

May 9, 2018

Canadian Banc Corp.  
Suite 2510, 200 Front Street West  
Toronto, ON M5V 3K2

- and -

Quadravest Capital Management Inc.  
Suite 2510, 200 Front Street West  
Toronto, ON M5V 3K2

Dear Sirs:

We understand that (i) Canadian Banc Corp. (the “**Corporation**”), a corporation incorporated under the laws of the province of Ontario, proposes to issue and sell (the “**Offering**”) 2,915,000 Preferred Shares of the Corporation (the “**Preferred Shares**”) and 2,915,000 Class A Shares of the Corporation (the “**Class A Shares**” and together with the Preferred Shares, the “**Shares**”); and (ii) Quadravest Capital Management Inc. (the “**Manager**”), a corporation incorporated under the laws of the province of Ontario, is the manager of the Corporation pursuant to the Management Agreement (as defined below).

You have requested National Bank Financial Inc. (“**NB Financial**”), as lead underwriter, and CIBC World Markets Inc., Scotia Capital Inc., RBC Dominion Securities Inc., TD Securities Inc., BMO Nesbitt Burns Inc., Canaccord Genuity Corp., Echelon Wealth Partners Inc., Industrial Alliance Securities Inc., GMP Securities L.P., Raymond James Ltd., Desjardins Securities Inc., Mackie Research Capital Corporation and Manulife Securities Incorporated (collectively, the “**Underwriters**”) to purchase the Shares and to form a selling group (the “**selling group**”) consisting of registered dealers, including the Underwriters, to distribute the Shares in all of the provinces of Canada (the “**Qualifying Provinces**”) pursuant to a Final Prospectus (as defined below).

Based upon the foregoing, and subject to the terms and conditions set out below, the Corporation hereby offers to sell to the Underwriters and the Underwriters hereby agree, severally in respect of the percentages set out in Section 2.2, and not jointly and severally, to purchase from the Corporation, at the Closing Time (as defined below) all, but not less than all, of the Shares at the purchase price of \$10.00 per Preferred Share and \$13.35 per Class A Share.

The Corporation shall pay to the Underwriters a fee (the “**Underwriters’ Fee**”) of \$0.30 for each Preferred Share and \$0.6008 for each Class A Share issued on the Closing Date in return for all services rendered or to be rendered by the Underwriters and the selling group in (a) acting as financial advisor to the Corporation and, among other things, providing advice as to the terms and conditions and the feasibility and method of distributing the Shares; (b) advising and assisting in the preparation of the Prospectus (as defined below); and (c) distributing the Shares pursuant to the Final Prospectus.

## TERMS AND CONDITIONS

### 1. Definitions And Interpretation

#### 1.1 As used in this Agreement:

“**Agreement**” means this underwriting agreement dated May 9, 2018 between the Corporation, the Manager and the Underwriters;

“**associate**”, “**misrepresentation**”, “**material fact**” and “**material change**” have the respective meanings attributed thereto in the Securities Act (Ontario);

“**Amended and Restated Preliminary Prospectus**” means the amended and restated preliminary short form prospectus of the Corporation to be dated the date hereof, amending and restating the Preliminary Prospectus, and for greater certainty includes all documents incorporated by reference therein (in both the English and French languages unless the context indicates otherwise);

“**Auditor**” means the firm of PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants;

“**Business Day**” means a day which is not a Saturday, Sunday or statutory or civic holiday in Toronto, Ontario;

“**Canadian Securities Laws**” means the securities statutes of each of the Qualifying Provinces and all regulations, rules, policy statements, notices and blanket orders or rulings thereunder;

“**CDS**” means CDS Clearing and Depository Services Inc.;

“**Class A Shares**” has the meaning given to such term in the first paragraph of this Agreement;

“**Class B Shares**” means the Class B Shares of the Corporation;

“**Closing**” means the completion of the issue and sale of Shares pursuant to this Agreement;

“**Closing Date**” means on or about May 23, 2018 or such other date not later than May 30, 2018, as the parties hereto may agree upon in writing;

“**Closing Time**” means 8:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the parties hereto may agree upon in writing;

“**Contracts**” means the Management Agreement, the Investment Management Agreement, the Registrar and Transfer Agency Agreement, the Custodian Agreement, the Escrow Agreement and the Recirculation Agreement;

“**Corporation**” has the meaning given to such term in the first paragraph of this Agreement;

“**CSA**” means the Canadian Securities Administrators;

“**Custodian Agreement**” means the custodian agreement dated July 4, 2005 between the Corporation and The Royal Trust Company, as assigned by The Royal Trust Company to RBC Dexia Investor Services Trust, now RBC Investor Services Trust, effective January 1, 2006;

“**distribution**” or “**distribution to the public**” have the respective meanings attributed thereto under Canadian Securities Laws and “**distribute**” has a corresponding meaning;

“**Escrow Agreement**” means the escrow agreement dated June 28, 2005 among the Corporation, the Holding Trust and The Royal Trust Company, as assigned by The Royal Trust Company to RBC Dexia Investor Services Trust, now RBC Investor Services Trust, effective January 1, 2006;

“**Final Prospectus**” means the (final) short form prospectus of the Corporation, which will qualify the distribution of the Shares in each of the Qualifying Provinces, including for greater certainty all the documents incorporated by reference (in both the English and French languages unless the context indicates otherwise);

“**Holding Trust**” means Canadian Banc Corp. Holding Trust, a trust formed in the province of Ontario;

“**Indemnified Parties**” has the meaning given to such term in Section 14.1 of this Agreement;

“**Indemnifying Parties**” has the meaning given to such term in Section 14.2 of this Agreement;

“**Investment Management Agreement**” means the investment management agreement dated June 28, 2005 between the Corporation and the Manager;

“**Management Agreement**” means the management agreement dated June 28, 2005 between QuadraVest Inc. and the Corporation, which agreement was assigned by QuadraVest Inc. to the Manager effective June 1, 2010;

“**Manager**” has the meaning given to such term in the first paragraph of this Agreement;

“**NB Financial**” has the meaning given to such term in the second paragraph of this Agreement;

“**NI 44-101**” means National Instrument 44-101 – *Short Form Prospectus Distributions of the CSA*;

“**NI 81-102**” means National Instrument 81-102 – *Investment Funds of the CSA*;

“**NI 81-106**” means National Instrument 81-106 – *Investment Fund Continuous Disclosure of the CSA*;

“**Offering**” has the meaning given to such term in the first paragraph of this Agreement;

“**Offering Period**” means the period from the date of the receipt issued under the Passport System for the Final Prospectus until completion of the distribution of the Shares;

“**Passport System**” means the system and procedures for prospectus filing and review under Multilateral Instrument 11-102 – *Passport System adopted by the Securities Commissions* (other than the Ontario Securities Commission) and National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;

“**Preferred Shares**” has the meaning given to such term in the first paragraph of this Agreement;

“**Preliminary Prospectus**” means the preliminary short form prospectus of the Corporation dated May 8, 2018 relating to the Offering, and for greater certainty, includes all documents incorporated by reference therein (in both English and French languages unless the context indicates otherwise);

“**Prospectus**” means the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus and the Final Prospectus;

“**Qualifying Provinces**” has the meaning given to such term in the second paragraph of this Agreement;

“**Recirculation Agreement**” means the recirculation agreement dated June 28, 2005 between CIBC World Markets Inc., the Corporation and the Registrar and Transfer Agent;

“**Registrar and Transfer Agency Agreement**” means the transfer agent, registrar and dividend disbursing agreement dated June 28, 2005 between the Corporation and the Registrar and Transfer Agent;

“**Registrar and Transfer Agent**” means Computershare Investor Services Inc.;

“**Securities Commissions**” means the applicable securities commission or regulatory authority in each of the Qualifying Provinces;

“**selling group**” has the meaning given to such term in the second paragraph of this Agreement;

“**Shares**” has the meaning given to such term in the first paragraph of this Agreement;

“**Supplementary Material**” means any amendment or supplement to the Prospectus or to any documentation supplemental thereto or any amending or supplemental prospectus or other supplemental documentation or any similar document required to be filed by the Manager or the Corporation under any of the Canadian Securities Laws during the Offering Period in connection with the distribution of the Shares;

“**to the best of the knowledge of**” means (unless otherwise expressly stated), a statement of the declarant’s knowledge of the facts or circumstances to which such phrase relates after having made reasonable inquiries and investigations in connection with such facts and circumstances;

“**TMX Group**” means the TMX Group Limited;

“**TSX**” means the Toronto Stock Exchange;

“**Underwriter**” means each of NB Financial, CIBC World Markets Inc., Scotia Capital Inc., RBC Dominion Securities Inc., TD Securities Inc., BMO Nesbitt Burns Inc., Canaccord Genuity Corp., Echelon Wealth Partners Inc., Industrial Alliance Securities Inc., GMP Securities L.P., Raymond James Ltd., Desjardins Securities Inc., Mackie Research Capital Corporation and Manulife Securities Incorporated and “**Underwriters**” means all of them; and

“**Underwriters’ Fee**” has the meaning given to such term in the fourth paragraph of this Agreement.

All defined terms herein denoted by initial capital letters and not otherwise defined have the meanings attributed thereto in the Prospectus.

**1.2** Words importing the singular number only shall include the plural and vice versa, and words importing the use of any gender shall include all genders.

**1.3** References to currency are to Canadian dollars.

**1.4** The headings in this Agreement are for convenience of reference only and shall not affect the interpretation or meaning of this Agreement.

**2. Purchase and Sale of Shares**

**2.1** Subject to the terms and conditions in this Agreement, the Corporation hereby agrees to sell to the Underwriters and the Underwriters hereby agree, severally in respect of the percentages set out in Section 2.2, and not jointly and severally, to purchase from the Corporation, at the Closing Time all, but not less than all, of the Shares at the purchase price of \$10.00 per Preferred Share and \$13.35 per Class A Share.

**2.2** The obligations of the Underwriters set out herein are several and not joint, nor joint and several or joint or several, and shall be limited to the respective percentages of the aggregate number of Shares set out opposite the names of each of the Underwriters below:

NB Financial	17.0%
CIBC World Markets Inc.	17.0%
Scotia Capital Inc.	15.0%
RBC Dominion Securities Inc.	10.0%
TD Securities Inc.	10.0%
BMO Nesbitt Burns Inc.	7.0%
Canaccord Genuity Corp.	5.0%
Echelon Wealth Partners Inc.	5.0%
Industrial Alliance Securities Inc.	5.0%
GMP Securities L.P.	3.0%
Raymond James Ltd.	3.0%
Desjardins Securities Inc.	2.0%
Mackie Research Capital Corporation	0.5%
Manulife Securities Incorporated	0.5%
	<hr/>
	100%

**2.3** If an Underwriter does not complete the purchase of the Shares which it has agreed to purchase hereunder for any reason whatsoever, the other Underwriters shall be entitled, at their option, to purchase on a pro rata basis (or on such other basis as they may mutually agree) all but not less than all of the Shares which would otherwise have been purchased by such refusing Underwriter.

**2.4** An Underwriter will not be liable hereunder with respect to any act, omission or conduct of any other Underwriter under this Agreement.

**2.5** Nothing in this Agreement shall obligate the Corporation to sell less than all of the Shares or shall relieve any Underwriter in default from liability to the Corporation. In the event of a termination by the Corporation of its respective obligations under this Agreement, there shall be no further liability on the part of the Corporation to the Underwriters except in respect of any liability which may have already arisen or may thereafter arise under Sections 12, 13 and 14, as applicable.

**3. Qualification of Securities**

**3.1** The Corporation and the Manager shall as soon as possible, but in any event by the times specified in this Section 3.1, take or cause to be taken all steps and proceedings to fulfil all requirements under Canadian Securities Laws to qualify the distribution of Shares pursuant to the Offering for sale to the public in each of the Qualifying Provinces by registrants who have complied with the relevant provisions of the applicable Canadian Securities Laws. All such requirements shall be fulfilled and the Corporation shall have obtained a receipt issued by the Ontario Securities Commission, in its capacity as principal regulator, pursuant to the Passport System by no later than 5:00 p.m. on May 16, 2018 (or by such other time and/or on such later date or dates as may be mutually agreed upon by the Corporation, the Manager and the Underwriters) on behalf of the province of Ontario and evidencing that a receipt has been deemed to be issued by each of the other Securities Commissions for the Final Prospectus.

**4. Documents Delivered Concurrently with this Agreement**

**4.1** Concurrently with the execution and delivery of this Agreement or as soon as possible thereafter, the Corporation and the Manager shall deliver or cause to be delivered to the Underwriters the following:

- (a) the Amended and Restated Preliminary Prospectus in the English and French language and any documentation supplemental thereto required to be filed under Canadian Securities Laws, in each case in form and substance satisfactory to the Underwriters, acting reasonably, approved, signed and certified as may be required by Canadian Securities Laws;
- (b) the Final Prospectus in the English and French language and any documentation supplemental thereto required to be filed under Canadian Securities Laws, in each case in form and substance satisfactory to the Underwriters, acting reasonably, approved, signed and certified as may be required by Canadian Securities Laws;
- (c) a comfort letter from the Auditor dated the date of the Final Prospectus, in form and substance satisfactory to the Underwriters and including the application of specified accounting procedures, with a cut-off date of not more than two Business Days prior to the date of such letter, relating to the financial statements incorporated by reference in the Final Prospectus and the notes and assumptions thereto and the verification of the financial and accounting data contained in the Final Prospectus arising out of such statements;
- (d) an opinion of Québec counsel, in form and substance satisfactory to the Underwriters, acting reasonably, to the effect that the French version of the Final Prospectus, other than the financial statement and notes thereto and the related Auditor's report, is in all material respects a complete and an accurate translation of the English version thereof and that the two versions are not susceptible of any materially different interpretations with respect to any material matter contained therein;

- (e) an opinion of the Auditor, in form and substance satisfactory to the Underwriters acting reasonably, to the effect that the financial statements and notes thereto and the related Auditor's report incorporated by reference in the French version of the Final Prospectus are in all material respects complete and accurate translations of the English versions thereof and that said versions are not susceptible of any materially different interpretations with respect to any material matter contained therein; and
- (f) evidence satisfactory to the Underwriters of the approval of the listing and posting for trading on the TSX of the Shares offered pursuant to the Offering subject only to satisfaction by the Corporation of the conditions imposed by the TSX in the letter of the TSX granting conditional listing approval.

**4.2** The delivery to the Underwriters of the Final Prospectus or of any Supplementary Material shall constitute the representation and warranty by each of the Corporation and the Manager to the Underwriters that all information and statements (except information and statements provided by or relating solely to the Underwriters) contained in the Final Prospectus and the Supplementary Material are at the date of delivery thereof true and correct in all material respects, contain no misrepresentation and together constitute full, true and plain disclosure of all material facts relating to the offering of the Shares as set forth therein and comply with all applicable Canadian Securities Laws. Such delivery shall also constitute the consent of each of the Corporation and the Manager to the use of the Final Prospectus and the Supplementary Material by the Underwriters and other investment dealers and brokers registered in the Qualifying Provinces in connection with the distribution of the Shares in compliance with Canadian Securities Laws and the provisions of this Agreement.

## **5. Commercial Copies**

**5.1** The Corporation and the Manager shall cause to be delivered, without charge and as soon as possible after qualification of the Shares under Section 3.1 and in any event not later than 9:00 a.m. (local time) on May 17, 2018, such number of commercial copies of the Final Prospectus in the English and French language as the Underwriters shall reasonably require to be delivered to such offices of each Underwriter across Canada as the Underwriters shall direct.

**5.2** The Corporation and the Manager shall similarly cause to be delivered to the Underwriters and members of the selling group, as soon as possible and in accordance with the foregoing, commercial copies of such Supplementary Material, if any, which is, under Canadian Securities Laws, required to be delivered to a purchaser of Shares.

## **6. Supplementary Material**

**6.1** The Corporation and the Manager shall prepare all Supplementary Material as may be required from time to time pursuant to Canadian Securities Laws. Such Supplementary Material shall be in form and substance satisfactory to the Underwriters, acting reasonably, and a copy thereof (approved, signed and certified as required), where applicable in both the English and French language, shall be delivered by the Corporation and the Manager to the Underwriters forthwith upon filing. Concurrently with the delivery to the Underwriters of any Supplementary Material, the Corporation and the Manager shall deliver to the Underwriters, with respect to the Supplementary Material, letters similar to those referred to in Sections 4.1(d) and (e), if a French version of such material is required to be filed, and a letter similar to that referred to in Section 4.1(c) if any financial or accounting data are contained in such Supplementary Material. The provisions of Section 5.1 shall apply, with any changes required by the context, to any Supplementary Material, copies of which are required by Canadian Securities Laws to be delivered on request or otherwise to any purchaser of Shares.

## **7. Distribution of Shares**

**7.1** The Underwriters shall sell the Shares to the public, directly and through other members of the selling group, in compliance with applicable Canadian Securities Laws and upon the terms and conditions set forth in the Final Prospectus, any Supplementary Material and this Agreement. The Underwriters shall be entitled to assume that the Shares are qualified for distribution in any Qualifying Province where a receipt has been issued under the Passport System for the Final Prospectus, unless the Underwriters receive notice to the contrary from the Corporation or the Ontario Securities Commission, as principal regulator.

**7.2** NB Financial will notify the Corporation and the Manager if and when, in its opinion, the distribution of the Shares has been completed, and shall, as soon as practicable thereafter (and in any event within the time periods necessary to obtain a refund of filing fees), provide the Corporation and the Manager with a breakdown of the number of Preferred Shares and Class A Shares distributed in each of the Qualifying Provinces where such breakdown is required for the purpose of calculating fees payable to the applicable Securities Commissions.

## **8. Material Changes**

**8.1** During the Offering Period, the Corporation and the Manager shall promptly notify each of the Underwriters in writing of the particulars of:

- (a) any change (actual, anticipated, contemplated or threatened) in the business, financial condition, affairs, operations, assets or liabilities (contingent or otherwise), capital or ownership (i) of the Corporation or the Manager, as the case may be, or (ii) of any officer of the Corporation or the Manager, as the case may be;
- (b) any change (actual, anticipated or threatened) in any matter covered by a statement contained in the Amended and Restated Preliminary Prospectus, the Final Prospectus or any Supplementary Material; or
- (c) any material fact that has arisen or been discovered and that would have been required to have been disclosed in the Amended and Restated Preliminary Prospectus, the Final Prospectus or any Supplementary Material had that fact arisen or been discovered on or prior to the date of the Amended and Restated Preliminary Prospectus, the Final Prospectus or any Supplementary Material,

which change or fact is, or may be, of such a nature as to: (i) render any statement of a material fact in the Amended and Restated Preliminary Prospectus, the Final Prospectus or any Supplementary Material misleading or untrue in any material respect; (ii) result in any of such documentation containing a misrepresentation; (iii) result in the Amended and Restated Preliminary Prospectus, the Final Prospectus or any Supplementary Material not complying in any material respect with any of the Canadian Securities Laws; or (iv) result in a material change for the Corporation.

**8.2** The Corporation and the Manager shall, in good faith, discuss with the Underwriters any change in circumstances (actual, anticipated or threatened) which is of such a nature as to give rise to a reasonable question as to whether notice should be given to the Underwriters pursuant to Section 8.1 and, in any event, prior to making any filing. Where it has been determined to be appropriate, the Corporation and the Manager shall promptly and in any event within the statutory limitation periods therefor, comply with all applicable filing and other requirements under Canadian Securities Laws so that the Shares shall continue to qualify for distribution to the public in each of the Qualifying Provinces; provided that the

Corporation and the Manager shall allow the Underwriters and their counsel to participate fully in the preparation of any Supplementary Material and to conduct all due diligence investigations that the Underwriters may reasonably require to fulfil their obligations as underwriters and in order to enable the Underwriters responsibly to execute the certificate required to be executed by them in any Supplementary Material and the Underwriters shall have approved the form of any Supplementary Material, such approval not to be unreasonably withheld and to be provided in a timely manner.

## **9. Representations, Warranties and Covenants**

**9.1** Each of the Corporation and the Manager jointly and severally represents and warrants to the Underwriters and acknowledges that the Underwriters are relying upon such representations and warranties in connection with the entering into of this Agreement and the sale by the Underwriters of the Shares as provided herein, as follows:

- (a) the Corporation has been duly incorporated and organized and is validly subsisting under the laws of the province of Ontario;
- (b) the Corporation has all requisite corporate power, authority and capacity to create, offer, sell and deliver the Shares and to carry out its obligations hereunder and under the Contracts to which the Corporation is a party in compliance in all material respects with all applicable laws, rules and regulations;
- (c) the authorized capital of the Corporation consists of an unlimited number of Preferred Shares, an unlimited number of Class A Shares and 1,000 Class B Shares, of which there are issued and outstanding on the date hereof 8,265,657 Preferred Shares, 8,265,657 Class A Shares and 1,000 Class B Shares, and no person, firm or corporation (except for investors purchasing under the Prospectus) has, as of the date hereof, or will have as at the Closing Time, any agreement or option, or right or privilege (whether pre-emptive, contractual or otherwise) capable of becoming an agreement (including convertible securities or warrants) for the purchase, subscription and issuance of any Shares or other securities of the Corporation;
- (d) there are no actions, suits, proceedings or inquiries pending or, to their knowledge, threatened against or affecting the Corporation or any of its officers, as the case may be, at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, agency or instrumentality, domestic or foreign;
- (e) other than as disclosed in the Prospectus or any Supplementary Material, the Corporation has no liabilities (contingent or otherwise) which are material to it;
- (f) none of the execution and delivery of this Agreement by the Corporation, and the fulfilment of the terms hereof and of the Contracts on the part of the Corporation (including, without limitation, the issuance and sale of the Shares in the Qualifying Provinces) conflicts with or will conflict with or constitutes or will constitute a default under, or creates a state of facts which after notice or lapse of time, or both, would constitute a default under, any of the terms, conditions or provisions of any trust indenture, mortgage, note, lease, agreement, instrument or other document to which the Corporation is a party, or any judgment, decree, order, statute, rule or regulation applicable to the Corporation or any terms, conditions or provisions of the articles of

incorporation, by-laws or resolutions of the Corporation or any licence, registration or qualification issued to the Corporation or the Manager;

- (g) upon their issuance by the Corporation in accordance with this Agreement, the Shares will be validly issued and outstanding as fully paid and non-assessable shares and the sole registered holder thereof will be CDS or its nominee;
- (h) the Contracts remain in full force and effect, unamended (except that the Custodian Agreement and the Escrow Agreement were assigned by The Royal Trust Company to RBC Dexia Investor Services Trust (now RBC Investor Services Trust) effective January 1, 2006 and the Management Agreement was assigned by Quadravest Inc. to the Manager effective June 1, 2010), as of the date hereof, constitute legal, valid and binding obligations of the Corporation and the Manager, as the case may be, enforceable against the Corporation and the Manager, as the case may be, in accordance with their respective terms, subject to applicable bankruptcy, insolvency, winding-up, moratory or reorganization or other similar laws affecting creditors' rights generally and to the availability of equitable remedies and to the fact that rights to indemnity, contribution and waiver may be limited by applicable law, and to the knowledge of the Corporation, no party to any of the Contracts is in default under such Contracts where such default would constitute a material fact in relation to the Shares;
- (i) the Corporation is current and up-to-date with all material filings required or desirable to be made by it under the laws of Canada and the provinces thereof, including all Canadian Securities Laws;
- (j) at the date hereof, no consents, approvals, authorizations or orders under the laws of any province of Canada or any other jurisdiction or of any court or governmental agency or body or any stock exchange (except those that will have been obtained by the Closing Time in respect of the Shares) will be required for the consummation of the transactions contemplated hereby or in the Final Prospectus;
- (k) no order, ruling or determination having the effect of suspending the sale or ceasing the trading of the Preferred Shares or the Class A Shares has been issued or made by any Securities Commission or stock exchange or any other regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to their knowledge (without having made any inquiries of any Securities Commission or other regulatory authority), contemplated or threatened by any such authority or under any Canadian Securities Laws;
- (l) the financial statements of the Corporation incorporated by reference in the Prospectus are complete and correct and have been prepared in accordance with International Financial Reporting Standards;
- (m) except for the Underwriters, there is no person, firm, or corporation acting or purporting to act for the Corporation entitled to any brokerage or finder's fee in connection with this Agreement or any of the transactions contemplated hereunder;
- (n) there are no material contracts, agreements or documents relating to the Corporation, the Manager or any other person which are required to be described in the Prospectus and that are not described therein;

- (o) the execution and delivery of and compliance with this Agreement has been duly and validly authorized by all necessary action on the part of the Corporation and this Agreement has been duly executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its terms, subject to applicable bankruptcy, insolvency, winding-up, moratory or reorganization or other similar laws affecting creditors' rights generally and to the availability of equitable remedies and to the facts that rights to indemnity, contribution and waiver may be limited by applicable law;
- (p) the net proceeds of the Offering will be used in the manner specified in the Prospectus and for no other purpose;
- (q) except as contemplated in this Agreement or as described in the Prospectus, there is no person acting or purporting to act for the Corporation or the Manager entitled to any brokerage or finder's fee in connection with the issue, sale and delivery of the Shares or any of the transactions described in the Prospectus;
- (r) the terms and conditions of the Offering comply in all material respects with Canadian Securities Laws including, without limitation, NI 81-102 and NI 81-106, except to the extent that exemptions therefrom have been obtained from applicable Securities Commissions in each of the Qualifying Provinces;
- (s) the Preferred Shares and the Class A Shares, respectively, have the attributes substantially as set forth in the Prospectus; and
- (t) the Corporation is, and at the Closing Time will be, eligible to file a short form prospectus in each Qualifying Province under NI 44-101.

**9.2** The Manager represents and warrants to the Underwriters and acknowledges that the Underwriters are relying upon such representations and warranties in connection with the entering into of this Agreement and the sale by the Underwriters of the Shares as provided herein, as follows:

- (a) the Manager has been duly incorporated and organized and is validly subsisting under the laws of its jurisdiction of incorporation;
- (b) the Manager has all requisite corporate power and authority to carry on its business as now conducted and as currently proposed to be conducted, to own, lease and operate its properties and assets and to carry out its obligations hereunder and under each of the Contracts to which it is a party, has conducted and is conducting its business in compliance in all material respects with all applicable laws, rules and regulations of each jurisdiction in which its business is carried on (and is current and up-to-date with all material filings required to be made in such jurisdictions) and is duly licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable its business to be carried on as it is now conducted and to perform its obligations hereunder and under the Contracts to which it is a party and all such licences, registrations or qualifications are valid and existing and in good standing;
- (c) there are no actions, suits, proceedings or inquiries pending or, to its knowledge, threatened against or affecting the Manager or any of its trustees, officers or directors, as the case may be, at law or in equity or before or by any federal, provincial, municipal or

other governmental department, commission, board, agency or instrumentality, domestic or foreign, which may, in any way, materially and adversely affect either of them;

- (d) neither the Manager nor any of its officers or directors has any liabilities (contingent or otherwise) which might interfere with the performance of the obligations of the Manager hereunder or under any of the Contracts;
- (e) none of the execution and delivery of this Agreement by the Manager or the fulfilment of the terms hereof and of the Contracts on the part of the Manager conflicts with or will conflict with or constitutes or will constitute a default under, or creates a state of facts which after notice or lapse of time, or both, would constitute a default under, any of the terms, conditions or provisions of any trust indenture, mortgage, note, lease, agreement, instrument or other document to which the Manager is a party, or any judgment, decree, order, statute, rule or regulation applicable to the Manager or any terms, conditions or provisions of the articles of incorporation, the by-laws or resolutions of the Manager;
- (f) the Manager and each of its employees, directors and officers, as the case may be, is current and up-to-date with all material filings required or desirable to be made by each of them under the laws of Canada and the provinces thereof, including all Canadian Securities Laws;
- (g) the execution and delivery of and compliance with this Agreement has been duly and validly authorized by all necessary corporate action on the part of the Manager and this Agreement has been duly executed and delivered by the Manager and constitutes a legal, valid and binding agreement enforceable against the Manager in accordance with its terms, subject to applicable bankruptcy, insolvency, winding-up, moratory or reorganization, or other similar laws affecting creditors' rights generally and to the availability of equitable remedies and to the facts that rights to indemnity, contribution and waiver may be limited by applicable law; and
- (h) none of the shareholders, directors or officers of the Manager or any associate or affiliate of any of the foregoing had, has or, to the knowledge of the Manager, intends to have any material interest, direct or indirect, in any material transaction contemplated by this Agreement, any of the Contracts or the Prospectus or in any proposed material transaction with the Corporation which materially affects, is material to or will materially affect the Corporation, except as and to the extent disclosed in the Prospectus.

## **10. Closing**

**10.1** Subject as hereinafter provided, the Closing shall be completed at the Closing Time on the Closing Date at the offices of counsel to the Corporation and the Manager, Blake, Cassels & Graydon LLP, Commerce Court West, Toronto, Ontario.

**10.2** At the Closing Time, and provided that all conditions precedent to the completion of the Offering as stipulated in this Agreement have been satisfied:

- (a) the Corporation shall issue, register and make available electronically (i) to CDS or its nominee, the aggregate Shares which the Underwriters have purchased; (ii) to the Underwriters the requisite legal opinions and certificates as provided for herein; and (iii) to the Underwriters such further documentation as may be contemplated herein; and

- (b) the Underwriters shall deliver to the Corporation the aggregate purchase price for the Shares sold for cash, net of the amount of the Underwriters' Fee and net of any amounts payable in respect of the Underwriters' expenses as provided for in Section 13.1 by way of an electronic funds transfer.

## 11. Conditions

**11.1** The Underwriters' obligations hereunder, including, without limitation, those set out in Section 10.2, shall be subject to the conditions (each of which is expressly declared to be solely for the benefit of the Underwriters) (i) that the terms and conditions of the Shares and of the Contracts described in the Final Prospectus shall conform to the description thereof in the Final Prospectus; (ii) that the Final Prospectus shall not contain a misrepresentation; and (iii) that:

- (a) the Underwriters shall have received at the Closing in respect of the Preferred Shares and Class A Shares a favourable legal opinion, dated as of the Closing Date, of Blake, Cassels & Graydon LLP, counsel to the Corporation and the Manager, addressed to the Underwriters, in form and substance satisfactory to the Underwriters acting reasonably, with respect to such matters as the Underwriters may reasonably request, including, without limitation:
  - (i) the incorporation and subsistence of the Corporation and the Manager;
  - (ii) the creation and subsistence of the Holding Trust;
  - (iii) that Quadravest Inc. is the registered owner of all of the issued shares of the Manager;
  - (iv) the Corporation is authorized to issue an unlimited number of Preferred Shares, an unlimited number of Class A Shares and 1,000 Class B Shares, of which 8,265,657 Preferred Shares, 8,265,657 Class A Shares and 1,000 Class B Shares are outstanding;
  - (v) that the Holding Trust is the registered owner of all the issued and outstanding Class B Shares;
  - (vi) the attributes of the Preferred Shares and the Class A Shares, respectively, are consistent in all material respects with the descriptions thereof and references thereto in the Final Prospectus and Supplementary Material, if any;
  - (vii) the qualification under applicable Canadian Securities Laws and the laws of the province of Ontario of the Manager to fulfil its obligations under this Agreement and the Contracts;
  - (viii) the power, capacity and authority of the Corporation to create, offer, sell and deliver the Shares and to enter into and perform its obligations under this Agreement and each of the Contracts;
  - (ix) the corporate power, capacity and authority of each of the Corporation and the Manager to carry on their respective businesses and to enter into and carry out their respective obligations under this Agreement and each of the Contracts to which they are a party;

- (x) the due authorization (including authorization of appointment of the Underwriters), execution and delivery by the Corporation and the Manager and the binding effect and enforceability (subject to bankruptcy laws and the availability of equitable remedies and other normal opinion qualifications and, in particular, as to the enforceability of the indemnity and contribution provisions hereof) of this Agreement against the Corporation or the Manager, as the case may be;
- (xi) that the execution, delivery and performance of obligations under this Agreement and each of the Contracts to which either of the Corporation or the Manager is a party will not result in a breach of the constating documents of the Corporation or the Manager, any Contract or any law of the province of Ontario or the federal laws of Canada applicable therein, as the case may be, and, to the best of the knowledge of such counsel without independent inquiry, will not result in a breach of any material agreement to which either of the Corporation or the Manager is a party or to which any of their respective assets or properties may be subject or require the consent of any third party or regulatory authority (except for those disclosed herein);
- (xii) as to the listing of the Shares offered pursuant to the Offering on the TSX;
- (xiii) as to the qualification under Canadian Securities Laws of the Shares for distribution in each of the Qualifying Provinces;
- (xiv) that the terms and conditions of the Offering comply with Canadian Securities Laws of the province of Ontario as at the Closing Date including, without limitation, NI 81-102 and NI 81-106, except to the extent that exemptions or waivers therefrom have been obtained from applicable Securities Commissions in each of the Qualifying Provinces;
- (xv) that to the best of their knowledge, but without independent inquiry, there is no action or other litigation pending or threatened against the Corporation or the Manager which is material to the Offering;
- (xvi) the acceptability of opinions delivered by local counsel as to form and scope and that the Underwriters are justified in relying thereon;
- (xvii) that the statements as to matters of the laws of Canada set out in the Final Prospectus under the headings “**Eligibility for Investment**” and “**Canadian Federal Income Tax Considerations**” are a fair and accurate summary of such matters, subject to the limitations and qualifications stated or referred to in the Final Prospectus;
- (xviii) that no consents, approvals, authorizations or orders under the laws of any of the provinces of Canada or the federal laws of Canada or of any court or governmental agency or body or any stock exchange of such jurisdictions (except those that will have been obtained) are required for the issue and sale of the Shares as contemplated hereby or in the Final Prospectus;
- (xix) as to the appointment of the Registrar and Transfer Agent; and

- (xx) compliance with the laws of Québec relating to the use of the official language in connection with the distribution of the Shares;
- (b) the Underwriters shall have received at the Closing in respect of the Preferred Shares and the Class A Shares a favourable legal opinion dated as of the Closing Time from counsel to the Underwriters, McCarthy Tétrault LLP, with respect to such matters set out in paragraph (a) above as are requested by the Underwriters;

it being understood that respective counsel may rely, to the extent appropriate in the circumstances:

- (i) as to matters of fact not independently established, on certificates of the Auditor and on certificates of authorized representatives or officers of the Corporation and the Manager;
  - (ii) on the opinions of local counsel acceptable to counsel, acting reasonably (signed copies of which shall be addressed to and delivered to the Underwriters and counsel) with respect to the French translation of the Final Prospectus and those matters governed by laws other than those of the province of Ontario or the federal laws of Canada (to the extent that they are so governed); and
  - (iii) in the case of counsel to the Underwriters, on the opinion of Blake, Cassels & Graydon LLP as to certain matters (excluding Sections 11.1(a)(vi), 11.1(a)(xvii) and 11.1(a)(xviii)), and that such opinions may be subject to such assumptions, qualifications and limitations as may be reasonable under the circumstances;
- (c) the Underwriters shall have received at the Closing in respect of the Shares, if any Supplementary Material has been filed since the previous Closing Date, a letter dated as of the Closing Date from the Auditor in form and substance satisfactory to the Underwriters, acting reasonably, verifying the accuracy of financial and accounting data contained in the Final Prospectus and which shall conform in all material respects, as of the relevant Closing Date, to the conclusions and findings of such firm with respect to the financial information and other matters covered by any letters of the Auditor delivered pursuant to Section 4.1(c) hereof;
  - (d) the Underwriters shall have received a certificate dated the Closing Date signed by appropriate officers of each of the Corporation and the Manager with respect to the articles and by-laws of each of the Corporation and the Manager, respectively;
  - (e) the Underwriters shall have received certified copies dated the Closing Date of all resolutions of the boards of directors and shareholders of each of the Corporation and the Manager relating to this Agreement, the Final Prospectus, and to the issue and sale by the Corporation of the Shares and the execution and delivery of each of the Contracts to which the Corporation or the Manager is a party;
  - (f) the Underwriters shall have received incumbency certificates dated the Closing Date including specimen signatures of signing officers of the Corporation and the Manager and certificates with respect to such other matters as the Underwriters and their counsel may reasonably request and which are customary in transactions of this nature;

- (g) the Shares offered pursuant to the Offering shall have been accepted for listing and will be posted for trading on the TSX at the Closing Time;
- (h) the Underwriters shall have received confirmation in a form acceptable to the Underwriters that the Preferred Shares have received and have at the Closing Date the rating described in the Final Prospectus and are not on ratings alert or other downgrade warnings;
- (i) the Underwriters shall have received at the Closing a certificate of each of the Corporation and the Manager dated the Closing Date and signed by the Chief Executive Officer of the Corporation and the Manager, respectively, certifying for and on behalf of the Corporation and the Manager, respectively, and without personal liability, that:
  - (i) the Corporation or the Manager, as the case may be, has duly complied with its respective covenants and satisfied all conditions herein on its part to be performed or satisfied at or prior to the Closing Time;
  - (ii) the representations and warranties of the Corporation or the Manager, as the case may be, contained in this Agreement are true and correct as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated hereby;
  - (iii) in the case of the certificate delivered by the Corporation at the Closing in respect of the Shares, since the date of the Final Prospectus the Corporation has not carried on any activities other than as disclosed in the Final Prospectus and, immediately prior to the Closing Time on the Closing Date, had not entered into any material agreement other than as disclosed in the Final Prospectus or any Supplementary Material;
  - (iv) in the case of the certificates delivered by the Manager, except as disclosed in the Final Prospectus or Supplementary Material or previously disclosed in writing to the Underwriters, since the date of the Final Prospectus:
    - (A) there has been no material adverse change (actual, anticipated or threatened), financial or otherwise, in the condition of the Manager and there has been no such material adverse change in any material assets, liabilities (contingent or otherwise), business or operations of the Manager; and
    - (B) no transaction out of the ordinary course of business and of a material nature adverse to the Manager has been entered into by the Manager; and
- (j) the Underwriters shall have received such other certificates, statutory declarations, opinions, agreements or materials in form and substance satisfactory to the Underwriters, acting reasonably, as the Underwriters may reasonably request.

## **12. Termination**

### **12.1** If prior to the Closing Time:

any order to cease or suspend trading in the Preferred Shares or the Class A Shares outstanding on the date hereof is made by the TSX, or is made pursuant to any Canadian Securities Laws or is made by any other regulatory authority, which has not been rescinded, revoked or withdrawn;

- (a) any order or ruling is issued, any enquiry, action, suit, investigation or other proceeding (whether formal or informal) is instituted or threatened in any forum against the Corporation or the Manager or any of their respective officers or any inquiry or investigation (whether formal or informal) in relation to the Corporation or the Manager or any of their respective officers is commenced or threatened by any of the Securities Commissions or by any other governmental or regulatory authority which, in the opinion of the Underwriters, acting reasonably, might prevent or materially adversely affect the distribution or distribution to the public of the Shares in any of the Qualifying Provinces or prevent or restrict trading in the Shares or might reasonably be expected to have a significant adverse effect on the market price or value of the Shares;
- (b) there should develop or be discovered any change such as is contemplated in Section 8.1 in respect of the Corporation or there should transpire any state of affairs or occurrence, which, in the opinion of the Underwriters, acting reasonably, may materially adversely affect the Corporation or the activities proposed to be carried on by it or the market price or value of the Shares;
- (c) there has been a material breach or non-performance of any of the covenants of the Corporation or the Manager herein that has not been rectified or remedied to the satisfaction of the Underwriters;
- (d) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence (including any natural catastrophe, act of war, terrorism or similar event) or any law or regulation which, in the sole opinion of the Underwriters, might reasonably be expected to have a significant adverse effect, or involves, or will seriously adversely affect, or involve, the financial markets or the business, operations or affairs of the Corporation or the market price or value of the Shares;
- (e) the state of the financial markets is such that, in the reasonable opinion of the Underwriters, the Shares cannot be profitably marketed; or
- (f) if prior to Closing Time, there is announced any change or proposed change in the income tax laws of the United States or Canada or the interpretation or administration thereof, and such change would, in the reasonable opinion of any Underwriter, acting in good faith and after consultation with the Manager, be expected to have a significant adverse effect on the market price, value or marketability of the Shares,

then, in any one or more of the foregoing cases, any or all of the Underwriters shall be entitled, at its or their sole option, to terminate all of its or their obligations under this Agreement, including the obligation to purchase the Shares from the Corporation, by notice to that effect delivered to the Corporation and the Manager prior to the Closing Time.

**12.2** Any breach of, or failure by the Corporation or the Manager to comply with, any material term or condition of this Agreement shall entitle each of the Underwriters to terminate all of its obligations hereunder, including the obligation to purchase the Shares from the Corporation, by notice to that effect given to the Corporation and the Manager prior to the Closing Time.

**12.3** The rights of the Underwriters to terminate their obligations hereunder are in addition to any other remedies they may have in respect of any default, act or failure to act of the Corporation or the Manager in respect of any of the matters contemplated hereby. In the event of any termination, there shall be no further liability on the part of the Corporation and the Manager to the terminating Underwriter or persons from whom it has solicited orders except in respect of any liability which may have arisen or may thereafter arise under Sections 13.1 or 14.1 through 14.6. Each of the Underwriters may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other terms and conditions or any other or subsequent breach or non-compliance provided, however, that any waiver or extension must be in writing and signed by the Underwriter in order to be binding upon it.

### **13. Expenses of Offering and Underwriters' Expenses**

**13.1** Whether or not the Offering is completed and, provided that failure to complete the transactions contemplated by this Agreement in accordance with the terms hereof is not by reason of the default of an Underwriter or Underwriters, the Corporation agrees, except as otherwise agreed with the Underwriters, to pay all reasonable expenses relating to this transaction including, without limitation, the Underwriters' out of pocket expenses relating to this transaction, the cost of advertising relating to the Offering and the cost of forming and managing any selling group and distributing to the public the Offering except that, the Manager shall be solely responsible for any expenses relating to this transaction in excess of 1.5% of the gross proceeds of the Offering. Whether or not the transactions contemplated by this Agreement are completed and, for whatever reason, the Corporation agrees, except as otherwise agreed with the Underwriters, to pay the reasonable and documented fees and expenses of Underwriters' counsel together with all other costs and expenses of or incidental to the creation, offering, issue, sale and delivery of the Shares comprising the Offering, the cost of printing the Prospectus and any Supplementary Material, the cost of preparing and presenting audiovisual sales material, the cost of qualifying the Shares for sale to the public in the respective Qualifying Provinces, the fees and expenses payable in respect of the listing of the Shares on the TSX and the fees and expenses of the Auditor, counsel to the Corporation and all local counsel of the Corporation and the Manager, including all legal and accounting fees and expenses relating to preparing the Prospectus for the Offering. Notwithstanding the foregoing, neither the Corporation nor the Manager will be liable to pay any expenses incurred by the Underwriters and their selling group in enforcing or collecting payment from purchasers of the purchase price of such purchasers' Shares.

### **14. Indemnification and Contribution**

**14.1** (a) The Corporation and the Manager severally (and not jointly) agree to indemnify and save harmless each of the Underwriters, and each of their respective directors, officers, agents (including any member of the selling group), or employees (collectively, the "**Indemnified Parties**") against all losses (other than loss of profits or other consequential damages in connection with the distribution of the Shares), costs, damages, liabilities and expenses which they may suffer or incur or be subject to and which are caused by or arise directly or indirectly by reason of or arise out of:

- (i) any statement or information (except any information or a statement provided by or relating solely to the Underwriters) contained in the Amended and Restated Preliminary Prospectus, the Final Prospectus or Supplementary Material or any certificate of the Corporation or the Manager filed in accordance with Canadian Securities Laws or delivered to the Underwriters hereunder being or being alleged to be a misrepresentation or being or being alleged to be untrue, false or misleading by reason of the omission or alleged omission to state therein any material fact or by reason of the omission or alleged omission to state therein any other fact or information (except facts relating solely to the Underwriters)

required to be stated therein or necessary to make the statements or information therein not false or misleading in light of the circumstances under which they were made;

- (ii) any order made, or inquiry, investigation or proceeding commenced or threatened by any court, Securities Commission, stock exchange or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission or any misrepresentation or alleged misrepresentation in the Amended and Restated Preliminary Prospectus, the Final Prospectus or the Supplementary Material, other than an untrue statement or omission or misrepresentation relating solely to the Underwriters, or any change of law or the interpretation or administration thereof, which prevents or restricts the trading in the Shares or the distribution or distribution to the public, as the case may be, of any of the Shares in any of the Qualifying Provinces;
  - (iii) the non-compliance by the Corporation or the Manager with any requirement of Canadian Securities Laws or any breach or violation or alleged breach or violation of any Canadian Securities Laws or other applicable securities legislation of any jurisdiction;
  - (iv) the breach by the Corporation or the Manager of any representation, warranty or covenant set forth in this Agreement or in any certificate given pursuant hereto or the failure by the Corporation or the Manager to comply with any of its obligations hereunder or thereunder; or
  - (v) any tax assessment to the Underwriters for the provision of services by the Underwriters pursuant to this Agreement, whether performed before or after the Indemnified Parties' execution of this Agreement.
- (b) In addition to the indemnity provided for in paragraph (a), the Manager hereby indemnifies and save harmless each Indemnified Party against all losses (other than loss of profits), costs, damages, liabilities and expenses which the Indemnified Party may suffer or incur or be subject to and which are caused by or arise directly or indirectly by reason of or arise out of:
- (i) the non-compliance by the Manager with any requirement of Canadian Securities Laws or other securities legislation of any jurisdiction in connection with the transactions herein contemplated; or
  - (ii) the breach by the Manager of any representation or warranty set forth in this Agreement or certificate given pursuant hereto or the failure by the Manager to comply with any of its obligations hereunder.
- (c) The Corporation and the Manager expressly acknowledge and agree that, with respect to Sections 14.1 through 14.5, each Underwriter is contracting as agent and trustee for its directors, officers, agents and employees and that the Underwriter may enforce the rights of indemnity and contribution granted herein for and on behalf of any such person, partnership or company as if it were a party hereto.

**14.2** If any matter or thing contemplated by Section 14.1 shall be asserted against any Indemnified Party in respect of which indemnification is or might reasonably be considered to be provided hereunder

by the Corporation and/or the Manager (the “**Indemnifying Parties**”), such Indemnified Party shall notify the applicable Indemnifying Parties as soon as possible of the nature of such claim or other proceeding (provided that any accidental failure to provide any such notice shall not prejudice the rights of any Indemnified Party hereunder except to the extent such failure prejudices the defence of any such claim or other proceeding) and the applicable Indemnifying Parties shall be entitled (but not required) to participate in or to assume the defence of any suit or the conduct of any proceeding brought to enforce such claim or proceeding, in which case the Indemnified Party shall cooperate and shall be entitled to participate with the applicable Indemnifying Parties in maintaining such defence; provided, however, that any defence so assumed shall be conducted through legal counsel acceptable to the Indemnified Party, acting reasonably, and that no settlement or admission of liability may be made by the applicable Indemnifying Parties or the Indemnified Party without the prior written consent of the other or others. If the applicable Indemnifying Parties do not elect to participate in or assume the defence of such claim, the reasonable fees, costs and expenses of the Indemnified Party’s counsel shall be paid by the applicable Indemnifying Parties. If the applicable Indemnifying Parties do elect to participate in or assume the defence of such claim, the Indemnified Party shall have the right to retain other counsel to act on his or its behalf; provided that the fees and disbursements of such other counsel shall be paid by the Indemnified Party unless: (a) the applicable Indemnifying Parties on the one hand, and the Indemnified Party on the other, shall have mutually agreed to the retention of the other counsel at the cost and expense of either of them; or (b) the named parties to any such claim (including any added, third or impleaded parties) include any of the applicable Indemnifying Parties and the Indemnified Party and the representation of the Indemnified Party by the same counsel that represents the applicable Indemnifying Parties in that regard would, in the reasonable opinion of the Indemnified Party, be inappropriate due to the differing acts of, or potential differing interests between, them or due to potential differing legal defences, in which case such fees and disbursements shall be paid by the applicable Indemnifying Parties.

**14.3** If the indemnities provided for in Section 14.1 are under applicable law unavailable to an Indemnified Party or unenforceable, or enforceable otherwise than in accordance with their terms, then the applicable Indemnifying Parties, in lieu of indemnifying the Indemnified Party, shall contribute to the amount paid or payable by the Indemnified Party in respect of any claims, losses, costs, damages, demands or liabilities which otherwise would be indemnified against pursuant to Section 14.1:

- (a) in such proportion as is appropriate to reflect the relative benefits received by the Corporation on the one hand and the Underwriters on the other hand from the Offering of the Shares; or
- (b) if the allocation provided by paragraph (a) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in paragraph (a) above but also the relative fault of the Corporation on the one hand and the Underwriters on the other hand in connection with the matters or things referred to which resulted in such claims, losses, costs, damages, demands or liabilities, as well as any other relevant equitable considerations,

provided that each Underwriter shall not in any event be liable to contribute, in the aggregate, any amount in excess of the amount of such Underwriters’ Fee actually received by it for its own account. The rights of contribution provided in this Section 14.3 and Section 14.4 are in addition to and not in derogation of any other right under statute or otherwise at law. Each of the applicable Indemnifying Parties hereby waives any right it might otherwise have to recover contribution from the Underwriters with respect to any liability of the applicable Indemnifying Parties under the indemnities in Section 14.1 or otherwise arising by reason of or arising out of any misrepresentation contained in the Amended and Restated Preliminary Prospectus, the Final Prospectus or in any Supplementary Material; provided, however, that (i) such waiver shall not apply in respect of liability caused or incurred by reason of or arising out of any

misrepresentation which is based upon or results from information relating solely to the Underwriters and supplied by them contained in any such document; and (ii) no person who has been determined by a court of competent jurisdiction in a final judgement from which no appeal can be made or by a Securities Commission a final ruling from which no appeal can be made to have engaged in any fraud, fraudulent misrepresentation, wilful misconduct or gross negligence shall be entitled to contribution from any person who has not been so determined to have engaged in such fraud, fraudulent misrepresentation, wilful misconduct or gross negligence.

**14.4** The relative benefits received by the Indemnifying Party on the one hand and the Indemnified Party on the other shall be deemed to be in the same ratio as the total proceeds from the Offering of the Shares, if any, (net of the Underwriters' Fee payable to the Underwriters but before deducting expenses). The relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other shall be determined by reference to, among other things, whether the matters or things referred to in Section 14.1 which resulted in such claims relate to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Indemnifying Party or to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Indemnified Party and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission or misrepresentation, or other matter or thing referred to in Section 14.1. The amount paid or payable by an Indemnified Party as a result of the claims referred to above shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such claims, whether or not resulting in an action, suit, proceeding or claim. The parties agree that it would not be just and equitable if contribution pursuant to this Section 14.4 were determined by any method of allocation which does not take into account the equitable considerations referred to in this Section 14.4.

**14.5** It is expressly acknowledged and agreed that the indemnity and contribution provisions contained in Sections 14.1, 14.2, 14.3 and 14.4 shall remain operative and in full force and effect regardless of: (a) any investigation made by or on behalf of any Underwriter or by or on behalf of the Corporation or the Manager (and failure to make such investigation will not constitute "**gross negligence**" for purposes of this Section 14); (b) a Closing; or (c) any termination of this Agreement.

**14.6** The rights of indemnity and contribution contained in Sections 14.1, 14.2 14.3 and 14.4 in respect of a particular claim based on misrepresentation or omission or alleged misrepresentation or omission in the Final Prospectus or any Supplementary Material shall not apply if the Corporation or the Manager has complied with Sections 5.1, 5.2, 6.1, 8.1 and 8.2 and the person asserting such claim was not provided with a copy of the Final Prospectus or Supplementary Material which corrected such misrepresentation or omission by an Underwriter or other selling group member within five Business Days after commercial copies of the Final Prospectus or Supplementary Material were provided to the Underwriters or other selling group members in accordance with Section 5.2.

## **15. Stabilization**

**15.1** In connection with the distribution of the Shares, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Shares at levels other than those which might otherwise prevail in the open market, but in each case only as permitted by applicable law. Such stabilizing transactions, if any, may be discontinued at any time.

## **16. Restrictions on Offerings**

**16.1** The Corporation agrees not to issue any Shares or securities of the Corporation convertible or exercisable or exchangeable into Preferred Shares or Class A Shares or announce any intention to do so,

until 120 days after the Closing Date without the prior consent of the Underwriters, such consent not to be unreasonably withheld.

**17. Notices**

**17.1** Unless herein otherwise expressly provided, any notice, request, direction, consent, waiver, extension, agreement or other communication required or permitted to be given hereunder shall be in writing and shall be delivered by personal delivery to an officer of the party to whom notice is given or shall be sent by commercial courier to the attention of the individuals noted below, in each case at the following address:

- (a) To the Corporation and/or the Manager,  
200 Front Street West, Suite 2510  
Toronto, ON M5V 3K2  
Attention: S. Wayne Finch

With a copy to:

Blake, Cassels & Graydon LLP  
Commerce Court West  
Suite 4000, 199 Bay Street  
Toronto, ON M5L 1A9  
Attention: Mike Sharp

- (b) To the Underwriters,  
National Bank Financial Inc.  
Suite 3200, The Exchange Tower  
130 King Street West  
Toronto, ON M5X 1J9  
Attention: Gavin Brancato

With a copy to:

McCarthy Tétrault LLP  
Suite 5300, TD Bank Tower  
Box 48, 66 Wellington Street West  
Toronto, ON M5K 1E6  
Attention: Andrew Armstrong

The parties hereto may change their respective address for notice by notice given in the manner aforesaid.

**18. General Provisions**

**18.1** Time shall be of the essence hereof.

**18.2** This Agreement shall be governed by and construed, performed and interpreted in accordance with, the laws of the province of Ontario and the laws of Canada applicable therein.

**18.3** The representations, warranties, obligations, covenants, agreements and indemnities herein contained or contained in any certificate delivered pursuant to this Agreement shall survive the sale of the Shares and shall continue in full force and effect unaffected by the termination of the obligations of the

Underwriters hereunder, nor shall they be limited or prejudiced by any investigation made by or on behalf of any Underwriter in the course of preparation of the Final Prospectus or any Supplementary Material or the sale of the Shares.

**18.4** If any provision of this Agreement is determined to be void or unenforceable in whole or in part, such void or unenforceable provision shall not affect or impair the validity of any other provision of this Agreement and shall be severable from this Agreement.

**18.5** This Agreement may not be assigned by any of the parties hereto without the prior written consent of the other parties hereto. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

**18.6** This Agreement may be executed in several counterparts each of which when so executed shall be deemed to be an original, and such counterparts shall constitute one and the same instrument; and notwithstanding the date of execution, this Agreement shall be deemed to bear the date first shown on this Agreement. Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

**18.7** The Corporation and the Manager shall be entitled to make any delivery or give any disclosure or notice that is to be given to the Underwriters hereunder to NB Financial on behalf of all the Underwriters and shall be entitled to act on any notice, waiver, extension, receipt or other communication given by or on behalf of the Underwriters by NB Financial which shall have authority to bind the Underwriters in respect of all matters hereunder, except matters referred to in Sections 12 and 14 or any proposed amendment of any provision of this Agreement or the waiver of any significant closing conditions. To the extent practicable, NB Financial agrees to use commercially reasonable efforts to consult with the other Underwriters concerning any material matters which may arise hereunder before it binds the Underwriters with respect to any such matters.

**18.8** Neither the Corporation, the Manager nor the Underwriters shall make any public announcement concerning the obligations of the Underwriters or the Offering without the consent of the other parties, acting reasonably, and any public announcements shall be made in compliance with applicable Securities Laws. If the Offering is successfully completed, and provided the Underwriters are not in breach of any material provision hereof, the Underwriters shall be entitled to place advertisements in financial and other newspapers and journals at their own expense describing their services hereunder, subject to the prior approval of the Corporation, which will not be unreasonably withheld.

**18.9** The Corporation acknowledges that the Underwriters and their affiliates carry on a range of businesses, including providing institutional and retail brokerage, investment advisory, research, investment management, securities lending and custodial services to clients and trading in financial products as agent or principal. It is possible that the Underwriters and other entities in their respective groups that carry on those businesses may hold long or short positions in securities of companies or other entities, which are or may be involved in the transactions contemplated in this Agreement and effect transactions in those securities for their own account or for the account of their respective clients. The Corporation agrees that these divisions and entities may hold such positions and effect such transactions without regard to the Corporation's interest under this Agreement.

**18.10** The parties hereto shall provide all such reasonable assurances as may be required or desirable to consummate the transactions contemplated hereby and each party shall provide such further documents or instruments required by any other party as may be reasonably necessary or desirable to effect the purpose of this Agreement and to carry out its provisions.

**18.11** Each of NB Financial, CIBC World Markets Inc., TD Securities Inc., Manulife Securities Incorporated or an affiliate thereof, owns or controls an equity interest in TMX Group. Each of the foregoing or their affiliates, other than the affiliate of Manulife Securities Incorporated, has a nominee director serving on the TMX Group's board of directors. As a result of the foregoing, each aforementioned investment dealer may be considered to have an economic interest in the listing of securities on any exchange owned or operated by TMX Group, including the TSX, the TSX Venture Exchange and the Alpha Exchange. No person or company is required to obtain products or services from TMX Group or its affiliates as a condition of any such dealer supplying or continuing to supply a product or service.

**18.12** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof.

**18.13** In order to facilitate an efficient and timely closing at the Closing Time, the Underwriters may choose to initiate a wire transfer of funds to the Corporation prior to the Closing Time. If the Underwriters do so, the Corporation agrees that such transfer of funds to the Corporation prior to the Closing Time does not constitute a waiver by the Underwriters of any of the conditions of the Closing set out in this Agreement. Furthermore, the Corporation agrees that any such funds received from the Underwriters prior to the Closing Time will be held by the Corporation in trust solely for the benefit of the Underwriters until the Closing Time and, if the Closing does not occur at the scheduled Closing Time, such funds shall be immediately returned by wire transfer to NB Financial, on behalf of the Underwriters, without interest. Upon the satisfaction of the conditions of the Closing, the funds held by the Corporation in trust for the Underwriters shall be deemed to be delivered by the Underwriters to the Corporation in satisfaction of the obligation of the Underwriters hereunder and upon such delivery, the trust constituted by this Section 18.3 shall be terminated without further formality.

**[Remainder of Page Left Intentionally Blank]**

If the foregoing is in accordance with your understanding and is agreed to by you, please signify your acceptance on the accompanying counterparts of this letter and return the same to the undersigned, whereupon this letter as so accepted shall constitute an agreement among the Corporation, the Manager and the Underwriters in accordance with the foregoing.

Yours very truly,

**NATIONAL BANK FINANCIAL INC.**

By: “Gavin Brancato”

Name: Gavin Brancato  
Director

**CIBC WORLD MARKETS INC.**

By: “Valerie Tan”

Name: Valerie Tan  
Executive Director

**SCOTIA CAPITAL INC.**

By: “Robert Hall”

Name: Robert Hall  
Managing Director

**RBC DOMINION SECURITIES INC.**

By: “Christopher Bean”

Name: Christopher Bean  
Managing Director

**TD SECURITIES INC.**

By: “Adam Luchini”

Name: Adam Luchini  
Director

**BMO NESBITT BURNS INC.**

By: “Robin Tessier”

Name: Robin Tessier  
Managing Director

**CANACCORD GENUITY CORP.**

By: “Michael Shuh”

Name: Michael Shuh  
Managing Director

**ECHELON WEALTH PARTNERS INC.**

By: “Farooq Moosa”

Name: Farooq Moosa  
Managing Director

**INDUSTRIAL ALLIANCE SECURITIES INC.**

By: “Richard Kassabian”

Name: Richard Kassabian  
Director of Equity Capital Markets

**GMP SECURITIES L.P.**

By: “Harris Fricker”

Name: Harris Fricker

**RAYMOND JAMES LTD.**

By: “J. Graham Fell”

Name: J. Graham Fell  
Senior Managing Director

**DESJARDINS SECURITIES INC.**

By: “Naglaa Pacheco”

Name: Naglaa Pacheco  
Vice President, ECM

**MACKIE RESEARCH CAPITAL CORPORATION**

By: “David J. Keating”

Name: David J. Keating  
Managing Director

**MANULIFE SECURITIES INCORPORATED**

By: “William Porter”

Name: William Porter  
Managing Director

The foregoing is in accordance with our understanding and is agreed to this 9<sup>th</sup> day of May, 2018.

**CANADIAN BANC CORP.**

By: “S. Wayne Finch”

Name: S. Wayne Finch

Title: President and Chief Executive Officer

**QUADRAVEST CAPITAL MANAGEMENT INC.**

By: “S. Wayne Finch”

Name: S. Wayne Finch

Title: President and Chief Executive Officer