



SECOND AMENDED AND RESTATED UNIT OPTION PLAN
OF
~~CHARTER~~PARTNERS REAL ESTATE INVESTMENT TRUST

JUNE 6, 2008
as amended effective June 30, 2010
as further amended effective April 13 2012

1. INTERPRETATION:

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) "Affiliate" has the same meaning ascribed to "affiliated companies" in the Securities Act (Ontario);
- (b) ~~(a)~~ **"Blackout Period"** means the period during which designated trustees, officers and employees of the Trust (including those of the Manager) cannot trade the Units pursuant to the Trust's policy respecting restrictions on trustees', officers' and employee (including the Manager and its directors, officers and employees) trading which is in effect at that time (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Trust or in respect of an ~~insider~~Insider, that ~~insider~~Insider is subject);
- (c) ~~(b)~~ **"Business Day"** means each day other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, Canada or Victoria, British Columbia;
- (d) ~~(c)~~ **"Cause"** means cause as such term is interpreted from time to time by the courts of Ontario or British Columbia, as the case may be, or, where cause is defined in the employment agreement of an Eligible Person, as defined therein;
- (e) ~~(d)~~ **"Change in Control"** means:
- (i) the acceptance of an Offer by a sufficient number of holders of voting securities of an entity (other than ~~C.A. Bancorp Inc.~~the Manager or its Affiliates) to constitute the offeror, together with persons acting jointly or in concert with the offeror, being a securityholder of such entity being entitled to exercise more than 50% of the voting rights attaching to the outstanding securities of such entity (provided that prior to the Offer, the offeror was not entitled to exercise more than 50% of the voting rights attaching to the entity);
 - (ii) the completion of a consolidation, merger or amalgamation by an entity whereby the voting securityholders of such entity immediately prior to the consolidation, merger or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting securities of the consolidated, merged or amalgamated entity;

- (iii) the completion of a sale whereby all or substantially all of an entity's undertakings and assets become the property of any third party and the voting ~~securityholders~~securityholders of the entity immediately prior to that sale collectively hold less than 50% of the voting rights attaching to the outstanding voting securities of the third party immediately following that sale; or
- (iv) the adoption by the Trustees of a resolution to the effect that, for the purposes of this Plan, a Change in Control has occurred or that such a Change in Control is imminent,

provided, however, that for the purposes of this Plan, (A) any incremental acquisition, directly or indirectly (other than in connection with a going-private transaction) of additional Units by ~~C.A. Bancorp Inc., and~~the Manager, (B) the sale of any voting securities (or equivalent thereof) of an entity (or any successor Person thereto) pursuant to a public offering, shall not constitute a Change in Control, and (C) the Trustees may deem that a Change of Control has not occurred for the purposes of this Plan;

(f) ~~(e)~~ **“Consultant”** has the meaning ascribed thereto in ~~Policy 4.4; NI 45-106,~~ and includes the Manager;

~~(f) **“Consultant Company”** has the meaning ascribed thereto in Policy 4.4;~~

(g) **“Director”** has the meaning ascribed thereto in ~~Policy 4.4~~NI 45-106;

(h) **“Eligible Person”** means,

- (i) a Trustee of the Trust or a Director of any ~~Subsidiary~~Related Entity of the Trust;
- (ii) an ~~officer~~Executive Officer of the Trust or any ~~Subsidiary~~Related Entity of the Trust;
- (iii) an ~~Employee~~employee of the Trust or any ~~Subsidiary~~Related Entity of the Trust;
- (iv) a Management Company Employee of the Trust or any ~~subsidiary of the Trust~~Subsidiary, to whom Options can be granted in reliance on prospectus and registration exemptions under applicable securities laws; and
- (v) a Consultant retained by the Trust or any ~~subsidiary~~Related Entity of the Trust; ~~and~~

~~(vi) a Consultant retained to carry out Investor Relations Activities for the Trust;~~

(i) ~~“Employee~~Executive Officer” has the meaning ascribed thereto in ~~Policy 4.4; NI 45-106;~~

(j) **“Good Reason”** means the occurrence of any one or more of the following events:

- (i) the assignment to the Participant of any duties inconsistent in any material respect with the Participant's then position of employment (including status, offices, titles and reporting relationships), authority, duties or responsibilities, or any other action that when taken as a whole results in a diminution in the Participant's position, authority, duties or responsibilities, excluding for this purpose any isolated, immaterial and inadvertent action not taken in bad faith and which is remedied within seven ~~business days~~Business Days after receipt of notice thereof given by the Participant;
- (ii) a reduction in the Participant's base salary without the consent of such Participant or the failure to continue in effect any material benefit or compensation plan, life insurance plan, health and accident plan or disability plan in existence as of the date of this Plan (or a replacement or substitute plan providing the Participant with substantially similar benefits) in which the Participant is participating or the material reduction of the Participant's benefits under any of such plans (or replacement or substitute plans); ~~or~~

- (iii) requiring the Participant to be based at any location other than Toronto, Ontario, except for requirements of travel in the ordinary course of the Participant's duties;
- (k) "Independent Trustee" means the trustees of the Trust who are "independent" (as defined in sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committee* in effect on the date hereof and as amended from time to time) both with respect to the Trust and with respect to League Asset Corp. and the Manager;
- (l) "Insider" shall have the meaning ascribed under Section 1(1) of the Securities Act (Ontario); thereto in the TSX Rules;
- ~~(l) "Investor Relations Activities" has the meaning ascribed thereto in TSXV Policy 1.1 Interpretation;~~
- (m) "Insider Participation Limit" means the number of Units:
 - (i) issued to Insiders, within any one year period; and
 - (ii) issuable to Insiders, at any time,which cannot exceed 10% of the Trust's total issued and outstanding Units, respectively;
- (n) ~~(m)~~ "Management Company Employees" has the meaning ascribed thereto in Policy 4.4, and includes all means all Directors, Executive Officers and employees of the Manager;
- (o) "Manager" means the Person(s):
 - (i) ~~(n)~~ "Manager" means the Person(s) engaged to provide day-to-day asset management services to the Trust, including the supply of the Management Company Employees who are engaged as the senior officers of the Trust services to the Trust or a Related Entity of the Trust other than services provided in relation to a distribution;
 - (ii) who provides the services under a written contract with the Trust or a Related Entity of the Trust; and
 - (iii) who spends or will spend a significant amount of time and attention on the affairs and business of the Trust or a Related Entity of the Trust,and includes an employee, Executive Officer or Director of the Manager, provided that such Persons spend or will spend a significant amount of time and attention on the affairs and business of the Trust or a Related Entity of the Trust;
- (p) "NI 45-106" means National Instrument 45-106 – *Prospectus and Registration Exemptions*, in effect on the date hereof and as amended from time to time;
- (q) ~~(p)~~ "Offer" means a bona fide offer made to all holders of Units to purchase, directly or indirectly, Units;
- (r) ~~(q)~~ "Option" means an option to purchase Units granted to an Eligible Person pursuant to the terms of the this Plan;
- (s) ~~(r)~~ "Participant" means Eligible Persons to whom Options have been granted;
- (t) "Permitted Assign" has the meaning ascribed thereto in NI 45-106;

- (u) ~~(+)~~ “**Person**” ~~means and~~ includes individuals, corporations, partnerships, general partnerships, limited liability corporations, joint ventures, associations, companies, trusts, banks, trust companies, and business trusts or other organizations, whether or not legal entities;
- (v) ~~(s)~~ “**Plan**” means this Unit Option Plan of the Trust;
- ~~(t) “Policy 4.4” means TSXV Policy 4.4 Incentive Stock Options;~~
- (w) “**Related Entity**” has the meaning ascribed thereto in NI 45-106;
- (x) “**Subsidiary**” means any Person that is a subsidiary of the Trust as defined under Section 1(4) of the Securities Act (Ontario);
- (y) “**Trust**” means Partners Real Estate Investment Trust;
- (z) “**Trustees**” means the trustees of the Trust, at the relevant time;
- (aa) “**TSX**” means the Toronto Stock Exchange;
- (bb) “**TSX Rules**” means the rules of the Toronto Stock Exchange Company Manual relating to changes in capital structure of listed companies in connection with security-based compensation arrangements (currently section 613), as those rules may be amended, renumbered or reclassified from time to time, or any successor rules;
- (cc) ~~(+)~~ “**Unit**” means a unit of the Trust or, in the event of an adjustment contemplated by Article 7 hereof, such other units or securities to which a Participant may be entitled upon the exercise of an Option as a result of such adjustment;
- ~~(v) “Subsidiary” means any Person that is a subsidiary of the Trust as defined under Section 1(4) of the Securities Act (Ontario);~~
- ~~(w) “Trust” means Charter Real Estate Investment Trust;~~
- ~~(x) “Trustees” means the trustees of the Trust;~~
- ~~(y) “TSXV” means the TSX Venture Exchange; and~~
- (dd) “**Unit Compensation Arrangement**” means any unit option, unit plan, employee unit purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Units, including a unit purchase from treasury which is financially assisted by the Trust by way of a loan, guarantee or otherwise; and
- (ee) ~~(z)~~ “**Unitholder**” means the unitholders of the Trust.

Words importing the singular number only shall include the plural and vice versa and words importing the masculine shall include the feminine.

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

2. PURPOSE:

The purpose of this Plan is to encourage ownership of the Units by Trustees, Directors, ~~officers~~Executive Officers and ~~Employees~~employees of the Trust, its Subsidiaries and Consultants, including Directors, ~~officers~~Executive Officers and employees of the Manager, who are primarily responsible for the management and profitable growth of the Trust’s business and to advance the interests of the Trust by providing additional incentive

for superior performance by such persons and to enable the Trust and its Subsidiaries to attract and retain valued Trustees, Directors, ~~officers, Employees~~ Executive Officers, employees and Consultants thereof.

3. ADMINISTRATION:

- (a) The Plan shall be administered by the Trustees. Subject to the limitations of the Plan, the Trustees shall have the authority:
 - (i) ~~(a)~~ to grant options to purchase Units to Eligible Persons;
 - (ii) ~~(b)~~ to determine the terms, limitations, restrictions and conditions respecting such grants;
 - (iii) ~~(c)~~ to interpret the Plan and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the Plan as it shall from time to time deem advisable; and
 - (iv) ~~(d)~~ to make all other determinations and to take all other actions in connection with the implementation and administration of the Plan as ~~it~~ they may deem necessary or advisable.
- (b) The ~~Trustee~~ Trustees' guidelines, rules, regulations, interpretations and determinations shall be conclusive and binding upon the Trust and all other Persons.
- (c) Notwithstanding the foregoing, only the Independent Trustees shall grant Options to Eligible Persons who are Management Company Employees of the Trust or any ~~subsidiary~~ Subsidiary of the Trust.

4. UNITS SUBJECT TO THE PLAN:

- (a) The maximum number of Units which may be reserved and set aside for issue under this Plan and all other equity based compensation plans of the Trust shall not exceed 10% of the issued and outstanding Units at the time of the Option grant (on a non-diluted basis).
- (b) Any Units subject to an Option which for any reason is cancelled, terminated or that have expired without having been exercised shall again be available for grant under the Plan. No fractional Units shall be issued, and the Trustees may determine the manner in which fractional Unit value shall be treated.

5. PARTICIPATION:

Options shall be granted under the Plan only to Eligible Persons designated from time to time by the Trustees and in accordance with the terms of this Plan and shall be subject to the approval of such regulatory authorities and stock exchanges as may have jurisdiction.

6. TERMS AND CONDITIONS OF OPTIONS:

The terms and conditions of each Option granted under the Plan shall include the following, as well as such other provisions, not inconsistent with the Plan, as may be deemed advisable by the Trustees including those contained in any Option agreement entered into between the Trust and a Participant:

- (a) *Option Price:* The price of any Units in respect of which an Option may be granted shall be fixed by the Trustees but shall ~~be not~~ be less than the market price of the Units at the time the Option is granted to the particular Participant ~~less the permissible discount permitted by the rules of any stock exchange or other regulatory body having jurisdiction.~~ For the purpose of this subparagraph, "**market price**" shall be deemed to be the last closing price of the Units as reported by the ~~TSXV~~ TSX or any other principal Canadian stock exchange on which the Units are then listed or admitted to trading (or, if the Units are not so listed, the average of the closing bid and

asked prices as reported on any over-the-counter market) on the day immediately preceding the day upon which the Option is granted, or if not so traded, the average between the closing bid and asked prices thereof as reported for the day immediately preceding the day upon which the Option is granted. In the resolution allocating any Option, the Trustees may determine that (i) the date of grant of the Option shall be a future date determined in the manner specified in such resolution, in which case, for the purpose of this subparagraph 6(a), "market price" shall be deemed to be the weighted average trading price of the Units as reported by the ~~TSXV~~TSX or any other principal Canadian stock exchange on which the Units are then listed or admitted to trading (or, if the Units are not so listed, the weighted average of the average of the closing bid and asked prices as reported on any over-the-counter market) for the five (5) trading days preceding the date of the grant, and (ii) the date or dates of the vesting of the Option shall be a future date or dates determined in the manner specified in such resolution. The Trustees may also determine that the price per Unit may escalate at a specified rate dependent upon the date on which any Option may be exercised by the Participant.

- (b) *Payment:* The full purchase price of Units purchased under an Option shall be paid to the Trust in cash or certified funds upon the exercise thereof, and upon receipt of payment in full, but subject to the terms of the Plan, the number of Units in respect of which the Option is exercised shall be duly issued as fully paid. A Participant shall have none of the rights of a Unitholder ~~(as defined below)~~ until such time as the Units are issued to such Participant. Unless otherwise determined by the Trust, the Trust shall not offer financial assistance in respect of the exercise of an Option.
- (c) *Term of Option:* Options granted under this Plan may be exercisable over a period not exceeding five (5) years from the date of the grant of the Option. Each Option shall be subject to earlier termination as provided in subparagraph 6(~~g~~f). Provided the Units are listed on the Toronto Stock Exchange, should the term of an Option expire on a date that falls within a Blackout Period or within nine Business Days following the expiration of a Blackout Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding Section 8 hereof, the ten Business Day period referred to in this subparagraph 6(c) may not be extended by the Trustees.
- ~~(d) *Limitation of Grant:* The total number of Units issuable under this Plan in any 12 month period to:~~
- ~~(i) any one individual may not exceed 5% of the issued and outstanding Units (determined at the date the Option was granted) unless the Trust has obtained disinterested Unitholder approval;~~
 - ~~(ii) any one Consultant may not exceed 2% of the issued and outstanding Units (determined at the date the Option was granted); and~~
 - ~~(iii) all persons employed to conduct Investor Relations Activities may not exceed 2% of the issued and outstanding Units (determined at the date the Option was granted).~~
- (d) ~~(e)~~ *Representation of Trust:* For Unit options granted to Employees, Consultants or Management Company Employees, the Trust represents that the ~~Optionee~~Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be.
- (e) ~~(f)~~ *Exercise of Option:* Subject to the provisions contained in subparagraph 6(~~g~~f), no Option may be exercised unless the Participant is then an Eligible Person. This Plan shall not confer upon the Participant any right with respect to continuation of employment by the Trust, any of its Subsidiaries or the Manager, as the case may be. Absence on leave approved by an officer of the Trust, any of its Subsidiaries, or the Manager, as applicable, authorized to give such approval shall not be considered an interruption of employment for any purpose of the Plan. Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporate Secretary of the Trust at its offices in ~~Toronto~~Victoria, Canada of a written notice of exercise

specifying the number of Units with respect to which the Option is being exercised and accompanied by payment in full of the purchase price of the Units then being purchased.

(f)

~~(g)~~ *Termination of Options:* Any Option granted pursuant hereto, to the extent not validly exercised, will terminate on the earlier of the following dates:

- (i) the date of expiration specified in the Option agreement or in the resolution of the Trustees granting such Option, as the case may be, being not more than five (5) years after the date upon which the Option was granted;
- (ii) ninety (90) days after the Participant ceases to be an Eligible Person, other than by reason of retirement, permanent disability or death. Without limitation, and for greater certainty only, this provision will apply regardless of whether the Participant was dismissed with or without cause and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a period of notice of termination which would otherwise have permitted a greater portion of the Option to vest with the Participant;
- (iii) one hundred and eighty (180) days following the date of the death of the Participant during which period the Option may be exercised by the Participant's legal representative or the Person or Persons to whom the deceased Participant's rights under the Option shall pass by will or the applicable laws of descent and distribution, and only to the extent the Participant would have been entitled to exercise the Option on the date of death; and
- (iv) ninety (90) days after termination of the Participant's employment by reason of permanent disability or retirement under any retirement plan of the Trust, any of its Subsidiaries or the Manager, as applicable, during which ninety (90) day period the Participant may exercise the Option to the extent he was entitled to exercise it at the time of such termination, provided that if the Participant shall die within such ninety (90) day period, then such right shall be extended to ninety (90) days following the date of death of the Participant and shall be exercisable only by the Persons described in clause 6~~(g)~~(f)(iii) hereof and only to the extent therein set forth; ~~and thirty (30) days after the date on which a Participant who is engaged in Investor Relations Activities ceases to be engaged or employed by the Trust, its Subsidiary or the Manager, as applicable, to provide Investor Relations Activities.~~

(g)

~~(h)~~ *Non-transferability of Options:* No Option shall be transferable or assignable by the Participant. Notwithstanding the foregoing, a Participant may transfer Options to any Permitted Assign. Upon the death of a Participant, the Participant's Option(s) will become part of the Participant's estate, and any right of the Participant may be exercised by his or her legal representatives, provided such representatives comply with all obligations of the Participant.

(h)

~~(i)~~ *Restrictions & Legends:* All Options granted under the Plan, and any Units issued upon exercise thereof, shall be subject to such restrictions on trading and the certificates thereof shall bear such legends as is required under applicable securities laws and the rules of the ~~TSXV~~TSX and/or any other stock exchange upon which the Units are then listed for trading.

(i)

~~(j)~~ *Applicable Laws or Regulations:* The Plan, the grant and exercise of Options hereunder and the Trust's obligation to sell and deliver Units upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, rules and regulations, the rules and regulations of any stock exchange on which the Units are listed for trading and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Trust, be required. The Trust shall not be obligated by any provision of the Plan or the granting of any Option hereunder to issue or sell Units in violation of such laws, rules and regulations or any condition of such approvals. No Option shall be granted and no Units issued or sold hereunder where such grant, issue or sale would require registration of the Plan or the Units under the securities laws of any foreign jurisdiction and any purported grant of any Option or issue or sale of Units hereunder in violation of this provision shall be void. In addition, the Trust shall have no obligation to issue

any Units pursuant to the Plan unless such Units shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Units are listed for trading. Units issued and sold to Participants pursuant to the exercise of Options may be subject to limitations on sale or resale under applicable securities laws.

~~(k) *Vesting:* Options issued to Consultants performing Investor Relations Activities must vest in stages over 12 months, with no more than 1/4 of the Options vesting in any three month period.~~

~~(l) *Disinterested Unitholder approval:* The Trust shall obtain disinterested unitholder approval if:~~

~~(i) an option plan, together with all of the Trust's *previously established or proposed* Option grants, could result at any time in:~~

(i) *Restrictions on Issuances:* The issuing of Options is subject to the following restrictions:

(i) (A) the number of Units reserved for issuance under Options granted to Insiders ~~exceeding 10% of the outstanding Units;~~ under the Plan and any other *previously established or proposed* Unit Compensation Arrangement is limited to the Insider Participation Limit; and

~~(B) the issuance to Insiders, within a 12 month period, of a number of Units exceeding 10% of the outstanding Units; or~~

~~(C) the issuance to any one Participant, within a 12 month period, of a number of Units exceeding 5% of the outstanding Units.~~

(ii) the Trust is decreasing the exercise price of Options previously granted to Insiders; number of Units reserved for issuance under Options to any one Person under the Plan and any other *previously established or proposed* Unit Compensation Arrangement may not exceed 5% of the issued and outstanding Units on a non-diluted basis.

~~(m) *Consultants Performing Investor Relations Activities:* The Trustees must, through the establishment of appropriate procedures, monitor the trading in the Units by all Consultants performing Investor Relations Activities.~~

7. ADJUSTMENTS IN UNITS SUBJECT TO THE PLAN:

(a) *Subdivisions and Redivisions:* In the event of any subdivision(s) or redivision(s) of the Units at any time while any Option is outstanding into a greater number of Units, the Trust shall thereafter deliver at the time of exercise of any Option, in lieu of the number of Units in respect of which such Option is then being exercised, such greater number of Units as would result from said subdivision(s) or redivision(s) had such Option been exercised before such subdivision(s) or redivision(s) without the Participant making any additional payment or giving any other consideration therefor.

(b) *Consolidations:* In the event of any consolidation(s) of the Units at any time while any Option is outstanding into a lesser number of Units, the Trust shall thereafter deliver, and the Participant shall accept, at the time of exercise of any Option, in lieu of the number of Units in respect of which such Option is then being exercised, such lesser number of Units as would result from such consolidation(s) had such Option been exercised before such consolidation(s).

(c) *Reclassifications/Changes:* In the event of any reclassification(s) or change(s) of the Units at any time while any Option is outstanding, the Trust shall thereafter deliver at the time of exercise of any Option hereunder the number of securities of the Trust of the appropriate class or classes resulting from said reclassification(s) or change(s) as the Participant would have been entitled to receive in respect of the number of Units in respect of which such Option is then being exercised had such Option been exercised before such reclassification(s) or change(s).

- (d) *Other Capital Reorganizations:* In the event of any capital reorganization of the Trust at any time while any Option is outstanding, not otherwise covered in this Section or a consolidation, amalgamation or merger with or into any other entity or the sale of the properties and assets as or substantially as an entirety to any other entity, the Participant if he has not exercised his Option prior to the effective date of such reorganization, consolidation, amalgamation, merger or sale, upon the exercise of such Option thereafter, shall be entitled to receive and shall accept in lieu of the number of Units then subscribed for by him but for the same aggregate consideration payable therefor, the number of other securities or property of the entity resulting from such merger, amalgamation or consolidation to which such sale may be made, as the case may be, that the Participant would have been entitled to receive on such capital reorganization, consolidation, amalgamation, merger or sale if, on the record date or the effective date thereof, the Participant had been the registered holder of the number of Units so subscribed for.
- (e) The Trust shall not be obligated to issue fractional Units in satisfaction of its obligations under the Plan or any Option and the Participant will not be entitled to receive any form of compensation in lieu thereof.
- (f) If at any time the Trust grants to its Unitholders the right to subscribe for and purchase *pro rata* additional securities or of any other corporation or entity, there shall be no adjustments made to the number of Units or other securities subject to the Options in consequence thereof and the Options shall remain unaffected.
- (g) The adjustment in the number of Units issuable pursuant to Options provided for in this section shall be cumulative.
- (h) On the happening of each and every of the foregoing events, the applicable provisions of the Plan and each of them shall, ipso facto, be deemed to be amended accordingly and the Trustees shall take all necessary action so as to make all necessary adjustments in the number and kind of securities subject to any outstanding Options (and the Plan) and the exercise price thereof.

8. CHANGE IN CONTROL:

~~Notwithstanding any other provision of this Plan:~~

Upon a Change in Control:

- (a) all Options (whether or not currently exercisable) shall become exercisable immediately upon a ~~director~~direct or indirect Change in Control of the REIT; and
- (b) if, within 90 days preceding, or one year following, a direct or indirect Change in Control of the Manager, a Participant's employment with the Manager is terminated without Cause or a Participant resigns for Good Reason, all Options (whether or not currently exercisable) shall become exercisable effective the date immediately prior to the date of such termination or resignation.

9. AMENDMENT AND TERMINATION OF PLAN AND OPTIONS:

- (a) The Trustees may amend ~~this Plan or any Option at any time, subject to acceptance of any applicable stock exchange, without the consent of Participants provided that such amendment shall:~~ suspend or terminate:
 - (i) this Plan or any portion thereof, including, without limitation, amendments relating to vesting, termination, or of a "housekeeping" nature, provided that the Trust shall comply with the TSX Rules; or

- (ii) ~~(a) any Option at any time, provided that such amendment shall~~ not adversely alter or impair any Option previously granted except as permitted by the provisions of Section 7 hereof;
- (b) ~~be subject to any regulatory approvals including, where required; and~~ Notwithstanding the provisions of Section 9(a) the Trust will be required to obtain Unitholder approval for any amendment related to:
- ~~(c) be subject to unitholder approval, where required, by law provided that unitholder approval shall not be required for the following amendments and the Trustees may make any changes relating to:~~
 - (i) ~~amendments of a "housekeeping nature";~~ a reduction in the exercise price benefitting an Insider;
 - (ii) ~~a change to the vesting provisions of any Option;~~ an extension of the term benefitting an Insider;
 - (iii) ~~a change to the termination provisions of any Option that does not entail an extension beyond the original expiration date (as such date may be extended by virtue of subparagraph 6(c));~~ any amendment to remove or to exceed the Insider Participation Limit;
 - (iv) ~~provided the Units are listed on the Toronto Stock Exchange, the introduction of a cashless exercise feature payable in securities (where such feature is permitted by any applicable stock exchange), whether or not such feature provides for a full deduction of the number of underlying securities from the Plan reserve;~~ an increase in the maximum number of securities issuable under Section 4; and
 - (v) ~~a change to the eligible participants of the Plan; and~~ amendments to this Section 9.
 - ~~(vi) the addition of a deferred or restricted unit or any other provision which results in Participants receiving securities while no cash consideration is received by the Trust.~~

10. APPROVAL OF PLAN:

The establishment of the Plan shall be subject to approval of the Unitholders to be given by a resolution passed at a meeting of the Unitholders. In addition, all Options granted pursuant to the Plan prior to the approval thereof by the Unitholders shall also be subject to approval of the Unitholders; provided that all Options granted subsequent to such approval shall not require approval by the Unitholders unless such approval is required by the regulatory authorities or stock exchanges having jurisdiction over the affairs of the Trust.

The Plan shall also be subject to acceptance by the stock exchanges having jurisdiction over the affairs of the Trust at the time of the establishment of the Plan and ~~each year~~ thereafter. The Plan must be accepted by the regulatory authority before Options can be granted under the Plan.

11. EFFECTIVE DATE AND DURATION OF PLAN:

The Plan becomes effective, upon the receipt of the Unitholder and regulatory approval, on the date of its adoption by the Trustees and Options may be granted immediately thereafter. The Plan shall remain in full force and effect until such time as the Trustees shall terminate the Plan, and for so long thereafter as Options remain outstanding in favour of any Participant.