

**CPI ATLAS BAY POINT CANADIAN LIMITED PARTNERSHIP  
LIMITED PARTNERSHIP AGREEMENT**  
Villas at Flagler Pointe

May 7, 2024

FOR  
REVIEW  
ONLY

## TABLE OF CONTENTS

<b>ARTICLE 1 : INTERPRETATION.....</b>	<b>1</b>
1.1    Definitions .....	1
1.2    Interpretation.....	6
1.3    Exhibits .....	7
<b>ARTICLE 2 : THE LIMITED PARTNERSHIP .....</b>	<b>7</b>
2.1    Formation.....	7
2.2    Name.....	8
2.3    Business .....	8
2.4    Office .....	8
2.5    Term.....	8
2.6    Fiscal Year .....	8
2.7    Filing of Certificate.....	8
2.8    Banking Arrangements .....	8
2.9    Limitation of Jurisdictions .....	9
<b>ARTICLE 3 : UNITS, CAPITAL, AND CAPITAL CONTRIBUTIONS .....</b>	<b>9</b>
3.1    Nature of the Units.....	9
3.2    Nature of the Class A Units .....	9
3.3    Nature of the Class M Units .....	10
3.4    Minimum Capital Contribution for the Class A Units.....	10
3.5    Units and Capital .....	10
3.6    Subscriptions for Units .....	10
3.7    Acquisition of Initial Units .....	10
3.8    Sale of Additional Units .....	11
3.9    Additional Contributions from Existing Partners .....	11
3.10    Offering and Issuance of Units .....	11
3.11    Subscription & Ownership.....	11
3.12    Payment of Capital Contribution .....	12
3.13    Capital Accounts.....	12
3.14    Interest on Capital Contribution.....	12
3.15    Unit Certificates.....	12
3.16    Endorsement of Unit Certificates.....	12
3.17    Lost Unit Certificates .....	12
3.18    Registered Partner.....	13
3.19    Loans from the General Partner, the Limited Partners or Third Parties .....	13
3.20    Acceptance of Subscriptions and Use of Funds Prior to Completion of Acquisition of the USLP Units .....	14
3.21    Redemption.....	14
3.22    Private Issuer.....	14
3.23    Disclosure of Personal Information .....	15
<b>ARTICLE 4 : THE LIMITED PARTNERS .....</b>	<b>17</b>
4.1    Limitation on Authority of Limited Partners .....	17
4.2    Limited Liability .....	17
4.3    Indemnity of Limited Partners .....	17
4.4    Other Activities of Limited Partners.....	17
4.5    No Partition Actions or Liens .....	17
4.6    Compliance with Laws .....	18

4.7	Death, Incapacity, and Dissolution .....	18
4.8	Bankruptcy of a Limited Partner .....	18
4.9	Status of Each Limited Partner .....	19
4.10	Survival of Representations, Warranties and Covenants .....	19
4.11	Evidence of Status .....	19
4.12	Withdrawal on Loss of Status .....	20
4.13	Withdrawal of the Initial Limited Partner .....	20
<b>ARTICLE 5 : MEETINGS OF THE PARTNERS .....</b>		<b>20</b>
5.1	Calling of Meetings .....	20
5.2	Annual Meeting of the Partners .....	20
5.3	Quorum .....	21
5.4	Notice .....	21
5.5	Voting .....	21
5.6	Proxies .....	21
5.7	Form of Proxy .....	22
5.8	Proxy Solicitation .....	22
5.9	Binding Effect of Resolutions .....	22
5.10	Powers Requiring Special Resolution .....	22
5.11	Minutes .....	23
5.12	Chairperson .....	23
5.13	Authorized Attendance .....	23
5.14	Record Dates .....	23
5.15	Additional Rules and Procedures .....	23
5.16	No Voting by Limited Partner in Default .....	24
<b>ARTICLE 6 : THE GENERAL PARTNER .....</b>		<b>24</b>
6.1	Management of the Limited Partnership .....	24
6.2	Specific Powers and Duties .....	24
6.3	Fees Paid to the General Partner .....	27
6.4	Title to Property .....	27
6.5	Duty of Care .....	28
6.6	Maintenance of Limited Liability of Limited Partners .....	28
6.7	General Partner to Satisfy Judgment .....	28
6.8	Transactions Involving Related Parties .....	28
6.9	Other Activities .....	28
6.10	Limitation of Liability .....	29
6.11	Restrictions Upon the General Partner .....	29
6.12	Delegation of Duties .....	29
6.13	Expenses .....	29
6.14	Removal of General Partner .....	30
6.15	Resignation of General Partner .....	31
<b>ARTICLE 7 : RECORDS, REPORTS AND REPORTING .....</b>		<b>31</b>
7.1	Register .....	31
7.2	Records and Books of Account .....	32
7.3	Financial Information .....	32
7.4	Auditors and Audit .....	32
<b>ARTICLE 8 : ALLOCATIONS AND DISTRIBUTIONS .....</b>		<b>32</b>
8.1	Separate Capital Accounts .....	32

8.2	Separate Current Accounts .....	32
8.3	Allocation of Net Income and Net Loss .....	33
8.4	Allocation of Taxable Income and Tax Loss .....	33
8.5	Allocations to Partners .....	33
8.6	Tax Returns .....	33
8.7	Reserves .....	34
8.8	Distributions of Cash Flow from Operations .....	34
8.9	Limitation on Demand for Return of Capital .....	34
8.10	Repayment of Capital and Distribution of Surplus Proceeds .....	35
8.11	Nature and Form of Distributions .....	35
8.12	Overpayments .....	35
8.13	Consent re: Capital Payments .....	36
8.14	Distribution to Non-Resident .....	36
<b>ARTICLE 9 : POWER OF ATTORNEY .....</b>		<b>36</b>
9.1	Creation .....	36
9.2	Irrevocable Nature .....	37
9.3	Binding Effect .....	38
<b>ARTICLE 10 : DISSOLUTION OF THE LIMITED PARTNERSHIP .....</b>		<b>38</b>
10.1	Events Giving Rise to Dissolution .....	38
10.2	Liquidation of Limited Partnership Assets .....	38
10.3	Distributions .....	39
10.4	Statements .....	39
10.5	Termination .....	39
10.6	Continuity .....	39
<b>ARTICLE 11 : NON-TRANSFERABILITY OF PARTNERSHIP UNITS .....</b>		<b>39</b>
11.1	Restriction on Transfer of a Unit .....	39
11.2	Mandatory Sale of Interests .....	40
11.3	Sale to Affiliate or existing Limited Partner .....	40
11.4	Contravention of Article 11 .....	40
11.5	Securities Transfer Act .....	40
11.6	Drag Along Rights .....	41
11.7	Tag Along Rights .....	42
<b>ARTICLE 12 : NOTICE .....</b>		<b>43</b>
12.1	General Partner .....	43
12.2	Limited Partners .....	43
12.3	Receipt and Delivery .....	43
<b>ARTICLE 13 : MISCELLANEOUS .....</b>		<b>43</b>
13.1	Amendments .....	43
13.2	Limited Partner Not a General Partner .....	44
13.3	Governing Law .....	44
13.4	Offset .....	44
13.5	Expenses .....	44
13.6	Further Assurances .....	44
13.7	Counterparts .....	45
13.8	Severability .....	45
13.9	Assignment .....	45

13.10	Representation .....	45
13.11	Waiver.....	45

FOR  
REVIEW  
ONLY

**CPI ATLAS BAY POINT CANADIAN LIMITED PARTNERSHIP  
LIMITED PARTNERSHIP AGREEMENT**

THIS AGREEMENT is dated for reference as of May 7, 2024

BETWEEN:

**CPI CAPITAL FLORIDA AV GP LTD.**, a British Columbia corporation, with its registered office located at 650 W Georgia Street #3200, Vancouver, BC, V6B 4P7.

(the “**General Partner**”)

AND:

**CANADIAN PASSIVE REAL ESTATE INVESTING INC.**, a British Columbia corporation, with its registered office located at 650 W Georgia Street #3200, Vancouver, BC, V6B 4P7

(the “**Initial Limited Partner**”)

AND:

Each additional party who from time to time is accepted as a limited partner in the **CPI ATLAS BAY POINT CANADIAN LIMITED PARTNERSHIP**, or who is a successor of any such person and who becomes a limited partner upon the terms and conditions of this Agreement

(individually, a “**Limited Partner**” and collectively with the Initial Limited Partner, the “**Limited Partners**”)

WHEREAS:

- A. The General Partner, as the general partner, and the Initial Limited Partner, as the initial limited partner, desire that the CPI Atlas Bay Point Limited Partnership be formed as a limited partnership under the Act;
- B. The General Partner has agreed to offer Units of the Limited Partnership by way of private offering in such jurisdictions where it may be permitted to do so, for the purpose of acquiring the USLP Units, and the General Partner shall admit subscribers for Units as Limited Partners, on the terms herein set out; and
- C. The General Partner and the Initial Limited Partner desire to set forth their covenants and agreements in respect of the Limited Partnership on the terms herein set out.

**THIS AGREEMENT WITNESSES THAT**, in consideration of the covenants and agreements contained herein, the parties hereto covenant and agree as follows:

**ARTICLE 1 : INTERPRETATION**

**1.1 Definitions**

Where used in this Agreement, unless the context otherwise requires, the following terms will have the following meanings:

- (a) “**Act**” means the *Partnership Act* (British Columbia);
- (b) “**Additional Capital Contributions**” has the meaning ascribed to it in Section 3.9;
- (c) “**Adjusted Capital Account Deficit**” means with respect to any Partner, the deficit balance if any in the Partner’s Capital Account as of the end of the relevant fiscal year or other period;
- (d) “**Affiliate**” will have the meaning ascribed to it in Section 1 of the *Business Corporations Act* (British Columbia);
- (e) “**Agreement**” means this Limited Partnership Agreement, including the recitals and any schedules attached hereto and will include every agreement varying, modifying, amending or supplementing this Limited Partnership Agreement and the expressions “this Agreement”, “hereto”, “hereof”, “herein”, “hereunder”, “hereby”, and similar expressions will have the same meaning as “Agreement”;
- (f) “**Bank**” means presently the Limited Partnership’s main bank, or such other bank as may be determined by the General Partner from time to time as the Limited Partnership’s main bank;
- (g) “**Bankrupt**” means (i) a general assignment for the benefit of creditors, (ii) a petition has been presented, a meeting has been convened or a resolution has been passed for the winding up of the company (iii) the appointment of an administrator, liquidator, receiver, administrative receiver, compulsory manager or any provision liquidator (or equivalent in any other jurisdiction) and (iv) the undertaking of any proceedings under any applicable insolvency, reorganization or similar laws in any relevant jurisdiction;
- (h) “**Capital Account**” means the account of a Partner established pursuant to Section 8.1 and being the Capital Contribution of that Partner (or any predecessor of that Partner), adjusted from time to time pursuant to the provisions of this Agreement;
- (i) “**Capital Contribution**” means, with respect to any Partner:
  - (i) the amount of money; and/or
  - (ii) the fair market value of any property (other than money), if any, net of any liability secured by such property that the Limited Partnership assumes or takes such property subject to;
  - (iii) contributed or agreed to be contributed to the Limited Partnership by a Limited Partner for the Unit(s) issued by the Limited Partnership to that Limited Partner, and the amount of \$100 to be contributed by the General Partner in accordance with Section 3.5(iii);
- (j) “**Capital Raise and Exempt Market Dealer Fees**” means all reasonable fees and reasonable commissions payable by the Limited Partnership to third parties, including exempt market dealers and including parties not at arm’s length to the General Partner, or either of the Initial Partners, as consideration for sourcing and securing investments by investors subscribing for Units, subject always to applicable securities laws;

- (k) “**CASPE**” means those accounting principles that are recognized as being generally accepted in Canada from time to time for private enterprises, as set forth in the handbook published by the Chartered Professional Accountants of Canada;
- (l) “**Certificate**” means the certificate filed with the Registrar of Companies for the Province of British Columbia in accordance with Section 51 of the Act for the purpose of creating the Limited Partnership, as such certificate may be amended from time to time;
- (m) “**Class A Unit**” means an interest of a Limited Partner in the Limited Partnership
- (n) “**Class M Unit**” means an interest of the General Partner in the Limited Partnership
- (o) “**Control**,” and its derivations thereof, will have the meaning provided for it in Section 2 of the *British Columbia Corporations Act* with respect to control of any body corporate, and in relation to any limited partnership or trust means control (with the same definition) of the General Partner or trustee, as the case may be;
- (p) “**Corporate Group**” has the meaning ascribed to it in Section 3.23(a);
- (q) “**Current Account**” means the account of a Partner established pursuant to Section 8.2, adjusted from time to time pursuant to the provisions of this Agreement;
- (r) “**Deficiency**” has the meaning ascribed to it in Section 3.19(b);
- (s) “**Delinquent Limited Partner**” has the meaning ascribed to it in Section 3.19(b);
- (t) “**Distributable Cash**” means, for any period, the excess of Gross Proceeds less deduction and/or payment of the sum of (i) all fees, costs, expenses and other obligations or liabilities incurred in connection with the operation of the Limited Partnership’s Business or in connection with the Real Estate Investment, (ii) amounts paid or payable in respect of any loan or other indebtedness of the Limited Partnership, and (iii) the amount of reserves established by the General Partner.
- (u) “**Drag-Along Co-Seller**” has the meaning ascribed to it in Section 11.6;
- (v) “**Drag-Along Notice**” has the meaning ascribed to it in Section 11.6;
- (w) “**Drag-Along Right**” has the meaning ascribed to it in Section 11.6;
- (x) “**Drag-Along Sale**” has the meaning ascribed to it in Section 11.6;
- (y) “**Drag-Along Units**” has the meaning ascribed to it in Section 11.6;
- (z) “**Exhibit**” means an exhibit to this Agreement;
- (aa) “**General Partner Advance**” has the meaning ascribed to it in Section 3.19(a);
- (bb) “**General Interest Rate**” means a rate per annum equal to the lesser of (a) the greater of (1) Six percent (6%) or (2) SOFR plus three percent (3%) per annum and (b) the maximum rate permitted by applicable law;



- (cc) “**General Partner Fee**” means a fee payable by the Limited Partnership to the General Partner or its Affiliates in an amount equal to 1% of the acquisition price for the Property;
- (dd) “**General Partner Loan**” has the meaning ascribed to it in Section 3.19(b);
- (ee) “**Gross Proceeds**” means all cash received by the Limited Partnership relating to the Real Estate Investment other than Capital Contributions, including income, rental income, dividends, distributions, interest and proceeds from the Disposition of a Real Estate Investment and any other miscellaneous receipts or revenues of the Limited Partnership related directly to Real Estate Investment held by the Partnership.
- (ff) “**Initial Capital Contribution**” means the Capital Contribution made by the Initial Limited Partner pursuant to Section 3.7;
- (gg) “**Initial Limited Partner**” means Canadian Passive Real Estate Investing Inc;
- (hh) “**Initial Units**” means the Initial Units issued to the Initial Limited Partner as set out in Section 3.7;
- (ii) “**Limited Partner Loan**” has the meaning ascribed to it in Section 3.19(b);
- (jj) “**Limited Partners**” means the Initial Limited Partner and each and every Person who is admitted to the Limited Partnership as a Limited Partner, or who becomes a Limited Partner pursuant to the provisions of this Agreement or who is admitted to the Limited Partnership as a successor to any Limited Partner, for so long as such Person remains a Limited Partner pursuant to the provisions of this Agreement, and “**Limited Partner**” means any one of the Limited Partners;
- (kk) “**Limited Partnership**” means CPI Atlas Bay Point Canadian Limited Partnership, the limited partnership formed under the Act and pursuant to the terms of this Agreement;
- (ll) “**Net Income**” means, with respect to any fiscal year of the Limited Partnership, the amount that would be the net income of the Limited Partnership calculated in accordance with CASPE;
- (mm) “**Net Loss**” means, with respect to any fiscal year, the amount that would be the net loss of the Limited Partnership calculated in accordance with CASPE;
- (nn) “**Partners**” means the General Partner and all Limited Partners, and “**Partner**” means any one of the Partners;
- (oo) “**Partnership Bank**” has the meaning ascribed to it in Section 2.8;
- (pp) “**Partnership Business**” or “**Business**” has the meaning ascribed to it in Section 2.3;
- (qq) “**Person**” means any individual, partnership (general or limited), limited liability company, joint venture, syndicate, association, trust, body corporate or other entity, and a natural Person in such person’s capacity as trustee, executor, administrator or other legal representative;

- (rr) **“Property”** means that certain real property and all improvements thereon commonly known as the Villas at Flagler Pointe located at 2150 62nd Terrace S, St. Petersburg, FL 33712 USA;
- (ss) **“ProRata Interest”** of a Partner at any time means the fraction resulting from the division of the aggregate Capital Account attributable to the Units held by such Limited Partner at such time by the total Capital Account attributable to all Units held by the Limited Partners and outstanding at such time, as applicable;
- (tt) **“Proposed Transferee”** has the meaning ascribed to it in Section 11.6;
- (uu) **“Real Estate Investment”** means the investment made by the Limited Partnership in the USLP, evidenced by the issuance of the USLP Units;
- (vv) **“Register”** means the register of the Limited Partnership referred to in Section 7.1;
- (ww) **“Related Party”** means
- (i) any partner, officer or director of the General Partner or the general partner of USLP;
  - (ii) any corporation, partnership, trust or other entity controlling, controlled by or under common control with, the General Partner or a partner, officer or director of the General Partner or the general partner of USLP; and
  - (iii) any officer, director, trustee, or employee of any corporation, partnership, trust or other entity controlling, controlled by or under common control with, the General Partner or a partner, officer or director of the General Partner or the general partner of USLP;
- (xx) **“Reserve”** and **“Reserves”** means, with respect to any period, funds set aside or amounts allocated during such period in amounts deemed sufficient by the General Partner to supplement cash flow and to pay costs or expenses relating to the Limited Partnership;
- (yy) **“Special Resolution”** means
- (i) a resolution passed by the affirmative vote of such number of the Partners entitled to vote on the resolution, in person or by proxy, holding in the aggregate not less than 75% of the Units then outstanding, at a duly convened meeting of the Partners;
  - (ii) a written resolution signed in one or more counterparts by Partners (or their lawful attorney) holding, in the aggregate, not less than 75% of the Units then outstanding, notice of which has been given to all Partners; or
  - (iii) in the case of the reconvening of an adjourned meeting pursuant to Section 5.3(b), a resolution passed by the affirmative vote of such number of the Partners present at such duly reconvened meeting and entitled to vote on the resolution, in person or by proxy (the **“Present Partners”**), holding in the aggregate not less than 75% of the Units held by the Present Partners;
- (zz) **“Tag-Along Co-Seller”** has the meaning ascribed to it in Section 11.7;

- (aaa) “**Tag-Along Notice**” has the meaning ascribed to it in Section 11.7;
- (bbb) “**Tag-Along Right**” has the meaning ascribed to it in Section 11.7;
- (ccc) “**Tag-Along Sale**” has the meaning ascribed to it in Section 11.7;
- (ddd) “**Tag-Along Units**” has the meaning ascribed to it in Section 11.7;
- (eee) “**Tax Act**” means such taxing statute in force from time to time that affects the Limited Partnership, including, without limitation (and as applicable):
  - (i) the *Income Tax Act* (Canada) as amended from time to time; and
  - (ii) any other statute or regulation enacted by the parliament or government of Canada, by the legislature or government of any province of Canada or by any other legislative or governmental body of any other country, province, state or territory;
- (fff) “**Tax Income**” and “**Tax Loss**” mean, in respect of any period, income or loss for such period, including any taxable capital gain or allowable capital loss, determined in accordance with the Tax Act;
- (ggg) “**Unit Certificate**” means a certificate, if any, that is issued by the General Partner to represent and evidence the Unit or Units issued to and held by a Limited Partner, and which Unit Certificates will be in the form attached as Exhibit A;
- (hhh) “**Unit**” means the Class A Units and the Class M Units
- (iii) “**USLP**” means the limited partnership named Whitestone CPI Capital Florida AV US, LP, a portion of whose issued limited partnership units will be owned by the Limited Partnership;
- (jjj) “**USLP Partnership Agreement**” means the Limited Partnership Agreement of the USLP and will include every agreement varying, modifying, amending or supplementing the USLP Partnership Agreement; and
- (kkk) “**USLP Units**” means the limited partnership units of USLP to be acquired by the Limited Partnership.

## 1.2 **Interpretation**

For all purposes of this Agreement, except as otherwise expressly provided or except as required by context, the following provisions will govern the interpretation of this Agreement, namely:

- (a) headings are inserted for convenience of reference only and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provisions hereof;
- (b) all references to articles, sections, sub-sections and other subdivisions and to Exhibits are references to articles, sections, sub-sections, subdivisions and Exhibits of or annexed to and forming part of this Agreement; a reference in a section to a sub-section will refer to the sub-section of that section;

- (c) all accounting terms not otherwise defined herein will have the meanings ascribed to them in accordance with CASPE;
- (d) Unless otherwise indicated, all references to currency or dollar amounts will mean currency or dollar amounts in lawful money of the United States of America;
- (e) any reference to a statute or law will include and will be deemed to refer to such statute and to the regulations and rules made or promulgated thereunder, together with all amendments made thereto and in force from time to time, and to any statute, regulation or rule that may be passed which has the effect of supplementing or superseding such statute, regulations or rules made pursuant thereto;
- (f) any reference to “approval,” “authorization” or “consent” of the General Partner will mean the approval, authorization or consent, in writing, of the General Partner;
- (g) whenever the context may require, any pronouns used herein will include the corresponding masculine, feminine or neuter forms and any singular form of names and pronouns will include the plural, and vice versa;
- (h) a general statement, term or matter when followed by the word “including,” will not be construed as limited to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not language such as “without limitation” or “but not limited to” or words of similar import are used with reference thereto, but rather the general statement, term or matter will be deemed to refer to all items and matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (i) any reference to “distributions” or “distributed” or like words will refer to any amount paid or other property distributed by the Limited Partnership to a Partner in respect of the interest of such Partner in the Limited Partnership, but will not include amounts paid to a Partner in respect of property acquired by the Limited Partnership from, or services provided to the Limited Partnership by such Partner; and
- (j) the language in all parts of this Agreement will in all cases be construed as a whole and neither strictly for, nor strictly against, any of the parties hereto.

### **1.3 Exhibits**

The following are the Exhibits to this Agreement:

Exhibit A – Form of Unit Certificate

## **ARTICLE 2 : THE LIMITED PARTNERSHIP**

### **2.1 Formation**

The General Partner and the Initial Limited Partner hereby confirm the formation of the Limited Partnership as a limited partnership under the provisions of the Act. The rights and liabilities of the Limited Partnership will be as provided in the Act, except as otherwise expressly provided herein.

## **2.2 Name**

The name of the Limited Partnership will be “**CPI ATLAS BAY POINT CANADIAN LIMITED PARTNERSHIP**”. The business of the Limited Partnership may also be conducted under such other name or names as the General Partner may hereafter determine from time to time.

## **2.3 Business**

The business and purpose of the Limited Partnership will be to acquire the USLP Units for the purpose of acquiring an indirect beneficial ownership interest in the Property on the terms set out in the limited partnership agreement of the USLP to the extent permitted pursuant to the terms of the USLP Partnership, and to conduct such other businesses and activities that are necessary or incidental to the foregoing or that can be conveniently carried on in relation to the foregoing (the “**Partnership Business**”).

## **2.4 Office**

The office of the Limited Partnership will be located at 650 W Georgia St #3200, Vancouver, BC V6B 4P7, or at such other address or addresses in the Province of British Columbia as the General Partner may from time to time designate in writing. The business of the Limited Partnership may be conducted at such other place or places as may from time to time be determined, selected or approved by the General Partner.

## **2.5 Term**

The term of the Limited Partnership will commence upon the date of filing of the Certificate and will continue until the dissolution and/or termination of the Partnership in accordance with the provisions of Article 10 of this Agreement.

## **2.6 Fiscal Year**

The fiscal year of the Limited Partnership will end on December 31 in each year unless otherwise determined by the General Partner in its sole discretion.

## **2.7 Filing of Certificate.**

The General Partner shall execute and cause to be filed the Certificate required to establish the Partnership as a limited partnership under the Act. The General Partner shall cause the Partnership to qualify to do business in such provinces in addition to the province in which the Partnership is initially organized as the General Partner deems appropriate in accordance with the requirements and geographic expansion of the business of the Partnership from time to time.

## **2.8 Banking Arrangements**

- (a) The Limited Partnership’s banking shall be conducted at such bank or banks or trust company or trust companies or credit union or credit unions either within or outside British Columbia as the General Partner shall from time to time designate in the sole discretion of the General Partner (the “**Partnership Bank**”).

- (b) All monies received from time to time in connection with the Limited Partnership shall be paid as soon as practicable into the Partnership Bank in the same drafts, cheques, bills, electronic transfers, or cash in which they are received.
- (c) Each disbursement made in connection with the Limited Partnership shall (unless such disbursement must necessarily be made in cash) be made by cheque or electronic transfer drawn on the Partnership Bank.
- (d) All cheques, drafts and other orders to pay money drawn upon or directed to the Partnership Bank shall be signed by a representative of the General Partner or such other person or persons as the General Partner shall from time to time designate.

## **2.9 Limitation of Jurisdictions**

The Limited Partnership shall not carry on business in any jurisdiction unless:

- (a) in the discretion of the General Partner, the laws of that jurisdiction limit the liability of the Limited Partners to the same extent that such Limited Partners enjoy limited liability under the laws of the Province of British Columbia and the General Partner has taken all steps which may be required by the laws of that jurisdiction in order for the Limited Partners to benefit from such limited liabilities; or
- (b) in the reasonable opinion of the General Partner, the risk associated with the possible absence of limited liability in that jurisdiction is not significant considering the relevant circumstances; or
- (c) business is carried on in that jurisdiction through a corporate subsidiary.

## **ARTICLE 3 : UNITS, CAPITAL, AND CAPITAL CONTRIBUTIONS**

### **3.1 Nature of the Units**

The Limited Partnership shall consist of (i) an unlimited number of Class A Units, each having a subscription price of \$1,000 and (ii) an unlimited number of Class M Units, each having a subscription price of \$1.

### **3.2 Nature of the Class A Units**

The holder of each Class A Unit shall have the right to exercise one vote for each Class A Unit held by the Limited Partner in respect of all matters to be decided by the Limited Partners. Limited Partners will also be entitled to:

- (i) to receive a return of their Capital Contributions subject to and in accordance with the provisions of this Agreement.
- (ii) to be paid a share of the profits or allocated a portion of the loss of the Limited Partnership, or to receive compensation by way of income or otherwise in respect of their Capital Contributions in the manner provided in Sections 8.3 and 8.4;
- (iii) a share of distributions of cash flow in accordance with Section 8.8; and
- (iv) a repayment of capital and distribution of surplus proceeds in accordance with Section 8.10.

### **3.3 Nature of the Class M Units**

The holder of each Class M Unit shall be entitled to receive allocations of income or loss, distributions on wind-up or other dissolution up to the aggregate amount of \$100 in addition to the return of capital.

### **3.4 Minimum Capital Contribution for the Class A Units.**

Notwithstanding anything expressed or implied to the contrary or except as otherwise permitted in writing by the General Partner in its sole discretion, no Person may acquire any Class A Unit in the Limited Partnership until such Person has unconditionally committed to pay, or has paid, to the Limited Partnership a minimum Capital Contribution of \$50,000 for the Class A Units.

### **3.5 Units and Capital**

Subject to:

- (i) the unequal entitlement to participate in the income and losses of the Limited Partnership allocated to the General Partner and the Limited Partners as further described in Article 8 and elsewhere in this Agreement;
- (ii) the particulars rights and obligations of the General Partner as described in this Agreement; and
- (iii) the obligation of the General Partner to make an initial Capital Contribution of \$100 for the purchase of 100 Class M Units which the General Partner has made and the Limited Partnership acknowledges having received,

each Limited Partner's interest in the Limited Partnership will be in the same proportion to the total interest of all the Limited Partners in the Limited Partnership as the number of Class A Units held by such Limited Partner bears to the total number of Class A Units outstanding at any time, as adjusted hereunder.

A Limited Partner's interest in the Limited Partnership will continue so long as that Limited Partner holds one or more Class A Units in the Limited Partnership. Subject to the provisions of Article 6, the General Partner's interest in the Limited Partnership will continue so long as the General Partner continues to hold one or more Class M Units in the Limited Partnership.

### **3.6 Subscriptions for Units**

Save the initial Capital Contribution to the Limited Partnership made by the General Partner as described in Section 3.5(iii), the Limited Partnership may raise capital for the Limited Partnership only by the issuance of the Class A Units.

### **3.7 Acquisition of Initial Units**

The parties acknowledge that the Initial Limited Partner has agreed to take up and pay for 1 Class A Units for the Capital Contribution of \$1,000.

### **3.8 Sale of Additional Units**

Subject to Section 3.6, the General Partner is hereby authorized to raise additional capital for the Limited Partnership by offering and selling additional Class A Units, to the Initial Limited Partner and/or to Persons as approved by the General Partner in its sole discretion, and by admitting the subscribers or purchasers of such Units as Limited Partners and whose interest in the Limited Partnership will be represented by Units, as applicable, to be issued to such Persons.

### **3.9 Additional Contributions from Existing Partners**

Additional capital contributions (“**Additional Capital Contributions**”) by the holders of the Units may be called for by the General Partner if, in the General Partner’s reasonable determination additional capital is necessary for the best interest of the Limited Partnership. In the event that Additional Capital Contributions are called for, each holder of Units shall contribute its pro rata portion among the Units, respectively, within ten (10) days of its receipt of written notice.

If a Limited Partner does not contribute at the time required by the General Partner, all or any portion of the FAdditional Capital Contributions requested pursuant to this Section 3.9, then Section 3.19 shall apply.

### **3.10 Offering and Issuance of Units**

Class A Units may be issued to such Persons as the General Partner, in its sole discretion, determines appropriate. Subject to the terms of this Agreement and compliance with applicable securities legislation, the General Partner has sole and complete discretion and authority to determine the terms and conditions of the offering and issue of the Units, including without limitation, to determine the Persons to whom the Units will be issued, the number of Units which will be issued to any such Person, and the terms and conditions upon which such Units will be issued. The General Partner is authorized and directed to do all things, in its sole and unfettered discretion, which it deems to be necessary, convenient, appropriate or advisable in connection therewith.

### **3.11 Subscription & Ownership**

Except as otherwise determined by the General Partner, Persons will subscribe for Units by delivery to the General Partner of a subscription agreement and agreement to be bound in such form as the General Partner may require, and to be completed and executed in a manner acceptable to the General Partner, together with such other agreements, instruments and documents as the General Partner may require. No subscription by a Limited Partner may be made or will be accepted for a fraction of a Unit.

Upon the acceptance by the General Partner of a subscription for Units and receipt of payment of the Capital Contribution for such Units, the General Partner will cause the subscriber to be entered on the Register as a Limited Partner.

A Person will become a Limited Partner as of the date on which its ownership of Units is entered in the Register and for such purposes the respective date stated in the Register will be deemed to be the date on which its ownership of Units is entered in the Register.



### **3.12 Payment of Capital Contribution**

The Capital Contribution payable in respect of the issuance at any time of any additional Units will be the amount determined by the General Partner, acting in its sole discretion. Notwithstanding the forgoing, unless otherwise determined by the General Partner, the price for each Class A Unit will be \$1,000.

### **3.13 Capital Accounts**

The capital of the Limited Partnership is the aggregate amount of the Capital Accounts of the Partners. A separate Capital Account, as described in Section 8.1, will be maintained for each Partner and will initially be credited with the amount of each Partner's respective Capital Contribution to the Limited Partnership by way of its purchase of any Units or, with respect to the General Partner, the Capital Contribution made pursuant to Section 3.5(iii), and adjusted in accordance with this Agreement. A Partner will not be entitled to receive repayment from its Capital Account or to receive any distribution except as provided in this Agreement.

### **3.14 Interest on Capital Contribution**

No Partner will be entitled to interest on the amount of its Capital Contribution to the Limited Partnership.

### **3.15 Unit Certificates**

- (a) Each Limited Partner acknowledges that, unless otherwise determined by the General Partner, Units will be uncertificated.
- (b) If Unit Certificates are issued, this Section shall apply. The General Partner may issue certificates to evidence the Units held by the Limited Partners. Each Unit Certificate will be in such form as is from time to time approved by the General Partner and will be signed by the General Partner. Until otherwise determined by the General Partner, each Unit Certificate will be substantially in the form attached as Exhibit A.

### **3.16 Endorsement of Unit Certificates**

If Unit Certificates are issued, each Unit Certificate issued to a Limited Partner will be endorsed as follows:

*The Units referred to in this Certificate are subject to the terms of the Limited Partnership Agreement of CPI Atlas Bay Point Canadian Limited Partnership dated for reference May 7, 2024 between the General Partner and the Initial Limited Partner, and such Units are transferable only in accordance with and subject to the terms of such Limited Partnership Agreement.*

### **3.17 Lost Unit Certificates**

If Unit Certificates are issued, this Section shall apply. Where a Limited Partner claims that its Unit Certificate has been defaced, lost, apparently destroyed or wrongly taken, the General Partner will cause a new Unit Certificate to be issued in substitution for the original Unit Certificate if the Limited Partner files with the General Partner an indemnity bond or other form of security or undertaking in form and amount satisfactory to the General Partner to protect the General Partner and

the Limited Partnership from any loss, cost or damage that they may incur or suffer by complying with the request to issue a new Unit Certificate, and if the Limited Partner satisfies such other reasonable requirements imposed by the General Partner including a requirement to deliver a form of proof of loss or statutory declaration.

### **3.18 Registered Partner**

Except as otherwise provided in the Act, the Limited Partnership shall be entitled to regard the Partner in whose name any certificates issued by the Limited Partnership are registered in the records of the Limited Partnership at any particular time as the owner of such Units and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such Units on the part of any other person, whether or not it shall have express or other notice thereof.

### **3.19 Loans from the General Partner, the Limited Partners or Third Parties**

The General Partner has the sole discretion to apply available funds to pay any of the Limited Partnerships obligations. However, if sufficient Limited Partnership funds are not available, the General Partner or one or more Limited Partners may, without limiting the General Partner's rights under Section 3.9, loan funds to the Limited Partnership subject to the following provisions:

#### **(a) General Partner Advances**

The General Partner may but is not required to loan its own funds as an advance by the General Partner to the Limited Partnership (a "**General Partner Advance**"). The Limited Partnership shall reimburse the General Partner for any such General Partner Advance, together with interest at the General Interest Rate, as soon as is practical, but in any event upon demand by the General Partner. Interest on General Partner Advances shall be an expense of the Limited Partnership and shall accrue from the date of inception for a General Partner loan or from the date reimbursement was due for any General Partner Advance related to a deferred reimbursement.

#### **(b) Partner Loans**

In the event that a Limited Partner does not at the time required by the General Partner contribute all or any portion of the Additional Capital Contributions requested in accordance with Section 3.9 of this Agreement (the "**Delinquent Limited Partner**"), the other contributing Limited Partners (in accordance with their ProRata Interests) shall be entitled to, (but shall have no obligation to) make a loan to the Delinquent Limited Partner in an amount equal to the amount not funded by such Delinquent Limited Partner (the "**Deficiency**"). The funded amount shall be deemed a loan to the Delinquent Limited Partner and a Capital Contribution by the Delinquent Limited Partner and not a Capital Contribution by the funding Limited Partner. All loans by the Limited Partners made pursuant to this section shall be considered "**Limited Partner Loans**". If more than one contributing Limited Partner elects to make a Limited Partner Loan, each such Limited Partner shall be permitted to make a Limited Partner Loan in an amount equal to its pro rata share (based on its ProRata Interests) in the Deficiency. To the extent that none of the contributing Limited Partners elect to make a Limited Partner Loan, the General Partner may but shall have no obligation to make loan with respect to all or any of the remaining Deficiency (the "**General Partner Loan**" and together with the Limited Partner Loans, the "**Partner Loans**").

All Partner Loans shall bear interest at the General Interest Rate. Principal and interest payments for a Partner Loan will be deducted from the distributions to the Delinquent Limited Partner pursuant to Article 8 of this Agreement and paid to the Limited Partner(s) or General Partner

making the applicable Partner Loan (pro rata in accordance with the respective unpaid principal amount of each such Partner Loan); provided, however, that for purposes of Article 8 such amount shall be deemed to have been distributed to the Delinquent Limited Partner.

(c) Third-party Loans

In the event of a failed capital call, or the unavailability of a General Partner Advance or a Partner Loan, the General Partner may obtain a loan and/or credit from one or more third parties as it deems appropriate to further the business objectives of the Limited Partnership. Such loan shall be made to the Limited Partnership (as borrower or debtor) on such terms as the General Partner deems reasonable and appropriate after considering the urgency and need for the funds.

**3.20 Acceptance of Subscriptions and Use of Funds Prior to Completion of Acquisition of the USLP Units**

The Partners acknowledge and agree that the Initial Capital Contributions, subsequent Capital Contributions and the subscription proceeds for the Units shall be applied by the Limited Partnership towards the expenses for the organization and ongoing operation of the Limited Partnership, the General Partner and the acquisition of the USLP Units and reimbursement to the General Partner or Initial Limited Partner of expenditures made by the same on behalf of the Limited Partnership. The completion of the acquisition of the USLP Units shall be at the sole discretion of the General Partner. Should the acquisition of the USLP Units not be completed, the General Partner shall cause all such expenses to be paid and shall cause the distribution of any remaining proceeds to the Partners in accordance with Section 8.10.

**3.21 Redemption**

The General Partner may at any time cause the Limited Partnership to redeem the Units from a Partner for the price of the inside basis of the Partner plus any accrued preferred return interest. There is no guarantee that the Limited Partnership will have sufficient funds to cause the redemption of Partner's Units. Therefore, the investment in the Limited Partnership should be considered illiquid. The effect of redemption on Partners who do not sell their Units will be an increase in the Partners' percentage interest in the Limited Partnership and therefore an increase in the Partners' proportionate interest of the Limited Partnership and an increase in the relative voting power of each remaining Partner. The General Partner may in its sole discretion redeem a Partner's interest (i) in order to maintain compliance with the Securities Act or other applicable law, (ii) as part of a bona fide settlement agreement arising from any legal action including threatened legal action by a Partner of the Limited Partnership or judgment against the Limited Partnership by a court of competent jurisdiction, or (iii) for the best interest of the Limited Partnership. Notwithstanding anything to the contrary herein, redemption shall be at the sole and absolute discretion of the General Partner and the General Partner shall not be compelled to redeem or repurchase Partners' Interests.

**3.22 Private Issuer**

Notwithstanding any other provision expressed or implied to the contrary herein, it is agreed that in respect of the Limited Partnership:

- (a) the right to transfer an interest in the Limited Partnership, including the Units representing that interest, is restricted by the terms of this Agreement; and

- (b) any invitation to subscribe for an interest in the Limited Partnership, including the Units representing such interest, is prohibited unless the proposed subscriber falls within the class of persons eligible to subscribe under an applicable private issuer exemption approved by the General Partner.

The General Partner may in its sole discretion issue Units to more than 50 persons or companies.

### **3.23 Disclosure of Personal Information**

Limited Partner acknowledges and consents to the collection and use by the Limited Partner of certain Personal Information as set out herein. For the purposes of this Agreement, “**Personal Information**” has such meaning as defined under applicable privacy legislation, including without limitation the *Personal Information Protection and Electronic Documents Act* and any other applicable privacy laws in effect from time to time. Personal Information may include (without limitation) name; residential contact information such as e-mail addresses, phone numbers and residence and office mailing addresses; social insurance number; passport number; date of birth; financial information; device information; and information regarding and investments, subscription or other funds or amounts paid by a Limited Partner from time to time, as well as any other information that the Limited Partner may voluntarily submit to the General Partner on an application, subscription agreement or otherwise. Personal Information will be collected only to the extent to which it is necessary for the purpose(s) for which it is collected, using fair, transparent and legal means. Use of Personal Information will at all times be in accordance with this Section 3.22 and applicable law.

Each Limited Partner acknowledges and agrees that the General Partner and the Limited Partnership, as the case may be, shall collect, use and disclose the personal information of the Limited Partners for the following purposes:

- (a) to share such information within the General Partner, the Limited Partnership, CPI and the USLP and its general partner (collectively, the “**Corporate Group**”) to conduct and improve the business, internal programs and operations of the Corporate Group and for statistical analysis purposes;
- (b) to provide the Limited Partners with information and updates about the Property or other information relating to the business of the Corporate Group, and to otherwise administer the business relationship between the Limited Partners and the Corporate Group;
- (c) to customize and optimize the websites and any promotional campaigns of the Corporate Group in accordance with the interests of the Limited Partners;
- (d) to protect the Corporate Group, Limited Partners and others from fraud, error and theft, and to safeguard the financial interests of the Corporate Group;
- (e) to manage the Corporate Group’s risks and operations;
- (f) to authenticate the identity of the Limited Partners and any beneficial purchasers, and to verify Personal Information that has been provided about them;
- (g) to contact the Limited Partners for market research or promotional purposes (which may be by e-mail, phone and/or mail);

- (h) to collect debts owed to the Corporate Group;
- (i) to manage or transfer assets or liabilities of the Corporate Group, for example in the case of an acquisition or merger, or refinancing;
- (j) to perform contracts with the Limited Partners;
- (k) to comply with applicable legal, accounting, tax and regulatory requirements;
- (l) to provide disclosures and to make investigations as required by, and to ensure compliance, with all applicable rules, policies, rulings and regulations, laws, and other legal and regulatory requirements governing the trading of securities, and to conduct enforcement proceedings;
- (m) to share such information with agencies and organizations responsible for securities regulation in Canada and elsewhere when requested in connection with the business and operation of the Limited Partnership, for regulatory or investigative purposes, or as otherwise required by law;
- (n) to share such information with third party service providers (“**Providers**”) performing functions on behalf of the Limited Partnership or the General Partner, as the case may be, including without limitation Providers that facilitate communications within the Corporate Group, provide marketing or promotional assistance to the Corporate Group, analyze the data within the Corporate Group and assist us with investor communications. For greater certainty, Providers shall be required to enter into written contracts with the Limited Partnership or the General Partner under which they will agree to maintain the confidentiality and security of any Personal Information of the Limited Partners, and only use such personal information for the purposes of providing services to the Corporate Group, all in accordance with the General Partner’s Privacy Policy and applicable law.

Further, each Limited Partner acknowledges and agrees that the purposes listed above are a reasonably necessary part of its business relationship with the Corporate Group, and that these purposes may be amended from time to time by 15 days written notice provided by electronic mail from the General Partner or the Limited Partnership, as the case may be, to the Limited Partners. Limited Partners may change, refuse or withdraw consent to the use of their Personal Information, although doing so may affect a Limited Partner’s ability to participate in the activities of the Limited Partnership and/or the ability of the General Partner to conduct the business of the Limited Partnership. The Limited Partnership and General Partner may also collect, use and disclose Personal Information for other purposes, to the extent authorized or required by applicable laws.

Each Limited Partner may opt out of receiving specific marketing or other communications, subject to legal or contractual restrictions, at any time upon providing written notice of withdrawal of consent is provided by such Limited Partner to the General Partner, at the address set out in Section 12.1. Upon receipt of such written notice, the General Partner may inform the Limited Partner of any likely consequences of the withdrawal, which may include the inability of the General Partner to provide ongoing updates and communications relating to the business of the Limited Partnership to such Limited Partner.

## **ARTICLE 4 : THE LIMITED PARTNERS**

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

No Partner in its capacity as a Limited Partner, except to the extent permitted by the Act, will:

- (a) take part in the operation, control, management or conduct of the business of the Limited Partnership or exercise any power in connection therewith or transact any business for the Limited Partnership.
- (b) execute any document which binds or purports to bind any other Partner or the Limited Partnership; or
- (c) hold itself out as having the power to act for or to undertake any obligation or responsibility on behalf of any other Partner or the Limited Partnership;

except that the General Partner may do all of the foregoing in its capacity as General Partner on behalf of the Limited Partnership notwithstanding that the General Partner or any shareholder, director or officer thereof may also be a Limited Partner.

### **4.2 Limited Liability**

Subject to the provisions of the Act, the liability of each Limited Partner for the debts, liabilities and obligations of the Limited Partnership is limited to the amount of its Capital Contribution and the Limited Partner will have no further personal liability for such debts, liabilities or obligations and after making payment of the full amount of his Capital Contribution to the Limited Partnership. Each Limited Partner will not be subject to, nor be liable for, any further calls or assessments or further contributions to the Limited Partnership. Where a Limited Partner has received the return of all or part of its Capital Contribution, the Limited Partner will be liable to the Limited Partnership for any amount, not in excess of the amount returned with interest, necessary to discharge the liabilities of the Limited Partnership to all creditors who extended credit or whose claims otherwise arose before the return of the Capital Contribution.

### **4.3 Indemnity of Limited Partners**

The General Partner will indemnify and hold harmless each Limited Partner for any costs, expenses, damages or liabilities suffered or incurred by the Limited Partner if the liability of such Limited Partner is not limited in the manner provided for in this Agreement, except where the absence or loss of limited liability is attributable to any act(s) or omission(s) of such Limited Partner.

### **4.4 Other Activities of Limited Partners**

A Limited Partner may engage in or hold an interest in any other business, venture, investment or activity whether or not similar to or competitive with the business of the Limited Partnership and will not be liable to account therefore to the Limited Partnership or any Partner.

### **4.5 No Partition Actions or Liens**

Except as specifically permitted herein, each Limited Partner covenants that it will not, during the term of this Agreement, bring any action for partition or sale or otherwise in connection with any

interest in the business, the property, the assets, or the undertaking of the Limited Partnership, whether real or personal, nor register or permit any lien or charge to be registered or remain undischarged against the business, the property, the assets, or the undertaking of the Limited Partnership.

#### **4.6 Compliance with Laws**

Each Limited Partner will, on request of the General Partner, immediately execute any documents considered by the General Partner to be necessary or required to comply with the laws or regulations of any applicable jurisdiction, relating to the continuation, operation and good standing of the Limited Partnership.

#### **4.7 Death, Incapacity, and Dissolution**

The death, legal incapacity, dissolution, wind-up or separation from a spouse of a Limited Partner or the principal of a Limited Partner will not cause the dissolution of the Limited Partnership, but the rights of such Limited Partner to share in the profits and losses of the Limited Partnership, to receive distributions of Limited Partnership funds and to transfer or assign a Unit or Units, will, on the happening of any such event, devolve on the personal representative or successor of such Limited Partner, or in the event of the death of a Limited Partner having a Unit or Units held in joint ownership, will pass to the surviving joint owner, subject in all instances to the terms and conditions of this Agreement, and the Limited Partnership will continue as a Limited Partnership. The estate or successor in interest of the Limited Partner or such surviving joint owner, as the case may be, will be liable for all of the obligations of the deceased or dissolved Limited Partner; however, in no event will such Person become a substitute of the Limited Partner, except in accordance with the terms and conditions of this Agreement.

#### **4.8 Bankruptcy of a Limited Partner**

If any Limited Partner becomes a Bankrupt, the Limited Partnership shall have the option, exercisable by notice from the General Partner to the Bankrupt Partner (or his or its representative) at any time prior to the one hundred eightieth (180th) day after receipt of notice of the occurrence of the event causing him or it to become a Bankrupt, to buy, and on the exercise of this option the Bankrupt Partner or his or its representative shall sell, his or its Units. The purchase price shall be an amount equal to the fair market value thereof determined by agreement by the Bankrupt Partner (or his or its representative) and the General Partner; however, if those Persons do not agree on the fair market value on or before the thirtieth (30th) day following the exercise of the option, either such Person, by notice to the other, may require the determination of fair market value to be made by an independent appraiser specified in that notice. If the Person receiving that notice objects on or before the tenth (10th) day following receipt to the independent appraiser designated in that notice, and those Persons otherwise fail to agree on an independent appraiser, such Person may petition the courts in the province of British Columbia to designate an independent appraiser. The determination of the independent appraiser, however designated, is final and binding on all parties. The Bankrupt Partner and the Limited Partnership each shall pay one-half of the costs of the appraisal. The purchaser shall pay the fair market value as so determined in four equal cash instalments, the first due on closing and the remainder (together with accumulated interest on the amount unpaid at the General Interest Rate) due on each of the first three (3) anniversaries thereof. The payment to be made to the Bankrupt Partner or his or its representative pursuant to this Section. is in complete liquidation and satisfaction of all the rights and interest of the Bankrupt Partner and his or its representative (and of all Persons claiming by, through, or under the Bankrupt Partner and his or its representative) in and in respect of the Limited Partnership, including, without limitation,

any Units, any rights in specific Limited Partnership property, and any rights against the Limited Partnership and (insofar as the affairs of the Company are concerned) against the Limited Partners, and constitutes a compromise to which all Partners have agreed pursuant to the Act.

#### **4.9 Status of Each Limited Partner**

Each Limited Partner represents and warrants to each of the other Partners that:

- (a) it is not:
  - (i) a non-resident of Canada within the meaning of the Tax Act, or a non- Canadian for the purposes of the *Investment Canada Act*;
  - (ii) a tax shelter, tax shelter investment, or any other entity or investment which would be a tax shelter investment within the meanings of the Tax Act;
  - (iii) a non-Canadian partnership within the meaning of the Tax Act; and
  - (iv) a partnership which does not prohibit investments by either sub-paragraphs (i), (ii) or (iii) hereof;
- (b) it has not borrowed on a loan or any debt to purchase any Units, where the debt would constitute a limited recourse amount within the meaning of the Tax Act;
- (c) if an individual, he or she is of the age of majority;
- (d) it has the requisite power and capacity to enter into this Agreement and to perform its obligations hereunder and, where applicable, the execution and delivery of this Agreement has been duly authorized;
- (e) it is acquiring a Unit or Units for the purpose of carrying on a business in common with all other Partners with a view to earning a profit within the meaning of the Tax Act.

Each Limited Partner covenants and agrees that it will not change its status if such change will have the effect of altering the status of the Limited Partnership under the Tax Act; and covenants and agrees that it will not transfer or assign, or purport to transfer or assign, its Units to any Person who cannot truthfully represent and warrant the facts set out in paragraphs (a) to (e) above. Each Limited Partner covenants and agrees that it will, upon the request of the General Partner, promptly provide evidence of its status under such statute in such form as the General Partner may request.

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

The representations, warranties and covenants made pursuant to Section 4.9 above will survive execution of this Agreement and each Limited Partner will ensure that each representation, warranty and covenant made pursuant to Section 4.9 remains true so long as such Limited Partner remains a Limited Partner.

#### **4.11 Evidence of Status**

Each Limited Partner will, upon request, promptly provide evidence to the General Partner that its status under the legislation referred to in Section 4.9(a) is as represented.



#### **4.12 Withdrawal on Loss of Status**

If any one or more of the representations of a Limited Partner in Section 4.9(a) are no longer correct, on the day immediately preceding the date on which such representation becomes incorrect (the “**tender date**”) the Limited Partner will be deemed to have tendered all of the Limited Partner’s Units to the General Partner for the account of the Limited Partnership, and the General Partner will have fourteen (14) days within which to notify that Limited Partner that it has accepted that tender, effective as of the tender date, failing which the General Partner will be deemed to have declined the tender. The General Partner one or more of its Affiliates or Related Parties, in the General Partner’s sole discretion, may purchase some or all of the Units tendered at a reasonable price thereof, to be determined by the General Partner in its absolute discretion. The tendering Limited Partner will pay all expenses of the General Partner in respect of the tender, valuation and sale process.

#### **4.13 Withdrawal of the Initial Limited Partner**

The interest of the Initial Limited Partner in the Partnership will be cancelled, and the amount contributed by the Initial Limited Partner will be returned and paid to it in cash immediately following the initial Closing and such cancellation will be entered concurrently on the Register and upon such entry, the Initial Limited Partner will cease to be a Limited Partner. The General Partner does hereby and each Limited Partner by subscribing hereto, consents to the withdrawal of the Initial Limited Partner and does hereby waive and release the Initial Limited Partner from any right, claim or action that any of them might have as a consequence of such withdrawal.

### **ARTICLE 5 : MEETINGS OF THE PARTNERS**

#### **5.1 Calling of Meetings**

Meetings of the Partners may be called at any time by the General Partner and will be called by the General Partner upon the written request of Limited Partners holding in the aggregate not less than 75% of the outstanding Units, and such request will specify the purposes for which such meeting is to be called. Any such meeting will be held in the City of Vancouver, British Columbia or such other place within British Columbia as the General Partner will designate. If the General Partner fails to convene a meeting upon any such request of Limited Partners within a period of twenty-one (21) days after the giving of such request, the requesting Limited Partners may convene such meeting and the notice calling such meeting will be signed by one or more of requesting Limited Partners. Any meeting called by such requesting Limited Partners will be conducted in accordance with the provisions of this Agreement.

#### **5.2 Annual Meeting of the Partners**

An annual meeting of the Partners for the transaction of such business as may properly come before the meeting, shall be held at in the City of Vancouver, British Columbia on such date and at such time as the General Partner shall fix and set forth in the notice of the meeting, which date shall be within thirteen (13) months subsequent to the date of organization of the Limited Partnership or the last annual meeting of Partners, whichever most recently occurred; provided, however, that the General Partner may elect not to hold annual meetings of the Partners if it deems in its sole discretion such meeting or meetings to be unnecessary or burdensome.

### **5.3 Quorum**

Subject to this Agreement, a quorum at any meeting of the Partners will consist of Partners present, in person or by proxy, who collectively hold or represent by proxy, 50% of the voting rights of all Units and if, within 30 minutes after the time fixed for the commencement of any such meeting, a quorum is not present, the meeting:

- (a) if called by Limited Partners, will be dissolved; and
- (b) if called by the General Partner, will be held at the same time and place on the 14th day next following (or if that date is not a business day, the first business day after that date), and the General Partner will give notice to all of the other Partners of the date of the reconvening of the adjourned meeting, and at such reconvened meeting the quorum will consist of the Partners then present in person or represented by proxy.

### **5.4 Notice**

Notice of all meetings of the Partners, stating the time, place and purpose of the meeting, will be given by the General Partner or other Partners calling the meeting, to each Partner at least seven (7) days, but not more than forty (40) days, before the meeting. Only the business stated in the notice of meeting and such other business as may be resolved at such meeting to be dealt with will be considered at such meeting. The provisions of Section 5.3 will apply with respect to the notice for adjourned meetings.

### **5.5 Voting**

Except as otherwise herein set out, every question submitted to a meeting of the Limited Partners, will be decided by Special Resolution on the basis of a poll.

A poll will be taken at all meetings of the Partners and in all instances the results of the poll will determine if the resolution passes or is defeated. For any poll taken at a meeting, each Partner will have one vote for each Unit in respect of which he is the registered owner or holder. Votes may be given in person or by proxy and a person appointed by proxy need not be a Partner. No person other than the holder of a Unit or a person appointed by proxy or a Person acting pursuant to a power of attorney or a voting trust, is entitled to vote at a meeting of the Partners.

Where two or more Persons are registered as owners of the same Unit, either or any of them may vote for all of the Units represented thereby. If two or more such Persons tender votes, only the vote of the Person, whose name is first listed in the Register in respect of those Units, will be counted.

### **5.6 Proxies**

At any meeting of the Partners, any Partner entitled to vote thereat may vote by proxy, provided that no proxy will be voted at any meeting unless it will have been placed on file with the General Partner for verification prior to the commencement of the meeting at which such vote will be taken. A proxy purported to be executed by or on behalf of the Partner will be deemed valid unless challenged at or prior to its exercise, and the person challenging will have the burden of proving to the satisfaction of the chairperson of the meeting that the proxy is invalid and any decision of the chairperson concerning the invalidity of a proxy, will be final and binding.

A vote cast in accordance with the terms of an instrument of proxy will be valid notwithstanding the previous death, incapacity, insolvency or bankruptcy of the Partner giving the proxy or the permitted revocation of the proxy, unless written notice of such death, incapacity, insolvency, bankruptcy or permitted revocation will have been received by the chairperson of the meeting prior to the time such vote is cast.

### **5.7 Form of Proxy**

Except as otherwise required herein, every proxy will be substantially in the form which follows or such other form as may be approved by the General Partner or as may be satisfactory to the chairperson of the meeting at which it is sought to be exercised:

I, \_\_\_\_\_, of \_\_\_\_\_, being a Partner (or her or his lawful attorney) of CPI Atlas Bay Point Canadian Limited Partnership, with full power of substitution, to vote for me and on my behalf at the meeting of the Partners to be held on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and every adjournment thereof and every poll that may take place in consequence thereof.

Witness my hand this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Signature)

Notwithstanding the foregoing, if a Limited Partner does not attend a meeting of the Partners and does not otherwise appoint a proxy in accordance with this Section 5.7, the General Partner as the lawful attorney and agent of each Limited Partner (as herein appointed) will be deemed to be the proxy of each Limited Partner for all purposes hereof and with the full power of substitution.

### **5.8 Proxy Solicitation**

No Person will solicit proxies and any proxy that has been solicited, as determined in the sole discretion of the person acting as chairperson of any meeting, shall be invalid.

### **5.9 Binding Effect of Resolutions**

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

### **5.10 Powers Requiring Special Resolution**

For clarity and without limiting any other matters that may be decided by Special Resolution as otherwise herein set out, a Special Resolution is required to approve the exercise of any of the following powers:

- (a) admit a new General Partner to the Limited Partnership in anticipation of the bankruptcy, insolvency, dissolution, liquidation, winding-up or, subject to the terms of Section 6.14, the removal of the General Partner, such admission to become effective only upon the actual bankruptcy, insolvency, dissolution, liquidation, winding-up or removal of the General Partner;

- (b) continue the Limited Partnership if the Limited Partnership is terminated by operation of law;
- (c) subject to Section 13.1, amend, modify, alter or repeal this Agreement; and amend, modify, alter or repeal any Special Resolution previously passed by the Partners, as determined by the General Partner in its sole discretion.

The foregoing powers will not be exercised if the exercise thereof would constitute management of the business of the Limited Partnership.

#### **5.11 Minutes**

The General Partner will cause minutes to be made and kept of all proceedings and resolutions at every meeting and will keep consent resolutions of the Partners. Minutes signed by the chairperson of the meeting or by the chairperson of the next succeeding meeting, will be deemed evidence of the matters stated in such minutes and such meetings will be deemed to have been duly convened and held and all resolutions or proceedings recorded in such minutes will be deemed to have been duly passed and taken.

#### **5.12 Chairperson**

Unless otherwise determined by Special Resolution, the chairperson at all meetings of the Partners will be the person acting in the capacity of President of the General Partner.

#### **5.13 Authorized Attendance**

The General Partner, acting reasonably, but in its sole discretion, will have the right to authorize the presence of any individual at any meeting of the Partners regardless of whether that individual is a Partner and with the approval of the chairperson of that meeting, such individual will be entitled to address the meeting.

#### **5.14 Record Dates**

For the purposes of determining the Partners who are entitled to vote or act at any meeting or any adjournment thereof, or who are entitled to participate in any distribution, or for the purpose of any other action, the General Partner may from time to time cause the Register to be closed for such period, not exceeding thirty (30) days, as the General Partner may determine; or without causing such Register to be closed, the General Partner may fix a date not more than twenty (20) days prior to the date of any meeting of the Partners, distribution or other action, as a record date for the determination of Partners entitled to vote at such meeting or any adjournment thereof or to receive such distribution or to be treated as Partners of record for purposes of such other action, and any Person who was or is a Partner at the time so fixed will be entitled to vote at such meeting or any adjournment thereof or to receive such distribution, even though he has since that date ceased to be a Partner, and no Partner becoming such after that date will be a Partner of record for purposes of such other action.

#### **5.15 Additional Rules and Procedures**

To the extent that the rules and procedures for the conduct of a meeting of the Partners are not prescribed in this Agreement, such rules and procedures will be determined by the chairperson of

the meeting having regard to, but not being bound by, the then current version of Robert's Rules of Order.

**5.16 No Voting by Limited Partner in Default**

For so long as any Limited Partner remains in default or breach of any of its representations, warranties or covenants hereunder, as determined by the General Partner in its sole discretion, such defaulting or breaching Limited Partner shall be entitled to receive notice of any meetings of the Partners but shall not be entitled to vote thereat.

**ARTICLE 6 : THE GENERAL PARTNER**

**6.1 Management of the Limited Partnership**

The General Partner has:

- (a) unlimited liability for the debts, liabilities and obligations of the Limited Partnership; and
- (b) the full and exclusive right, power and authority on behalf of the Limited Partnership and in the name of the Partners to manage, control, administer and operate the business and affairs of the Limited Partnership and to make decisions regarding the undertaking and business of the Limited Partnership, subject only to the restrictions set forth herein or in the Act.

Any action taken by the General Partner on behalf of the Limited Partnership is deemed to be an act of the Limited Partnership and binds the Limited Partnership. In dealing with the General Partner in acting on behalf of the Limited Partnership, no Person will be required to inquire into the authority of the General Partner to bind the Limited Partnership or to do any act, take any proceeding, make any decision or execute and deliver any instrument, deed, agreement or document for and on behalf of and in the name of the Limited Partnership. Persons dealing with the Limited Partnership are entitled to rely conclusively on the power and authority of the General Partner as set forth in this Agreement and the General Partner is authorized to delegate any of its powers in the Agreement as the General Partner may determine.

**6.2 Specific Powers and Duties**

Without restricting or limiting the foregoing in any way, the General Partner is hereby granted the full and exclusive right, power and authority to do or cause to be done for and on behalf of and in the name of the Limited Partnership, any and all acts deemed by the General Partner to be necessary, appropriate, required or incidental to the business, operations and undertakings of the Limited Partnership, including, without limitation, the exclusive right, power and authority to:

- (a) acquire and manage the USLP Units and provide over-all management and financial and business planning for and on behalf of the Limited Partnership, and to determine the investment policies, practices and objectives applicable to the Limited Partnership including any restrictions on investments which the General Partner deems advisable, to implement such policies, practices and objectives and to purchase or otherwise acquire any property, assets and undertakings in accordance with such policies, practices and objectives;

- (b) enter into, perform or assume the obligations under any agreements for the acquisition of the USLP Units, and the management and operation of the business of the Limited Partnership and the USLP and the assets or undertakings of the Limited Partnership, and for the provision of all necessary services for and on behalf of the Limited Partnership;
- (c) invest in, acquire and hold property, both real and personal, whether by freehold, leasehold or otherwise, and to enter into or renew any lease of any such property;
- (d) sell, convey, transfer, exchange and otherwise dispose of all or any portion of the properties, assets, undertakings and investments of the Limited Partnership at any time and from time to time;
- (e) enter into joint ventures, syndicates, partnerships or other forms of co-ownership in respect of any property, asset or undertaking of the Limited Partnership;
- (f) lend money, whether secured or unsecured, on such terms and conditions deemed by the General Partner;
- (g) exercise personally or by general or limited power of attorney all voting rights (if any) and all other rights attaching to or appurtenant to any property, assets, undertakings or investments of the Limited Partnership;
- (h) borrow money in such manner and amounts, and from such sources and on such terms and conditions as the General Partner deems appropriate including, without limiting the generality of the foregoing, for the purpose of financing capital expenditures and financing the business, operations and undertakings of the Limited Partnership;
- (i) in connection with any borrowing referred to herein, execute without limit as to amount, draw, make, issue and deliver negotiable and non-negotiable instruments in evidence of indebtedness and secure the payment of money so borrowed including, without limit, pledging, or assigning in trust, any of the property, assets or undertaking of the Limited Partnership and grant mortgages, liens, charges, encumbrances and other security interests on any property, assets or undertaking of the Limited Partnership;
- (j) renew or extend or participate in the renewal or extension of any mortgage or other security interest upon such terms as the General Partner may deem advisable;
- (k) place registered title to any property or assets of the Limited Partnership in the name of the General Partner or any other nominee or trustee or bare trustee, for the purpose of financing or other convenience for the benefit of the Limited Partnership;
- (l) enter into any license or sub-license agreement with any other Person to obtain rights to technology, intellectual property or otherwise, in such manner and on such terms as the General Partner considers appropriate;
- (m) incur all expenses relating to the acquisition and operation of the business, property, assets and undertakings of the Limited Partnership or which the General Partner deems are necessary or incidental to or desirable for carrying out the purposes of the Limited Partnership or conducting the business of the Limited Partnership;

- (n) employ, retain or dismiss from employment all necessary personnel, agents, representatives or professionals with the powers and duties, upon the terms, at the places and for the compensation as in the discretion of the General Partner may be necessary or advisable in the carrying on of the business, operations and undertakings of the Limited Partnership;
- (o) retain, dismiss and change legal counsel, accountants, auditors, experts, advisors, agents or consultants as the General Partner will consider appropriate and to rely upon the advice of such persons;
- (p) open accounts for the Limited Partnership in the name of the General Partner or the Limited Partnership, to designate, and from time to time to change, the signatories to the accounts, to execute loan and credit agreements on behalf of the Limited Partnership, and to make deposits to any such account for and on behalf of the Limited Partnership;
- (q) invest and hold funds not immediately required for the operation of the Limited Partnership in a prudent manner;
- (r) submit the Limited Partnership to binding arbitration with respect to the matters pertaining to the assets and undertakings of the Limited Partnership, provided that all such arbitration shall be carried out in accordance with the terms of the *Arbitration Act* (British Columbia);
- (s) commence, defend and settle any action or proceeding in connection with the Limited Partnership;
- (t) file all returns and provide all other information required by any governmental or like authority;
- (u) enter into and perform all contracts, covenants and obligations of or relating to the Limited Partnership;
- (v) obtain and account for all revenue of the Limited Partnership;
- (w) disburse monies to the Partners in accordance with this Agreement;
- (x) obtain, maintain and pay all costs of such insurance coverage as may be determined necessary by the General Partner, including without limitation directors and officers liability insurance;
- (y) attend to all matters relating to the sale, distribution and issuing of Units and to acquire any outstanding Unit on terms and conditions acceptable to the General Partner acting in its sole discretion or as otherwise authorized under the terms of this Agreement;
- (z) attend to all matters and execute all documents relating to the subscription, distribution, sale or transfer of Units pursuant to this Agreement, and except as otherwise herein set out, to approve or reject any such subscription, distribution, sale or transfer in its sole discretion;
- (aa) make, execute, acknowledge and deliver, under seal or otherwise, any instrument, deed, agreement, contract, lease, mortgage, conveyance, guarantee, indemnity, covenant, waiver and other document and take any other steps as are necessary or desirable to effect the

power and authority of the General Partner provided herein for and on behalf of and in the name of the Limited Partnership;

- (bb) enter into and perform any agreement to do any of the foregoing; and
- (cc) generally to do all acts and things and to take all steps and proceedings and exercise all rights and privileges in connection with the property, assets and the undertakings of the Limited Partnership which would customarily be carried out by a reasonable and prudent owner and operator in Canada having a like business.

### **6.3 Fees Paid to the General Partner**

#### **(a) General Partner Fee.**

In addition to and without derogating from the rights of the General Partner set out in Section 6.2, the General Partner or its designees, as the case may be, will be entitled to receive the General Partner Fee, as and when payable in accordance with the respective definitions set out in Section 1.1 of this Agreement, and each of the Limited Partners acknowledges and agrees that the distributions set out in this Agreement will be net of any amounts received by the General Partner or its designees, as the case may be, on account of the General Partner Fee.

#### **(b) Capital Raise and Exempt Market Dealer Fees**

The General Partner may pay Capital Raise and Exempt Market Dealer Fees from time to time as consideration for those third parties' role in sourcing and securing investments for Units by Limited Partners.

#### **(c) Payment of Fees**

The General Partner, if applicable, shall cause to be paid the General Partner Fee and the Capital Raise and Exempt Market Dealer Fees as and when each are payable in accordance with and subject always to the terms of this Agreement, and each of the Limited Partners acknowledges and agrees that the distributions set out in this Agreement will be made after deduction of any General Partner Fees and Capital Raise and Exempt Market Dealer Fees, provided, however, that the General Partner may, in its discretion and from time to time, elect to waive, in whole or in part, or reduce the General Partner Fee and Capital Raise and Exempt Market Dealer Fees.

### **6.4 Title to Property**

Subject to the rights of the General Partner at Section 6.2(k), the General Partner will hold legal title to the property, assets and undertakings of the Limited Partnership in its capacity as General Partner of the Limited Partnership and in accordance with the terms of this Agreement and the contractual relationship herein created. It is expressly declared that in respect of the retention or the transfer to the General Partner of legal title to any asset of the Limited Partnership, it is intended that an agency relationship only be created. The General Partner is not charged with any obligations with respect to the property, assets and undertakings of the Limited Partnership other than its contractual rights and obligations herein created and its rights and obligations imposed by the Act. Any trust which may be alleged or held to exist in consequence of the holding of legal title to any asset of the Limited Partnership by the General Partner is expressly declared to be strictly consequential and ancillary to the statutory and contractual relationship herein contracted for and



will in no event create greater rights and obligations between the General Partner, as trustee, and the Limited Partnership, as beneficiary, than would exist pursuant to a bare trust.

**6.5 Duty of Care**

The General Partner will be under the duty to manage and operate the Limited Partnership and the property, assets and undertakings thereof in a manner which would be considered reasonable and prudent for the management of like undertakings in Canada.

**6.6 Maintenance of Limited Liability of Limited Partners**

The General Partner will, at all times, conduct the business and affairs of the Limited Partnership in such manner so that, so far as reasonably possible, the liability of each Limited Partner will be limited to the amount of the Capital Contribution of such Limited Partner.

**6.7 General Partner to Satisfy Judgment**

In furtherance of the intent of the Partners that each Limited Partner will have limited liability:

- (a) the General Partner will arrange to prosecute, defend, settle or compromise all actions at law or in equity at the expense of the Limited Partnership, as such may be necessary to enforce or protect the interest of the Limited Partners; and
- (b) the General Partner will satisfy any judgment, decree, decision or settlement against or with respect to the Limited Partnership, out of the assets and income of the Limited Partnership.

**6.8 Transactions Involving Related Parties**

The validity of any transaction, agreement or payment involving the Limited Partnership and any Affiliate or Related Party will not be affected by reason of the relationship between the General Partner and such Affiliate or Related Party or the approval of such transaction, agreement or payment by directors of the General Partner, all or some of whom may be officers or directors of or are otherwise interested in or related to such Affiliate or Related Party. Without limiting the generality of the foregoing, the General Partner may employ or retain an Affiliate or Related Party to provide goods or services to the Limited Partnership, provided that the costs of such goods or services are reasonable and competitive with the cost of similar goods or services provided by an independent third party. For the purposes of this Section, the General Partner Fees and Capital Raise and Exempt Market Dealer Fees shall be conclusively deemed to be reasonable and competitive with the cost of similar goods or services provided by an independent third party, and each and every limited partner hereby waives any right to claim otherwise.

**6.9 Other Activities**

The General Partner will not be required to devote its efforts exclusively to or for the benefit of the Limited Partnership. The General Partner and its Affiliates and Related Parties will have the right to engage in, and to organize and operate other partnerships and to engage in other business ventures of any kind, including the operation and ownership of other partnerships or businesses engaged in a business similar to, or competitive with, that of the Limited Partnership. In the absence of bad faith on the part of the General Partner or its Affiliates and Related Parties, any resolution of or course of action relating to any conflict of interest by the General Partner will be deemed fair

and reasonable and will not constitute a breach of this Agreement or a duty owed by the General Partner to the Limited Partnership. Engaging in any such activity by the General Partner and its Affiliates and Related Parties will not be considered a breach of any duty that the General Partner and its Affiliates and Related Parties may have to the Limited Partnership or to the Limited Partners, and the Limited Partnership will have no interest in any profits that may be realized with respect to any such activity.

**6.10 Limitation of Liability**

Neither the General Partner nor any of its officers, directors, shareholders or employees will be liable, responsible for, or accountable in damages or otherwise to the Limited Partnership or to any Limited Partner for any action taken or failure to act on behalf of the Limited Partnership within the scope of the authority conferred on the General Partner by this Agreement or by law unless such action or omission was performed or omitted fraudulently or in bad faith or constituted wanton or willful misconduct or negligence.

**6.11 Restrictions Upon the General Partner**

Without the approval of the Limited Partners expressed by a Special Resolution, the General Partner will not:

- (a) do any act in contravention of the Certificate or any amendment thereto;
- (b) do any act which makes it impossible to carry on the ordinary business of the Limited Partnership;
- (c) possess Limited Partnership property or assign any rights therein, for other than the purposes of the Limited Partnership; or
- (d) admit a Person as a General Partner.

**6.12 Delegation of Duties**

The General Partner may contract with any Person to carry out any of the duties of the General Partner hereunder and may delegate to such Person any right, power and authority of the General Partner hereunder; provided however, no such contract or delegation will relieve or release the General Partner of any of its obligations hereunder.

**6.13 Expenses**

All costs and expenses incurred or payable by the General Partner in managing, operating or conducting the business of the Limited Partnership, or incurred by the General Partner in the performance of its duties and obligations hereunder including, without limitation, the costs of such professional, managerial, technical, administrative, marketing, sales, engineering and other services and advice as it will deem necessary, in its sole and absolute discretion, will be paid by the Limited Partnership or reimbursed by the Limited Partnership to the General Partner. The Limited Partnership will be responsible for and will pay and reimburse the General Partner for all such costs and expenses paid or incurred by the General Partner, both before and after the filing of the Certificate.

The Limited Partnership will indemnify and hold harmless the General Partner from any cost, damage, liability, expense or loss suffered or incurred by the General Partner and resulting from or arising out of any act or omission of the General Partner on behalf of the Limited Partnership or in furtherance of the business of the Limited Partnership, both before and after the filing of the Certificate, unless such action or omission was performed or omitted fraudulently or in bad faith or constituted wanton or willful misconduct or negligence.

#### **6.14 Removal of General Partner**

It is understood and agreed that the Limited Partners may, by Special Resolution, and only with cause, remove the General Partner and appoint a new Person to be the General Partner. The Limited Partners shall be deemed to have “cause” to approve the removal of the General Partner by Special Resolution only if the General Partner commits any of the following acts in the course of acting as general partner of the Limited Partnership:

- (a) fraud, gross negligence or willful misconduct;
- (b) misapplication, misappropriation or conversion by the General Partner of any of the income of the Limited Partnership;
- (c) the adjudication of the General Partner as bankrupt or the appointment of a receiver of the assets and undertaking of the General Partner;
- (d) the dissolution, winding-up or liquidation of the General Partner;
- (e) the General Partner making an assignment for the benefit of creditors; or
- (f) the General Partner failing to perform its duties hereunder in a material and substantive manner and then only if the General Partner does not remedy or correct its failure to perform within a reasonable period of time of receiving notice of such failure to perform,

and, in all cases, only if the Limited Partners appoint by Special Resolution, concurrently with such removal, a Person to act as General Partner who, from the date of such removal, assumes all of the responsibilities and obligations of the removed General Partner, including without limitation, liabilities with regard to financing provided to the Limited Partnership.

The effective date for the removal of the General Partner shall be referred to as the “**General Partner Replacement Date**”.

From and after the General Partner Replacement Date, the removed General Partner will cease to be the General Partner of the Limited Partnership and, if the removed General Partner is a holder of Units, will be regarded for all purposes of this Agreement to be a Limited Partner with effect as of and from the General Partner Replacement Date. In any event such General Partner will also be entitled to be paid the balance in its Capital Account as of the effective date of removal, such payment to be made on the effective date of removal.

Upon any change to a new General Partner, the removed General Partner will do all things and will take all steps to immediately and effectively transfer the management and operation, assets, books, records and accounts of the Limited Partnership to the new General Partner including the execution of all deeds, certificates, declarations and any other documents whatsoever which may be necessary

to effect such change and to convey all the assets of the Limited Partnership to the new General Partner. All costs of such transfer will be for the account of the Limited Partnership.

Upon the removal of a General Partner, the Limited Partnership and the Limited Partners will release and hold harmless the removed General Partner from all actions, claims, costs, demands, losses, damages and expenses with respect to events which occur in relation to the Limited Partnership after the effective time of removal.

#### **6.15 Resignation of General Partner**

A Person may at any time resign as the General Partner, provided however, such resignation will only be effective upon the admission and appointment of another Person, appointed by Special Resolution, to act as the General Partner. Such General Partner will also be entitled to be paid the balance in its Capital Account as of the effective date of removal, such payment to be made on the effective date of removal.

### **ARTICLE 7 : RECORDS, REPORTS AND REPORTING**

#### **7.1 Register**

The General Partner will:

- (a) maintain a registered office for the Limited Partnership at the office of the solicitors for the General Partner, or such other office as may be stipulated by the General Partner, and keep at such registered office a copy of this Agreement and all amendments thereto together with a copy of the Certificate and a copy of any amendments thereto;
- (b) act as a transfer agent and maintain a list and Register of the full name and last known resident address of each Partner, or if the Partner is a corporation, the registered address of the corporation, and indicating the number and type of Units held by each Partner, whether each Partner is a Limited Partner or General Partner, particulars of registration and transfer of Units and a record of any known mortgage or pledge of any Unit that is permitted to be granted pursuant to the terms of this Agreement;
- (c) maintain such other records as may be required by law; and
- (d) make on behalf of the Limited Partnership, all recordings and filings with any governmental authority or like body that are required to be made by the Limited Partnership from time to time.

The information contained in the Register will be made available for inspection during normal business hours at the office of the General Partner or at a place designated by the General Partner, to Partners and creditors of the Limited Partnership or to their representatives duly authorized in writing, free of charge.

The General Partner will be authorized to make such reasonable rules and regulations as it may, from time to time, consider necessary or desirable in connection with the services to be performed in respect of the Register, including the appointment of an agent to perform the functions of the General Partner relating to the Register and the form and content of the Register.

## **7.2 Records and Books of Account**

Proper and complete records and books of account will be kept and maintained by the General Partner in which will be entered fully and accurately all transactions and all other matters relative to the Limited Partnership's business as are usually entered into records and books of account maintained by Persons engaged in business of a like character. The Limited Partnership's books and records will be prepared in accordance with GAAP, consistently applied, and may be kept on a cash or accrual basis as the General Partner may determine. The books and records will at all times be maintained at the head office of the Limited Partnership or at the head office of the General Partner, as the General Partner may determine.

## **7.3 Financial Information**

Not later than one hundred and twenty days (120) days after the end of each fiscal year of the Limited Partnership, the General Partner will furnish to each Limited Partner an annual report of the business and operations of the Limited Partnership during such year and such report will constitute the accounting of the General Partner for such year. Such report will contain a copy of the annual financial statements of the Limited Partnership showing the Limited Partnership's gross receipts and expenses and the Limited Partnership's profits or loss for the year and the allocation allowed to each Unit and will otherwise be in such form and have such content as the General Partner deems proper. The statement will also contain a complete statement of amounts paid during the year by the Limited Partnership to the General Partner and its Affiliates and all necessary tax information.

## **7.4 Auditors and Audit.**

The General Partner may cause to be appointed, on an annual basis, an auditor for the Limited Partnership.

# **ARTICLE 8 : ALLOCATIONS AND DISTRIBUTIONS**

## **8.1 Separate Capital Accounts**

The General Partner will establish and maintain a separate Capital Account on the books of the Limited Partnership for itself and for each Limited Partner. The General Partner will:

- (a) credit the Capital Account of each Partner with an initial amount equal to the Capital Contribution paid by such Partner at the time of such Capital Contribution;
- (b) debit the Capital Account of each Partner with all distributions from the Capital Account to the Partner at the time of each such distribution; and
- (c) credit the Capital Account of each Partner with all additional contributions to the Capital Account, if any, at the time of each additional contribution.

## **8.2 Separate Current Accounts**

The General Partner will establish and maintain a separate Current Account on the books of the Limited Partnership for itself and for each Limited Partner. The General Partner will:

- (a) at the end of each month of the Limited Partnership, credit (or debit) each Partner's Current Account with the amount of the Net Income or Net Loss for the month allocated to the Partner under Section 8.3; and
- (b) debit the Current Account of each Partner with all distributions to the Partner other than as return of Capital Contribution, at the time of each such distribution.

### **8.3 Allocation of Net Income and Net Loss**

Except as otherwise provided in this Agreement, for each fiscal year (or portion thereof), Net Income and Net Loss (and, to the extent necessary, individual items of income, gain, loss or deduction) of the Limited Partnership shall be allocated among the Partners Current Account balance of each Partner, immediately after making such allocations, is, as nearly as possible, equal to the distributions that would be made to such Partner under Section 8.8 and Section 8.10 if the Limited Partnership were dissolved, its affairs wound up and its assets sold for cash equal to their respective book value, all Limited Partnership liabilities were satisfied, and the net assets of the Limited Partnership were distributed, in accordance with Section 8.8 and Section 8.10, to the Partners immediately after making such allocations. Notwithstanding the foregoing, the General Partner may make such adjustments to such allocations as it deems necessary in its sole and absolute discretion to give economic effect to this Section or any other provision of this Agreement.

### **8.4 Allocation of Taxable Income and Tax Loss**

Tax Income and Tax Loss of the Limited Partnership will be determined and allocated for each fiscal year of the Limited Partnership in the same manner as Net Income and Net Loss are allocated pursuant to Section 8.3, except that, if any such allocation for tax purposes is not permitted by the Tax Act, the Limited Partnership's subsequent income, gains, losses and deductions shall be allocated among the Partners for tax purposes, to the extent permitted by the Tax Act, so as to reflect as nearly as possible the allocation set forth herein in computing their Current Accounts.

### **8.5 Allocations to Partners**

The amount of Net Income, Net Loss, Taxable Income and Tax Loss for any fiscal year to be allocated to the Partners will be allocated as at the end of such fiscal year to the Partners recorded on the Register at the end of such fiscal year. In the event that a Partner transfers its Units throughout the fiscal year, the loss, income, gain, loss, deduction, and credit allocable to any Units that may have been transferred shall be allocated between the transferor and the transferee based on the portion of the calendar year during which each was recognized as owning those Units, without regard to the results of Limited Partnership's operations during any particular portion of that calendar year and without regard to whether cash distributions were made to the transferor or the transferee during that calendar year.

### **8.6 Tax Returns**

The General Partner shall cause all necessary Canada Revenue Agency income tax returns and forms to be prepared, filed and provided to the Limited Partners in a timely manner and no later than ninety (90) days after the end of each fiscal year.

The General Partner shall have discretion to extend the due date, as statutorily permitted under the US' Internal Revenue Code, US Treasury Regulations, or any state statutes and regulations, of any US federal and state income tax returns necessary for the Limited Partnership.

## **8.7 Reserves**

The General Partner on behalf of the Limited Partnership may retain a portion of the revenues of the Limited Partnership as a Reserve, in an amount that the General Partner, acting reasonably in the best interest of the Limited Partnership, deems appropriate for any purpose whatsoever.

## **8.8 Distributions of Cash Flow from Operations**

- (a) From time to time, the General Partner shall determine in its reasonable judgment to what extent (if any) the Partnership's cash on hand exceeds its current and anticipated needs, including, without limitation, for a Reserve, for Capital Raise and Exempt Market Dealer Fees, General Partner Fees, operating expenses, debt service, acquisitions, and a reasonable contingency reserve. If such an excess exists, the General Partner may in its sole discretion cause the Limited Partnership to distribute to the Partners as follows:
  - (i) Return of General Partners Capital Contribution. First 100% to the holder of the Class M Units until the holder of the Class M Units has received distributions of Distributable Cash on a cumulative basis including distributions made under Section 8.10 equal to the aggregate amount of \$100;
  - (ii) Profit for General Partner. Second, 100% to the holder of the Class M Units (General Partner), until the holder of the Class M Units has received the lesser of 0.001% of the amount of Distributable Cash or \$100; and
  - (iii) Distribution to the Limited Partners. Third 100% to each holder of Class A Units (the Limited Partners) in proportion to their ProRata Interests.
- (b) For the avoidance of doubt, it is the intention of the Partners that the distributions to be made to the Limited Partners will be calculated based on the distributions received by the Partnership pursuant to Section 5.2 of the USLP Partnership Agreement. Accordingly, the Partners agree that the General Partner may make such adjustments to the distributions to be made to the Partners pursuant to Article 8 hereof as the General Partner deems necessary or advisable in its sole discretion in order to give effect to the foregoing intention.

## **8.9 Limitation on Demand for Return of Capital**

Subject to the rights of the General Partner under Sections 6.14 and 6.15 regarding return of capital upon removal or resignation of the General Partner, respectively, a Partner will only be entitled to demand the return of its Capital Account upon:

- (a) the sale or disposition of all or substantially all of the property and assets of the Limited Partnership; or
- (b) the wind-up or dissolution of the Limited Partnership; or
- (c) the redemption or re-purchase of all Units by the Limited Partnership.

#### **8.10 Repayment of Capital and Distribution of Surplus Proceeds**

- (a) All funds which are of a capital nature and not income which arise or are realized or received upon the wind-up or dissolution of the Limited Partnership, upon the sale or disposition of assets of the Limited Partnership or upon any refinancing of the assets of the Limited Partnership (for greater certainty, any increase in the principal amount of such indebtedness refinanced shall be deemed to be of the nature of capital) or otherwise, will be used or distributed as follows:
- (i) Payment of Liabilities, Debts, etc. First, to pay all current debts, liabilities and obligations of the Limited Partnership to its creditors or otherwise make adequate provision for the payment or discharge thereof (including, without limitation, the establishment of a Reserve);
  - (ii) Return of General Partners Capital Contribution. Second, 100% to the holder of the Class M Units until the holder of the Class M Units has received distributions of Distributable Cash on a cumulative basis including distributions made under Section 8.8(a)(i) equal to the aggregate amount of \$100;
  - (iii) Profit for General Partner. Third, 100% to the holder of the Class M Units (General Partner), until the holder of the Class M Units has received the lesser of 0.001% of the amount of Distributable Cash or \$100; and
  - (iv) Distribution to the Limited Partners. Fourth, 100% to each holder of Class A Units (the Limited Partners) in proportion to their ProRata Interests.
- (b) All distributions in kind to the Partners shall be made subject to the liability of each distributee for costs, expenses, and liabilities theretofore incurred or for which the Limited Partnership has committed prior to the date of termination and those costs, expenses, and liabilities shall be allocated to the distributee pursuant to this Section 8.10. The distribution of cash and/or property to a Partner in accordance with the provisions of this Section 8.10 constitutes a complete distribution to the Partner with respect to his or its Units and the Partner's interest in the Limited Partnership's property and constitutes a compromise to which all Partners have consented. To the extent that a Partner returns funds to the Limited Partnership, he or it has no claim against any other Partner for those funds.

#### **8.11 Nature and Form of Distributions**

A distribution will only be a return of capital if it is designated as such by this Agreement or by written designation of the General Partner. Distributions will be made in the form of money. In addition, if approved by Special Resolution, the General Partner may make a distribution in the form of any other property of the Limited Partnership. If a distribution is not in the form of money, the General Partner acting reasonably may determine the value constituted by any such other property distributed by reference to its fair market value.

#### **8.12 Overpayments**

If it appears that any Partner has received an amount which is in excess of its entitlement, such Partner will forthwith reimburse the Limited Partnership to the extent of such excess upon notice by the General Partner, and if such amount is not then repaid, in addition to any other remedies



provided under this Agreement, the General Partner may deduct such amount from any subsequent distribution to such Partner.

**8.13 Consent re: Capital Payments**

Each Partner expressly consents to any distribution or loan or advance in anticipation of any such distribution made pursuant to this Agreement and which may result in a return of all or any part of the Capital Contribution or any amounts payable to a Limited Partner or the General Partner in accordance with this Agreement. All such loans or advances made to and owing by a Limited Partner will be non-interest bearing and will be repayable on demand issued by the General Partner. For greater certainty, the General Partner may at any time, in its discretion, obtain repayment of all such advances owing by a Limited Partner by way of set off against the balance in such Partner's Current Account and/or Capital Account or any other amount payable to such Partner in accordance with this Agreement.

**8.14 Distribution to Non-Resident**

The General Partner may apply all or any part of a distribution to a Partner who may reasonably be considered to be a non-resident Partner within the meaning of the Tax Act, towards the payment of any tax or other payment eligible or required under the Tax Act.

**ARTICLE 9 : POWER OF ATTORNEY**

**9.1 Creation**

Each Limited Partner who is an acquirer or subscriber for a Unit or a transferee or assignee of a Unit, hereby irrevocably nominates, constitutes and appoints the General Partner, with full power of substitution, as its true and lawful attorney and agent, to act on its behalf with full power and authority in its name, place and stead and for its use and benefit to:

- (a) execute, swear to, acknowledge, deliver and file as and where required any and all of the following:
  - (i) this Agreement and any amendments thereto and all Limited Partnership declarations and other instruments necessary to form, qualify or continue and keep in good standing the Limited Partnership as a limited partnership or otherwise to comply with the law of any jurisdiction in which the Limited Partnership may carry on business or own or have property or assets or as otherwise necessary or desirable in order to maintain the limited liability of the Limited Partners and to comply with the applicable laws of such jurisdiction;
  - (ii) all declarations, certificates, other instruments, or amendments to the foregoing, necessary to reflect any amendment, change or modification to this Agreement, including without limitation, the Certificate;
  - (iii) all conveyances, agreements and other instruments and documents necessary or desirable to reflect the dissolution and liquidation or termination of the Limited Partnership, including cancellation of any declarations or certificates and the execution of any elections under the Tax Act and under analogous provincial legislation;

- (iv) any instrument relating to the admission of additional or substituted Limited Partners;
  - (v) any instrument required in connection generally with any election that is to be made, or information return provided, under the Tax Act or any analogous legislation related to the Limited Partnership or its property, assets or business;
  - (vi) any transfer, assignment or other document on its behalf or in its name as may be necessary to give effect to a sale, transfer or assignment of a Unit held by a Limited Partner; and
  - (vii) any document which is necessary or advisable in connection with carrying on the business of the Limited Partnership;
- (b) execute and file with any governmental body or instrumentality of Canada, a province, a territory or a municipality any documents necessary in connection with the business, property, assets and undertakings of the Limited Partnership;
  - (c) execute and deliver all such other documents or instruments on behalf of and in the name of the Limited Partnership and for the Limited Partners as may be deemed necessary by the General Partner to carry out fully the provisions of this Agreement in accordance with its terms; and
  - (d) exercise any and all voting rights of the Limited Partner, including without limitation, the right to authorize and execute a proxy for and on behalf of the Limited Partner, attend meetings and cast the vote of the Limited Partner or execute a written resolution for and on behalf of the Limited Partner.

To evidence the foregoing, each Limited Partner may, in executing a subscription form, transfer or other documents for the purchase of Units, be requested to execute a separate power of attorney in such form determined by the General Partner; provided, however, the provisions of this Article will be effective for all purposes notwithstanding that any such Limited Partner is not requested to execute a separate power of attorney or fails to do so if requested.

## **9.2 Irrevocable Nature**

The grant of authority contained in Section 9.1:

- (a) is coupled with an interest, is irrevocable and will survive the dissolution, wind-up, death or incapacity of the Limited Partner granting the power;
- (b) may be exercised by the General Partner on behalf of each Limited Partner by a facsimile signature or by listing all of the Limited Partners executing any instrument with the single signature as attorney and agent for all of them;
- (c) will survive the delivery of the transfer or assignment by a Limited Partner of the whole or any portion of its Units; and
- (d) will extend to and be binding upon the heirs, executors, administrators, legal personal representatives, successors and assigns of the Limited Partner.

### **9.3 Binding Effect**

Each Limited Partner agrees to be bound by any representation or action made or taken by the General Partner pursuant to the within power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner under such power of attorney.

## **ARTICLE 10 : DISSOLUTION OF THE LIMITED PARTNERSHIP**

### **10.1 Events Giving Rise to Dissolution**

The Limited Partnership will be dissolved upon the occurrence of any of the following events:

- (a) the disposition of all of the assets of the Limited Partnership and final distribution of the proceeds therefrom in accordance with the terms of this Agreement;
- (b) the bankruptcy, dissolution (except dissolution as a consequence of merger, amalgamation, consolidation or other corporate re-organization) or winding-up of the General Partner, or the occurrence of an event which would permit a trustee or receiver to acquire control of the affairs of the General Partner during the term of this Agreement, unless the General Partner is replaced, pursuant to Section 6.14, within one hundred twenty (120) days of the date of such occurrence; or
- (c) the consent of the General Partner and the passing of a Special Resolution approving the dissolution or winding up of the Limited Partnership.

The dissolution of the Limited Partnership will be effective on the day on which the event occurs giving rise to the dissolution, except if the dissolution occurs pursuant to the event stated in Section 10.1(b), then the dissolution will only be effective if the General Partner is not replaced in the manner set forth in Section 10.1(b); however, the Limited Partnership will not terminate until all of its property and assets have been distributed in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, except in the circumstances described in this Section 10.1, no Partner or Partners are entitled to dissolve the Limited Partnership and any notice of intent to dissolve purported to be provided by any Partner or Partners contrary to the provisions of this Section 10.1, will be void and of no force or effect. For greater certainty, each Partner waives any right that it may have to terminate the Limited Partnership under applicable law or otherwise, other than in accordance with this Section 10.1.

### **10.2 Liquidation of Limited Partnership Assets**

In the event of the dissolution of the Limited Partnership for any reason, the General Partner (or in the event that the General Partner has become bankrupt and is not replaced pursuant to Section 6.14, a receiver selected by a Special Resolution) will commence to wind up the affairs of the Limited Partnership and to liquidate its property and assets. The Partners will continue to share profits and losses during the period of liquidation in the same proportion as described herein, as before the dissolution. The General Partner (or such receiver) will have full right and unlimited discretion to determine the time, manner and terms of any sale or sales of Limited Partnership property and assets pursuant to such liquidation having due regard to the activity and condition of the relevant market and general, financial and economic conditions.

### **10.3 Distributions**

Following the payment of or provision for all debts and liabilities of the Limited Partnership and all expenses of liquidation, and subject to the right of the General Partner (or receiver) to set up Reserves as it may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Limited Partnership, the proceeds of the liquidation and any other funds of the Limited Partnership will be distributed to the Partners in accordance with Section 8.10.

### **10.4 Statements**

Within a reasonable period of time following completion of the liquidation of the assets of the Limited Partnership, the General Partner will provide and deliver to each of the Limited Partners, a statement which will set forth the monies received and disbursed pursuant to such liquidation and each Partner's pro-rata proportion of any distribution made pursuant to this Agreement.

### **10.5 Termination**

Upon termination of this Agreement or completion of the liquidation of the Limited Partnership and the distribution of all Limited Partnership funds, the Limited Partnership will terminate and the General Partner will have the authority to execute and file a notice cancelling the Certificate as same may be amended from time to time, as well as any and all other documents required to effect the dissolution or termination of the Limited Partnership.

### **10.6 Continuity**

Except as specifically set forth in this Agreement, the Limited Partnership will not dissolve or terminate upon the occurrence of any other event, including without limitation, by reason of any change, addition, withdrawal, resignation, retirement, removal, death, incompetence, dissolution, liquidation, wind-up, insolvency or bankruptcy of a Partner.

## **ARTICLE 11 : NON-TRANSFERABILITY OF PARTNERSHIP UNITS**

### **11.1 Restriction on Transfer of a Unit**

Except as otherwise set forth herein or as may be consented to in writing by the General Partner, a Partner will not transfer, assign, pledge, encumber or dispose of its Units. No Partner may sell, transfer or dispose of less than 100% of its Units at any time. In the event of a sale, transfer or other disposal of any of its Units, a Partner will ensure that said sale, transfer or disposal complies with all securities laws and regulations applicable to the sale of the Units in the Province of British Columbia, including all federal laws applicable therein. In all events, the transferor must comply with the following conditions:

- (a) the transferee has executed forms acceptable to the General Partner;
- (b) the transferee agrees to assume the obligations of the transferor that pertain to the Unit transferred;
- (c) the transferee acquires the assigning Limited Partner's Capital Account;
- (d) the transferee has paid such costs, expenses and disbursements, including legal fees, as are reasonably incurred by the Limited Partnership or the General Partner by reason of the

transfer; more specifically, the transferee agrees to reimburse the Limited Partnership for the following:

- (i) \$350 for the administration cost of transferring the Units; and
- (ii) all applicable filing fees for securities commissions in Canada or elsewhere; and
- (e) such other requirements as may reasonably be required by the General Partner are satisfied.

## **11.2 Mandatory Sale of Interests**

If the General Partner receives a bona fide offer from a Person dealing at arm's length with the Limited Partnership, to purchase all or substantially all of the Units owned by all of the Partners and the General Partner wishes to accept such offer, all Limited Partners will be bound to sell all of their Units to the General Partner and the General Partner will be bound to purchase all such Units from all Partners at the price per Unit and on the payment terms set forth in the offer received by the General Partner, conditional upon, and to be completed at the time of completion of, the sale of the Units to the purchaser. In the event of such a sale, the General Partner will ensure that said sale complies with all securities laws and regulations applicable to the sale of the Units in the Province of British Columbia, including all federal laws applicable therein, and the General Partner will indemnify and hold the other Partners harmless from any costs resulting directly or indirectly from the General Partner's failure to do so.

## **11.3 Sale to Affiliate or existing Limited Partner**

The requirement for the consent of the General Partner in Section 11.1 will not apply to a sale by a Limited Partner of its Units to an Affiliate, provided that such Affiliate has sufficient power and capacity and has been duly authorized to become a party to and be bound by all the provisions of this Agreement and that all other conditions in Section 11.1 will apply. Section 11.1 will not apply to a sale by any of the Initial Limited Partner of its Units.

## **11.4 Contravention of Article 11**

Each Limited Partner agrees that its being in violation of the restrictions set out in Article 11 will constitute an injury and damage to the other Limited Partners impossible to measure monetarily and, as a result, each Partner, in addition to all of its other remedies in law and in equity, will be entitled to a decree or order restraining or enjoining any sale of a Unit except in accordance with the provisions of this Article 11, and any Limited Partner intending to make a sale or making a sale contrary to such provisions will consent to such a decree or order and will not plead in defence thereto that there would be an adequate remedy at law.

## **11.5 Securities Transfer Act**

Pursuant to the provisions of Section 12 of the *Securities Transfer Act* (British Columbia) (the "STA"), (i) each Unit in the Limited Partnership now outstanding (or hereafter issued) by the Limited Partnership shall for all purposes of the STA be a "security" within the meaning of the STA, and the STA shall apply to each such interest, without exception; and (ii) each Unit Certificate (if any such Unit Certificates are issued) shall include an express endorsement to that effect.

## 11.6 Drag Along Rights

- (a) If at any time and from time to time the General Partner wishes to make a voluntary transfer of all of the Limited Partnership's Units in a bona fide arms' length transaction or series of related transactions (including by way of purchase agreement, tender offer, merger or other business combination transaction or otherwise) to any Person (other than an Affiliate of the General Partner) (the "**Proposed Transferee**"), then the General Partner shall have the right (the "**Drag-Along Right**") to require all the Partners to sell (the "**Drag-Along Sale**") to the Proposed Transferee all of such other Partner's Units (the "**Drag-Along Units**") in accordance with this Section. Each Partner required to Transfer its Units pursuant to this Section shall be referred to herein as a "**Drag-Along Co-Seller.**" In connection with any Drag-Along Sale, the following shall apply:
- (i) Subject to Section 11.6(c), each Drag-Along Co-Seller will Transfer its Drag-Along Units on substantially the same terms (other than aggregate price) and conditions applicable to, and for the same type of consideration payable to, the Company at the price calculated in accordance with this Section; and
  - (ii) The aggregate purchase price payable for the Units purchased by a Proposed Transferee will be allocated among the General Partner and the Drag-Along Co-Sellers in the same amounts and proportions the Partners would receive distributions under a liquidity event.
- (b) The Drag-Along Co-Sellers shall not be required to (i) make any representations and warranties, other than representations and warranties relating to such Partner's good standing, due authorization, due execution, enforceability, lack of conflicts, title to its Units and investment qualifications or (ii) enter into any non-solicitation or non-competition agreement, in connection with the Drag-Along Sale. To the extent that the parties are to provide any indemnification or otherwise assume any other post-closing liabilities, the General Partner and each Drag-Along Co-Seller selling Units in a transaction under this Section shall do so severally and not jointly (and on a pro rata basis in accordance with the consideration received by each such Partner in connection with the Drag-Along Sale), and each Partner's respective potential liability thereunder shall not exceed the proceeds received by such Partner, except with respect to claims related to fraud or willful breach by such Partner. In connection with a Drag-Along Sale, the Drag-Along Co-Sellers will also (A) waive any dissenter's rights and other similar rights, (B) take all actions reasonably required, desirable or requested by the General Partner to consummate such Drag-Along Sale and (C) comply with the terms of the documentation relating to the Drag-Along Sale.
- (c) To exercise a Drag-Along Right, the General Partner shall give each Partner a written notice (a "Drag-Along Notice") containing a description of (i) the name and address of the Proposed Transferee and (ii) the proposed purchase price of the Units, terms of payment and other material terms and conditions of the Proposed Transferee's offer. Each Partner shall thereafter be obligated to sell the Drag-Along Units on the terms set forth in the Drag-Along Notice, provided that the sale to the Proposed Transferee is consummated within one hundred eighty (180) days of delivery of the Drag-Along Notice. If the sale is not consummated within such one hundred eighty (180) day period, then each Partner shall no longer be obligated to sell such Partner's Units pursuant to that specific Drag-Along Right but shall remain subject to the provisions of this Section.

- (d) The obligations of all the Partners with respect to the transaction described in this Section, shall be contingent upon the consideration payable with respect to the Interests being sold.

#### **11.7 Tag Along Rights**

- (a) If at any time and from time to time the General Partner wishes to make a voluntary transfer of any of its Units in a bona fide arms' length transaction or series of related transactions (including by way of purchase agreement, tender offer, merger or other business combination transaction or otherwise) to any Proposed Transferee, and further the General Partner does not exercise its Drag-Along Right described in Section 11.6, then the General Partner shall give notice of such proposed voluntary transfer no later than thirty (30) days prior to the closing of such sale (the "**Tag-Along Notice**"). Each Tag-Along Notice shall include: (i) the number of Units to be sold in the proposed voluntary transfer; and (ii) the principal terms of the proposed voluntary transfer, including the consideration to be paid for such Units and, separately, such Units affiliated with the General Partner. Each Investor Partner shall have the right (the "**Tag-Along Right**") to sell (the "**Tag-Along Sale**") to the Proposed Transferee the percentage of such other Partner's Units equal to the percentage of the Units of the General Partner proposed to be Transferred (with respect to each such Limited Partner and the General Partner, its "**Tag-Along Units**") in accordance with this Section. Each Limited Partner electing to Transfer its Units pursuant to this Section shall be referred to herein as a "**Tag-Along Co-Seller**". In connection with any Tag-Along Sale, the following shall apply:
  - (i) Subject to Section 11.7(c), each Tag-Along Co-Seller will Transfer its Tag-Along Units on substantially the same terms (other than aggregate price) and conditions applicable to, and for the same type of consideration payable to, the General Partner at the price calculated in accordance with Section 11.7(a)(ii); and
  - (ii) Subject to the principle of Section 11.7(a)(iii) the aggregate purchase price payable for the Units purchased by a Proposed Transferee will be allocated among the General Partner and the Tag-Along Co-Sellers based upon the hypothetical liquidation value of such Partners' Units so Transferred; and
  - (iii) For purposes of determining the purchase price of an Limited Partner's Tag-Along Units, the purchase price payable by the Proposed Transferee to the General Partner for its Units shall be fairly apportioned between the Limited Partners' Units, on the one hand, and the General Partner's Units, on the other hand, based upon the relative economic rights of all such Units under a liquidity event
- (b) The Tag-Along Co-Sellers shall not be required to (i) make any representations and warranties, other than representations and warranties also made by the General Partner, or (ii) enter into any non-solicitation or non-competition agreement, in connection with the Tag-Along Sale. To the extent that the parties are to provide any indemnification or otherwise assume any other post-closing liabilities, the General Partner and each Tag-Along Co-Seller selling Units in a transaction under this Section 11.7 shall do so severally and not jointly (and on a pro rata basis in accordance with the consideration received by each such Partner in connection with the Tag-Along Sale), and each Partner's respective potential liability thereunder shall not exceed the proceeds received by such Partner, except with respect to claims related to fraud or willful breach by such Partner. In connection with a Tag-Along Sale, the Tag-Along Co-Sellers will also (A) waive any dissenter's rights and other similar rights, (B) take all actions reasonably required, desirable or requested by the

General Partner to consummate such Tag-Along Sale and (C) comply with the terms of the documentation relating to the Tag-Along Sale.

- (c) To exercise a Tag-Along Right, the exercising Limited Partner shall give the General Partner a written notice thereof on or before the date which is twenty (20) days after receipt of the Tag-Along Notice. Each electing Limited Partner shall thereafter be obligated to sell the Tag-Along Units on the terms set forth in the Tag-Along Notice, provided that the sale to the Proposed Transferee is consummated within one hundred eighty (180) days of delivery of the Tag-Along Notice. If the sale is not consummated within such one hundred eighty (180) day period, then each Investor Partner shall no longer be obligated to sell such Investor Partner's Units pursuant to that specific Tag-Along Right but shall remain subject to the provisions of this Section 11.7.

## **ARTICLE 12 : NOTICE**

### **12.1 General Partner**

Any notice, direction, demand or request required or permitted to be given to the General Partner hereunder will be in writing and will be given by delivery by courier or by mailing by registered mail from within Canada, with postage thereon fully pre-paid, in a sealed envelope, to be addressed to the General Partner at 25<sup>th</sup> Floor, 700 West Georgia Street, Vancouver, British Columbia, V7H 1K8, Attention: Investor Relations.

### **12.2 Limited Partners**

Any notice, direction, demand or request required or permitted to be given to a Limited Partner hereunder will be in writing and will be given by delivery by courier or by mailing by registered mail from within Canada, with postage thereon fully pre-paid, in a sealed envelope, to be addressed to such Limited Partner at its latest address appearing on the Register of the Limited Partners maintained by the General Partner.

### **12.3 Receipt and Delivery**

Any notice, direction, demand or request delivered by courier will be deemed to have been received by and given to the addressee on the day of delivery. Any notice, direction, demand or request mailed as aforesaid will be deemed to have been received by and given to the addressee on the third (3rd) business day following the date of mailing, provided that for such purposes no day during which there will be a strike or other occurrence which will interfere with normal mail service will be considered a business day.

## **ARTICLE 13 : MISCELLANEOUS**

### **13.1 Amendments**

This Agreement may be amended by the General Partner with the authorization and consent of the Partners given by Special Resolution; provided, the General Partner may, without prior notice to or consent from any Limited Partners, amend any provisions of this Agreement from time to time:

- (a) For the purpose of adding to the Agreement any further covenants, restrictions, deletions or provisions that are for the protection of the Limited Partners as a group;



- (b) To cure any ambiguity or to correct or to supplement any provision in this Agreement that may be defective or inconsistent with any other provision of this Agreement, provided the cure, correction or supplemental provision does not in a material way affect the rights of the Limited Partners as a group;
- (c) To modify or change a provision in this Agreement to reflect the civic address of the Property once it has been determined, provided the modified or changed provision does not in a material way affect the rights of the Limited Partners as a group;
- (d) To make such other provisions in regards to matters or questions arising under this Agreement that do not in a material way adversely affect the rights of the Limited Partners as a group;
- (e) To correct typographical, clerical, and other manifest errors in this Agreement provided that such correction will in no way prejudice the rights of the Partners, and the General Partner may execute all such documents as may be necessary to correct such errors; or
- (f) To reflect the admission, resignation, withdrawal or other change of any Partner or the transfer or assignment of a Unit under or pursuant to the provisions of this Agreement.

However, no amendment that has a materially adverse effect on the economic interest of a Partner shall be made without the consent of such Partner.

### **13.2 Limited Partner Not a General Partner**

If any provision of this Agreement should have the effect of imposing upon any Limited Partner (other than the General Partner) any of the liabilities or obligations of the General Partner, such provisions will be of no force and effect and will not be considered a part of this Agreement, but the remainder of this Agreement will continue in effect.

### **13.3 Governing Law**

This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and the parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of British Columbia.

### **13.4 Offset**

Whenever the Limited Partnership is to pay any sum to any Partner, any amounts that Partner owes the Limited Partnership may be deducted from that sum before payment.

### **13.5 Expenses**

The Limited Partnership shall pay the costs and expenses incurred in connection with the organization of the Limited Partnership.

### **13.6 Further Assurances**

The parties hereto agree to sign such further and other papers, call such meetings to be held and sign such resolutions to be passed, exercise their vote and influence, do and perform and to cause

to be done and performed such further and other acts and things that may be necessary or desirable in order to give full effect to this Agreement and every part thereof.

**13.7 Counterparts**

This Agreement may be executed in several counterparts which may be delivered by facsimile or electronic transmission.

**13.8 Severability**

Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality will not affect the validity of the remainder of this Agreement.

**13.9 Assignment**

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

**13.10 Representation**

Each Limited Partner has had the opportunity to consider the terms of this Agreement with the Limited Partner's legal counsel and has either obtained the advice of such legal counsel in connection with the Limited Partner's execution hereof or does hereby expressly waive its right to seek such legal counsel in connection with this Agreement and furthermore has relied on the Limited Partner's legal advisor to provide advice as to the tax consequences to the Limited Partner upon subscribing the Units. Accordingly, all parties agree that the provisions of this Agreement shall not be construed or interpreted for or against any party to this Agreement based upon authorship.

**13.11 Waiver**

The failure of any party to seek redress for a violation of or to insist upon strict performance of any provision hereof will not prevent a subsequent act, which would have originally constituted a violation of such provision or any other provision hereof, from having the effect of an original violation of such provision or any other provision hereof.

*[Signature Page Follows]*

**IN WITNESS WHEREOF** the parties have executed this Agreement as of the day first above written.

**CPI CAPITAL FLORIDA AV GP LTD.**

DocuSigned by:

*Soheil "August" Biniaz*

Name: Soheil "August" Biniaz  
Title: President

DocuSigned by:

*Ava Benesocky*

Name: Ava Benesocky  
Title: Director

**CANADIAN PASSIVE REAL ESTATE INVESTING INC.**

DocuSigned by:

*Soheil "August" Biniaz*

Name: Soheil "August" Biniaz  
Title: Director

**Exhibit A**  
**FORM OF UNIT CERTIFICATE**

No. \_\_\_\_\_

**CPI ATLAS BAY POINT CANADIAN LIMITED PARTNERSHIP**  
**(a limited partnership formed under the laws**  
**of the Province of British Columbia)**

THIS IS TO CERTIFY that \_\_\_\_\_ is the owner of \_\_\_\_\_ units in  
CPI ATLAS BAY POINT CANADIAN LIMITED PARTNERSHIP (the “Units”).

The Units referred to in this Certificate are subject to the terms of the Limited Partnership Agreement of  
**CPI ATLAS BAY POINT CANADIAN LIMITED PARTNERSHIP** dated for reference May [•], 2024,  
between **CPI CAPITAL FLORIDA AV GP LTD.** and **CANADIAN PASSIVE REAL ESTATE**  
**INVESTING INC.**, and SUCH UNITS ARE TRANSFERABLE ONLY IN ACCORDANCE WITH AND  
SUBJECT TO THE TERMS OF SUCH LIMITED PARTNERSHIP AGREEMENT.

DATED: \_\_\_\_\_.

**CPI ATLAS BAY POINT CANADIAN LIMITED PARTNERSHIP,**  
a British Columbia limited partnership by its general partner **CPI CAPITAL**  
**FLORIDA AV GP LTD.**, a British Columbia corporation

\_\_\_\_\_  
Name:

Title: