt within one Business Day of receipt of such proceeds of:
 - i) an Officers' Certificate of the Borrower stating that the proceeds of such insurance together with other funds held or arranged by the Borrower is sufficient to fully repair, rebuild or replace the damage or destruction in respect of which the insurance proceeds are payable;
 - ii) a letter of undertaking of the Borrower to fully repair, rebuild and replace the damage or destruction in respect of which the insurance proceeds are payable;
 - iii) in the case of damage to any of the buildings on the Secured Properties, an opinion of an independent construction consultant that the funds requested, from time to time, will be sufficient to repair, replace or rebuild the damage or destruction in respect of which the insurance proceeds are payable; or
 - b. be applied to repay the Obligations.
- (C) the proceeds of business interruption insurance shall be paid to the applicable Credit Party;
- (v) if an Event of Default has occurred and is continuing:
 - (A) the proceeds of all insurance other than workers' compensation insurance and business interruption insurance shall be payable to the Administrative Agent to be held by the Administrative Agent as additional security for the payment of all amounts payable

hereunder, to be applied by it, at the option of the Administrative Agent, in reduction of the amounts outstanding hereunder or released to the applicable Credit Party in accordance with the provisions of Section 11.1(i)(iv)(A) or 11.1(i)(iv)(B)a.i), ii) and iii), and;

- (B) the proceeds of business interruption insurance shall be payable to the Administrative Agent to be held by the Administrative Agent as additional security for the payment of all amounts payable hereunder, to be applied on account of ongoing obligations of the applicable Credit Party hereunder or in respect of the Secured Properties as the same fall due from time to time and, to the extent of any surplus, firstly to arrears of such payments and thereafter, if the Administrative Agent has opted to release proceeds of insurance pursuant to Section 11.1(i)(iv)(A) in accordance with Section 11.1(i)(iv), then the balance of the proceeds of business interruption insurance shall be payable to the applicable Credit Party failing which the balance, if any, remaining after application of such proceeds as aforesaid shall be paid to the Administrative Agent as a partial prepayment of the Obligations.
- (vi) The proceeds of all insurance held by the Administrative Agent shall, unless and until the same are applied or released to the applicable Credit Party as set forth specifically in this Section 11.1(i), constitute continuing collateral security for the Credit Parties' obligations and liabilities in respect of amounts outstanding hereunder and each Credit Party grants a security interest on all such proceeds of insurance in favour of the Administrative Agent. The Administrative Agent shall place such funds in an interest-bearing bank account with the interest thereon to accrue to the benefit of the applicable Credit Party.
- (j) **Insurance Information.** Provide to the Administrative Agent and the Independent Insurance Consultant such information relating to the Secured Properties or the Loan Documents, as may be reasonably requested and which is within its possession or control. The reasonable fees and costs of the Independent Insurance Consultant shall be paid for by the Borrower.
- (k) **Condition of Assets.** Keep or cause to be kept the Secured Properties and other Collateral in such good operating condition and repair (subject to reasonable wear and tear) as would a prudent owner of comparable property, having regard however to any renovations, expansions or improvements under construction from time to time as permitted pursuant to the terms of this Agreement or the Major Leases.
- (l) **Title.** Warrant and defend its title to the Secured Properties and other Collateral and every part thereof against the claims of all Persons whomsoever and do, observe and perform all of its obligations and all things necessary or expedient to be done, observed or performed by virtue of any Applicable Law for the purpose

of creating, maintaining and keeping maintained the Security constituted by the Loan Documents as valid and effective security with the priority required hereunder.

- (m) **KYC Documentation and Anti-Money Laundering.** The Credit Parties acknowledge that the Lenders have certain anti-money laundering and anti-terrorism responsibilities under various laws and regulations and that from time to time the Administrative Agent and the Lenders (including any prospective assignee or Participant) may request information in order to comply with Applicable Laws and internal requirements (including any applicable “**know your customer**” or “**know your client**” requirements) and the Credit Parties covenant and agree, upon request, to promptly provide the Administrative Agent such additional information as may be so requested. Each Credit Party shall also provide the Administrative Agent with prompt written notice of any change in beneficial ownership of any Credit Party (other than any change arising from any change of ownership in any Equity Interests of HBC or RioCan, so long as each of HBC or RioCan is a reporting issuer under applicable securities laws), key officers or directors after the date of this Agreement. The proceeds of any Drawdown under the Credit Facility shall not be needed or invested in order to support domestic or international terrorism and shall not be directly or indirectly derived from activities that may contravene Canadian, European Union or U.S. laws and regulations, including sanction laws, anti-money laundering laws and regulations.
- (n) **Notices of Material Changes.** Give written notice to the Administrative Agent promptly after becoming aware, using reasonable diligence, thereof of:
 - (i) any litigation, dispute, arbitration or other proceeding to which a Credit Party is a party, the result of which if determined adversely would be a judgement or award against it in excess of \$5,000,000 (which is not fully insured) or which could reasonably be expected to have a Material Adverse Effect, and from time to time provide the Administrative Agent with all reasonable information requested by the Administrative Agent concerning the status of any such proceeding;
 - (ii) any Default or an Event of Default, together with an Officers’ Certificate specifying such Default or such Event of Default and detailing the steps being taken, if any, to cure same;
 - (iii) any dispute which may exist between the Credit Parties and any Governmental Authority or any other proceeding which could reasonably be expected to have a Material Adverse Effect;
 - (iv) any written communication received by the Credit Parties alleging a default, event of default (or other similar event) under any of the Major Leases, Material Agreements which could reasonably be expected to have a Material Adverse Effect;

- (v) any default by any counterparty thereto under any of the Major Leases, the Material Agreements which could reasonably be expected to have a Material Adverse Effect to it;
 - (vi) any notices of expropriation, judgments, writs of execution, seizures, injunctions which could reasonably be expected to have a Material Adverse Effect;
 - (vii) any termination or cancellation or threatened termination or cancellation of, or a material reduction in the amount of the coverage provided under any policy of insurance required to or cause to be maintained hereunder;
 - (viii) any event or occurrence relating to the Secured Property which, in its opinion, acting reasonably, is likely to give rise to a notice of any material non-compliance with any Environmental Laws and of any notice of any material non-compliance actually received by the Credit Parties or, to the knowledge of them, threatened, including any investigation, non-routine inspection or material inquiry by any Governmental Authority, in connection with any Environmental Laws;
 - (ix) any proposed Change of Control; and
 - (x) any other matter which has had or could reasonably be expected to result in a Material Adverse Effect.
- (o) **Notice of Continuance.** Provide at least 10 Business Day's written notice prior to continuing into any other Canadian jurisdiction
- (p) **Supplemental Disclosure.** From time to time as may be reasonably requested by Administrative Agent or at Credit Parties' election, the Credit Parties shall supplement each Schedule hereto, or the exceptions to any representation herein or in any other Loan Document, with respect to any matter hereafter arising that, if existing or occurring at the date of this Agreement, would have been required to be set forth or described in such Schedule or as such an exception to a representation or that is necessary to correct or supplement any information in such Schedule or representation which has been rendered inaccurate thereby (and, in the case of any supplements to any Schedule, such Schedule shall be appropriately marked to show the changes made therein); provided, that no such supplement to any such Schedule or exceptions to any such representation shall be or be deemed a waiver of any then-existing Default or Event of Default resulting from the matters disclosed therein (before giving effect to such supplement).
- (q) **Necessary Acts to Protect Security.** At its expense, take such steps as may be necessary or advisable to perfect the Security (or any part thereof) or to carry out the intent of this Agreement from time to time.
- (r) **Material Agreements, etc.**

- (i) without limiting Section 11.1(r)(ii), be in compliance with and remain in compliance with, and enforce all Material Agreements to which it is a party except any non-compliance which could not reasonably be expected to have a Material Adverse Effect. It shall not terminate or permit the termination of any Material Agreements without the consent of the Administrative Agent or otherwise as permitted under this Agreement.
- (ii) be in compliance with and remain in compliance with, and enforce all ground leases related to the Secured Properties except any non-compliance which could not reasonably be expected to materially adversely affect the applicable Secured Property. It shall not terminate or permit the termination of any such ground leases without the consent of the Administrative Agent or otherwise as permitted under this Agreement.
- (iii) deliver to the Administrative Agent any new Material Agreements, each material amendment to a Material Agreement and any other amendment to a Material Agreement to the extent requested by the Administrative Agent, in each case, entered into from time to time.
- (s) **Peaceable Entry.** From and after the occurrence of an Event of Default and for so long as it is subsisting, the Administrative Agent shall, subject to Permitted Encumbrances, be lawfully entitled to peaceably and quietly enter into, have, hold, use, occupy, possess and enjoy the Secured Properties with their appurtenances without suit, hindrance, interruption or denial by it, or any other person whomsoever.
- (t) **Other Encumbrances.** Subject to Section 11.1(u) and without limiting Section 11.1(e), unless the same shall constitute a Permitted Encumbrance, promptly pay and discharge all Encumbrances against the Collateral from time to time.
- (u) **Construction Liens.** Comply or cause to be complied with the provisions of the *Construction Lien Act* (Ontario) and equivalent provincial legislation (“**Construction Lien Legislation**”) where the Secured Properties are located and shall pay or cause to be paid from time to time when the same shall be due all claims and demands of contractors, subcontractors, labourers, suppliers of materials or services, builders, workmen, architects, engineers and others, which if unpaid, might result in, or permit the creation of, a lien arising pursuant to Construction Lien Legislation on any Secured Property or any part thereof or on the revenues, income and profits arising therefrom. If such lien is registered against title to any Secured Property (or any portion thereof), the applicable Credit Party agrees to promptly pay and discharge same unless it is in respect of a tenant lien. If the applicable Credit Party bona fide disputes the validity or correctness of such registered Encumbrance it may contest such Encumbrance in any manner properly contemplated by Applicable Law, provided it promptly discharges or vacates, or causes to be discharged or vacated, the Encumbrance from the title to the applicable Secured Property by posting of a payment bond in such amount, or by payment into court of such amount or as may otherwise be provided under applicable

Construction Lien Legislation, as is necessary to obtain such removal or otherwise posting such security as may be acceptable to the Administrative Agent.

- (v) **Cure Defects.** Promptly upon having knowledge thereof, cure or cause to be cured any defects in the execution and delivery of any of the Loan Documents or any of the other agreements, instruments or documents contemplated hereby and thereby or executed pursuant hereto and thereto or any defects in the validity or enforceability of any of the Loan Documents and execute and deliver or cause to be executed and delivered all such agreements, instruments and other documents as the Administrative Agent may consider reasonably necessary or desirable for the foregoing purposes.
- (w) **Management.** Provide for the competent and responsible management and operation of the Secured Properties by HBC, as tenant under the Major Leases, or by the Borrower using its internal management team.
- (x) **Major Leases.** Comply with its obligations under all Major Leases except where the failure to so comply (either individually or collectively) could not reasonably be expected to have a material adverse effect on the applicable Secured Property
- (y) **Delivery of Leasing Information and Documents.** Promptly deliver to the Administrative Agent:
 - (i) complete executed copies of each Major Lease and all amendments thereto;
 - (ii) if any when requested by the Administrative Agent, complete executed copies of each Lease, and
 - (iii) such other leasing information as the Administrative Agent may request which is in its possession relating to each Lease.
- (z) **Additional Guarantors.** Ensure that prior to any Person owning or acquiring any interest in a Secured Property, such Person execute and deliver a joinder agreement in a form satisfactory to the Administrative Agent agreeing to be bound as “Guarantor” hereunder. Notwithstanding the foregoing, HBC and RioCan shall not be a Guarantor.
- (aa) **Further Assurances.** Use reasonable efforts to provide the Administrative Agent and the Lenders with such other documents, opinions, consents, acknowledgments and agreements as are reasonably necessary to implement this Agreement and the other Loan Documents from time to time.
- (bb) **Qualified HBC Insolvency Transfer.** Upon the occurrence of an HBC Insolvency Triggering Event, (i) use diligent and commercially reasonable efforts to complete and cause HBC to take all action necessary to complete a Qualified HBC Insolvency Transfer and to complete a Qualified HBC Insolvency Transfer, in each case within a reasonable period of time following the occurrence of such event, and (ii) provide forthwith such information requested by the Administrative Agent of

any proceedings and details relating to a Qualified HBC Insolvency Transfer and compliance with this Agreement, including any court proceedings and enforcement proceedings required to be undertaken by the Borrower in order to effect a Qualified HBC Insolvency Transfer.

- (cc) **Nominee Compliance.** The Borrower shall cause each Nominee to comply with (i) each Nominee's obligations under its applicable Nominee Agreement and, subject to Section 13.13, the Security to which each Nominee is a party or bound and (ii) the provisions of this Agreement to the extent that such covenants relate to the Nominee's holding of registered title to the Secured Properties.
- (dd) **Downtown Vancouver Sale Agreement.** Upon the execution of a purchase and sale agreement for the Downtown Vancouver property, deliver a copy of such agreement to the Administrative Agent.
- (ee) **Appraisals.** No less frequently than annually, the Borrower shall provide the Administrative Agent with an updated Acceptable Appraisal with respect to each Secured Property.

11.2 Financial Covenants

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Required Lenders or, where applicable, all of the Lenders pursuant to Section 23.1, the Borrower will ensure that at all times:

- (a) **Debt to Aggregate GBV Ratio.** The Debt to Aggregate GBV Ratio is not greater than 0.50:1.00.
- (b) **Debt Service Coverage Ratio.** The Debt Service Coverage Ratio is not less than 1.50:1.00.
- (c) **Minimum Adjusted Partners' Equity.** Adjusted Partners' Equity is not less than \$750,000,000.

Notwithstanding any provision of this Agreement and GAAP to the contrary for any Co owned Property, the Borrower and its Subsidiaries will only be required to include its Proportionate Share of any related Indebtedness secured by or relating to such Co owned Property or interest expense in calculating such financial covenants but only to the extent that the Indebtedness that is in excess of its Proportionate Share is subject to an indemnity in favour of the Borrower by the other co-owner of such Co-owned Property. For the purposes of this Agreement, the terms Indebtedness, Consolidated Indebtedness, Consolidated Interest Expense, Debt Service, Debt Service Coverage Ratio and any of the financial covenants in this Section 11.2 (including any Compliance Certificate) will be calculated to take into account such Proportionate Share (whether or not it is liable for the entire amount of such Indebtedness or interest expense)..

11.3 Reporting Requirements

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Required Lenders or, where applicable, all of the Lenders pursuant to Section 23.1, the Borrower will deliver to the Administrative Agent (in sufficient quantities for the Administrative Agent and each of the Lenders):

- (a) **Quarterly Reports.** As soon as available and in any event within 45 days of the end of each of its Fiscal Quarters (excluding for the purposes of (i) below the fourth quarter) (i) the unaudited consolidated financial statements of the Borrower, including balance sheet, statement of income and retained earnings, statement of changes in financial position and source and application of funds, which will be prepared in accordance with GAAP, (ii) an operating statement in respect of each Secured Property (excluding single-tenant HBC properties), and (iii) rent rolls in respect of each Secured Property (excluding single-tenant HBC properties).
- (b) **Annual Reports and Annual Business Plan.** As soon as available and in any event within 90 days after the end of its Fiscal Year, (i) the annual audited financial statements of the Borrower prepared on a consolidated basis, including balance sheet, statement of income and retained earnings, statement of changes in financial position and source and application of funds for such Fiscal Year, which will be performed by an internationally recognized accounting firm, and will be prepared in accordance with GAAP and certified by an officer of the general partner of the Borrower and (ii) an annual operating budget in respect of each Security Property (excluding any Secured Property where HBC is the only Tenant).
- (c) **Compliance Certificate.** A Compliance Certificate concurrently with the delivery of the financial statements referred to in Sections 11.3(a) and (b).
- (d) **Copies.** True copies of any Material Agreement entered into after the date hereof and of all material amendments (and any other amendment to a Material Agreement to the extent requested by the Administrative Agent) or other material agreements entered into in connection therewith after the date hereof to the extent not previously delivered to the Administrative Agent, and to any Material Agreement in each case concurrently with delivery of the financial reports referred to in Sections 11.3(a) and 11.3(b).
- (e) **Other Information.** Such other information as it may reasonably request respecting the Credit Parties and the Secured Properties.

11.4 Negative Covenants

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Required Lenders or the Lenders pursuant to Section 23.1, each Credit Party, on a joint and several basis, will not:

- (a) **Consolidation, Amalgamation, Subsidiaries, etc.**

- (i) by operation of law or otherwise amalgamate, merge, consolidate, reorganize or combine with any Person unless (x) the Borrower notifies Administrative Agent thereof as early as reasonably practicable prior thereto and, in any event, at least five (5) Business Days prior thereto and such action does not result in an Event of Default or Material Adverse Effect; (y) at the time thereof and after giving effect thereto, no Event of Default or Material Adverse Effect shall exist or occur as a result of such specific transaction, and (z) the successor Person resulting therefrom confirms to the Administrative Agent in writing that it is liable for all the Obligations of the predecessor Credit Party, as applicable, under this Agreement and the other Loan Documents to which such predecessor is a party, supported by such opinions and other documentation as the Administrative Agent may reasonably require to ensure the enforceability of the applicable Loan Documents; and
- (ii) liquidate, wind-up or dissolve itself, or permit any liquidation, winding-up or dissolution without the prior written consent of the Required Lenders.

Nothing herein restricts or limits the acquisition by the Borrower of (i) any Equity Interest in HBC YSS 1 LP and HBC YSS 2 LP, or (ii) any other Investment by the Borrower in compliance with this Agreement.

- (b) **Charge or Disposition of Secured Property.** Except with the prior written consent of the Lenders, dispose of, or permit a Nominee to dispose of, in one transaction or a series of transactions, all or any part of its interest in any Collateral, whether now owned or hereafter acquired with the exception of (i) subject to Sections 11.4(o) and 11.4(p), entering into any Leases or any renewals or extensions of such Leases in the ordinary course of business and (ii) Dispositions of Charged Personal Property in accordance with Section 11.4(q).
- (c) **No Change of Name, etc.** Change its name, chief executive office, principal place of business or domicile without providing the Administrative Agent with 30 days' prior written notice thereof.
- (d) **No Indebtedness and Financial Assistance.** Create, incur, assume, grant or suffer to exist, or permit any Subsidiary to create, incur, assume, grant or suffer to exist, any Indebtedness or Financial Assistance except any such Indebtedness or Financial Assistance (x) that would not contravene and is made in accordance with the Organizational Documents of any Credit Party, and (y) if after giving effect thereto, would not result in an Event of Default under Section 11.2.
- (e) **No Change to Year End.** Make any change to its Fiscal Year end from December 31.
- (f) **No Investments.** Make any Investment that would contravene the applicable Organizational Documents of such Credit Party or that would result in an Event of Default.

- (g) **No Distributions.** Make any Distribution that would result in an Event of Default or if an Event of Default has occurred and is continuing.
- (h) **No Encumbrances.** Create, incur, assume or permit, or permit or authorize any Nominee to create, incur, assume or permit, to exist at any time, any Encumbrance upon any Secured Properties owned or leased by any Credit Party except Permitted Encumbrances.
- (i) **No Continuance.** Continue into any other jurisdiction outside of Canada.
- (j) **Amendments to Organizational Documents, etc.** Amend its Organizational Documents, in a manner that could adversely affect the Administrative Agent or Lenders or such Credit Party's duty or ability to repay the Obligations or which could reasonably be expected to have a Material Adverse Effect; or
- (k) **Amendments to other Documents.** (i) Except as permitted or required hereunder, amend, vary or alter in any way, consent to any assignment or transfer of, or waive or surrender any of its rights or entitlements under, or permit or authorize any Nominee to take such action, any Material Agreements in a manner that could reasonably be expected to materially adversely affect the interests of the Administrative Agent or of the Lenders under the Loan Documents or that could materially adversely affect any Credit Party or Secured Property or (ii) amend, vary or alter in any way, consent to any assignment or transfer of, or waive or surrender any of its rights under any Nominee Agreement.
- (l) **Hedge Arrangements.** Enter into or permit to be outstanding at any time any Hedge Arrangement for purpose other than the hedging of interest rate arising in its business provided that such hedging of interest rate does not include (A) any Hedge Arrangement with a Lender which is not a Qualifying Hedge Arrangement unless such Lender expressly agrees in writing by delivering a signed certificate to the Borrower stating that a proposed Hedge Arrangement shall not be characterized as a Qualifying Hedge Arrangement for the purposes of this Agreement and the other Loan Documents and, for the purposes of this subsection (A), each Lender agrees to deliver such certificate, if applicable, upon request from the Borrower, and/or (B) a Qualifying Hedge Arrangement that would result in the aggregate notional amount of all Qualifying Hedge Arrangements exceeding \$105,000,000. Each of the parties hereto acknowledges and agrees that the existing Hedge Arrangement with Canadian Imperial Bank of Commerce in respect of the existing financing of Georgian Mall, Barrie, Ontario is not a Qualifying Hedge Arrangement for the purposes of this Agreement and the other Loan Documents.
- (m) **No Change to Business.** Carry on any business other than the business carried on by it on the date hereof, which for greater certainty, is the operation of the Secured Properties and other income producing commercial properties and related ancillary business.

- (n) **Non-Arm's Length Transactions.** Enter into or, permit any Subsidiary to enter into, any transaction, with any of its Affiliates, or with any Affiliate of any of its partners or shareholders (in each case other than a Credit Party), except a transaction which is upon fair and reasonable terms not less favourable to such Credit Party or any such Subsidiary than would be obtained in a comparable arms-length transaction for fair market value.
- (o) **Leasing.** Enter into any Major Leases in respect of the Secured Properties or materially amend, renew, terminate, forfeit or cancel any Major Leases in respect of the Secured Properties without the prior written consent of the Required Lenders.
- (p) **Concerning Major Leases Generally.** Except in the ordinary course of business, accept or require payment of Rent in respect of any Secured Property that would result in more than three month of such Rent being prepaid under such Major Lease other than:
 - (i) prepaid rent or deposits on account of rent which represent the portion of the cost of construction of the relevant demised premises which exceeds the portion of such cost which was used as the basis for determining the basic rental otherwise payable under such Major Lease; or
 - (ii) amounts representing a *bona fide* precalculation of any amount (which is required to be paid under such Major Lease) in addition to basic rental, including amounts payable with respect to taxes and maintenance of such Secured Property and overage and percentage rentals; or
 - (iii) lease surrender payments and security deposits made by the tenant under such Major Lease.
- (q) **Remove, Destroy or Redevelop.** Destroy, remove, permit to be destroyed or removed any of the buildings, plant, machinery, equipment or fixtures comprising part of any Secured Property, provided that:
 - (i) nothing herein shall prevent (i) the removal of any machinery or equipment from one part of a Secured Property to another or the temporary removal of any such machinery or equipment for the purposes of repair, or (ii) alterations to the Secured Property;
 - (ii) the applicable Credit Party may remove, dismantle, sell, exchange or otherwise dispose of any plant, machinery, equipment or fixtures which has become obsolete, worn out, replaced or unserviceable if such plant, machinery or equipment is replaced by plant, machinery, equipment or fixtures of at least equal performance or if such plant, machinery, equipment or fixtures so dealt with is unnecessary for use in the conduct of its business at such Secured Property; and

- (iii) Nothing herein shall limit or restrict (i) the rights of any tenant under any of the Leases, or (ii) the right of the Borrower to repair, restore or alter any Secured Property as would a prudent landlord.
- (r) **Change of Control.** Enter into or be subject to any transaction or agreement which results or could result in a Change of Control.
- (s) **Environmental Activity.** Carry on any, or permit any Guarantor or Nominee to carry on any Environmental Activity contrary in any material respect to any Environmental Law or cause or permit any Hazardous Material to be stored in or to be present in any form in or under its properties contrary in any material respect to any Environmental Laws. Nothing in this Section or this Agreement shall impose any obligation or liability whatsoever on the Administrative Agent and the Lenders.
- (t) **Pension Plans.** Establish, become party to, liable under, participate in or admit any participant into any Canadian Pension Plans.
- (u) **Location of Assets in Other Jurisdictions.** Except for property in transit in the ordinary course of business, acquire any assets outside of the jurisdictions identified opposite its name in Schedule 10.1(m) or move any property from one jurisdiction to another jurisdiction where the movement of such property would cause the Encumbrance granted pursuant to the Security over such property to cease to be perfected under Applicable Law, and no Credit Party shall suffer or permit in any other manner any of its property to not be subject to the Encumbrance granted pursuant to Security or to be or become located in a jurisdiction as a result of which the Encumbrance granted pursuant to the Security over such property is not perfected, unless (i) the Borrower has first given the Administrative Agent not less than 30 days prior written notice thereof; and (ii) the applicable Credit Party has first executed and delivered to the Administrative Agent all Security and all financing or registration statements in form and substance satisfactory to the Administrative Agent which the Administrative Agent or its counsel from time to time deem necessary or advisable to ensure that Encumbrances granted pursuant to the Security at all times constitute a perfected Encumbrance with the priority provided for herein (subject only to Permitted Encumbrances) over such property notwithstanding the movement or location of such property as aforesaid together with such supporting certificates, resolutions, opinions and other documents as the Administrative Agent may deem necessary or desirable in connection with such security and registrations, acting reasonably.
- (v) **Chief Executive Office.** Change the jurisdiction of its chief executive office or domicile identified opposite its name in Schedule 10.1(v) unless (i) the Borrower has first given the Administrative Agent not less than 30 days prior written notice thereof; and (ii) the applicable Credit Party has first executed and delivered to the Administrative Agent all Security and all financing or registration statements in form and substance satisfactory to the Administrative Agent which the Administrative Agent or its counsel from time to time deem necessary or advisable

to ensure that Encumbrances granted pursuant to the Security at all times constitute a perfected Encumbrance with the priority provided for herein (subject only to Permitted Encumbrances) over such property notwithstanding such change in location with such supporting certificates, resolutions, opinions and other documents as the Administrative Agent may deem necessary or desirable in connection with such security and registrations, acting reasonably.

- (w) **Non-Resident.** Become a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- (x) **Nominee Requirements.** Cause or permit the Nominee to take any action or not take action which would result in a breach of any of the provisions of this Agreement or any Loan Document to which it is a party or is bound in each case as such provisions relates to the Secured Properties.

11.5 General Partner

(a) **Authority of General Partner.** The Administrative Agent and the Lenders shall be entitled to rely on any certificate, notice or other document, or other advice, statement, direction or instruction provided to them by the general partner of any limited partnership that is a Credit Party and shall be entitled to deal with such general partner with respect to matters under the Loan Documents relating to such limited partnership without any obligation whatsoever to satisfy themselves as to the authority of such general partner to act on behalf of such limited partnership.

(b) **Additional General Partners.** The general partner of a limited partnership that is a Credit Party will not create or suffer to exist any Person becoming a general partner of such limited partnership without the consent of the Administrative Agent. Such consent, if granted, to be subject to such conditions that the Administrative Agent deem necessary and appropriate in its discretion.

ARTICLE 12 DEFAULT

12.1 Events of Default

The occurrence of any one or more of the following events (each such event being referred to as an “**Event of Default**”) will constitute a default under this Agreement:

- (a) if any Credit Party (i) fails to pay the principal of any Loan when the same becomes due and payable or (ii) fails to pay interest on any Loan or any other amount or Obligation due pursuant to the terms of any Loan Document within three days of when the same becomes due and payable after the earlier of a Credit Party becoming aware of such failure or written notice of such failure has been given by the Administrative Agent;
- (b) any Credit Party fails or neglects to perform, keep or observe any of the provisions of Sections 2.5, 11.1(c), 11.1(e), 11.1(i), 11.1(n)(ii), 11.2 or 11.4 (provided, that if (i) any such failure or neglect to perform, keep or observe any of the provisions of

Section 11.1(i) or 11.4 is of a type that can be cured within five Business Days after the earlier of a Credit Party becoming aware of such failure or written notice of such failure has been given by the Administrative Agent and (ii) such failure or neglect to perform, keep or observe could not materially adversely impact Administrative Agent's or the Lenders' Encumbrances on the Collateral, such failure or neglect to perform, keep or observe shall not constitute an Event of Default for five Business Days after the occurrence of such failure or neglect to perform, keep or observe so long as the Credit Parties are diligently pursuing the cure of such failure or neglect to perform, keep or observe);

- (c) if HBC fails to make any payments when required under a Major Lease to which it is a party within 15 Business Days after payment is due, or terminates any Major Lease;
- (d) any Credit Party shall fail or neglect to perform, keep or observe any of the provisions of Sections 11.1(n)(i), 11.1(n)(iv), 11.1(n)(v) or 11.3, and the same shall remain unremedied for ten Business Days or more after the earlier of a Credit Party becoming aware of such failure or written notice of such failure has been given by the Administrative Agent;
- (e) if any Credit Party or HBC neglects to observe or perform any covenant or obligation contained herein or in any other Loan Document on its part to be observed or performed (other than a covenant or condition whose breach or default in performance is specifically dealt with elsewhere in this Section 12.1) and such Credit Party or HBC fails to remedy such default within a period of 30 days after the earlier of a Credit Party becoming aware of such failure or written notice of such failure has been given by the Administrative Agent;
- (f) if any representation or warranty made by any Credit Party or HBC in this Agreement, any other Loan Document or in any certificate or other document at any time delivered hereunder or thereunder to the Administrative Agent or the Lenders proves to have been untrue, incorrect or misleading in any respect if the representation or warranty contains a materiality qualification, and otherwise in all material respects on and as of the date that it was made or was deemed to have been made;
- (g) if any one or more of the Credit Parties shall:
 - (i) fail to pay the principal of, or premium or interest on, any outstanding Indebtedness outstanding in a principal amount which, when aggregated with the principal amount of all other Indebtedness (excluding Indebtedness due to the Lenders hereunder) in respect of which any of them has failed to pay the principal of, or premium or interest on, exceeds \$20,000,000 (including: (x) undrawn committed or available amounts, and (y) amounts owed to all creditors under any combined or syndicated credit agreements) (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable

grace period, if any, specified in the agreement or instrument relating to such Indebtedness, or

- (ii) fail or neglect to perform, keep or observe any provision which results in any other event of default or early termination event (howsoever described or designated under any Indebtedness), and such default shall continue after the applicable grace period, if any, specified in any agreement or instrument relating to any such Indebtedness and the effect of such event is to accelerate, or the lender(s) thereunder have accelerated, Indebtedness of any of Credit Party in a principal amount which, when aggregated with the principal amount of all other Indebtedness of any of them which is, or has been, declared due and payable prior to its specified maturity as a result of an event of default, exceeds \$20,000,000 in the aggregate;

for greater clarity, if the aggregate amount of Indebtedness under Section 12.1(f)(i) and (ii) exceeds \$20,000,000 (for example, if there is concurrently a monetary default for Indebtedness exceeding \$15,000,000 under Section 12.1(f)(i) and an acceleration for Indebtedness exceeding \$10,000,000 under Section 12.1(f)(ii)), then the combination of default and acceleration of such Indebtedness will result in an Event of Default;

- (h) any material provision of any Loan Document for any reason ceases to be valid, binding and enforceable in accordance with its terms (or any Credit Party or other Person party to a Loan Document shall challenge the enforceability of any provision of any Loan Document or shall assert in writing, or engage in any action or inaction based on any such assertion, that any provision of any of the Loan Documents has ceased to be or otherwise is not valid, binding and enforceable in accordance with its terms), or any Encumbrance created under any Loan Document ceases to be a valid and perfected or published (as applicable) first priority or ranking Lien (except as otherwise permitted herein or therein) in any of the Collateral purported to be covered thereby unless cured within ten (10) Business Days, however, such cure period shall not apply if the challenge, assertion or action or inaction referred to above was taken or initiated by a Credit Party;
- (i) any judgment or order for the payment of money in excess of \$20,000,000 (or the equivalent amount in any other currency), net of any amounts available for the satisfaction of such judgment or order pursuant to an enforceable contract of insurance, shall be rendered against the Borrower or any of its Subsidiaries and the same are not, within 30 days after the entry thereof, vacated or execution thereof stayed or bonded pending appeal, or such judgements are not vacated prior to the expiration of such stay;
- (j) if the Borrower or any other Credit Party:
 - (i) becomes insolvent, or generally does not or becomes unable to pay its debts or meet its liabilities as the same become due, or admits in writing its inability to pay its debts generally, or declares any general moratorium on

- its indebtedness, or proposes a compromise or arrangement between it or any class of its creditors;
- (ii) commits an act of bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) or under analogous foreign law, or makes an assignment of its property for the general benefit of its creditors under such Act or under analogous foreign law, or makes a proposal (or files a notice of its intention to do so) under such Act or under analogous foreign law;
 - (iii) institutes any proceeding seeking to adjudicate it an insolvent, or seeking liquidation, dissolution, winding-up, reorganization, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of its or its debts or any other relief, under any federal, provincial or foreign law now or hereafter in effect relating to bankruptcy, winding-up, insolvency, reorganization, receivership, plans of arrangement or relief or protection of debtors (including the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) and any applicable corporations legislation) or at common law or in equity, or files an answer admitting the material allegations of a petition filed against it in any such proceeding;
 - (iv) applies for the appointment of, or the taking possession by, a receiver, interim receiver, receiver/manager, sequestrator, conservator, custodian, administrator, trustee, liquidator or other similar official for it or any substantial part of its property; or
 - (v) threatens to do any of the foregoing, or takes any action, corporate or otherwise, to approve, effect, consent to or authorize any of the actions described in this Section 12.1(j) or otherwise acts in furtherance thereof or fails to act in a timely and appropriate manner in defence thereof;
- (k) any petition is filed, application made or other proceeding instituted against or in respect of any Credit Party:
- (i) seeking to adjudicate it an insolvent;
 - (ii) seeking a receiving order against it under the *Bankruptcy and Insolvency Act* (Canada) or under analogous foreign law;
 - (iii) seeking liquidation, dissolution, winding-up, reorganization, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts or any other relief under any federal, provincial or foreign law now or hereafter in effect relating to bankruptcy, winding-up, insolvency, reorganization, receivership, plans of arrangement or relief or protection of debtors (including the *Bankruptcy and Insolvency Act*

(Canada), the *Companies' Creditors Arrangement Act* (Canada) and any applicable corporations legislation or at common law or in equity); or

- (iv) seeking the entry of an order for relief or the appointment of, or the taking of possession by, a receiver, interim receiver, receiver/manager, sequestrator, conservator, custodian, administrator, trustee, liquidator or other similar official for it or any substantial part of its property;

and such petition, application or proceeding continues undismissed, or unstayed and in effect, for a period of 30 days after the institution thereof, provided that if an order, decree or judgment is granted or entered (whether or not entered or subject to appeal) against such Person thereunder in the interim, such grace period will cease to apply, and provided further that if such Person files an answer admitting the material allegations of a petition filed against it in any such proceeding, such grace period will cease to apply;

- (l) any other event occurs which, under the laws of any applicable jurisdiction, has an effect equivalent to any of the events referred to in either Section 12.1(j) and if the event is equivalent to the event referred to in Section 12.1(k), the 30-day grace period will apply as set out in Section 12.1(m);
- (m) assets of the Borrower or any Guarantor with a fair market value of \$20,000,000 or more are attached, seized, levied upon or subjected to execution, garnishment, distress or any other similar process, or come within the possession of any interim receiver, receiver, receiver and manager, trustee, custodian, liquidator, administrator, sequestrator, sheriff, bailiff or assignee for the benefit of creditors of any Credit Party and such condition continues for 30 days or more;
- (n) if any expropriating authority shall condemn, expropriate, seize or appropriate any property of any Credit Party which relates to or forms part of a Secured Property and is of a material nature and such Credit Party has not taken the steps required pursuant to Section 9.3 to cause such Secured Property to be released from the Security;
- (o) if an Impermissible Qualification is included in the financial statements delivered to the Administrative Agent pursuant to Section 11.3(b);
- (p) if (i) a Material Agreement is terminated other than by expiry of its term in accordance with its terms (provided such termination does not arise from a breach or failure of any Credit Party to perform its obligations thereunder) or is otherwise not in full force and effect and is not reinstated or replaced within 30 days on terms and with a counterparty acceptable to the Required Lenders in their discretion, or (ii) a Credit Party is in material breach of any Material Agreement that is a ground lease or emphyteutic lease related to any Secured Property (each, a “**Major Property Lease**”) and such breach has not been remedied within half of the applicable grace period, if any, specified in the relevant Major Property Lease or such longer period as is acceptable to the Required Lenders, in its discretion;

- (q) any change or other event occurs which has a Material Adverse Effect;
- (r) any Change of Control occurs;
- (s) 90 days following an HBC Insolvency Triggering Event (or such longer period as may be agreed to by the Required Lenders, acting reasonably, so long as the Borrower and HBC are using diligent and commercially reasonable efforts to complete a Qualified HBC Insolvency Transfer); provided, for clarity, if an intervening Event of Default occurs during such 90 day period, the Administrative Agent and Lenders may enforce their rights pursuant to Section 12.2.

12.2 Acceleration and Enforcement

(a) If any Event of Default occurs and is continuing, (i) the Lenders will have no further obligation to make Loans hereunder, and the outstanding principal amount or face amount, as the case may be, of all Loans and all other Obligations will, at the option of the Administrative Agent or upon the request of the Required Lenders, become immediately due and payable with interest thereon, at the rate or rates determined as herein provided, to the date of actual payment thereof, all without notice, presentment, protest, demand, notice of dishonour or any other demand or notice whatsoever, all of which are hereby expressly waived by each Credit Party; provided, if any Event of Default described in Section 12.1(j), 12.1(k) or 12.1(l) with respect to the Borrower occurs, the Commitments (if not theretofore terminated) will automatically terminate and the outstanding principal amount or face amount, as the case may be, of all Loans and all other Obligations will automatically be and become immediately due and payable; (ii) the Lenders or the Administrative Agent on their behalf may, in their discretion, exercise any right or recourse and proceed by any action, suit, remedy or proceeding against any Credit Party authorized or permitted by law for the recovery of all the Obligations of the Credit Parties to the Lenders and, notwithstanding that the Administrative Agent has not exercised every right under the foregoing clause (i), proceed to exercise any and all rights hereunder and, subject to Section 12.2(c), under the Loan Documents. In addition, the Credit Parties shall upon the written request of the Administrative Agent assign, to the extent permitted by Applicable Law, to the Administrative Agent or its designate, or surrender, all licences, permits, authorizations and operating agreements held by or for the benefit of the Credit Parties, as the case may be. In this regard, each of the Credit Parties agrees to execute any documentation required by the Administrative Agent to bring any such assignment or surrender into effect, including, without limitation, a request to the applicable Governmental Authority that such Government Authority issue a licence, permit or authorization to, or enter into an operating agreement with, a Person designated by the Administrative Agent upon the surrender of any licence, permit, authorization or operating agreement by any of the Credit Parties and hereby irrevocably appoints the Administrative Agent as its attorney to execute any such documentation on behalf of each of the Credit Parties. For greater certainty, each of the Credit Parties will be considered to be in default of its obligations hereunder by the mere lapse of time provided herein for performing such obligations, without any requirement of further notice or other act of the Administrative Agent or any Lender unless a notice is specifically required under this Agreement.

(b) The Administrative Agent and Lenders are not under any obligation to the Credit Parties or any other Person to realize upon any Collateral or enforce the Security or any part thereof or to allow any of the Collateral to be sold, dealt with or otherwise disposed of. Neither the

Administrative Agent nor the Lenders are responsible or liable to the Credit Parties or any other Person for any loss or damage arising from such realization or enforcement or the failure to do so or for any act or omission on their respective parts or on the part of any director, officer, employee, agent or adviser of any of them in connection with any of the foregoing, other than as a result of the gross negligence or willful misconduct of the Administrative Agent and/or any of the Lenders as determined by a court of competent jurisdiction by final and non-appealable judgment.

(c) Each of the Lenders acknowledges that the Administrative Agent holds the Security to secure all of the Obligations and, upon the occurrence of an Event of Default, the Administrative Agent will act on the written instructions of the Required Lenders as provided in this Agreement and will distribute all payments made and amounts received by the Credit Parties and all net sale proceeds of realization of the Security to the Lenders in accordance with their Applicable Percentage of the Obligations and in accordance with Section 12.8.

(d) Each of the Administrative Agent, the Lenders and the Borrower hereby acknowledge and agree that upon an Event of Default, which arises from any breach of HBC of any HBC Obligation, the Administrative Agent and Lenders may and shall have discretion to exercise any right or recourse and proceed by any action, suit, remedy or proceeding against HBC that is authorized or permitted by the Loan Documents (subject to Section 13.13) to which HBC is a party and law for the observance and performance of the HBC Obligations. Upon an HBC Insolvency Triggering Event, the Administrative Agent may exercise such rights against HBC necessary to preserve its Security and rights in the Secured Properties and under the Loan Documents (subject to Section 13.13), including participating in any court proceedings in respect of the HBC Insolvency Triggering Event, filing proof of claim with respect to the HBC Obligations in connection with any proceeding described in Section 12.1(i) and (j) as it relates to HBC and issue any notices pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada) and any similar notice under the laws of any jurisdiction to the extent required to enforce the HBC Obligations against HBC.

12.3 Intentionally Deleted

12.4 Remedies Cumulative

For greater certainty, it is expressly understood that the respective rights and remedies of the Lenders and the Administrative Agent hereunder or under any other Loan Document or instrument executed pursuant to this Agreement are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Lenders or by the Administrative Agent of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement or any other Loan Document will not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which any one or more of the Lenders and the Administrative Agent may be lawfully entitled in connection with such default or breach.

12.5 Perform Obligations

If an Event of Default or a HBC Insolvency Triggering Event has occurred and is continuing and if any Credit Party or HBC (but only in respect to the HBC Obligations) has failed

to perform any of its covenants or agreements in the Loan Documents, the Required Lenders, may, but will be under no obligation to, instruct the Administrative Agent on behalf of the Lenders to perform any such covenants or agreements in any manner deemed fit by the Required Lenders without thereby waiving any rights to enforce the Loan Documents. All expenses (including any legal costs) paid or incurred by the Administrative Agent and the Lenders in respect of the foregoing will be an Obligation and will be secured by the Security.

12.6 Third Parties

It is not necessary for any Person dealing with the Lenders, the Administrative Agent or any other agent of the Lenders to inquire whether the Security has become enforceable, or whether the powers that the Lenders or the Administrative Agent are purporting to exercise may be exercised, or whether any Obligations remain outstanding upon the security thereof, or as to the necessity or expediency of the stipulations and conditions subject to which any sale is to be made, or otherwise as to the propriety or regularity of any sale or other disposition or any other dealing with the collateral charged by such Security or any part thereof.

12.7 Intentionally Deleted

12.8 Application of Payments

Following the occurrence of an Event of Default and for as long as such Event of Default is continuing, all payments made by the Credit Parties hereunder or received from proceeds of realization of any Security and Collateral will be applied to amounts due under the Obligations, all as determined by the Administrative Agent, as follows:

- (a) *First:* To the payment or reimbursement of expenses or costs incurred by the Administrative Agent, in its capacity as Administrative Agent and not as a Lender;
- (b) *Second:* To the payment of all costs and expenses (including legal or other professional fees) incurred by the Administrative Agent or any Lender, pro rata in accordance with the respective amounts thereof, in connection with any realization or enforcement proceedings against any Credit Party or HBC (but only in respect to the HBC Obligations) taken in respect of any Loan Document;
- (c) *Third:* To the payment of all accrued but unpaid interest on the Obligations, all fees, and all breakage costs with respect to the Obligations (but excluding all Termination Amounts); *pro rata* to each Lender in accordance with the amount of such interest and fees owing to it as a percentage of all such interest, fees and breakage costs;
- (d) *Fourth:* To the payment of all unpaid principal of the Obligations, Termination Amounts in connection with Qualifying Hedge Arrangements pro rata to each Lender in accordance with the amount of such principal and Termination Amounts owing to it as a percentage of all such principal and Termination Amounts;

- (e) *Fifth*: To the payment of all other amounts owing in respect of the Obligations not hereinbefore referred to, *pro rata* to each Lender in accordance with the amount in respect thereof owing to each Lender as a percentage of all such amounts; and
- (f) *Sixth*: After indefeasible payment in full of all Obligations to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

ARTICLE 13

GUARANTEES, ETC.

13.1 Guarantees and Indemnity

(a) Each Guarantor hereby jointly and severally, unconditionally and irrevocably, guarantees payment and performance of the Obligations of the Borrower and each other Guarantor.

(b) If any or all of the Obligations are not duly paid and are not recoverable or remain unperformed under Section 13.1(a) for any reason whatsoever, each of the Guarantors hereby jointly and severally, unconditionally and irrevocably, will, as a separate and distinct obligation, indemnify and save harmless the Administrative Agent and the Lenders and each of them from and against any losses resulting from the failure of any Credit Party to pay or perform the Obligations.

(c) If any or all of the Obligations are not duly paid and are not recoverable or remain unperformed under Section 13.1(a) or the Administrative Agent and the Lenders and each of them is not indemnified under Section 13.1(b), in each case, for any reason whatsoever, the Obligations will, unconditionally and irrevocably, as a separate and distinct obligation, be recoverable jointly and severally from each of the Guarantors as primary obligor.

13.2 Obligations Absolute

The liability of each Guarantor hereunder is absolute and unconditional and is not affected by:

- (a) any illegality, lack of validity or enforceability of this Agreement or any other Loan Document;
- (b) any impossibility, impracticability, frustration of purpose, illegality, *force majeure* or act of Governmental Authority;
- (c) the bankruptcy, winding-up, liquidation, dissolution, moratorium, readjustment of debt, arrangement, insolvency or other similar proceeding affecting any Credit Party or any other Person, including any discharge or bar against collection of any of the Obligations, the amalgamation of or any change in the existence, status, function, control, constitution or ownership of any Credit Party, the Administrative Agent, any Lender or any other Person;

- (d) any lack or limitation of power, incapacity or disability on the part of any Credit Party or of the directors, partners or agents thereof or any other irregularity, defect or informality on the part of any Credit Party in its Obligations;
- (e) any limitation, postponement, prohibition, subordination or other restriction on the rights of the Administrative Agent or any Lender to payment of the Obligations;
- (f) any interest of the Administrative Agent or any Lender in any Security whether as owner thereof or as holder of a security interest therein or thereon, being invalidated, voided, declared fraudulent or preferential or otherwise set aside, or by reason of any impairment of any right or recourse to any Security;
- (g) any change in the time, manner or place of payment of, amount of credit available to the any Credit Party under, or in any other term of, or any other amendment or waiver of or any consent to departure from, this Agreement or any other agreement between the any Credit Party, the Administrative Agent and/or the Lenders (or their Affiliates);
- (h) any change in the name, share capital, articles of incorporation, by-laws or other constating documents of any Credit Party or any Credit Party being amalgamated with another Person (in which case this Guarantee shall apply to the Obligations of the resulting corporation and the term “**Credit Party**” shall include such resulting corporation);
- (i) any equities between the Administrative Agent, the Lenders, the other Credit Parties or any one or more of them or any defence or right of set-off, compensation, abatement, combination of accounts or cross-claim that the Guarantor or the Borrower may have;
- (j) any act or omission on the part of the Administrative Agent, the Lenders (or their Affiliates) or any one or more of them that would prevent subrogation operating in favour of the Guarantor;
- (k) any contest by the Borrower, the Guarantors or any other guarantor as to the amount of the Obligations, the validity or enforceability of any term of the Loan Documents or any other document, or the priority of any security;
- (l) the assignment of all or any part of the benefits of this Agreement;
- (m) any invalidity, non-perfection or unenforceability of any security held by the Administrative Agent or any irregularity or defect in the manner or procedure by which the Administrative Agent realizes on such security;
- (n) any non-disclosure to any Credit Party by the Administrative Agent, any Lender, any other Credit Party or any other Person of any matter (whether now existing or arising hereafter) relating in any way to the Obligations, including without limitation any material change in circumstances or any act or omission of the Administrative Agent, the Lenders or any one or more of them; and

- (o) any other law, regulation, event, condition or other circumstance or any other act, delay, abstention or omission to act of any kind by any Credit Party or another Person that might otherwise constitute a legal or equitable defence available to any Credit Party, or a discharge, limitation or reduction of the Obligations hereunder,

it being the intent of each Guarantor that liability to the Administrative Agent and the Lenders under this Article 13 shall be absolute and unconditional under any and all circumstances and shall not be discharged except by payment in full of the Obligations.

Each of the foregoing is hereby waived by each Guarantor to the fullest extent permitted under Applicable Law. The foregoing provisions apply and the foregoing waivers will be effective to the fullest extent permitted under Applicable Law even if the effect of any action or failure to take action by the Administrative Agent or any Lender is to destroy or diminish any Guarantor's subrogation rights, any Guarantor's right to proceed against any other Credit Party for reimbursement, any Guarantor's right to recover contribution from any other Person or any other right or remedy of any Guarantor.

13.3 No Release

The liability of each Guarantor hereunder will not be released, discharged, limited or in any way affected by anything done, suffered, permitted or omitted to be done by the Administrative Agent, Lenders, or any of them or any other Person in connection with any duties or liabilities of any Credit Party to the Administrative Agent, Lenders, or any of them or any Security including any loss of or in respect of any Security. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the liability of any Guarantor hereunder, without obtaining the consent of or giving notice to any Guarantor, the Administrative Agent, the Lenders and each of them may, subject to the terms of this Agreement:

- (a) discontinue, reduce, increase or otherwise vary the credit of each Credit Party in any manner whatsoever;
- (b) make any change in the time, manner or place of payment under, or in any other term of, any Loan Document or waive its rights in respect of any failure on the part of any Credit Party to carry out any of its obligations under any Loan Document;
- (c) grant time, renewals, extensions, indulgences, releases and discharges to any Credit Party or any other Person;
- (d) subordinate, release, take or enforce, refrain from taking or enforcing or omit to take or enforce Security or perfect, refrain from perfecting or omit to perfect the Security, whether occasioned by the fault of the Administrative Agent or the Lenders or otherwise;
- (e) to the extent permitted under Applicable Law, give or refrain from giving to any Credit Party or any other Person notice of any sale or other disposition of any Collateral securing any of the Obligations or any other guarantee thereof, or any

notice that may be given in connection with any sale or other disposition of any such property;

- (f) accept compromises from any Credit Party or any other Person;
- (g) marshal, refrain from marshalling or omit to marshal assets;
- (h) apply all money or other property at any time received from any Credit Party or from the Security upon such part of the Obligations as the Administrative Agent, Lenders or each of them may see fit or change any such application in whole or in part from time to time as each of them may see fit; and
- (i) otherwise deal, delay or refrain from dealing or omit to deal with any Credit Party and all other Persons and the Security as the Administrative Agent, Lenders and each of them may see fit, delay or refrain from doing or omit to do any other act or thing that under Applicable Law might otherwise have the effect, directly or indirectly, of releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability hereunder,

and no such act or omission by the Agent shall release, discharge, limit or otherwise affect in whole or in part the Guarantor's obligations and liabilities hereunder, notwithstanding that such act or omission may increase the liability of the Borrower or another Credit Party hereunder.

13.4 No Exhaustion of Remedies

None of the Administrative Agent or the Lenders is bound or obligated to exhaust its or their recourse against any Credit Party or other Person or any Security it or they may hold, or take any other action before being entitled to demand payment from any Guarantor hereunder. Each Guarantor agrees that the Administrative Agent or the Lenders may seek payment or performance of any of the Obligations from any Guarantor in accordance with the terms set out in this Agreement, whether or not the Administrative Agent or the Lenders shall have realized the value of the Secured Properties secured under the Security or shall have proceeded against any of the Credit Parties principally or secondarily obligated for any of the Obligations.

13.5 Prima Facie Evidence

Any account settled or stated in writing by or between the Administrative Agent or any Lender and each Credit Party will be prima facie evidence that the balance or amount thereof appearing due to the Administrative Agent and each Lender is so due, absent manifest error.

13.6 No Set-Off

In any claim by the Administrative Agent, the Lenders or any of them against any Guarantor, such Guarantor may not assert any set-off or counterclaim, claim or other right that either such Guarantor or any Credit Party may have against the Administrative Agent, the Lenders or any of them or any other Person.

13.7 Continuing Guarantee

The Obligations of each Guarantor hereunder will constitute and be continuing obligations and will apply to and secure any ultimate balance due or remaining due to the Administrative Agent and the Lenders and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to any such Person. The Obligations of each Guarantor hereunder will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the recipient of such payment upon the occurrence of any action or event including the insolvency, bankruptcy or reorganization of any Credit Party or otherwise, all as though such payment had not been made.

13.8 Waivers by Guarantors

Each Guarantor hereby irrevocably waives acceptance hereof, presentation, demand, protest and any notice, as well as any requirement that at any time any action be taken by any Person against such Guarantor, any other Credit Party or any other Person.

13.9 Demand

Each Guarantor will make payment to the Administrative Agent for the rateable benefit of the Lenders of the full amount of the Obligations and all other amounts payable by it hereunder (including all interest accruing in respect thereof after demand is made) forthwith after demand therefor is made to it. Each Guarantor will also make payment to the Administrative Agent of all costs and expenses incurred by the Administrative Agent, the Lenders or any of them in enforcing the provisions of this Article 13.

13.10 Assignment and Postponement of Claims

All debts and liabilities, present and future, of each Credit Party to each other Credit Party are hereby assigned to the Administrative Agent for and on behalf of the Lenders, and postponed and subordinated to the Obligations, and all money received by such Credit Party in respect thereof at any time when an Event of Default has occurred and is continuing will be held in trust for the Administrative Agent for and on behalf of Lenders and forthwith upon receipt will be paid over to the Administrative Agent, the whole without in any way lessening or limiting the liability of any of the Credit Parties hereunder and this assignment and postponement is independent of the guarantee herein and will remain in full force and effect until, in the case of the assignment, the liability of the Credit Parties under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and paid in full.

13.11 Subrogation

No Guarantor shall have a right of subrogation in respect of payments made to the Administrative Agent or the Lenders hereunder until such time as all Obligations shall have been fully satisfied. In the case of the receivership, interim receivership, sequestration, administration, liquidation, winding-up, dissolution or bankruptcy of any Credit Party (whether voluntary or involuntary) or any similar proceeding in respect of any of the Credit Parties for the relief from or

otherwise affecting creditors of the Borrower, or in the event that the Borrower shall make any assignment for the general benefit of creditors, an arrangement, a compromise, or composition with its creditors (for the purposes of this Section 13.2, each an “**Insolvency Proceeding**”), the Lenders shall have the right to rank for their full claims and to receive all dividends or other payments in respect thereof until their claims have been paid in full and the Guarantors shall continue to be liable to the Lenders for any balance which may be owing to the Lenders by the other Credit Parties. If any amount shall be paid to a Guarantor in connection with an Insolvency Proceeding at any time when all Obligations shall not have been fully satisfied, such amount shall be held in trust for the benefit of the Administrative Agent and the Lenders and shall forthwith be paid to the Administrative Agent on its own behalf and for and on behalf of the Lenders to be credited and applied against the Obligations, whether matured or unmatured. If (a) any Guarantors shall make payment to the Administrative Agent and/or the Lenders of all or any part of the Obligations and (b) all the Obligations shall be paid in full, the Administrative Agent will, at the applicable Guarantors’ request (and expense), forthwith, execute and deliver to such Guarantor appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to such Guarantor of its interest in the Obligations resulting from such payment by such Guarantor.

13.12 Stay of Acceleration

If acceleration of the payment of any Obligations payable by any Guarantor is stayed upon the insolvency, bankruptcy or reorganization of such Guarantor or otherwise, all such Obligations otherwise subject to acceleration under the laws of any Loan Document will nonetheless be payable by each other Guarantor herewith in accordance with the terms hereof.

13.13 Limited Recourse to the Nominee

Notwithstanding anything to the contrary contained in this Article Thirteen, in respect of recourse against the Nominee only in its capacity as nominee, the obligations of and rights and remedies against the Nominee hereunder and the other Loan Documents to which the Nominee is a party shall be performed, satisfied and paid out of and recourse shall be limited to, and enforcement taken against, only the Collateral and no other recourse shall be had, judgment issued or execution or other process levied against the Nominee or against any assets of the Nominee other than the Collateral (for greater certainty, nothing herein shall limit or restrict the right of the Administrative Agent and the Lenders to name the Nominee as a party in any action, proceeding or other remedial or enforcement proceeding so long as no monetary judgment or claim is sought or enforced against its assets, other than the Collateral).

13.14 Limited Recourse to HBC as general partner

Notwithstanding any other provision of this Agreement, the Lenders agree that there shall be no recourse to HBC, in its capacity as general partner of HBC YSS LP 1 or HBC YSS LP 2 or any of HBC’s personal assets for any of the Obligations of the Credit Parties under the Loans, this Agreement or any of the Security Documents (including the Guarantees of YSS 1 LP and YSS2 LP under Article 13 hereof), provided that for greater certainty, recourse to HBC for the Guarantees of HBC YSS LP 1 and HBC YSS LP 2, in its capacity as general partner of each of HBC YSS LP 1 and HBC YSS LP 2, shall be limited to the property and assets of HBC YSS

LP 1 and HBC YSS LP 2, respectively, from time to time. (for greater certainty, nothing herein shall limit or restrict the right of the Administrative Agent and the Lenders to name HBC in its capacity as general partner of HBC YSS LP 1 or HBC YSS LP 2, respectively, as a party in any action, proceeding or other remedial or enforcement proceeding so long as no monetary judgment or claim is sought or enforced against its assets, other than the Collateral).

ARTICLE 14
THE ADMINISTRATIVE AGENT
AND THE LENDERS

14.1 Payments by the Borrower

(a) Prior to the exercise by the Administrative Agent of the remedies under Section 12.8, all payments made by or on behalf of the Borrower pursuant to this Agreement will be made to and received by the Administrative Agent on behalf of the Lenders and will be distributed by the Administrative Agent to the Lenders as soon as possible upon receipt by the Administrative Agent. Subject to Sections 7.2 and 14.2, the Administrative Agent will distribute to the Lenders in accordance with each Lender's Applicable Percentage:

- (i) costs and expenses;
- (ii) payments of interest;
- (iii) repayments of principal;
- (iv) prepayments of principal;
- (v) amounts received by the exercise of any right of set-off, consolidation of accounts, or by counterclaim or cross-action; and
- (vi) all other payments received by the Administrative Agent.

(b) Subject to Section 14.2, if the Administrative Agent does not distribute a Lender's Applicable Percentage of a payment made by the Borrower to or for the benefit of a Lender for value on the day that payment is made to the Administrative Agent, provided that such payment is received by the Administrative Agent no later than 1:00 p.m. (Toronto time) on such day, the Administrative Agent will pay to such Lender on demand an amount equal to the product of (i) the Interbank Reference Rate and (ii) the amount received by the Administrative Agent from the Borrower and not so distributed to such Lender, with the result thereof multiplied by (iii) a fraction, the numerator of which is the number of days that have elapsed from and including the date of receipt of the payment by the Administrative Agent to but excluding the date on which the payment is made by the Administrative Agent to such Lender, and the denominator of which is 365 or 366, as the case may be.

14.2 Payments by Administrative Agent

(a) For greater certainty, the following provisions will apply to all payments made by the Administrative Agent to the Lenders hereunder:

- (i) the Administrative Agent will be under no obligation to make any payment (whether in respect of principal, interest, fees or otherwise) to any Lender until an amount in respect of such payment has been received by the Administrative Agent from the Borrower;
- (ii) if the Administrative Agent receives less than the full amount of any payment of principal, interest, fees or other amount owing by the Borrower under this Agreement, then, subject to Section 7.2, the Administrative Agent will have no obligation to remit to each Lender any amount other than such Lender's Applicable Percentage of the amount actually received by the Administrative Agent;
- (iii) if any Lender advances more or less than its Applicable Percentage of the Loan, such Lender's entitlement to such payment will be increased or reduced, as the case may be, in proportion to the amount actually advanced by such Lender;
- (iv) the Administrative Agent acting reasonably and in good faith will, after consultation with the Lenders in the case of any dispute, determine in all cases the amount of all payments to which each Lender is entitled and such determination will, in the absence of manifest error, be binding and conclusive;
- (v) upon written request, the Administrative Agent will deliver a statement detailing any of the payments to the Lenders referred to herein; and
- (vi) all payments by the Administrative Agent to a Lender hereunder will be made to such Lender at its address set forth on the signature pages on this Agreement or on the applicable Lender Assignment and Assumption unless notice to the contrary is received by the Administrative Agent from such Lender.

(b) Unless the Administrative Agent has received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of any Lender hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute the amount due to the Lenders. If the payment by the Borrower is in fact not received by the Administrative Agent on the required date and the Administrative Agent has made available corresponding amounts to the Lenders, the Borrower will, without limiting its other obligations under this Agreement, indemnify the Administrative Agent against any and all liabilities, obligations, losses (other than loss of profit), damages, penalties, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on or incurred by the Administrative Agent as a result. A certificate of the Administrative Agent with respect to

any amount owing by the Borrower under this Section 14.2(b) will be *prima facie* evidence of the amount owing in the absence of manifest error.

14.3 Administration of the Credits

(a) Unless otherwise specified herein, the Administrative Agent will perform the following duties under this Agreement:

- (i) prior to an advance to the Borrower hereunder, ensure that all conditions precedent have been fulfilled in accordance with the terms of this Agreement;
- (ii) take delivery of each Lender's Applicable Percentage of a Loan and make all Loans hereunder in accordance with the provisions set forth herein;
- (iii) use reasonable efforts to collect promptly all sums due and payable by the Borrower pursuant to this Agreement;
- (iv) make all payments to the Lenders in accordance with the provisions hereof;
- (v) hold all legal documents relating to the Credit Facility, maintain complete and accurate records showing all Loans made by the Lenders, all remittances and payments made by the Borrower to the Administrative Agent, all remittances and payments made by the Administrative Agent to the Lenders and all fees or any other sums received by the Administrative Agent and allow the Lenders and their respective advisors to examine such accounts, records and documents at their own expense, and provide any Lender, upon reasonable notice, with such copies thereof as such Lender may reasonably require from time to time at its expense;
- (vi) except as otherwise specifically provided for in this Agreement, promptly advise each Lender upon receipt of each notice and deliver to each Lender, promptly upon receipt, all other written communications furnished by the Borrower to the Administrative Agent pursuant to this Agreement, including copies of financial reports and certificates which are to be furnished to the Administrative Agent;
- (vii) forward to each of the Lenders one copy each of the Loan Documents;
- (viii) promptly forward to each Lender, upon request, an up-to-date loan status report and any other information respecting the Credit Parties reasonably requested by such Lender; and
- (ix) upon learning of same, promptly advise each Lender in writing of the occurrence of a Default or the occurrence of any event, condition or circumstance which could result in a Material Adverse Effect to any Credit Party or of any material adverse information relative to any Credit Party or

of the occurrence of any change which could result in a Material Adverse Effect.

(b) The Administrative Agent may take the following actions only with the prior consent of the Required Lenders, unless otherwise specified in this Agreement:

- (i) subject to Section 14.3(c), exercise any and all rights of approval conferred upon the Lenders by this Agreement;
- (ii) amend, modify or waive any of the terms of this Agreement (including waiver of a Default or an Event of Default) if such action is not otherwise provided for in Section 14.3(c);
- (iii) engage professionals, experts and agents as permitted by Section 14.4(a); and
- (iv) declare an Event of Default, take action to enforce performance of the Obligations and realize on collateral subject to the Security and pursue any other legal remedy necessary or advisable to protect the interests of the Lenders hereunder.

(c) The Administrative Agent may take the following actions only with the prior unanimous consent of the Lenders, unless otherwise specified herein:

- (i) amend, modify, discharge, terminate or waive any of the terms of this Agreement if such amendment, modification, discharge, termination or waiver would (i) increase a Lender's Commitment or subject any Lender to any additional obligation; (ii) reduce the principal or amount of, or interest on, directly or indirectly, any outstanding Loans or any fees; (iii) postpone any date fixed for any payment of principal of, or interest on, any outstanding Loans or any fees; and (iv) change the percentage of the Commitments or the number or percentage of Lenders required for the Lenders, or any of them, or the Administrative Agent to take any action;
- (ii) amend, modify, discharge, terminate or waive any terms of Article 13 or the Security or release any Credit Party or Security otherwise than pursuant to the terms hereof or thereof;
- (iii) amend any provision of Section 6.1 or 6.2; the definitions of "Lending Value", "Estimated Value", or "Mortgageability Amount";
- (iv) amend Sections 11.1(a) or 11.2;
- (v) amend Section 12.8;
- (vi) amend any provision of Article 14 (including this Section 14.3) that is stated to be solely for the benefit of the Lenders; or

- (vii) amend the definition of “Required Lenders” or “Change of Control”.
- (d) As between the Borrower, on the one hand, and the Administrative Agent and the Lenders, on the other hand:
 - (i) all statements, certificates, consents and other documents which the Administrative Agent purports to deliver on behalf of the Lenders or the Required Lenders will be binding on each of the Lenders, and the Credit Parties will not be required to ascertain or confirm the authority of the Administrative Agent in delivering such documents;
 - (ii) all certificates, statements, notices and other documents which are delivered by the Credit Parties to the Administrative Agent in accordance with this Agreement will be deemed to have been delivered to each of the Lenders; and
 - (iii) all payments which are made by the Credit Parties to the Administrative Agent in accordance with this Agreement will be deemed to have been duly made to each of the Lenders.

14.4 Rights of Administrative Agent

(a) In administering the Credit Facility, the Administrative Agent may retain, at the expense of the Lenders if such expenses are not recoverable from the Credit Parties, such counsel, auditors and other experts as the Administrative Agent may select, in its discretion, acting reasonably, and is entitled to rely upon the advice of such counsel, auditors and other experts in the performance of its duties hereunder.

(b) Except in its own right as a Lender, the Administrative Agent will not be required to advance its own funds for any purpose hereunder.

14.5 Representations, Acknowledgements and Covenants of Lenders

(a) Each Lender represents and warrants to the Borrower and the Administrative Agent that it has the legal capacity, power and authority to enter into the Loan Documents and has not contravened its constating documents or any Applicable Law by so doing.

(b) Each of the Lenders acknowledges that in the event that the Administrative Agent does not receive payment in accordance with this Agreement, it will not be the obligation of the Administrative Agent to maintain the Credit Facility in good standing nor will any Lender have recourse to the Administrative Agent in respect of any amounts owing to such Lender under this Agreement.

(c) Each Lender acknowledges that its obligation to advance its Applicable Percentage of Loans in accordance with the terms of this Agreement is independent and in no way related to the obligation of any other Lender hereunder.

(d) Each Lender agrees that it will notify the Administrative Agent of any Default or Event of Default of which it becomes aware.

(e) Each Lender hereby acknowledges receipt of a copy of the Loan Documents and acknowledges that it is satisfied with the form and content of such documents.

(f) Each Lender will respond promptly to each request by the Administrative Agent for the consent of such Lender required hereunder.

14.6 Provisions Operative Between Lenders and Administrative Agent Only.

Except for the provisions of Sections 14.3(b), 14.3(c) and 14.3(d), Sections 14.5(a), 14.5(c), 14.5(e), 14.5(f) and Section 14.1(a), the provisions of this Article 14 relating to the rights and obligations of the Lenders and the Administrative Agent *inter se* will be operative as between the Lenders and the Administrative Agent only, and the Credit Parties will not have any rights or obligations under or be entitled to rely for any purpose upon such provisions.

14.7 No Duties

Notwithstanding anything herein or in the Loan Documents to the contrary, the lead arranger and sole bookrunner shall not have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender hereunder.

**ARTICLE 15
INCREASED COSTS, TAXES, ILLEGALITY**

15.1 Increased Costs.

(a) **Increased Costs Generally.** If any Change in Applicable Laws shall:

- (i) impose, modify or deem applicable any reserve, assessment, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender;
- (ii) subject any Lender to any Tax of any kind whatsoever with respect to this Agreement, or any Loans made by it, or change the basis of taxation of payments to such Lender in respect thereof, except for (x) Indemnified Taxes or Other Taxes covered by Section 15.2 and (y) the imposition, or any change in the rate, of any Excluded Tax payable by such Lender; or
- (iii) impose on any Lender or any applicable interbank market any other condition, cost or expense affecting this Agreement or Loans made by such Lender or any Letter or Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loans (or of maintaining its

obligation to make any such Loans), or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount), then upon request of such Lender and subject to the Lender providing the certificate referred to in Section 15.1(c), the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered, after taking into account applicable deductions or credits in respect of such amount(s).

(b) **Capital Requirements.** If any Lender determines that any Change in Applicable Laws affecting such Lender or any lending office of such Lender or such Lender's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender, to a level below that which such Lender or its holding company could have achieved but for such Change in Applicable Laws (taking into consideration such Lender's policies and the policies of its holding company with respect to capital adequacy), then from time to time and subject to the Lender providing the certificate referred to in Section 15.1(c), the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or its holding company for any such reduction suffered on an after-tax basis, after taking into account applicable deductions or credits in respect of such amount(s).

(c) **Certificates for Reimbursement.** A certificate of a Lender delivered to the Borrower setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in Sections 15.1(a) or 15.1(b) ("**Additional Compensation**"), including a description of the event by reason of which it believes it is entitled to such compensation, and supplying reasonable supporting evidence (including, in the event of a Change of Applicable Laws, a photocopy of the Applicable Laws evidencing such change) and reasonable detail of the basis of calculation of the amount or amounts, shall be conclusive evidence of the Lender's entitlement to such compensation and the amount thereof absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) **Delay in Requests.** Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation, except that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender notifies the Borrower of the Change in Applicable Laws giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor, unless the Change in Applicable Laws giving rise to such increased costs or reductions is retroactive, in which case the nine-month period referred to above shall be extended to include the period of retroactive effect thereof.

15.2 Taxes

(a) **Payments Subject to Taxes.** All payments made hereunder or under any Loan Document by any Credit Party shall be made free and clear of and without deduction for any Indemnified Taxes (including Other Taxes) payable or paid by the Administrative Agent or any

Lender or withheld on such payment except as required by Applicable Law. If the Credit Party, the Administrative Agent or any Lender is required by Applicable Laws to deduct or pay any Indemnified Taxes (including any Other Taxes) in respect of any payment by or on account of any obligation of the Credit Party hereunder or under any other Loan Document, then (i) the sum payable shall be increased by the Credit Party when payable as necessary so that after making or allowing for all required deductions and payments (including deductions and payments applicable to additional sums payable under this Section) the Administrative Agent or Lender, as the case may be, receives an amount equal to the sum it would have received had no such deductions or payments been required, (ii) the Credit Party shall make any such deductions required to be made by it under Applicable Laws and (iii) the Credit Party shall timely pay the full amount required to be deducted to the relevant Governmental Authority in accordance with Applicable Laws.

(b) **Payment of Other Taxes by the Borrower.** Without limiting the provisions of Section 15.2(a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Laws.

(c) **Indemnification by the Borrower.** The Borrower shall indemnify the Administrative Agent and each Lender, within ten days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by the Administrative Agent or such Lender and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) **Evidence of Payments.** As soon as practicable after any payment of Indemnified Taxes or Other Taxes by any Credit Party to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) **Treatment of Certain Refunds and Tax Reductions.** If the Administrative Agent or a Lender determines, in its discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower or a Guarantor has paid additional amounts pursuant to this Agreement or that, because of the payment of such Taxes or Other Taxes, it has benefited from a reduction in Excluded Taxes otherwise payable by it, it shall pay to the Borrower or Guarantor, as applicable, an amount equal to such refund or reduction (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower or such Guarantor under this Agreement with respect to the Taxes or Other Taxes giving rise to such refund or reduction), net of all out-of-pocket expenses of the Administrative Agent or such Lender, as the case may be, and without interest (other than any net after-Tax interest paid by the relevant Governmental Authority with respect to such refund). The Borrower or Guarantor, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower or such Guarantor (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such

Lender if the Administrative Agent or such Lender is required to repay such refund or reduction to such Governmental Authority. This paragraph shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person, to arrange its affairs in any particular manner or to claim any available refund or reduction.

(f) **Status of Lenders.** Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the Applicable Laws of the jurisdiction in which the Borrower is resident for tax purposes, or any treaty to which such jurisdiction is a party, with respect to payments hereunder or under any other Loan Document shall, at the request of the Borrower, deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by Applicable Law or when reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by Applicable Law or administrative policy of an applicable Governmental Authority as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if requested by the Borrower or the Administrative Agent, shall use commercially reasonable efforts to deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to withholding or information reporting requirements; and any Lender that ceases to be, or to be deemed to be, resident in Canada for purposes of Part XIII of the *Canadian Tax Act* shall within five days thereof notify the Borrower and the Administrative Agent in writing.

(g) Each Lender that is a Foreign Lender shall (A) enter into such agreements with the U.S. Internal Revenue Service as necessary to establish an exemption from withholding under FATCA; (B) comply with any certification, documentation, information reporting or other requirement necessary to establish an exemption from withholding under FATCA; (C) provide any documentation reasonably requested by the Borrower or the Administrative Agent sufficient for the Administrative Agent and the Borrower to comply with their obligations, if any, under FATCA and to determine that such Lender has complied with such applicable reporting requirements; and (D) provide a certification signed by the chief financial officer, principal accounting officer, treasurer or controller of such Lender certifying that such Lender has complied with any necessary requirements to establish an exemption from withholding under FATCA. For the avoidance of doubt, FATCA shall include any amendments to FATCA made after the date of this Agreement.

(h) **Survival.** The provisions of this Section 15.2 shall survive repayment of all Loans and the termination of this Agreement.

15.3 Illegality

If any Lender determines that any Applicable Laws has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make or maintain (or to maintain its obligations to make) any Loans or to determine or charge interest rates based upon any particular rate, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, any obligation of such Lender with respect to the activity that is unlawful shall be suspended until such Lender notifies the Administrative Agent and the

Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if conversion would avoid the activity that is unlawful, convert any Loans in order to avoid the activity that is unlawful. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted. Each Lender agrees to designate a different lending office if such designation will avoid the need for such notice and will not, in the good faith judgment of such Lender, otherwise be materially disadvantageous to such Lender.

ARTICLE 16

RIGHT OF SET-OFF

16.1 Right of Set-off

Upon the occurrence of an Event of Default and for so long as it is continuing, each of the Lenders and each of their respective Affiliates is hereby authorized at any time and from time to time in its discretion to set-off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of the Borrower against any and all of the Obligations of the Borrower now or hereafter existing under this Agreement or any other Loan Document to such Lender, irrespective of whether or not such Lender has made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each the Lenders and their respective Affiliates under this Section 16.1 are in addition to other rights and remedies (including other rights of set-off, consolidation of accounts and bankers' lien) that the Lenders or their respective Affiliates may have. Each Lender agrees to promptly notify the Borrower and the Administrative Agent after any such set-off and application, but the failure to give such notice shall not affect the validity of such set-off and application. If any Affiliate of a Lender exercises any rights under this Section 16.1, it shall share the benefit received in accordance with Section 17.1 as if the benefit had been received by the Lender of which it is an Affiliate.

ARTICLE 17

SHARING OF PAYMENTS BY LENDERS

17.1 Sharing of Payments by Lenders

(a) If any Lender, by exercising any right of set-off or counterclaim or otherwise, obtains any payment or other reduction that might result in such Lender receiving payment or other reduction of a proportion of the aggregate amount of its Loans and other outstanding Obligations hereunder and the other Loan Documents greater than its Applicable Percentage (which, for the purposes of this Section 17.1, shall be calculated with reference to the Commitments and the amounts owing to the Lenders under Qualifying Hedge Arrangements, after giving effect to the netting of all amounts owing under all Qualifying Hedge Arrangements with a Lender) thereof as provided herein, then the Lender receiving such payment or other reduction shall (i) notify the Administrative Agent of such fact, and (ii) purchase (for cash at face value) participations in the

outstanding Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders rateably in accordance with the aggregate amount of principal of and accrued interest on their respective outstanding Loans, other outstanding Obligations and other amounts owing them, provided that:

- (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest;
- (ii) the provisions of this Section shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Affiliate of the Borrower (as to which the provisions of this Section shall apply);
- (iii) the provisions of this Section shall not be construed to apply to (w) any payment made while no Event of Default has occurred and is continuing in respect of obligations of the Borrower to such Lender that do not arise under or in connection with the Loan Documents, (x) any payment made in respect of an obligation that is secured by a Permitted Encumbrance or that is otherwise entitled to priority over the Borrower's obligations under or in connection with the Loan Documents, (y) any reduction arising from an amount owing to the Borrower upon the termination of Hedge Arrangements entered into between the Borrower and such Lender provided such Hedge Arrangements are permitted hereunder and the other Loan Documents and other than Qualifying Hedge Arrangements, or (z)—any payment to which such Lender is entitled as a result of any form of credit protection obtained by such Lender other than Qualifying Hedge Arrangements; provided, however, this Section 17.1(a)(iii) shall not apply to the netting of amounts under all Qualifying Hedge Arrangements with a Lender.

(b) The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under Applicable Laws, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim and similar rights of Lenders with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

ARTICLE 18
ADMINISTRATIVE AGENT'S CLAWBACK

18.1 Administrative Agent's Clawback

(a) **Funding by Lenders; Presumption by Administrative Agent.** Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Drawdown that such Lender will not make available to the Administrative Agent such Lender's Applicable Percentage of such Drawdown, the Administrative Agent may assume that such Lender has made such Applicable Percentage available on such date in accordance with the provisions of this Agreement concerning funding by Lenders and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its Applicable Percentage of the applicable Loan available to the Administrative Agent, then the applicable Lender shall pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at a rate determined by the Administrative Agent in accordance with prevailing banking industry practice on interbank compensation. If the Lender does not pay such amount to the Administrative Agent forthwith, the Borrower shall pay to the Administrative Agent forthwith on written demand such corresponding amount with interest thereon at the interest rate applicable to the advance in question. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that has failed to make such payment to the Administrative Agent.

(b) **Payments by Borrower; Presumptions by Administrative Agent.** Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of any Lender hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute the amount due to the Lenders. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at a rate determined by the Administrative Agent in accordance with prevailing banking industry practice on interbank compensation.

ARTICLE 19
AGENCY

19.1 Appointment and Authority

Each of the Lenders hereby irrevocably appoints Bank of Montreal as the Administrative Agent to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents (or as the hypothecary representatives under the hypothecs) and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Without limiting the foregoing, the Administrative Agent shall act as collateral agent for the Lenders pursuant to the Loan Documents.

The provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders, and the Borrower shall not have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

19.2 Rights as a Lender

The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Affiliate thereof as if such Person were not the Administrative Agent and without any duty to account to the Lenders.

19.3 Exculpatory Provisions

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

- (i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;
- (ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents), but the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that may be contrary to any Loan Document or Applicable Laws; and
- (iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage

of the Lenders as is necessary, or as the Administrative Agent believes in good faith is necessary, under the provisions of this Agreement or any other Loan Document) or (ii) in the absence of its own gross negligence or wilful misconduct as determined by a court of competent jurisdiction by final and non-appealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until written notice describing such Default or Event of Default is given to the Administrative Agent by the Borrower or a Lender.

(c) Except as otherwise expressly specified in this Agreement, the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition specified in this Agreement, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

19.4 Reliance by Administrative Agent

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Drawdown that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Drawdown. The Administrative Agent may consult with legal counsel, independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

19.5 Indemnification of Administrative Agent

Each Lender agrees to indemnify the Administrative Agent and hold it harmless (to the extent not reimbursed by the Borrower), severally (and not jointly or jointly and severally) in accordance with its Applicable Percentage from and against any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel, which may be incurred by or asserted against the Administrative Agent in any way relating to or arising out of the Loan Documents or the transactions therein contemplated. However, no Lender shall be liable for any portion of such losses, claims, damages, liabilities and related expenses resulting from the Administrative Agent's gross negligence or wilful misconduct as determined by a court of competent jurisdiction by final and non-appealable judgment.

19.6 Delegation of Duties

The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent from among the Lenders (including the Person serving as Administrative Agent) and their respective Affiliates. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Persons. The provisions of this Article and other provisions of this Agreement for the benefit of the Administrative Agent shall apply to any such sub-agent and to the Related Persons of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Credit Facility provided for herein as well as activities as Administrative Agent.

19.7 Replacement of Administrative Agent

(a) The Administrative Agent may at any time give 30 days' prior notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, with the prior written consent of the Borrower, to appoint a successor, which shall be a Lender having a Commitment and having an office in Toronto, Ontario or an Affiliate of any such Lender with an office in Toronto, Ontario. The Administrative Agent may also be removed at any time by the Required Lenders upon 30 days' prior notice to the Administrative Agent and the Borrower as long as the Required Lenders, with the prior written consent of the Borrower, appoint and obtain the acceptance of a successor within such 30 days, which shall be a Lender having an office in Toronto, or an Affiliate of any such Lender with an office in Toronto.

(b) If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent with the consent of the Borrower not to be unreasonably withheld (provided no Borrower consent shall be required if an Event of Default exists) meeting the qualifications specified in Section 19.7(a), provided that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of the Security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such Security until such time as a successor Administrative Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in the preceding paragraph.

(c) Upon a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the former Administrative Agent, and the former Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already

discharged therefrom as provided in the preceding paragraph). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the termination of the service of the former Administrative Agent, the provisions of this Article 19 and of Article 21 shall continue in effect for the benefit of such former Administrative Agent, its sub-agents and their respective Related Persons in respect of any actions taken or omitted to be taken by any of them while the former Administrative Agent was acting as Administrative Agent.

19.8 Non-Reliance on Administrative Agent and Other Lenders

Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, any other Lender or any other Person and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any other Lender or any other Person and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

19.9 Collective Action of the Lenders

Each of the Lenders hereby acknowledges that to the extent permitted by Applicable Laws, the Security and all rights and remedies provided under the Loan Documents to the Lenders are for the benefit of the Lenders collectively and acting together and not severally and further acknowledges that its rights hereunder and under any Security are to be exercised not severally, but by the Administrative Agent upon the decision of the Required Lenders (or other such number or percentage of the Lenders as shall be expressly provided for in the Loan Documents). Accordingly, notwithstanding any of the provisions contained herein or in any Security, each of the Lenders hereby covenants and agrees that it shall not be entitled to take any action hereunder or thereunder including any declaration of Default or Event of Default hereunder or thereunder but that any such action shall be taken only by the Administrative Agent with the prior written agreement of the Required Lenders (or other such number or percentage of the Lenders as shall be expressly provided for in the Loan Documents). Each of the Lenders hereby further covenants and agrees that upon any such written agreement being given, it shall co-operate fully with the Administrative Agent to the extent requested by the Administrative Agent. Notwithstanding the foregoing, in the absence of instructions from the Lenders and where in the sole opinion of the Administrative Agent, acting reasonably and in good faith, the exigencies of the situation warrant such action, the Administrative Agent may without notice to or consent of the Lenders take such action on behalf of the Lenders as it deems appropriate or desirable in the interest of the Lenders. Subject to the foregoing, if the Borrower fails to perform any covenants on its part herein or under any Loan Document, the Administrative Agent may, in its discretion but need not, perform any covenant capable of being performed by the Administrative Agent and if the covenant requires the payment or expenditure of money, the Administrative Agent on behalf of the Lenders may make such payment or expenditure and all sums so expended shall be forthwith payable by the Borrower to the Administrative Agent on behalf of the Lenders and shall bear interest, at the option of the Administrative Agent, at the rate set out in Section 4.3

19.10 Appointment as Hypothecary Representative

(a) For the purposes of holding any security granted by the Credit Parties pursuant to the laws of the Province of Quebec, the Administrative Agent is hereby appointed as hypothecary representative to act as the person holding the power of attorney pursuant to Article 2692 of the CCQ to act on behalf of each of the Lenders. Each Person who is or becomes a Lender shall be deemed to ratify the appointment granted to the Administrative Agent hereunder by its execution of a Lender Assignment and Assumption Agreement. The Administrative Agent agrees to act in such capacity. Each party hereto agrees that, notwithstanding Section 32 of *An Act respecting the special powers of legal persons* (Quebec), the Administrative Agent, as hypothecary representative, shall also be entitled to act as a Lender.

(b) Each of the applicable Credit Parties and each of the Lenders hereby appoints the Administrative Agent as hypothecary representative, as such term is used in Article 2692 of the CCQ. The execution by the Administrative Agent, acting hypothecary representative and mandatary, prior to the date of this Agreement of any deeds of hypothec or other security documents is hereby ratified and confirmed. The Administrative Agent, acting as hypothecary representative shall have the same rights, powers, immunities, indemnities and exclusions from liability as are prescribed in favour of the Administrative Agent hereunder, which shall apply mutatis mutandis to the Administrative Agent acting as hypothecary representative. Without limitation, the provisions of Section 19.7 of this Agreement shall apply mutatis mutandis to the resignation and appointment of a successor to the Administrative Agent acting as hypothecary representative.

19.11 Erroneous Payments

(1) Each Lender hereby agrees that (a) if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Lender (whether or not known to such Lender) (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a “**Erroneous Payment**”) and demands the return of such Erroneous Payment (or a portion thereof), such Lender or Issuing Bank shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent in same day funds at the Overnight Rate and (b) to the extent permitted by applicable Law, such Lender shall not assert any right or claim to the Erroneous Payment, and hereby waives, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments received, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine. A notice of the Administrative Agent to any Lender under this Section 19.11(1) shall be conclusive, absent manifest error.

(2) Without limiting Section 19.11(1), each Lender hereby further agrees that if it receives an Erroneous Payment from the Administrative Agent (or any of its Affiliates) (a) that is in a different

amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Erroneous Payment (an “**Erroneous Payment Notice**”), (b) that was not preceded or accompanied by an Erroneous Payment Notice, or (c) that such Lender otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), in each case, an error has been made (and that it is deemed to have knowledge of such error at the time of receipt of such Erroneous Payment) with respect to such Erroneous Payment, and to the extent permitted by applicable Law, such Lender shall not assert any right or claim to the Erroneous Payment, and hereby waives, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments received, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine. Each Lender agrees that, in each such case, it shall promptly (and, in all events, within one Business Day of its knowledge (or deemed knowledge) of such error) notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in all events no later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Overnight Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(3) The Borrower and each other Guarantor hereby agrees that (a) in the event an Erroneous Payment (or portion thereof) is not recovered from any Lender or Issuing Bank that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount and (b) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Guarantor except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any other Guarantor.

(4) Each party’s obligations under this Section 19.11 shall survive the resignation or replacement of the Administrative Agent, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

ARTICLE 20

NOTICES: EFFECTIVENESS; ELECTRONIC COMMUNICATION

20.1 Notices, etc.

(a) **Notices Generally.** Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in Sections 20.1(c) or 20.1(d) all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier to the addresses or telecopier numbers specified elsewhere in this Agreement or, if to a Lender, to it at its address or telecopier number specified in the Register as defined in Section 1.1(i)(c).

(b) **Delivery.** Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given on a Business Day before 5:00 p.m. local time where the recipient is located, shall be deemed to have been given at 9:00 a.m. on the next Business Day for the recipient). Notices delivered through electronic communications to the extent provided in Sections 20.1(c) or 20.1(d) shall be effective as provided therein.

(c) **Electronic Communications.** Notices and other communications to the Administrative Agent for itself and on behalf of the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender of Loans to be made if such Lender has notified the Administrative Agent that it is incapable of receiving notices by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

(d) **Delivery by Electronic Communication.** Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "**return receipt requested**" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is sent after normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is sent after normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(e) **Notice.** The mailing addresses and address for electronic communications for the purposes of notices and other communications to the Credit Parties, the Administrative Agent and the Lenders are set out on the signature pages of this Agreement.

(f) **Change of Address, Etc.** Any party hereto may change its address or telecopier number for notices and other communications hereunder by notice to the other parties hereto in accordance with the terms of this Agreement.

(g) **Platform.**

- (i) Each Credit Party agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the “**Platform**”).
- (ii) The Platform is provided “as is” and “as available.” The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the “**Agent Parties**”) have any liability to the Borrower or the other Credit Parties, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower’s any Credit Party’s or the Administrative Agent’s transmission of communications through the Platform. “**Communications**” means, collectively, any notice, demand, communication, information, document or other material that any Credit Party provides to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Administrative Agent or any Lender by means of electronic communications pursuant to this Section, including through the Platform.

ARTICLE 21
EXPENSES; INDEMNITY; DAMAGE WAIVER

21.1 Expenses; Indemnity; Damage Waiver

(a) **Costs and Expenses.** The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the syndication of the Credit Facility provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all out-of-pocket expenses incurred by the Administrative Agent or any Lender including the fees, charges and disbursements of counsel, in connection with the enforcement or protection of its rights in connection with this Agreement and the other Loan Documents, including its rights under this Section, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) **Indemnification by the Borrower.** The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender, and each Related Person of any of the foregoing Persons (each such Person being called an “**Indemnatee**”) against, and hold each Indemnatee harmless from, any and all Claims suffered or incurred by any Indemnatee or asserted against any Indemnatee by any third party or by the Borrower arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance or non-performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation or non-consummation of the transactions contemplated hereby or thereby, (ii) any Loan, or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged use, generation, storage, presence or Release on, from or under any property that is or at any time was a Secured Property under this Agreement (or any property owned or operated by the Credit Parties) of any Hazardous Substance, any breach of Environmental Laws by the Credit Parties or any environmental liability related in any way to the Credit Parties (notwithstanding any provision of the Loan Documents to the contrary, the indemnification under this Section 21.1(b) shall survive the repayment of the Loans and the discharge and/or release of any Security), or (iv) any actual or prospective Claim relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower and regardless of whether any Indemnatee is a party thereto, provided that such indemnity shall not, as to any Indemnatee, be available to the extent that such Claims (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or wilful misconduct of such Indemnatee or (y) result from a claim brought by the Borrower against an Indemnatee for breach of such Indemnatee’s obligations hereunder or under any other Loan Document, if the Borrower has obtained a final and nonappealable judgment in its favour on such claim as determined by a court of competent jurisdiction, nor shall it be available in respect of matters specifically addressed in Sections 15.1, 15.2 and 21.1(a).

(c) **Reimbursement by Lenders.** To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under Section 21.1(a) or 21.1(b) to be paid by it to the Administrative Agent (or any sub-agent thereof) or any Related Person of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Person, as the case may be, such Lender’s Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) in its capacity as such, or against any Related Person of any of the foregoing acting for the Administrative Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders under this Section 21.1(c) are subject to the other provisions of this Agreement concerning several liability of the Lenders.

(d) **Waiver of Consequential Damages, Etc.** To the fullest extent permitted by Applicable Laws, the Borrower shall not assert, and hereby waives, any claim against any Indemnatee, on any theory of liability, for indirect, consequential, punitive, aggravated or exemplary damages (as opposed to direct damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby (or any breach thereof), the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnatee shall be liable for any damages arising from the use

by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby, provided such information or materials are distributed by such Indemnatee in accordance with the provisions of this Agreement or any related term sheet or other agreement between the Administrative Agent and the Borrower in respect of the Credit Facility.

(e) **Payments.** All amounts due under this Section shall be payable promptly after demand therefor. A certificate of the Administrative Agent or a Lender setting forth the amount or amounts owing to the Administrative Agent, Lender or a sub-agent or Related Person, as the case may be, as specified in this Section, including reasonable detail of the basis of calculation of the amount or amounts, and delivered to the Borrower shall be conclusive absent manifest error.

(f) **Survival.** The provisions of this Article 21 shall survive the repayment of all Obligations, whether on account of principal, interest or fees, and the termination of this Agreement, unless a specific release of such provisions by the Administrative Agent, on behalf of the Lenders, is delivered to the Borrower.

ARTICLE 22

SUCCESSORS AND ASSIGNS

22.1 Successors and Assigns

(a) **Successors and Assigns Generally.** The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Credit Parties may not assign or otherwise transfer any of their respective rights or obligations hereunder without the prior written consent of the Administrative Agent and all Lenders and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of Section 22.1(b), (ii) by way of participation in accordance with the provisions of Section 22.1(d), or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 22.1(e) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 22.1(d) and, to the extent expressly contemplated hereby, the Related Persons of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) **Assignments by Lenders.** Any Lender, with notice to the Borrower, may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and all outstanding Loans at the time owing to it), provided that:

- (i) except if an Event of Default has occurred and is continuing or in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the outstanding Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender, the aggregate

amount of the Commitment being assigned (which for this purpose includes all outstanding Loans owing to it thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of all outstanding Loans of the assigning Lender subject to each such assignment (determined as of the date the Lender Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Lender Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000 and in increments of \$1,000,000 thereof, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consent to a lower amount (each such consent not to be unreasonably withheld or delayed);

- (ii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the outstanding Loans or the Commitment assigned, except that this clause (ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate credits on a non-pro rata basis;
- (iii) any assignment must be approved by the Administrative Agent (such approval not to be unreasonably withheld or delayed);
- (iv) any assignment must be to an Eligible Assignee;
- (v) the parties to each assignment shall execute and deliver to the Administrative Agent a Lender Assignment and Assumption, together with the processing fee in the following sentence and the Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire. Each assignment shall be made upon payment by the assignor to the Administrative Agent of a processing fee of \$5,000 (provided, in each case, that no such fee shall be payable in respect of any assignment (i) to any Affiliate of such Lender; or (ii) by the Administrative Agent or any of its Affiliates), provided that, in the case of contemporaneous assignments by a Lender to more than one fund managed by the same investment advisor or an Affiliate of such investment advisor (which funds are not then Lenders hereunder), only a single such fee shall be payable for all such contemporaneous assignments.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 22.1(c), from and after the effective date specified in each Lender Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Lender Assignment and Assumption, have the rights and obligations of a Lender under this Agreement and the other Loan Documents, including any collateral security, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Lender Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of a Lender Assignment and Assumption covering all of the assigning

Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Article 15 and Article 21, and shall continue to be liable for any breach of this Agreement by such Lender, with respect to facts and circumstances occurring prior to the effective date of such assignment. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 22.1(d). Any payment by an assignee to an assigning Lender in connection with an assignment or transfer shall not be or be deemed to be a repayment, discharge, rescission, extinguishment or novation of any extension of credit by such Lender under this Agreement or interest therein or a new Loan to the Borrower, and the obligations so assigned will continue to be the same obligations and not new obligations.

(c) **Register.** The Administrative Agent shall maintain a copy of each Lender Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the outstanding Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) **Participations.** Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person, the Borrower or any Affiliate of the Borrower) (each, a "**Participant**") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the outstanding Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any payment by a Participant to a Lender in connection with a sale of a participation shall not be or be deemed to be a repayment by the Borrower or a new Loan to the Borrower.

The Borrower agrees that each Participant shall be entitled to the benefits of Article 15 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 22.1(b), provided such Participants agree to be subject to Article 17 as though they were Lenders. To the extent permitted by Applicable Laws, each Participant also shall be entitled to the benefits of Section 16.1 as though it were a Lender, provided such Participant agrees to be subject to Article 17 as though it were a Lender.

(e) **Certain Pledges.** Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, but no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

ARTICLE 23

AMENDMENTS AND WAIVERS

23.1 Amendments and Waivers

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by the Borrower and the Administrative Agent for and on behalf of the Lenders or the Required Lenders, as the case may be, in accordance with Section 22.1(b) and 22.1(c). No waiver of any breach of any provision of this Agreement and no consent required hereunder will be effective or binding unless made in writing and signed by the party purporting to give the same. Unless otherwise provided, any waiver or consent given hereunder will be limited to the specific breach waived or matter consented to, as the case may be, and may be subject to such conditions as the party giving such waiver or consent considers appropriate.

23.2 Judgment Currency

(a) If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due to a Lender in any currency (the “**Original Currency**”) into another currency (the “**Other Currency**”), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, such Lender could purchase the Original Currency with the Other Currency on the Business Day preceding the day on which final judgment is given or, if permitted by Applicable Laws, on the day on which the judgment is paid or satisfied.

(b) The obligations of the Borrower in respect of any sum due in the Original Currency from it to any Lender under any of the Loan Documents shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Lender of any sum adjudged to be so due in the Other Currency, the Lender may, in accordance with normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lender in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding the judgment, to indemnify the Lender, against any loss, and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Lender in the Original Currency, the Lender shall remit such excess to the Borrower.

ARTICLE 24

GOVERNING LAW; JURISDICTION; ETC.

24.1 Governing Law; Jurisdiction; Etc.

(a) **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.

(b) **Submission to Jurisdiction.** Each Credit Party irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the Province of Ontario, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document, or for recognition or enforcement of any

judgment, and each of the parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such court. Each of the parties hereto agrees that a final, non-appealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against each Credit Party or its properties in the courts of any jurisdiction.

(c) **Waiver of Venue.** Each Credit Party irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Laws, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court of the Province of Ontario. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Laws, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) EACH CREDIT PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, EACH LOAN DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF THE ADMINISTRATIVE AGENT OR THE LENDERS OR THE CREDIT PARTIES IN CONNECTION THEREWITH. THE CREDIT PARTIES ACKNOWLEDGE AND AGREE THAT THEY HAVE RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION (AND EACH OTHER PROVISION OF EACH OTHER LOAN DOCUMENT TO WHICH THEY ARE A PARTY) AND THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE ADMINISTRATIVE AGENT AND THE LENDERS ENTERING INTO THE LOAN DOCUMENTS.

ARTICLE 25
COUNTERPARTS; INTEGRATION;
EFFECTIVENESS; ELECTRONIC EXECUTION

25.1 Counterparts; Integration; Effectiveness; Electronic Execution

(a) **Counterparts; Integration; Effectiveness.** This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement shall become effective when it has been executed by the Administrative Agent and when the Administrative Agent has received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) **Electronic Execution of Assignments.** The words “execution,” “signed,” “signature,” and words of like import in any Lender Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Laws, including Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act*, 2000 (Ontario) and other similar federal or provincial laws based on the *Uniform Electronic Commerce Act of the Uniform Law Conference of Canada* or its *Uniform Electronic Evidence Act*, as the case may be.

ARTICLE 26

TREATMENT OF CERTAIN INFORMATION: CONFIDENTIALITY

26.1 Treatment of Certain Information: Confidentiality

(a) In addition, and notwithstanding anything herein to the contrary, the Administrative Agent may provide information concerning the Borrower and the Credit Facility established herein to the Loan Pricing Corporation and/or recognized trade publishers of information for general circulation in the loan market

(b) In addition, and notwithstanding anything herein to the contrary but except as otherwise required by Applicable Law, the Credit Parties agree to maintain the confidentiality of, and shall not disclose, the contents of the definition of Applicable Margin, reference herein to any fees or, at the request of any Lender, the identity of such Lender and the Administrative Agent shall have the right to require the Credit Parties to redact the definition of Applicable Margin, reference herein to any fees and such other information that the Administrative Agent may wish to redact (including, without limitation, the identity of the Lenders where requested by a Lender) with respect to this Agreement in accordance with National Instrument 51-102 and Applicable Law (including the Applicable Laws applicable to any Affiliate of any Credit Party which require such Affiliate to disclose this Agreement) prior to the Borrower or any of its Affiliates or its agents posting this Agreement on SEDAR (www.sedar.com) or such other means of public disclosure, provided that the proposed redactions are, according to the Borrower (other than with respect to the redaction of the Applicable Margin and fees) in accordance with National Instrument 51-102 and Applicable Law. The Administrative Agent and the Borrower shall each act reasonably in determining the extent of any redaction prior to any posting on SEDAR or equivalent. The Credit Parties shall provide written notice to the Administrative Agent of any request by a securities commission to amend the redaction of the identity of the Lenders.

ARTICLE 27

NATURE OF OBLIGATIONS, RECOURSE AND DIRECTION

27.1 Nature of Obligations under this Agreement and Recourse

(a) The obligations of each Lender and the Administrative Agent under this Agreement are several. The failure of any Lender to carry out its obligations hereunder shall not relieve the other Lenders, the Administrative Agent or any Credit Party of any of their respective obligations

hereunder. Neither the Administrative Agent nor any Lender shall be responsible for the obligations of any other Lender hereunder.

(b) The obligations of the Credit Parties hereunder and under the other Loan Documents are joint and several and the Administrative Agent and the Lenders may pursue their remedies against one or more of the Credit Parties in their discretion. Each of the Credit Parties acknowledges that additional Credit Parties may become parties to this Agreement and the other Loan Documents from time to time without any agreement with, acknowledgement or approval from or notice to the Credit Parties and that upon such additional Credit Party becoming a party to this Agreement or any other Loan Documents, such additional Credit Party's obligations hereunder and under the Loan Documents shall be joint and several with the obligations of all Credit Parties hereunder and under the Loan Documents.

(c) Nothing in this Agreement or in any of the other Loan Documents shall mean, nor be construed to mean, that the recourse of the Administrative Agent and the Lenders against each Credit Party and the Secured Properties is anything other than full recourse with regard to the Obligations hereunder, the manner and order of realization or the exercise of remedies hereunder or under the Loan Documents.

(d) Each of the Credit Parties acknowledges and agrees that the Borrower shall execute any amendment to this Agreement, any Drawdown Notice, Conversion Notice or Rollover Notice, any written request, Officer Certificate or any document or agreement contemplated under the Loan Documents and each of the other Credit Parties acknowledges and agrees that it shall be bound by any such amendment, notice, request, certificate, document or agreement executed and delivered by the Borrower and each of the Credit Parties will be jointly and severally liable thereunder.

(e) Time shall be of the essence of this Agreement and the other Loan Documents.

27.2 Direction and Acknowledgement

(a) Each Beneficial Owner hereby irrevocably and unconditionally authorizes and directs the Nominee to execute and deliver to the Lenders and the Administrative Agent the Loan Documents to be executed by the Nominee and such other agreements, instruments and documents as may be necessary or desirable from time to time to secure the Loans, Credit Facility and Obligations.

(b) Each Beneficial Owner acknowledges and agrees that the Encumbrances given by each Nominee in favour of the Administrative Agent from time to time in respect of the Secured Property under the Loan Documents are given by each Nominee as agent for the related Beneficial Owner, with the same effect as if that Beneficial Owner had granted such Encumbrances on its own behalf and that such Encumbrances shall be effective for all purposes to (i) bind the beneficial interest of the Beneficial Owners in each Secured Property, and (ii) provide all of the rights and remedies in favour of the Administrative Agent arising from or relating to the Secured Property thereunder against each Beneficial Owner and its beneficial interest in each Secured Property.

(c) Each Credit Party will do, execute, acknowledge and deliver or cause to be done, acknowledged or delivered, at all times, such further grants, charges, mortgages, assignments,

security interests and other acts as may be reasonably required by the Administrative Agent for the better granting, charging, mortgaging, perfecting and protecting, assigning and creating or confirming the security interests granted or intended to be granted to the Administrative Agent in respect of the beneficial interest of each Beneficial Owner in each Secured Property.

(d) Each Credit Party covenants and agrees with the Administrative Agent and the Lenders that the directions, agreements and acknowledgements of the Credit Parties hereunder shall be irrevocable and unconditional, and so long as the Loans, Credit Facility and the Obligations thereunder shall remain unpaid and outstanding, shall continue and remain in full force and effect and shall not be terminated or in any manner affected notwithstanding: (i) the dissolution, winding-up or cessation of existence of any Credit Party, or the institution of any proceeding relating thereto, any continuance or reorganization or change in the business, capital structure, directors, management, members, name, objects, organization, powers, partners or shareholders or unitholders of the Credit Parties, the merger, amalgamation or consolidation of any Credit Party (or any entity comprising a Credit Party) with any other Person, the sale or disposal or appointment of a custodian, liquidator, receiver, trustee or other Person with similar powers in respect of the assets or undertaking, in whole or in part, of any Credit Party (or any entity comprising a Credit Party), any distribution of the assets, in whole or in part, of any Credit Party (or any entity comprising a Credit Party) upon any arrangement, bankruptcy, composition, insolvency, liquidation, receivership, reorganization or other similar proceeding relating to any Credit Party (or any entity comprising a Credit Party), any change in the composition of any partnership comprising any Credit Party, any assignment by any Credit Party (or any entity comprising a Credit Party) for the benefit of its creditors, any other marshalling of any assets of any Credit Party (or any entity comprising a Credit Party) or any other act or event which would constitute a novation of any obligation or liability of any Credit Party (or any entity comprising a Credit Party) in respect of the Loans and Credit Facility, whether by substitution or otherwise, (ii) any obligation or liability of any Credit Party (or any entity comprising a Credit Party) or any other Person who is or may become liable under or in respect of the Loans and Credit Facility under the Loan Documents or otherwise now or hereafter being invalid, illegal or unenforceable, (iii) any defect in, omission from, failure to file or register, or defective filing or registration of any instrument under which the Administrative Agent has taken or has had created and issued or granted in its favour any security for payment of any Loans, Credit Facility, or the performance or observance of any of the Obligations of the Credit Parties under or in respect of the Loans and Credit Facility or any other Person who is or may become liable under or in respect of the Loans and Credit Facility, whether under the Loan Documents or otherwise, (iv) the issue or attachment of any judgement, writ, execution or similar process by any Governmental Authority against the Secured Property or any Credit Party (or any entity comprising a Credit Party) or any other Person who is or may become liable under or in respect of the Loans and Credit Facility, or (v) any occurrence or non-occurrence of any other act or event which, by operation of law, equity or otherwise, would directly or indirectly now or hereafter result in the determination, discharge, limitation, merger, novation, reduction or release of the obligations or liabilities of any Credit Party (or any entity comprising a Credit Party) under or in respect of the Loans and Credit Facility or would otherwise prejudice or impair any rights or remedies of the Administrative Agent under the Loan Documents or otherwise.

(e) Each of the Borrower and each Beneficial Owner shall cause each Nominee to perform its obligations hereunder and under all other Loan Documents, where applicable and appropriate, shall cause the Nominee to meet the Credit Parties' obligations hereunder.

[Signature pages follow.]

Address:
RioCan-HBC Limited Partnership
401 Bay Street, Suite 500
Toronto, Ontario M5H 2Y4


**RIOCAN-HBC LIMITED
PARTNERSHIP by RIOCAN-HBC
GENERAL PARTNER INC., in its
capacity as General Partner**

Facsimile No.: (416) 256-2365

By

With a copy to:

2300 Yonge Street, Suite 500
Toronto, ON M4P 1E4



Name: Ian Putnam
Title: Authorized Signatory

Facsimile No.: (416) 866-3020

I have authority to bind the Limited Partnership
and the Corporation


[Remainder of page intentionally left blank.]

[Signature Page to Fourth Amended and Restated Credit Agreement – RioCan-HBC Limited Partnership]

Address:
401 Bay Street, Suite 500
Toronto, Ontario M5H 2Y4

**RIOCAN-HBC GENERAL PARTNER
INC.**

Facsimile No.: (416) 256-2365

By 
Name: Ian Putnam
Title: Authorized Signatory

I have authority to bind the Corporation

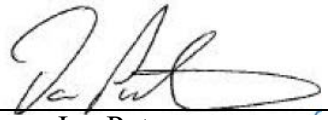
[Remainder of page intentionally left blank.]

[Signature Page to Fourth Amended and Restated Credit Agreement – RioCan-HBC General Partner Inc.]

Address:
401 Bay Street, Suite 500
Toronto, Ontario M5H 2Y4

2472596 ONTARIO INC.

Facsimile No.: (416) 256-2365

By 
Name: Ian Putnam
Title: Authorized Signatory

I have authority to bind the Corporation


[Remainder of page intentionally left blank.]

[Signature Page to Fourth Amended and Restated Credit Agreement – 2472596 Ontario Inc.]

Address:
401 Bay Street, Suite 500
Toronto, Ontario M5H 2Y4

2472598 ONTARIO INC.

Facsimile No.: (416) 256-2365

By 
Name: Ian Putnam
Title: Authorized Signatory

I have authority to bind the Corporation

[Remainder of page intentionally left blank.]

[Signature Page to Fourth Amended and Restated Credit Agreement – 2472598 Ontario Inc.]

Address:

401 Bay Street, Suite 500
Toronto, Ontario M5H 2Y4

**HBC YSS 1 LIMITED PARTNERSHIP, by
its general partner, HUDSON'S BAY
COMPANY ULC**

Facsimile No.: (416) 256-2365

By



Name: Ian Putnam
Title: Authorized Signatory

I have authority to bind the Limited Partnership
and the Corporation

[Remainder of page intentionally left blank.]


[Signature Page to Fourth Amended and Restated Credit Agreement – HBC YSS 1 LP]

Address:

401 Bay Street, Suite 500
Toronto, Ontario M5H 2Y4

Facsimile No.: (416) 256-2365

**HBC YSS 2 LIMITED PARTNERSHIP, by
its general partner, HUDSON'S BAY
COMPANY ULC**

By 
Name: Ian Putnam
Title: Authorized Signatory

I have authority to bind the Limited Partnership
and the Corporation

[Remainder of page intentionally left blank.]


[Signature Page to Fourth Amended and Restated Credit Agreement – HBC YSS 2 LP]

Address:
250 Yonge Street, 11th Floor
Toronto, Ontario M5B 2L7

BANK OF MONTREAL, as
Administrative Agent

Attention: Client Services, Corporate & by
Commercial Lending
Operations

Facsimile No.: (416) 598-6218



Name: Steven MacKinnon
Title: Managing Director

Name:
Title:


I/We have the authority to bind the above.

Address:
100 King Street West
First Canadian Place, 4th Floor
Toronto, Ontario M5X 1H3

BANK OF MONTREAL, as Lender

Attention: North American Real Estate
Corporate Banking

Facsimile No.: (416) 359-7796

by 

Name: Steven MacKinnon
Title: Managing Director

Name:
Title:

I/We have the authority to bind the above.

[Remainder of page intentionally left blank.]

[Signature Page to Fourth Amended and Restated Credit Agreement – Bank of Montreal]

Address:

81 Bay Street, 10th Floor
Toronto, Ontario M5J 0E7

**CANADIAN IMPERIAL BANK OF
COMMERCE,**
as Lender

Attention: Sam Petras, Vice President, by
Real Estate Corporate Banking



Facsimile No.: 416-956-3870

Name: Sam Petras
Title: Vice President



Name: Peter Dabic
Title: Senior Manager

I/We have the authority to bind the above.

[Remainder of page intentionally left blank.]

[Signature Page to Fourth Amended and Restated Credit Agreement – Canadian Imperial Bank of Commerce]

Address:
Suite 700, 50 Minthorn Blvd.
Markham, Ontario, Canada, L3T 7X8

Attention:
Sean Shi

Facsimile No.:

BANK OF CHINA (CANADA),
as Lender

by



Name: Sean Shi
Title: Relationship Manager



Name: David Liang
Title: Head of Corporate Banking Department

I/We have the authority to bind the above.

Address:
200 Bay Street, 10th Floor
Toronto, Ontario, M4J 2WA

Attention:
Shubbham
Gutgutia

Facsimile No.:

SBI CANADA BANK,
as Lender

by

Name:
Title:

Name:
Title:

I/We have the authority to bind the above.

[Remainder of page intentionally left blank.]

[Signature Page to Fourth Amended and Restated Credit Agreement – Business Development Bank of Canada]

Address:
Suite 700, 50 Minthorn Blvd.
Markham, Ontario, Canada, L3T 7X8

Attention:
Sean Shi

Facsimile No.:

BANK OF CHINA (CANADA),
as Lender

by

Name:
Title:

Name:
Title:

I/We have the authority to bind the above.

Address:
200 Bay Street, 10th Floor
Toronto, Ontario, M4J 2WA

Attention:
Shubbham
Gutgutia

Facsimile No.:

SBI CANADA BANK,
as Lender

by



Name: Aslam Khan
Title: Relationship Manager - CCB



Name: Saraswathi Valle
Title: VP & Team Leader (RMT)

I/We have the authority to bind the above.

[Remainder of page intentionally left blank.]

[Signature Page to Fourth Amended and Restated Credit Agreement – Business Development Bank of Canada]

Address:
401 Bay Street
Toronto, Ontario M5H 2Y4

**HUDSON'S BAY COMPANY PENSION
PLAN**

as Lender

Attention:
Michelle Chusan, VP, Total
Rewards

by



Name: Michael Culhane

Title: Authorized Signatory

Facsimile No.:

Name:

Title:

I/We have the authority to bind the above.

[Remainder of page intentionally left blank.]

[Signature Page to Fourth Amended and Restated Credit Agreement – Business Development Bank of Canada]

SCHEDULE A

LENDERS AND COMMITMENTS

<u>Lender</u>	<u>Term Commitment</u>
<i>Bank of Montreal</i> 100 King Street West First Canadian Place, 4th Floor Toronto, Ontario M5X 1H3 Attention: Managing Director, Corporate Banking	\$29,500,000
<i>Canadian Imperial Bank of Commerce</i> 161 Bay Street, 22 nd Floor Toronto, Ontario M5J 2S8 Attention: Sam Petras, Market Vice President, Real Estate Corporate Banking	\$29,500,000
<i>Bank of China (Canada)</i> Suite 700, 50 Minthorn Blvd. Markham, Ontario, Canada, L3T 7X8 Attention: Sean Shi	\$25,000,000
<i>SBI Canada Bank</i> 220 Bay Street, 10th Floor Toronto, ON M5J 2W4 Attention: Shubham Gutgutia	\$15,000,000
<i>Hudson's Bay Company Pension Plan</i> 401 Bay Street Toronto, Ontario M5H 2Y4 Attention: Michelle Chusan, VP, Total Rewards	\$6,000,000
Total	\$105,000,000

SCHEDULE 1.1(A)
GUARANTORS AND NOMINEES

Guarantors

1. RioCan-HBC General Partner Inc.
2. 2472596 Ontario Inc.
3. 2472598 Ontario Inc.
4. HBC YSS 1 LP, by its general partner, Hudson's Bay Company ULC
5. HBC YSS 2 LP, by its general partner, Hudson's Bay Company ULC

Nominees

1. 2472596 Ontario Inc.
2. 2472598 Ontario Inc.
3. Hudson's Bay Company ULC

SCHEDULE 1.1(B)

COMPLIANCE CERTIFICATE

TO: **BANK OF MONTREAL**, as Administrative Agent

FROM: **RIOCAN-HBC LIMITED PARTNERSHIP** (the “**Borrower**”)

DATE: _____

This Compliance Certificate is delivered pursuant to the fourth amended and restated credit agreement made as of May 31, 2024 between and among the Borrower, Bank of Montreal, as Administrative Agent, the financial institutions from time to time parties thereto as Lenders and the Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). All capitalized terms used and not defined in this Compliance Certificate have the meanings specified in the Credit Agreement.

I, _____, the _____ of the general partner of the Borrower, certify for and on behalf of the Borrower, and not in my personal capacity and without personal liability, that:

1. **Examinations.** I have made or caused to be made such examinations or investigations as are, in my opinion, necessary to furnish this Compliance Certificate

2. **Reliance.** I have furnished this Compliance Certificate with the intent that it may be relied upon by the Lenders as a basis for determining compliance by the Borrower with the Borrower’s covenants and obligations under the Credit Agreement. I have read and am familiar with the Credit Agreement including, in particular, the definitions of the various financial terms, the representations and warranties contained in Article 10 of the Credit Agreement, the covenants contained in Article 11 of the Credit Agreement and the Events of Default described in Article 12 of the Credit Agreement.

3. **Representations and Warranties.** All of the representations and warranties of the Credit Parties contained in Section 10.1 of the Credit Agreement are true and correct in all material respects (except to the extent where any such representation and warranty is materially qualified therein, then such representation and warranty shall be true and correct) on and as of the date hereof (except to the extent as of a specific date), subject to changes thereto:

- (i) given to the Administrative Agent by the Borrower in writing and accepted in writing by the Administrative Agent or the Lenders (as applicable); and
- (ii) expressly contemplated by the terms of the Credit Agreement and disclosed to the Administrative Agent and the Lenders in writing.

4. **Terms, Covenants and Conditions.** All of the terms, covenants and conditions of the Credit Agreement to be performed or complied with by the Credit Parties at or prior to the date hereof have been performed or complied with.

5. **Default.** No Default or Event of Default has occurred and is continuing on the date hereof.

6. **Financial Statements.** Attached hereto are the financial statements of most recent date (“**Reference Date**”) referred to in Sections 11.3 of the Credit Agreement. Such financial statements when read with the notes thereto and the reconciliation accompanying such financial statements, represent fairly the consolidated financial position of the Credit Parties as of the date of such statements and for the reporting period included in such statements, and such financial statements, and all calculations of financial covenants and financial ratios and presentation of financial information in this Compliance Certificate and the Appendices hereto have been prepared in accordance with GAAP.

7. **Borrowing Base.** The Borrower is in compliance with the Borrowing Base provisions of Section 6.5 of the Credit Agreement as of the Reference Date as demonstrated in the calculations set forth in Appendix D to this Compliance Certificate. The Lending Values of each of the Secured Properties included in the Borrowing Base as of the Reference Date are listed in Appendix A to this Compliance Certificate. The amount of all Loans under the Credit Facility as of the Reference Date is set forth in Appendix D. As of the Reference Date, the outstanding Loans under the Credit Facility do not exceed the Borrowing Base.

8. **Financial Covenant Compliance.**

Debt to Aggregate GBV Ratio

The Borrower is in compliance with the maximum Debt to Aggregate GBV Ratio requirements of Section 11.2(a) of the Credit Agreement as demonstrated in the calculations set forth in Appendix B to this Compliance Certificate. Debt as of the Reference Date is set forth in Appendix B. The Aggregate GBV as of the Reference Date is set forth in Appendix A. The ratio of Debt to Aggregate GBV as of the Reference Date did not exceed 50 percent.

Debt Service Coverage Ratio

The Borrower is in compliance with the Debt Service Coverage Ratio requirements of Section 11.2(b) of the Credit Agreement as demonstrated in the calculations set forth in Appendix C. Consolidated EBITDA for the four Fiscal Quarters ending on the Reference Date is set forth in Appendix D to this Compliance Certificate. Debt Service for the four Fiscal Quarters ending on the Reference Date are set forth in Appendix B of this Compliance Certificate. The Debt Service Coverage Ratio as of the Reference Date is not less than 1.50:1.00.

Minimum Adjusted Partners’ Equity

The Borrower is in compliance with the minimum Adjusted Partners’ Equity requirements of Section 11.2(c) of the Credit Agreement as demonstrated in the calculations set

forth in Appendix C to this Compliance Certificate. The minimum Adjusted Partners' Equity as of the Reference Date is not less than \$750,000,000.

9. **Qualifying Hedge Arrangements and Aggregate Hedge Exposure.**

As of the date of this Compliance Certificate, the details of the Qualifying Hedge Arrangements by the Borrower are as follows: ●

As of the date of this Compliance Certificate, Aggregate Hedge Exposure of the Borrower under all Qualifying Hedge Arrangements is as follows: ●

[Remainder of page intentionally left blank.]

DATED this ____ day of _____.

**RIOCAN-HBC LIMITED PARTNERSHIP by
RIOCAN-HBC GENERAL PARTNER INC. in its
capacity as General Partner**

Per: _____

Name:

I have authority to bind the Partnership

[Signature Page to Compliance Certificate.]

APPENDIX A TO COMPLIANCE CERTIFICATE (REFERENCE DATE ●)

Calculation of Debt to Aggregate GBV Ratio

Indebtedness	\$●
Aggregate GBV	\$●
Debt to Aggregate GBV Ratio	●

(Required ratio of Debt to Gross Book Value does not exceed 50% (see Section 11.2(a) of the Credit Agreement))

APPENDIX B TO COMPLIANCE CERTIFICATE (Reference Date ●)

Calculation of Debt Service Coverage Ratio

Consolidated Net Income		\$●
plus:		
Consolidated Interest Expense		\$●
plus:		
Income tax expense		\$●
plus:		
Amortization expense		\$●
plus:		
plus:		
Non-cash items (foreign exchange) decreasing Consolidated Net Income		\$●
minus:		
Other Non-cash items increasing in Consolidated Net Income		\$●
minus		
	Consolidated EBITDA	\$●
	Debt Service	\$●
(Required Debt Service Coverage Ratio is not less than 1.50x (see Section 12.2(b) of the Credit Agreement))	Debt Servicing Coverage Ratio	\$●

APPENDIX C TO COMPLIANCE CERTIFICATE (REFERENCE DATE ●)

Calculation of Adjusted Partners' Equity

Adjusted Partners' Equity	\$●
Accumulated amortization	\$●
Adjusted Partners' Equity	<hr/> \$●

(Required minimum Adjusted Partners' Equity is not less than \$750,000,000 (see Section 11.2(c) of the Credit Agreement))

APPENDIX D TO COMPLIANCE CERTIFICATE (REFERENCE DATE ●)

Calculation of Lending Value

(a) = Estimated Value

(b) = Margin (45% for each property)

(c) = (a) x (b)

(d) = Mortgageability Amount

(e) = Lesser of (c) or (d) = Property-Specific Lending Value

Secured Property	(a) Estimated Value	(b) Margin (45% for each property)	(c) (a) x (b)	(d) Mortgageability Amount	(e) Lesser of (c) or (d) = Property- Specific Lending Value
●	\$●	\$●	\$●	\$●	\$●
	Borrowing Base (not to exceed \$●)				<hr/> \$●
	Outstanding Loans				\$●
	Excess of Borrowing Base over outstanding Loans/ Borrowing Base Shortfall				<hr/> \$●

SCHEDULE 1.1(C)

CONVERSION NOTICE

TO: BANK OF MONTREAL, as Administrative Agent

FROM: RIOCAN-HBC LIMITED PARTNERSHIP (the “**Borrower**”)

DATE:

1. This Conversion Notice is delivered to you, as Administrative Agent, pursuant to the fourth amended and restated credit agreement made as of May 31, 2024 between the Borrower, Bank of Montreal, as Administrative Agent, the financial institutions from time to time parties thereto as Lenders and the other Credit Parties from time to time parties thereto as Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). Capitalized terms used and not defined in this Conversion Notice have the meanings specified in the Credit Agreement.

2. The Borrower hereby requests a Conversion under the Credit Facility as follows:

(a) Type and amount of each Loan to be converted (check appropriate boxes):

Amount

- (i) Prime Rate Loan: \$
- (ii) Term CORRA Loan: \$
- (iii) Daily Compounded CORRA \$
Loan:

(b) Type and amount of each Loan resulting from Conversion (check appropriate boxes):

Amount

- (i) Prime Rate Loan: \$
- (ii) Term CORRA Loan: \$
- (iii) Daily Compounded CORRA \$
Loan:

(c) The initial Interest Period applicable to such Loan is [●] and the date on which the Interest Period is to begin is [●]. **[If applicable]**

3. All of the representations and warranties of the Credit Parties contained in Section 10.1 of the Credit Agreement and the other Loan Documents are true and correct in all material respects (except to the extent where any such representation and warranty is materially qualified therein, then such representation and warranty shall be true and correct) on and as of the date hereof as though made on and as of the date hereof (except to the extent made as of a specific date), subject to changes thereto :

- (a) given to the Administrative Agent by the Borrower and accepted in writing by the Administrative Agent; and
- (b) expressly contemplated by the terms of the Credit Agreement and disclosed to the Administrative Agent in writing.

4. All of the terms, covenants and conditions of the Credit Agreement and each of the other Loan Documents to be performed or complied with by the Credit Parties at or prior to the date hereof have been performed or complied with.

5. No Default or Event of Default has occurred and is continuing on the date hereof.

[Signature Page Follows]

**RIOCAN-HBC LIMITED PARTNERSHIP by
RIOCAN-HBC GENERAL PARTNER INC. in its
capacity as General Partner**

Per:

Name:

Title:

Name:

Title:

I/We have authority to bind the Partnership

[Remainder of page intentionally left blank.]

[Signature Page to Conversion Notice.]

SCHEDULE 1.1(D)

DRAWDOWN NOTICE

TO: **BANK OF MONTREAL**, as Administrative Agent

FROM: **RIOCAN-HBC LIMITED PARTNERSHIP** (the “**Borrower**”)

DATE:

1. This Drawdown Notice is delivered to you, as Administrative Agent, pursuant to the fourth amended and restated credit agreement made as of May 31, 2024 between the Borrower, Bank of Montreal, as Administrative Agent, the financial institutions from time to time parties thereto as Lenders and the other Credit Parties from time to time parties thereto as Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). Capitalized terms used and not defined in this Drawdown Notice have the meanings specified in the Credit Agreement.

2. The Borrower hereby requests the following Loan(s):

(a) Drawdown Date: _____

(b) Type and Amount of each Loan (check appropriate boxes)

		<u>Amount</u>
(i)	Prime Rate Loan:	\$ _____
(ii)	Term CORRA Loan:	\$ _____
(iii)	Daily Compounded CORRA Loan:	\$ _____

3. The initial Interest Period is [●]. [If applicable]

4. All of the representations and warranties of the Borrower contained in Section 10.1 of the Credit Agreement are true and correct in all material respects (except to the extent where any such representation and warranty is materially qualified therein, then such representation and warranty shall be true and correct) on and as of the date hereof as though made on and as of the date hereof (except to the extent made as of a specific date), subject to changes thereto:

(a) given to the Administrative Agent by the Borrower and accepted in writing by the Administrative Agent; and

- (b) expressly contemplated by the terms of the Credit Agreement and disclosed to the Administrative Agent in writing.

5. All of the conditions precedent to the Loan(s) requested hereby that have not been properly waived in writing by or on behalf of the Lenders have been satisfied.

6. You are hereby irrevocably authorized and directed to make the Drawdown requested payable as set out herein, and this shall be your good and sufficient authority for so doing.

7. No Default or Event of Default has occurred and is continuing or will have occurred and be continuing on the Drawdown Date, or will result from the Loan(s) requested hereby.

8. No Material Adverse Effect has occurred and is continuing or will have occurred and be continuing on the Drawdown Date or will result from the Loan(s) requested hereby.

[Signature Page follows.]

**RIOCAN-HBC LIMITED PARTNERSHIP by
RIOCAN-HBC General Partner Inc. in its capacity
as General Partner**

Per:

Name:

Title:

Name:

Title:

I/We have authority to bind the Partnership

[Remainder of page intentionally left blank.]

[Signature Page to Drawdown Notice.]

SCHEDULE 1.1(E)

FORM OF LENDER ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the “Assignment and Assumption”) is dated as of the Effective Date set forth below and is entered into by and between [*insert name of Assignor*] (the “Assignor”) and [*insert name of Assignee*] (the “Assignee”). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the Credit Facility and (ii) to the extent permitted to be assigned under Applicable Law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered, pursuant thereto or the loan-transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the “Assigned Interest”). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

Assignor: _____

Assignee: _____
[and is an Affiliate of [*identify Lender*]]

Borrower: RioCan-HBC Limited Partnership

Administrative Agent: Bank of Montreal, as the administrative agent under the Credit Agreement

Credit Agreement: The fourth amended and restated credit agreement dated as of May 31, 2024 among RioCan-HBC Limited Partnership and the Lenders parties thereto and Bank of Montreal, as Administrative Agent.

Assigned Interest:

Aggregate Amount of Commitment / Loans for all Lenders	Amount of Commit / Loans Assigned	Percentage Assigned of Commitment / Loans
\$	\$	%
\$	\$	%
\$	\$	%

[Trade Date: _____]

Effective Date: _____, 20____ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Title:

Consented to and Accepted:
[NAME OF ADMINISTRATIVE AGENT],
as
Administrative Agent

By: _____
Title:

ANNEX 1 to Assignment and Assumption
[]
STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all requirements of an Eligible Assignee under the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, and (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 11.3 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments

From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Administrative Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

3. General Provisions

This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by

telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law governing the Credit Agreement.

SCHEDULE 1.1(F)

REPAYMENT NOTICE

TO: **BANK OF MONTREAL**, as Administrative Agent

FROM: **RIOCAN-HBC LIMITED PARTNERSHIP** (the “**Borrower**”)

DATE: •

1. This Repayment Notice is delivered to you, as Administrative Agent, pursuant to [Section 6.1] [or] [Section 6.2] of the fourth amended and restated credit agreement made as of May 31, 2024 between the Borrower, Bank of Montreal, as Administrative Agent, the financial institutions from time to time parties thereto as Lenders and the other Credit Parties from time to time parties thereto as Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). Capitalized terms used and not defined in this Repayment Notice have the meanings specified in the Credit Agreement.

2. The Borrower hereby gives you notice that it intends to repay [\$•] under the Credit Facility, on [date which is at least • Business Days after the delivery of this Notice].

3. The amount of such repayment will, subject to the provisions of the Credit Agreement, be used to repay Loans of the following type:

Loan Type

•

Principal Amount

•

**RIOCAN-HBC LIMITED PARTNERSHIP by
RIOCAN-HBC GENERAL PARTNER INC. in its
capacity as General Partner**

Per: _____

Name: _____

Title: _____

Name: _____

Title: _____

I/We have authority to bind the Partnership

SCHEDULE 1.1(G)

ROLLOVER NOTICE

TO: **BANK OF MONTREAL**, as Administrative Agent

FROM: **RIOCAN-HBC LIMITED PARTNERSHIP** (the “**Borrower**”)

DATE: ●

1. This Rollover Notice is delivered to you, as Administrative Agent, pursuant to the fourth amended and restated credit agreement made as of May 31, 2024 between the Borrower, Bank of Montreal, as Administrative Agent, the financial institutions from time to time parties thereto as Lenders and the other Credit Parties from time to time parties thereto as Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). Capitalized terms used and not defined in this Rollover Notice have the meanings specified in the Credit Agreement.

2. The Borrower hereby requests the Rollover of the following Loan(s):

(a) Rollover Date: _____

(b) Type and Amount of each Loan (check appropriate boxes):

	<u>Amount</u>	<u>Types</u>	<u>Interest Period</u>
\$	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

3. All of the representations and warranties of the Credit Parties contained in Section 10.1 of the Credit Agreement and the other Loan Documents are true and correct (except to the extent where any such representation and warranty is materially qualified therein, then such representation and warranty shall be true and correct) on and as of the date hereof as though made on and as of the date hereof (except to the extent made as of a specific date), subject to changes thereto:

(a) given to the Administrative Agent by the Borrower and accepted in writing by the Administrative Agent; and

- (b) expressly contemplated by the terms of the Credit Agreement and disclosed to the Administrative Agent in writing.
4. All of the terms, covenants and conditions of the Credit Agreement and each of the other Loan Documents to be performed or complied with by the Credit Parties at or prior to the date hereof have been performed or complied with.
5. No Default or Event of Default has occurred and is continuing on the date hereof.

**RIOCAN-HBC LIMITED
PARTNERSHIP by RIOCAN-HBC
General
Partner Inc. in its capacity as General
Partner**

by _____
Name: ●
Title: ●

Name: ●
Title: ●
I/We have authority to bind the Corporation.

[Remainder of page intentionally left blank.]

Schedule 10.1(j)

SECURED PROPERTIES

200-8th Avenue SW, Calgary, Alberta (the “Downtown Calgary Secured Property”)

Beneficial Owner: RioCan-HBC Limited Partnership

Nominee: Hudson’s Bay Company ULC

Plan “A” Calgary; Block Forty Nine (49); That portion of Lot Nine (9) which lies to the East of the West fifteen (15) feet thereof and all of Lots Ten (10) to Twenty Eight (28) inclusive and the East two hundred (200) feet of Lot “A”; Excepting out of those portions described in transfer registered as 1315HA all mines and minerals.

800 Des Promenades Boulevard, Saint-Bruno-de-Montarville, Quebec (the “St. Bruno Secured Property”)

Beneficial Owner: RioCan-HBC Limited Partnership

Nominee: 2472596 Ontario Inc.

That certain emplacement known and designated as lot TWO MILLION ONE HUNDRED TEN THOUSAND EIGHT HUNDRED AND TWENTY (2 110 820) of the Cadastre du Quebec, Registration Division of Chambly.

With the buildings erected thereon bearing civic number 800 Des Promenades Boulevard, City of Saint-Bruno-de-Montarville, Province of Quebec.

3045 Le Carrefour Boulevard, Laval, Quebec (the “Carrefour Laval Secured Property”)

Beneficial Owner: RioCan-HBC Limited Partnership

Nominee: 2472598 Ontario Inc.

That certain emplacement known and designated as being composed of:

- (a) lot TWO MILLION FIFTY-SEVEN THOUSAND FIVE HUNDRED AND EIGHTY (2 057 580) of the Cadastre du Quebec, Registration Division of Laval; and
- (b) lot TWO MILLION FIFTY-SEVEN THOUSAND FIVE HUNDRED AND EIGHTY-TWO (2 057 582) of the Cadastre du Quebec, Registration Division of Laval.

With the building erected thereon bearing civic number 3045 Le Carrefour Boulevard, City of Laval, Province of Quebec.

Schedule 10.1(m)

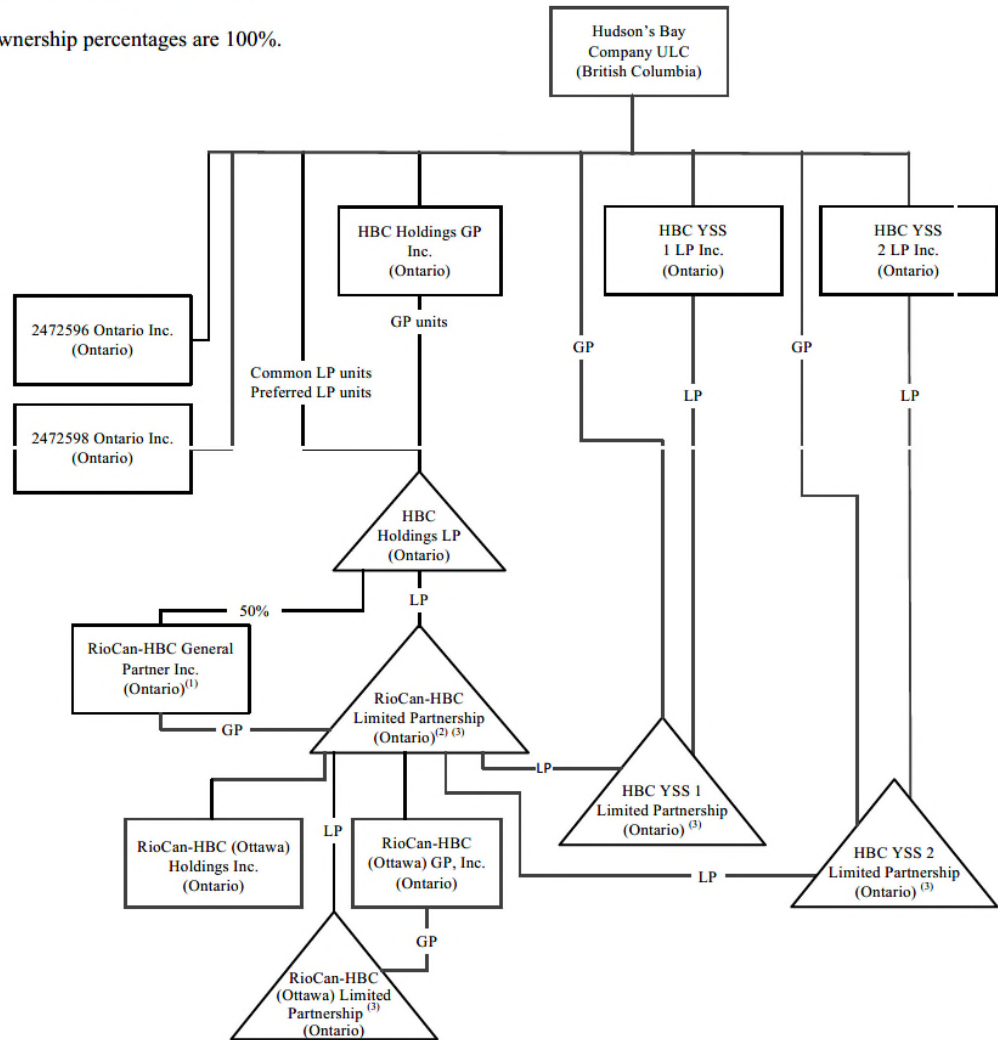
OWNERSHIP STRUCTURE

Credit Parties

RioCan-HBC Simplified Structure Chart As of January 28, 2022

1. RioCan Financial Services Limited owns 50% of the common shares of RioCan-HBC General Partner Inc.
2. RioCan Real Estate Investment Trust holds a 20.2385% LP interest.
3. General Partner has a nominal interest (less than .01%).

Unless otherwise noted, all ownership percentages are 100%.



Part II - Relevant Jurisdictions

- Province of Alberta
- Province of Ontario
- Province of Quebec
- Province of British Columbia

Schedule 10.1(v)

MATERIAL AGREEMENTS

1. Second amended and restated limited partnership agreement dated November 25, 2015 between the General Partner, HBC and RioCan.
2. Unanimous shareholders agreement dated July 9, 2015 between HBC, RioCan Financial Services Limited, the General Partner and RioCan.
3. Nominee Agreements:
 - (a) Nominee agreement dated July 9, 2015 between RioCan-HBC Limited Partnership and Hudson's Bay Company, as nominee (in respect of the Downtown Calgary Secured Property).
 - (b) Nominee agreement dated July 9, 2015 between RioCan-HBC Limited Partnership and 2472598 Ontario Inc., as nominee (in respect of the Carrefour Laval Secured Property).
 - (c) Nominee agreement dated July 9, 2015 between RioCan-HBC Limited Partnership and 2472596 Ontario Inc., as nominee (in respect of the St. Bruno Secured Property).
4. Material Leases:
 - (a) Little lease (in respect of the Carrefour Laval Secured Property) dated December 28, 2011 between HBC Quebec GP Inc., as landlord, Hudson's Bay Company, as tenant, and Ontrea Inc., as owner, as amended by an Amended and Restated Lease and Amendment of Operating Agreement and Servitude Agreement dated June 29, 2015 between Ontrea Inc., as owner, 2472598 Ontario Inc., as landlord, and Hudson's Bay Company, as tenant, and as supplemented by a Rent Agreement dated June 29, 2015 between 2472598 Ontario Inc., as landlord, and Hudson's Bay Company, as tenant.
 - (b) Little lease (in respect of the St. Bruno Secured Property) dated December 28, 2011 between HBC Quebec GP Inc., as landlord, Hudson's Bay Company, as tenant, and Ontrea Inc., as owner, as amended by an Amended and Restated Lease and Amendment of Operating Agreement and Servitude Agreement dated June 29, 2015 between Ontrea Inc., as owner, 2472596 Ontario Inc., as landlord, and Hudson's Bay Company, as tenant, and as supplemented by a Rent Agreement dated June 29, 2015 between 2472596 Ontario Inc., as landlord, and Hudson's Bay Company, as tenant.
 - (c) Lease dated July 9, 2015 between RioCan-HBC Limited Partnership, as landlord, and Hudson's Bay Company, as tenant (in respect of the downtown Calgary Secured Property).

5. Ground Leases:

Carrefour Laval Secured Property

- (a) Emphyteutic Lease dated April 9, 1973 made between Le Carrefour Laval Ltee. and Simpsons Limited.
- (b) Side Letter dated November 21, 1975 from Le Carrefour Laval Ltée to Simpsons, Limited.
- (c) First Amendment to Emphyteutic Lease dated May 1, 1990 made between Au Carrefour Des Villes Ltee and Hudson's Bay Company Real Estate Limited.
- (d) Amendment to Emphyteutic Lease and Operating Agreement dated November 3, 1999 between Le Carrefour Laval Leaseholds Inc. and Hudson's Bay Company Real Estate Limited.
- (e) Second Amendment to Emphyteutic Lease dated November 24, 2000 made between Ontrea Inc. and Hudson's Bay Company Real Estate Limited.

St. Bruno Secured Property

- (f) Emphyteutic Lease dated June 20, 1977 made between Au Carrefour Des Villes Ltee. and Simpsons, Limited.
- (g) Letter Agreement dated September 7, 1978 made between Au Carrefour Des Villes Ltee. and Simpsons, Limited.
- (h) First Amendment to Emphyteutic Lease dated May 1, 1990 made between made between Au Carrefour Des Villes Ltee. and Hudson's Bay Company Real Estate Limited.

6. Operating agreements:

Downtown Calgary Secured Property:

- (a) Parking Agreement dated December 23, 1998 made between Grosvenor International Canada Inc., Hudson's Bay Company Properties Limited and Hudson's Bay Company.
- (b) Easement Agreement dated March 9, 1981 made between The Bank of Nova Scotia, Scotia Centre Limited and Hudson's Bay Company Properties Limited.

Carrefour Laval Secured Property:

- (c) Servitude Agreement dated March 28, 1974 made between Le Carrefour Laval and Simpsons, Limited.

- (d) Operating Agreement dated March 28, 1974 made between Le Carrefour Laval and Simpsons, Limited.
- (e) First Amendment to Operating Agreement dated November 24, 2000 made between Ontrea Inc. and Hudson's Bay Company Real Estate Limited.
- (f) Second Amendment to the Operating Agreement dated July 22, 2013 between Ontrea Inc., Le Carrefour Laval leaseholds Inc., HBC Quebec GP Inc., Hudson's Bay Company, and HBC Quebec LP.

St. Bruno Secured Property:

- (g) Servitude Agreement dated August 23, 1978 made between Au Carrefour de Villes Ltee and Simpsons, Limited.
- (h) Operating Agreement dated August 23, 1978 made between Au Carrefour de Villes Ltee and Simpsons, Limited.

7. Transfer agreements

Carrefour Laval Secured Property:

- (a) Deed of transfer dated June 29, 2015 between HBC Quebec GP Inc., as transferor, and 2472598, as transferee.

St. Bruno Secured Property:

- (b) Deed of transfer dated June 29, 2015 between HBC Quebec GP Inc., as transferor, and 2472596, as transferee.