

CHESSWOOD CANADIAN ASSET-BACKED CREDIT FUND LP

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

first dated as of September 20, 2022
as amended and restated as of January 3, 2023, and January 2, 2024

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CHESSWOOD CANADIAN ASSET-BACKED CREDIT FUND LP

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

THIS AGREEMENT first made as of September 20, 2022, as amended and restated as of January 3, 2023, and January 2, 2024

BETWEEN:

CHESSWOOD CANADIAN ABS GP INC., a corporation governed by the laws of Ontario (hereinafter referred to as the “**General Partner**”),

- and -

AXIS HOLDINGS LTD., a corporation governed by the laws of Ontario (hereinafter referred to as the “**Initial Limited Partner**”),

- and -

each person who from time to time executes this Agreement or agrees to be bound hereby as a subscriber for or transferee of one or more Units or who otherwise becomes a Limited Partner in accordance with the terms hereof (such persons being hereinafter collectively referred to as the “**Limited Partners**” and individually referred to as a “**Limited Partner**”).

WHEREAS:

1. The General Partner and the Initial Limited Partner, as initial limited partner, entered into a limited partnership agreement dated as of September 20, 2022 (the “**Interim Limited Partnership Agreement**”), which set out the terms upon which Chesswood Canadian Asset-Backed Credit Fund LP (the “**Partnership**”) was constituted and the agreement of the parties as to the conduct of the business and affairs of the Partnership;
2. The Partnership was registered as a limited partnership under the laws of the Province of Ontario by the filing and recording of a declaration of limited partnership under the *Limited Partnerships Act* (Ontario) on September 20, 2022;
3. In connection with the admission of additional limited partners to the Partnership, the parties amended and restated the Interim Limited Partnership Agreement pursuant to an amended and restated limited partnership agreement dated as of January 3, 2023 (the “**January 2023 Limited Partnership Agreement**”);
4. The parties wish to amend and restate the January 2023 Limited Partnership Agreement pursuant to section 13.2 of the January 2023 Limited Partnership Agreement to (a) create

two new classes of Units (Class A and Class C), (b) change the repurchase frequency from quarterly to monthly, (c) replace the one-year hold period with an early repurchase deduction for repurchases of Units tendered for repurchase within the first year of their purchase, (d) add an ability for the General Partner to shorten the notice period for delivering a repurchase tender form in circumstances where it would not be to the detriment of the Partnership to do so, (e) change the limit on repurchases from 5% of the Partnership's outstanding Units on any quarterly repurchase date to 2% of the Partnership's net asset value on any monthly repurchase date and (f) change the timing for payment of proceeds of repurchase from within 20 days to within 30 days following the relevant Repurchase Pricing Date; and

5. The General Partner has provided the Limited Partners with prior written notice of the amendments.

THIS AGREEMENT WITNESSES THAT, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree with each other as follows:

ARTICLE 1 - DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement and in the recitals hereto, unless the context otherwise requires:

- (a) “**Act**” means the *Limited Partnerships Act* (Ontario), as amended, re-enacted or replaced from time to time;
- (b) “**Affiliate**” means, with respect to any corporation, any person who is an affiliate (as that term is defined in the *Securities Act* (Ontario)) of the General Partner;
- (c) “**Auditor**” means the auditor appointed pursuant to Section 11.2;
- (d) “**business day**” means any day on which the Toronto Stock Exchange is open for trading;
- (e) “**Contributed Capital**” means, at any time, with reference to a Limited Partner, the amount of money or value of other property contributed by such Limited Partner or his, her or its predecessor in interest to the Partnership upon subscription for his, her or its Units, less the amount of Contributed Capital withdrawn by such Limited Partner or properly returned to such Limited Partner on a repurchase, redemption or otherwise;
- (f) “**Declaration**” means the declaration filed on September 20, 2022, under the Act in respect of the Partnership, as amended from time to time;

- (g) “**General Partner**” means Chesswood Canadian ABS GP Inc., or, if it ceases to be the general partner of the Partnership, any successor general partner appointed in the manner provided herein;
- (h) “**Governmental Authority**” means any federal, provincial, territorial, local or foreign government or political subdivision thereof, any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of law), or any arbitrator, court or tribunal of competent jurisdiction;
- (i) “**Initial Limited Partner**” means Axis Holdings Ltd.;
- (j) “**Limited Partner**” means a person who is recorded in the Register as the holder of one or more Units and may include, from time to time, but only for purposes specified in this Agreement, a person who was a Limited Partner at any time in the same or previous fiscal year, and shall include the Initial Limited Partner where the context reasonably requires;
- (k) “**Management Agreement**” means the agreement entered into by the Partnership with the Manager pursuant to subsection 7.1(d);
- (l) “**Manager**” has the meaning given in subsection 7.1(a);
- (m) “**NAV Administrator**” has the meaning given in Section 4.14;
- (n) “**Net Asset Value of the Partnership**” at any time has the meaning given in Section 4.14; “**Net Asset Value,**” as it pertains to a class or series, is the amount calculated pursuant to subsection 3.2(f); and “**Net Asset Value per Unit**” means, where there is only one class and series of Units, the Net Asset Value of the Partnership divided by the number of outstanding Units as at such time, or, where there is more than one class or series of Units, “Net Asset Value per Unit” is the amount calculated pursuant to subsection 3.2(f);
- (o) “**Net Profit**” of the Partnership for any period means (i) the sum of Partnership income earned by the Partnership, dividends received by the Partnership, and all realized and unrealized capital gains of the Partnership accrued during such period, less (ii) the sum of realized non-capital losses of the Partnership, realized and unrealized capital losses of the Partnership and all fees and expenses of the Partnership for such period determined with reference to Section 6.2 and Section 7.2; provided that if the foregoing results in a negative amount, such amount shall be referred to herein as “**Net Loss**” of the Partnership;
- (p) “**Offering Memorandum**” means the offering memorandum of the Partnership under which Units of the Partnership are offered from time to time;

- (q) “**Partners**” refers collectively to the General Partner and the Limited Partners, and a reference to a “Partner” shall be to any one of them;
- (r) “**Partnership**” means the limited partnership governed by this Agreement;
- (s) “**Person**” means an individual, corporation, company, body corporate, partnership, or trust or any trustee, executor, administrator or other legal representative or any legal entity including, without limitation, pension and profit-sharing trusts;
- (t) “**Proportionate Allocation**” means, at any time (i) with reference to a Limited Partner, the proportion which the Net Asset Value of Units held by the Limited Partner at such time as recorded in the Register is of the total Net Asset Value of the Partnership multiplied by 99.999% and (ii) with reference to the General Partner, 0.001%;
- (u) “**Register**” means the register of Limited Partners maintained pursuant to Section 3.7;
- (v) “**Repurchase Pricing Date**” means the last business day of each month, and such other date(s) as the General Partner may permit in its absolute discretion;
- (w) “**Resolution**” means a resolution approved by the General Partner and by more than 50% of the votes cast by those Limited Partners holding Units who vote on the resolution, in person or by proxy, at a meeting of Limited Partners, or at any adjournment thereof, called and held in accordance with this Agreement, or a written resolution signed by the General Partner and by Limited Partners holding Units entitled to be voted on such a resolution with an aggregate Net Asset Value of more than 50% of the Net Asset Value of all of the Units entitled to be voted on the resolution, as provided in this Agreement;
- (x) “**Series Expenses**” in respect of any particular series of Units means the expenses of the Partnership (including any management, performance and other fees) that are charged or allocable only to that series (if no series are designated for a class, then “**Series Expenses**” shall mean the above expenses charged or allocable only to that class);
- (y) “**Subscription Date**” means the last business day of each month and such other days as the General Partner may permit in its absolute discretion;
- (z) “**Tax Act**” means the *Income Tax Act* (Canada);
- (aa) “**Tax Authority**” means any federal, provincial, territorial, local or foreign taxing authority;

- (bb) “**Unit**” means a limited partnership interest in the Partnership entitling the holder of such interest as recorded in the Register to the rights provided in this Agreement; and
- (cc) “**Valuation Date**” means each Subscription Date, each Repurchase Pricing Date, and such other day(s) as the General Partner may approve in its absolute discretion.

1.2 Interpretation

For all purposes of this Agreement, except as otherwise expressly provided for, or unless the context otherwise requires:

- (a) “**this Agreement**” means this limited partnership agreement as it may from time to time be supplemented or amended by one or more agreements entered into pursuant to the applicable provisions hereof;
- (b) the table of contents, headings, articles and sections hereof are for convenience of reference only and do not form a part of this Agreement nor are they intended to interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof;
- (c) any reference to a currency herein is a reference to Canadian currency and the financial statements of the Partnership shall be reported in that currency (however certain records of the Partnership and reports to Limited Partners from time to time may be recorded or reported in such currency or currencies as the General Partner may in its discretion determine is appropriate in the circumstances);
- (d) any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute so referred to or the regulations made pursuant thereto;
- (e) any reference to an entity shall include and shall be deemed to be a reference to any entity that is a successor to such entity; and
- (f) words importing gender shall include the masculine, feminine and neuter gender, as applicable, and words in the singular include the plural and vice versa.

ARTICLE 2 - THE PARTNERSHIP

2.1 Name

The Partnership shall carry on its investment activities under the name “Chesswood Canadian Asset-Backed Credit Fund LP” or such other name as the General Partner, acting reasonably,

may determine from time to time. The name of the Partnership shall be changed to a name that does not include “Chesswood” if the name of the General Partner does not also include the name “Chesswood”. The General Partner shall notify the Limited Partners of any change in the name of the Partnership in which case all relevant provisions of this Agreement shall be deemed to be amended to give effect to the new name. The Partnership may be referred to by its French form of name (as determined by the General Partner) where required by law.

2.2 Filings

The parties have formed a limited partnership under the provisions of the Act and pursuant to the terms of this Agreement. The General Partner shall file any certificate, document or instrument required of the Partnership to be filed under the laws of the Province of Ontario or any other province or territory in Canada or of any other jurisdiction in which the Partnership carries on business or for any purpose which the Partnership’s professional advisers deem appropriate. The General Partner and each Limited Partner, at the request of the General Partner, shall execute and deliver as promptly as possible any documents that may be necessary or desirable to accomplish the purposes of this Agreement, to continue to qualify the Partnership as a limited partnership under the laws of the Province of Ontario, or to give effect to the continuation of the Partnership under applicable laws. The General Partner shall take all necessary action as and when required on the basis of information available to it in order to maintain the status of the Partnership as a limited partnership in the Province of Ontario and in any jurisdiction in which the Partnership is deemed to carry on business or in which the General Partner otherwise considers it advisable so to do.

2.3 Fiscal Year

The fiscal year of the Partnership shall end on December 31 in each calendar year or such other date as the General Partner, acting reasonably, may determine from time to time. The General Partner shall notify the Limited Partners of any change in the fiscal year of the Partnership.

2.4 Activities of the Partnership

The Partnership shall engage in making investments in accordance with the objectives, strategies and restrictions as determined by the General Partner, all as disclosed in the Offering Memorandum or otherwise communicated to Limited Partners. The financial instruments available for investment and the strategies employed are not hereby limited and shall be within the discretion of the Manager. Some or all of the Partnership’s assets may from time to time be invested in cash or other investments as the Manager may deem prudent in the circumstances. The General Partner shall not make or permit a change to the investment objectives, as disclosed in the Offering Memorandum, that it determines in good faith to be a material change unless the Limited Partners are given not less than 60 days’ written notice prior to the effective date of the change (together with an explanation of the reasons for the change), and each Limited Partner is given the opportunity to redeem all of such Limited Partner’s Units prior to the effective date of such change (in such event the General Partner shall be deemed to have waived, to the extent necessary, any lock-up and notice periods, and to have waived any redemption deductions for Units that are redeemed in the specified period). The activities of the Partnership shall include all

things necessary or advisable to give effect to the Partnership's investment intentions and objectives.

2.5 Office of the Partnership

The head office of the Partnership shall be 1133 Yonge Street, Suite 603, Toronto, Ontario, M4T 2Y7. The General Partner may, from time to time, change the location of the Partnership's principal office within Canada. The General Partner shall give notice in writing to the Limited Partners of any change in the location of the registered office of the Partnership.

2.6 Representations, Warranties and Covenants of the General Partner

The General Partner represents, warrants and covenants that the General Partner:

- (a) is a corporation in good standing under the laws of Ontario; and
- (b) has the capacity and authority to act as general partner and to perform its obligations under this agreement, and such obligations do not and will not conflict with or breach its constating documents, or any agreement by which it is bound.

2.7 Status of Limited Partners

- (a) Each Limited Partner covenants and agrees that he, she or it shall, at the request of the General Partner, sign such documents as the General Partner may reasonably require establishing the status or residence of the Limited Partner. Each Limited Partner represents and warrants that he, she, they or it is not:
 - (i) a "non-resident," a partnership other than a "Canadian partnership," a "tax shelter" or a "tax shelter investment," or a Person an interest in which is a "tax shelter investment" or in which a "tax shelter investment" has an interest, within the meaning of the Tax Act; or
 - (ii) a partnership that does not prohibit investment by the foregoing persons,and shall indemnify and hold harmless the Partnership and each other Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership or such other Limited Partner, as the case may be, that result from or arise out of a breach of such representation and warranty.
- (b) Any Limited Partner who fails to provide evidence satisfactory to the General Partner of such status when requested to do so from time to time may be removed as a Limited Partner by the redemption of his, her, their or its Units in accordance with ARTICLE 5.
- (c) Any Limited Partner whose status changes with respect to the representations and warranties set out in paragraph (a) without having arranged to transfer, in compliance with Section 3.9, such Limited Partner's Units to a Person that is not

in breach of paragraph (a) shall be deemed to have ceased to be a Limited Partner (for all purposes other than the purposes of Sections 4.7, 4.12 and 8.2) immediately prior to the date on which such status changes and shall thereafter only be entitled to receive from the Partnership an amount equal to the lesser of the Net Asset Value of such Limited Partner's Units as at the date on which he, she or it ceases to be a Limited Partner and the Net Asset Value of such Units as at the date the General Partner learns that such Limited Partner's status has changed, less all such deductions as provided in ARTICLE 5 as if such Limited Partner voluntarily surrendered his, her or its Units for redemption.

- (d) Any Limited Partner that is or becomes a "financial institution" within the meaning of Section 142.2 of the Tax Act shall disclose such status to the General Partner at the time of subscription (or when such status changes) and the General Partner may (if the General Partner determines that it is in the best interest of the Partnership and the other Limited Partners to do so) restrict the participation of any such Limited Partner or require any such Limited Partner at any time to transfer or redeem all or some of such Limited Partner's Units.
- (e) A Limited Partner that fails to identify itself as a financial institution shall indemnify and hold harmless the Partnership and each other Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership or such other Limited Partner, as the case may be, that result from or arise out of such failure.
- (f) Any Limited Partner who is or who becomes a financial institution after becoming a Limited Partner shall (if the General Partner determines it would be prejudicial to the Partnership and the other Limited Partners not to) be deemed to have, immediately prior to the date on which it becomes a financial institution (or the date of issue of Units to such financial institution, whichever is later), redeemed (or rescinded its subscription for) some or all of such Limited Partner's Units to the extent necessary to result in financial institutions owning in the aggregate Units having a Net Asset Value that is less than one-half of the Net Asset Value of all of the Units, and shall be entitled to receive from the Partnership as redemption proceeds an amount equal to the lesser of the Net Asset Value of such redeemed Units as at the date on which it is deemed to have redeemed such Units and the Net Asset Value of such Units as at the date the General Partner learns that such Limited Partner is a financial institution, less all such deductions as provided in ARTICLE 5 as if such Limited Partner voluntarily surrendered his, her or its Units for redemption.
- (g) In the event that a Limited Partner purports to tender for repurchase Units on a date following the date on which such Limited Partner is in breach of the representations or warranties set out in this Section 2.7 but prior to the date on which the General Partner learns that such Limited Partner is in breach, and receives repurchase proceeds in accordance with ARTICLE 5, such Limited

Partner may be deemed to have received an improper distribution, and the provisions of Section 4.12 shall apply, in respect of any amount received by such Limited Partner in excess of the amount that such Limited Partner is entitled to receive pursuant to paragraph (c) or (f) above.

2.8 Anti-Money Laundering Representations

- (a) Each Limited Partner acknowledges that the Partnership seeks to comply with all applicable anti-money laundering laws and regulations. In furtherance of these efforts, each Limited Partner represents, warrants and agrees that the Limited Partner does not engage in money laundering or terrorist financing activities, and it does not earn revenue from any activity that may contravene the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or similar anti-money laundering legislation applicable to the Limited Partner.
- (b) Each Limited Partner acknowledges and agrees that, notwithstanding anything to the contrary contained in this Agreement, any side letter or any other agreement, to the extent required by any anti-money laundering law or regulation, the Partnership, acting in good faith, may prohibit additional capital contributions, restrict distributions or take any other reasonably necessary or advisable action with respect to the interests in the Partnership, and the Limited Partner will have no claim, and will not pursue any claim, against the Partnership or any other person as a result of any such action. Each Limited Partner agrees to provide to the General Partner any additional information regarding such Limited Partner that the General Partner reasonably deems necessary or convenient to ensure compliance with all applicable laws concerning money laundering and similar activities.
- (c) Each Limited Partner further acknowledges and agrees that the Partnership may be required by law to disclose the Limited Partner's name and other information relating to this Agreement and the Limited Partner's interest in the Partnership, on a confidential basis, in accordance with the relevant rules and regulations.

2.9 Limitation on Authority of Limited Partners

No Limited Partner shall in his, her, their or its capacity as a Limited Partner:

- (a) take part in the control of the business of the Partnership except to the extent permitted by the Act for a Limited Partner who does not wish to lose limited liability;
- (b) other than by voting on a resolution of the Limited Partners, execute any document that binds or purports to bind any other Partner or the Partnership;
- (c) hold himself, herself, themselves or itself out as having the power or authority to bind any other Partner or the Partnership; or

- (d) have any authority or power to act for or undertake any obligation or responsibility on behalf of any other Partner or the Partnership.

2.10 Actions Against Property and Assets

No Limited Partner shall, in his, her, their or its capacity as a Limited Partner register any lien, caveat, charge or other encumbrance against the property or other assets of the Partnership, whether real or personal, or permit any lien, caveat, charge or other encumbrance affecting them personally to be recorded or to remain undischarged against such property or assets, nor shall any Limited Partner bring any action for partition or sale in connection with such property or assets.

2.11 Title

Legal title to all assets and securities to be acquired by the Partnership shall be registered in the name of the Partnership or of any entity which the General Partner determines shall be the registered holder of title to Partnership assets or securities, either as nominee and/or in trust for the Partnership.

ARTICLE 3 - THE UNITS

3.1 Number of Units

The capital of the Partnership attributable to Limited Partners' interests shall be divided into and represented by an unlimited number of Units.

3.2 Nature of the Units

- (a) No Unit shall have any preference, conversion, exchange, pre-emptive or repurchase or redemption rights in any circumstances over any other Unit (except as may be specifically provided herein).
- (b) Units do not entitle Limited Partners to vote on Partnership matters but do entitle Limited Partners to those limited voting rights provided herein. In the event there is a vote, each Limited Partner shall be entitled to one vote for each \$1.00 of Net Asset Value attributable to the Units held by such Limited Partner in respect of all matters to be voted upon by the Limited Partners or any of them (for this purpose the Net Asset Value of all Units then held by each such Limited Partner and entitled to be voted on a matter shall be aggregated).
- (c) The General Partner may create and name (or rename) from time to time one or more classes of Units, which may have different profit-sharing arrangements with the General Partner, may be subject to different fees than those chargeable against Units of other classes and may have different offering, repurchase or redemption or other features than other classes of Units as the General Partner may determine. The features of each such class shall be set out in Schedule "A" from time to time.

- (d) Units may be designated by the General Partner as being Units of a series within each class. Units of each series may be issued at a Net Asset Value per Unit as the General Partner may assign, and the Net Asset Value per Unit of any one series need not be equal to the Net Asset Value per Unit of any other series. The General Partner may at any time name or rename each such series without otherwise affecting the attributes of such series.
- (e) Each issued and outstanding Unit of each series shall be equal to each other Unit of the same series with respect to all matters, including the right to receive allocations and distributions from the Partnership and otherwise.
- (f) Upon the designation of a new series of Units by the General Partner, the Net Asset Value per Unit for such series shall initially be as designated by the General Partner and the Net Asset Value of such series shall initially be such Net Asset Value per Unit multiplied by the number of Units of such series issued on the first Subscription Date for such series. After the initial issue of Units of a series, the Net Asset Value of such series on a Valuation Date shall be calculated by the General Partner having regard to the Net Asset Value of such series relative to the Net Asset Value of the Partnership on the previous Valuation Date (following payment of fees payable to the Manager and other Series Expenses or deductions on such previous Valuation Date, and adjusted for subscriptions, repurchases or redemptions, conversions and redesignations), the increase or decrease in Net Asset Value of the Partnership from the previous Valuation Date to the current Valuation Date, income received by the Partnership that is attributable to such series of Units, fees payable to the Manager and other service providers in respect of Units of such series since the previous Valuation Date. Net Asset Value per Unit for each series on the current Valuation Date shall then be calculated by dividing the Net Asset Value of the series by the number of Units of such series then outstanding (before subscriptions and repurchases or redemptions on such date). Net Asset Value per class and Net Asset Value per Unit for Units of a class shall be calculated in a similar manner, with necessary adjustments, if there is only one series (or no series designated) for such class. If there is more than one series in a class, then the Net Asset Value for such class shall be the aggregate of the Net Asset Values of all series in such class, and Net Asset Value per Unit shall be calculated in respect of each series only.
- (g) The General Partner may in its discretion from time to time convert or redesignate one or more Units of any one class or series as being Units of another class or series, or rename a series such that it has the same name as another series of the same class, provided that:
 - (i) in the case of a conversion or redesignation, the conversion or redesignation rate is based on the respective Net Asset Values of each such class or series such that the aggregate Net Asset Value on the date of conversion or redesignation of Units held after conversion or

redesignation is equal to the aggregate Net Asset Value of the Units held immediately prior to such conversion or redesignation;

- (ii) in the case of a conversion to another class of Units, the fees payable pursuant to Section 7.2 in respect of Units received on conversion are the same or lower than those payable on the Units held prior to such conversion unless such conversion is made with the consent of, or 60 days' prior notice to, the Limited Partners affected, or in accordance with policies outlined in the Offering Memorandum given to such Limited Partners at the time of acquisition of the affected Units, and each such Limited Partner must be given the opportunity to redeem all of such Limited Partner's Units prior to the effective date of such conversion (in such event the General Partner shall be deemed to have waived, to the extent necessary, any lock-up and notice periods, and to have waived any redemption deductions for Units that are redeemed in the specified period);
- (iii) in the case of a renaming of a series, the Net Asset Value per Unit of each series is identical (including following the consolidation or subdivision of Units of one or both such series, if applicable);
- (iv) any benchmark, loss carry forward calculation or other criteria for determining fees payable are equivalent (relative to the respective Net Asset Values per Unit of each series) or more advantageous to the Limited Partners so affected, unless the conversion, redesignation or renaming, as applicable, is made with the consent of, or 60 days' prior notice to, the Limited Partners affected, and each such Limited Partner must be given the opportunity to redeem all of such Limited Partner's Units prior to the effective date of such conversion, redesignation or renaming, as applicable (in such event the General Partner shall be deemed to have waived, to the extent necessary, any lock-up and notice periods, and to have waived any redemption deductions for Units that are redeemed in the specified period);
- (v) all securities or tax regulatory filings necessary to be made in respect thereof are made in a timely fashion and within any statutory deadlines; and
- (vi) no Limited Partner is otherwise adversely affected thereby, unless the conversion, redesignation or renaming, as applicable, is made with the consent of, or 60 days' prior notice to, the Limited Partners affected, and each such Limited Partner must be given the opportunity to redeem all of such Limited Partner's Units prior to the effective date of such conversion, redesignation or renaming, as applicable (in such event the General Partner shall be deemed to have waived, to the extent necessary, any lock-

up and notice periods, and to have waived any redemption deductions for Units that are redeemed in the specified period).

3.3 Unit Certificates and Confirmation

The Partnership will generally not issue Unit certificates. However, on any purchase or repurchase or redemption of Units, the General Partner shall notify the Limited Partner of the nature of the transaction effected and the number, class and series (as applicable) of Units held by such Limited Partner after such transaction. Only in extraordinary circumstances will the General Partner agree to issue Unit certificates on behalf of the Partnership and only on such terms as it may in its discretion determine.

3.4 Consolidation or Subdivision of Units: Fractional Units

The General Partner may consolidate or subdivide the Units from time to time in such manner as it considers appropriate. Fractional Units may be issued. The General Partner may consolidate or subdivide Units of any class or series in a manner that is different to the treatment of Units of another class or series only if the Net Asset Value per Unit of such class or series is amended such that the aggregate Net Asset Value of all Units of such class or series prior to such consolidation or subdivision is equal to the aggregate Net Asset Value of all Units of such class or series following such consolidation or subdivision.

3.5 Receipt

The receipt of any money, securities or other property from the Partnership by a Person in whose name any Unit is recorded or by the duly authorized agent of such Person in that regard, or if such Unit is recorded in the names of more than one Person, the receipt thereof by any one of such Persons or by the duly authorized agent of any such Person in that regard, shall be a sufficient discharge (i) for such money, securities or other property, and (ii) from all liability of the Partnership to see to the application thereof.

3.6 Registration

Units may only be registered in the name of a single Person unless the General Partner decides otherwise. Registration of Units in the name of a Person shall be conclusive evidence that such Person is the legal owner of such Units until such time as the Units are repurchased, redeemed or transferred in accordance with this Agreement.

3.7 Registrar and Transfer Agent

The registrar and transfer agent of the Partnership shall be the General Partner or such other Person as the General Partner may designate. The registrar and transfer agent shall:

- (a) maintain a register (the “**Register**”) to record the following information for each Limited Partner:

- (i) if the Partner is an individual, the Partner's surname, the given name by which the Partner is commonly known, the first letters of the Partner's other given names and the Partner's residential address or address for service, including province, municipality, street and number, if any, and postal code;
 - (ii) if the Partner is not an individual, the Partner's name and address or address for service, including province, municipality, street and number, if any, and postal code, and the Partner's Ontario corporation number, if any;
 - (iii) the amount of money and the value of other property contributed or to be contributed by the Partner to the Partnership; and
 - (iv) particulars of the issue and transfer of Units;
- (b) maintain such other records as may be required by law from time to time; and
 - (c) cause transfers of Units to be recorded in accordance with the provisions of Section 3.9 or 3.10, if applicable.

The General Partner shall be authorized to make such reasonable rules and regulations pertaining to maintenance of the Register and the period of time during normal business hours that the Register is open for inspection as provided for in Section 3.8.

3.8 Inspection of Register

The General Partner shall permit any Limited Partner or his, her or its agent duly authorized in writing to:

- (a) inspect and take extracts from the Register during normal business hours; and
- (b) upon payment of a reasonable fee, obtain a copy of the information set forth in the Register within a reasonable period of time after the date of filing of his, her or its written request therefor;

provided that such person agrees, in writing, that the information contained in the Register shall be kept confidential and shall not be used by such person except in connection with any matter relating to the affairs of the Partnership.

3.9 Transfer of Units

Units are not transferable by a Limited Partner except with the written consent of the General Partner in its discretion and in compliance with the Act and all applicable securities legislation. The assignment by a Limited Partner of its economic interest in the Partnership does not entitle the assignee to any other rights under this Agreement or to be accepted as a substituted limited partner, nor does it relieve the assignor of its obligations and liabilities as a Limited Partner.

3.10 Successors in Interest of Limited Partners

The General Partner shall cause to be recorded in the Register the name of any person becoming entitled to any Units in consequence of the incapacity, death, bankruptcy or insolvency of any Limited Partner, or otherwise by operation of law, as the holder of such Units upon:

- (a) production of the proper evidence of such entitlement and such other evidence as may be required by law and upon compliance with the requirements of the General Partner (including those set out in Sections 2.7 and 2.8);
- (b) the transferee agreeing in writing to be bound by the terms of this Agreement and to assume the obligations of a Limited Partner under this Agreement; and
- (c) the transferee delivering such other evidence, approvals and consents in respect of such entitlement as the General Partner may require and as may be required by law or by this Agreement.

3.11 Non-Recognition of Trusts or Beneficial Interests

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

ARTICLE 4 - CONTRIBUTIONS, ALLOCATIONS AND DISTRIBUTIONS

4.1 Subscription for Units

- (a) The Initial Limited Partner has contributed \$100 to the capital of the Partnership (the interest of the Initial Limited Partner in the Partnership by reason of such contribution being herein called the “**Initial Interest**”, representing 0.1 Units in such class as the General Partner may designate). The Initial Limited Partner shall not sell, assign or transfer the Initial Interest except in accordance with this Agreement. The Initial Limited Partner may subscribe for and be issued additional Units from time to time.
- (b) Capital contributions by additional Limited Partners shall, after the contribution of the Initial Interest, be made by way of subscriptions for Units. Units shall be offered on each Subscription Date at the applicable Net Asset Value per Unit as at the immediately preceding Valuation Date. If a new class or series of Units has been designated pursuant to subsection 3.2(c) or 3.2(d), the opening Net Asset Value per Unit of such new class or series shall be determined in accordance with subsection 3.2(f) (for greater certainty, each class and/or series of Units may have

a different Net Asset Value per Unit from that of the other classes and series from time to time). The General Partner is authorized and directed to do all things that it deems to be necessary, convenient, appropriate or advisable in connection therewith. Units shall only be issued and outstanding, and the holder shall only have rights hereunder in respect of such Units, upon payment in full for same.

- (c) The General Partner has contributed \$10 to the capital of the Partnership but was not issued any Units therefor.
- (d) Capital contributions shall be made in cash unless the General Partner accepts payment in property from time to time.

4.2 Admission of Limited Partners

No action or consent by the Limited Partners shall be required for the admission by the General Partner at any time or from time to time of additional Limited Partners.

4.3 Additional Capital Contributions

The General Partner may, in its discretion, accept subscriptions for additional Units in accordance herewith. Unless otherwise provided by law or this Agreement, in no event shall any Limited Partner be required to make any additional contribution to the capital of the Partnership in excess of that made or required for the purchase of his, her, their or its Units.

4.4 General Partner May Subscribe for Units

The General Partner is not required to, but may in its discretion, subscribe for any Units or otherwise make any further contribution to the capital of the Partnership, and shall have the rights and obligations of a Limited Partner in respect of any Units held by it.

4.5 Subscription Form

A person wishing to become a Limited Partner shall subscribe for Units by means of a subscription agreement and power of attorney in such form as may be satisfactory to the General Partner from time to time, and shall execute and deliver, under seal or otherwise, such other documents and instruments, including powers of attorney, as the General Partner may reasonably request. Subscription proceeds may be placed in a trust account pending acceptance of the subscription. The acceptance of any such subscription in whole or in part shall be subject to the approval of the General Partner, in its discretion. Subscription proceeds representing the portion of the subscription rejected by the General Partner shall be returned without interest or penalty.

4.6 Limited Partner Accounts

The General Partner shall keep or cause to be kept such individual accounts for each Limited Partner as may be required by applicable legislation or as the General Partner may deem necessary for the administration of the Partnership, including without limitation:

- (a) the Register of Limited Partners showing Contributed Capital for each such Partner;
- (b) a record showing the number, class and series of all Units purchased, repurchased and/or redeemed by each Limited Partner, and the dates of such purchase, repurchase and/or redemption, as well as the Net Asset Value of all Units held by such Limited Partner on each Valuation Date; and
- (c) a tax basis account, which reflects Contributed Capital as well as all allocations for tax purposes under Section 4.7 to such Limited Partners.

4.7 Allocations

- (a) Limited Partners effectively share in Net Profit and Net Loss of the Partnership, generally in accordance with their respective Proportionate Allocations, through changes to the Net Asset Value of Units held by them. Net Profit and Net Loss of the Partnership shall be allocated to the General Partner in accordance with its Proportionate Allocation.
- (b) As of the end of each fiscal year, the income or loss (and/or taxable capital gains or allowable capital losses) of the Partnership (as determined for purposes of the Tax Act) shall be allocated to the Partners generally in the manner described below. Such allocations shall be from ordinary income or loss and taxable capital gains or allowable capital losses, if any. The General Partner may adopt and amend an allocation policy from time to time intended to allocate income or loss (and/or taxable capital gains or allowable capital losses) in such a manner as to account for Units that are purchased, repurchased or redeemed throughout such fiscal year, the class and/or series of such Units, the fees payable by the Partnership and the distributions made to the Limited Partners in respect of each such class and/or series of Units, and the timing of receipt of income or realization of gains or losses by the Partnership during such year, among other factors deemed relevant by the General Partner. In this regard, among other things, the General Partner may consult with the Auditor or administrator and may apply the following guidelines:
 - (i) Any Person who was a Limited Partner at any time during a fiscal year but who has tendered for repurchase, redeemed or transferred all of his, her, their or its Units before the last day of such fiscal year may be deemed to be a Limited Partner on the last day of such fiscal year and/or the following fiscal year for the purpose of subsection 96(1.1) of the Tax Act.
 - (ii) On each Valuation Date (other than the last Valuation Date in a fiscal year), the General Partner shall determine income or loss (and/or taxable capital gains or allowable capital losses) of the Partnership during the period commencing on the first day following the preceding Valuation Date and ending on such current Valuation Date, and shall allocate same

to the Limited Partners who hold Units as at such date in the following manner:

- (A) each holder of a Unit that is to be repurchased or redeemed on such Valuation Date shall, if proceeds of repurchase or redemption would otherwise exceed the adjusted cost base of the Units repurchased or redeemed, receive an allocation, if any, of such income or taxable capital gains (in such respective amounts as the General Partner deems fair in all the circumstances) as will result, when all previous allocations made in the same fiscal year have been aggregated and netted out, in such holder having an adjusted cost base for such Unit that is as near as possible to (but not exceeding) repurchase or redemption proceeds thereof; and
 - (B) all remaining income or loss (and/or taxable capital gains or allowable capital losses) for such period shall be allocated to the holders of all remaining Units on a pro rata basis (having regard to the respective Net Asset Values of such Units on such date) or such other basis as the General Partner deems to be fair and equitable.
- (iii) On the last Valuation Date in each fiscal year, income or loss (and/or taxable capital gains or allowable capital losses) of the Partnership for such period commencing on the first day following the preceding Valuation Date and ending on such final Valuation Date shall first be allocated to the Limited Partners then holding Units on a pro rata basis (having regard to the Net Asset Value of the Units held by them) or such other basis as the General Partner deems to be fair and equitable. All amounts of income and taxable capital gains, and losses and allowable capital losses, allocated to a Limited Partner during the year shall be aggregated and netted out.
 - (iv) Notwithstanding the foregoing provisions, the General Partner may in its discretion determine to allocate income or loss (and taxable capital gains or allowable capital losses) to the Partners in a different manner that it determines to be fair and equitable to the Limited Partners in all the circumstances. For example, any increase or decrease in any withholding or income taxes imposed by any jurisdiction (and related tax credits) resulting from the identity, residence or status of a Partner, or from the failure of a Limited Partner or its direct or indirect beneficial owners to provide information as requested under Section 4.13(a), may be specially allocated to such Limited Partner.
 - (v) All determinations shall be made by the General Partner and shall, absent manifest error, be binding on the Limited Partners.

4.8 Distributions

Net Profit of the Partnership allocated to the Limited Partners for any fiscal period may be distributed in whole or in part from time to time or at any time in the discretion of the General Partner. No payment may be made to a Limited Partner from the assets of the Partnership if the payment would reduce the assets of the Partnership to an insufficient amount to discharge the liabilities of the Partnership to persons who are not the General Partner or a Limited Partner.

4.9 No Interest Payable on Contributed Capital

No Limited Partner has the right to receive interest (other than interest reflected in the Net Profit of the Partnership) on his, her, their or its Contributed Capital. No Limited Partner is liable to pay interest to the Partnership on any Contributed Capital returned to the Limited Partner, unless required by applicable law or otherwise provided for in this Agreement.

4.10 Reserves

In determining the Net Profit of the Partnership, the General Partner may make provision for adequate reserves for contingencies by retention of a reasonable percentage of proceeds from the initial sale of Units and/or the regular revenue of the Partnership in an amount as the General Partner, in its discretion, shall determine to be adequate.

4.11 Debit Balance in Accounts

The existence of a zero or negative balance in the account kept for any Partner shall not operate to terminate the Partnership.

4.12 Repayments

If the General Partner determines that the Partnership has paid to any Limited Partner an amount in excess of an amount to which he, she, they or it is entitled pursuant to Section 4.8 or 5.3, such Limited Partner shall forthwith reimburse the Partnership to the extent of such excess within 15 days after notice by the General Partner, accompanied by a report of the Auditor of the Partnership confirming the accuracy of such notice. The Limited Partner shall be liable for interest on the excess amount paid at a rate per annum equal to the prime commercial lending rate of the Partnership's bankers from the date of receipt by it of such notice and report to the date of refund of the excess amount if payment of such excess amount is not made by the Limited Partner within 15 days as aforesaid. The General Partner may set off and apply any sums otherwise payable to a Limited Partner against such amounts due from such Limited Partner, provided that there shall be no right of set-off against a Limited Partner in respect of amounts owed to the Partnership by a predecessor of such Limited Partner.

4.13 Withholding and Income Taxes

- (a) Each Limited Partner agrees to:

- (i) provide any information, certification, representation, form or other document reasonably requested by and acceptable to the General Partner (A) for the purpose of obtaining any exemption, reduction or refund of any withholding or other taxes imposed by any Tax Authority or other Governmental Authority (including withholding taxes imposed under the Tax Act) or (B) to satisfy reporting or other obligations under the Tax Act;
 - (ii) update or replace such information, certification, representation, form or other document in accordance with its terms or subsequent amendments; and
 - (iii) otherwise comply with any reporting obligations or information disclosure requirements imposed by the laws of Canada or any Canadian jurisdiction or of any non-Canadian jurisdiction and any reporting obligations that may be imposed by future legislation.
- (b) If a Limited Partner fails or is unable to deliver to the General Partner such information, certification, representation, form or other document described in paragraph (a) above, the General Partner shall have full authority on behalf of the Partnership to withhold and remit any taxes required to be withheld or remitted in respect of such Limited Partner under any applicable laws, regulations, rules or agreements.
- (c) The Partnership is hereby authorized at all times to make payments (the “**Withholding Advances**”) with respect to each Limited Partner in amounts required to discharge any obligation of the Partnership (under the Tax Act or any provision of provincial or foreign tax law or otherwise) to withhold or make payments to any Tax Authority with respect to any distribution or allocation by the Partnership of income or gain to such Limited Partner and to withhold the same from distributions to such Limited Partner or redeem Units held by such a Limited Partner and apply the redemption proceeds to the payment of the Withholding Advances. Any funds withheld from a distribution by reason of this paragraph shall nonetheless be deemed distributed to the relevant Limited Partner for all purposes under this Agreement. Any redemption proceeds applied to Withholding Advances by reason of this paragraph shall nonetheless satisfy the Partnership’s obligation to pay redemption proceeds to the applicable Limited Partner.
- (d) Any Withholding Advance made by the Partnership to a Tax Authority on behalf of a Limited Partner and not simultaneously withheld from a distribution to that Limited Partner, or for which Units held by that Limited Partner were redeemed to pay the Withholding Advance, shall, with interest thereon accruing from the date of payment at a rate equal to the prime commercial lending rate of the Partnership’s bankers plus 2% per annum (the “**Partnership Interest Rate**”):

- (i) be promptly repaid to the Partnership by the Limited Partner on whose behalf the Withholding Advance was made; or
- (ii) at the option of the General Partner, be repaid by setting off and applying any sums otherwise payable to the Limited Partner.

Interest shall cease to accrue from the time the Limited Partner on whose behalf the Withholding Advance was made repays such Withholding Advance (and all accrued interest) by either method of repayment described above.

- (e) Each Limited Partner hereby agrees to indemnify and hold harmless the Partnership and the other Partners from and against any liability with respect to taxes, interest or penalties, which may be asserted by reason of the Partnership's failure to deduct and withhold tax on amounts distributable or allocable to such Limited Partner. The provisions of this paragraph and the obligations of a Limited Partner under paragraph (d) above shall survive the termination, dissolution, liquidation and winding up of the Partnership and the repurchase, redemption or transfer of such Limited Partner's Units. The Partnership may pursue and enforce all rights and remedies it may have against each Limited Partner under this Section 4.13, including bringing legal proceedings to collect repayment with interest of any Withholding Advances.
- (f) Neither the Partnership nor the General Partner shall be liable for any excess taxes withheld in respect of any distribution or allocation of income or gain to a Limited Partner. In the event of an over-withholding, a Limited Partner's sole recourse shall be to apply for a refund from the appropriate Tax Authority.

4.14 Calculation of Net Asset Value

As at 4:00 p.m. (Toronto time) on each Valuation Date (or such other appropriate time designated by the General Partner), the fair market value of the assets and the amount of the liabilities of the Partnership (the net result of which is the "**Net Asset Value of the Partnership**") shall be determined by the General Partner or a third party engaged by the General Partner for that purpose (in either case, the "**NAV Administrator**"), who may consult with the Manager, any investment adviser and/or the Auditor to calculate Net Asset Value of the Partnership based on the following provisions. The Net Asset Value of the Partnership on any Valuation Date shall mean the value of the Partnership's assets less the General Partner's capital contribution and less an amount equal to the Partnership's liabilities (including reserves made in accordance with Section 4.10) on such date (without regard to subscriptions, repurchases or redemptions on such date). In addition to, and without derogating from, the other provisions of this Agreement, the valuation principles to be applied by the General Partner and/or NAV Administrator to determine the Net Asset Value of the Partnership shall be as set forth in the Offering Memorandum from time to time.

For greater certainty: (i) on a Valuation Date, Net Asset Value of the Partnership shall first be calculated in accordance with the valuation principles set forth in the Offering Memorandum but

without deduction of fees and expenses payable on such date pursuant to Sections 6.2 and 7.2 that are specific to a class or series of Units, for the purpose of determining the increase or decrease in the Net Asset Value of the Partnership to such date pursuant to subsection 3.2(f); (ii) on such Valuation Date, Net Asset Value of each class or series (as applicable) shall then be determined by deducting such class-specific and series-specific fees (other than repurchase or redemption fees contemplated in subsection 5.3(c)) for the purpose of calculating respective Net Asset Values as contemplated in subsection 3.2(f); and (iii) on any date, the General Partner may wish to deduct all fees calculated as at such date, as if such fees were then payable, for the purpose of reporting Net Asset Value of the Partnership and/or Net Asset Value per Unit of each class or series (as applicable) on such date. The Net Asset Value of the Partnership and the Net Asset Value per Unit for each class and series of Units established by the NAV Administrator in accordance with the provisions of this Agreement shall be conclusive and binding on all Partners unless the General Partner agrees otherwise.

ARTICLE 5 – REPURCHASE AND REDEMPTION OF UNITS

5.1 Repurchase Offers

- (a) Subject to Subsections 5.1(c), 5.2(a) and 5.2(c), the General Partner shall offer to repurchase Units on each Repurchase Pricing Date at the Net Asset Value of such Units calculated in the manner herein provided less, in the discretion of the General Partner, any deduction, charge or fee determined pursuant to Section 5.3 hereof. Upon payment by the Partnership to the tendering Limited Partner of the Net Asset Value of such Units repurchased, less any applicable repurchase charge or fee, the Partnership and the General Partner shall be discharged from all liability to the Limited Partner in respect of the Units repurchased.
- (b) If, in respect of any Repurchase Pricing Date, the General Partner has received tenders to repurchase Units with a Net Asset Value representing more than 2% of the Net Asset Value of the Partnership, repurchase tenders in excess of such amount may be rolled forward, *pro rata* amongst all Limited Partners seeking to have Units repurchased on the applicable Repurchase Pricing Date, until the Repurchase Pricing Date next following such Repurchase Pricing Date. In such event, the repurchase price per Unit for tenders for repurchase that have been rolled forward will be equal to the Net Asset Value of such Units on such subsequent Repurchase Pricing Date. If on such subsequent Repurchase Pricing Date, repurchase tenders again represent more than 2% of the Net Asset Value of the Partnership, then the original repurchase offer shall continue to roll forward to subsequent Repurchase Pricing Dates in a similar manner until all the Units tendered for repurchase are fulfilled. Tenders for repurchase that have been rolled forward will not have priority over repurchase tenders in respect of any other Units that have been received in respect of that or any previous Repurchase Pricing Date. Units will be repurchased at the relevant repurchase price prevailing on the Repurchase Pricing Date on which they are repurchased.

- (c) The General Partner may from time to time impose such further conditions on the repurchase of Units of the Partnership, or of one or more class or series of Units, including any minimum notice periods or minimum holding (lock-up) periods, as may be specified in Schedule “A” for the Partnership or a particular class or series and provided that such conditions are set out in the Offering Memorandum. The General Partner has the absolute discretion to waive any conditions in respect of one or more repurchase offers from time to time.
- (d) The General Partner may from time to time prescribe additional repurchase procedures that are not inconsistent herewith or with securities legislation which may include, but are not limited to, the establishment of any required method of transmission of a repurchase tender, including any required forms for repurchase tenders, any procedures to be followed and documents to be delivered by the time of delivery of a repurchase tender to an order receipt office of the Partnership or by the time of payment of the repurchase amount and any required documentation or evidence relating to the authority of any person to submit a tender to a repurchase offer.
- (e) Tenders to repurchase offers will be processed in respect of each Repurchase Pricing Date, and any partial repurchase amount shall be allocated *pro rata* (based on respective numbers of Units to be repurchased on such date) amongst all Limited Partners tendering Units for repurchase on such date; provided however that no repurchase tenders received after the cut-off time for repurchases on such Repurchase Pricing Date (as set out in the Offering Memorandum) shall be fulfilled in whole or in part.
- (f) Tenders of Units for repurchase offers are irrevocable by the Limited Partner, except with the consent of the General Partner (in its absolute discretion), unless they are not processed by the General Partner on the designated Repurchase Pricing Date and are rolled forward in accordance with this Section 5.1, in which case they may be withdrawn by the Limited Partner upon written notice to the General Partner prior to the cut-off time for the subsequent Repurchase Pricing Date.
- (g) Upon the creation of a class or series of Units, the General Partner may impose such other or further restrictions on the repurchase or redemption for Units of such class or series provided such restrictions are set out in the Offering Memorandum or otherwise communicated to purchasers of Units of such class or series.

5.2 Deferral, Suspension or In Species Payment of Repurchases or Redemptions

- (a) The General Partner shall not permit redemptions or offer to repurchase Units as will result in a return of capital to a Limited Partner from the General Partner or otherwise out of the assets of the Partnership, unless all liabilities of the Partnership, except liabilities to the General Partner or to other Limited Partners

on account of their contributions, have been paid or there remains sufficient Partnership property to pay them.

- (b) The General Partner may defer a single repurchase offer or suspend repurchase offers (either in whole or in part) and/or may elect to pay repurchase proceeds partly in cash and partly in kind, or wholly in kind, at any time the General Partner is of the opinion in its sole discretion, that there are insufficient liquid assets in the Partnership to fund such repurchases or that the liquidation of assets at such time would be to the detriment of the Partnership generally.
- (c) In the event that repurchases are deferred or suspended, all pending repurchase tenders will be rescinded, and no additional repurchase tenders will be accepted until the deferral or suspension has ended. When repurchase offers are resumed after a deferral or suspension, no repurchase tenders will have any priority over any other repurchase tenders (i.e., if a Limited Partner tendered to a repurchase offer prior to a suspension or deferral of a repurchase offer and such request was rescinded, such Limited Partner must re-submit their repurchase tender when the suspension or deferral has ended).
- (d) The General Partner shall advise the Limited Partners who have tendered for a repurchase if repurchases will be deferred or suspended on a designated Repurchase Pricing Date.

5.3 Repurchase and Redemption Proceeds, Deductions and Holdbacks

- (a) Proceeds of repurchase (less applicable fees and deductions as provided herein) shall be paid as soon as is practicable and in any event within 30 days following the relevant Repurchase Pricing Date.
- (b) The General Partner may adopt and amend a policy from time to time to deduct from the repurchase amount or redemption proceeds otherwise payable such amount as the General Partner determines, including an amount that reflects the costs incurred by the Partnership in connection with the repurchase or redemption of Units, including the costs of liquidation of portfolio assets and all fees payable by the Partnership to its service providers as a result of the repurchase or redemption, or a deduction that depends upon the length of time the redeemed Unit has been outstanding, which amount shall be retained by the Partnership.
- (c) The General Partner may agree with the Manager that the Partnership shall pay to the Manager, in addition to any other fee payable, a fee upon the repurchase or redemption of Units of any one or more classes, including a fee that depends upon the length of time the repurchased or redeemed Unit has been outstanding.
- (d) Any portion of a repurchase or redemption price payable to a Limited Partner that the Partnership is required to withhold and remit as a withholding or other tax

shall be considered to have been paid to the Limited Partner when remitted to the applicable Tax Authority.

5.4 Redemption at the Option of the General Partner

The General Partner shall have the right to require a Limited Partner to redeem some or all of the Units owned by such Limited Partner on a Valuation Date designated by the General Partner at the Net Asset Value per Unit thereof on such date, less all applicable deductions and fees, by notice in writing to the Limited Partner given at least 14 days before the designated Valuation Date, which right may be exercised by the General Partner in its absolute discretion. The General Partner may adopt a policy from time to time as to when it intends to exercise this discretion.

Without limiting the generality of the foregoing, the General Partner also has the right to require a Limited Partner to redeem some or all of such Limited Partner's Units if their participation has the potential to cause adverse regulatory or tax consequences for the Partnership or other Limited Partners, and to apply such redemption proceeds to satisfy the payment of penalties for which the Partnership may become liable under the Tax Act or otherwise.

ARTICLE 6 - MANAGEMENT OF LIMITED PARTNERSHIP

6.1 Authority of General Partner

Except as otherwise provided in the Act and this Agreement and except for powers and authority granted to the Manager and others pursuant to Section 7.1 and the Management Agreement, the General Partner shall have the power and authority to do such acts and things and to execute and deliver such documents as it considers necessary or desirable in connection with the offering and sale of the Units and for the formation and operation of the Partnership for the purposes stated herein. Subject to any provisions of this Agreement and any agreement entered into by the General Partner on behalf of the Partnership to the contrary, the General Partner shall carry on the activities of the Partnership with full power and authority to administer, manage, control and conduct such activities and to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document necessary for or incidental to carry out the objects, purposes and activities of the Partnership for and on behalf of and in the name of the Partnership.

6.2 Expenses

- (a) The Partnership shall be responsible for all expenses, and the General Partner shall be entitled to reimbursement from the Partnership for all costs actually incurred by it (or by any person to whom the General Partner has assigned or delegated any of its duties), in connection with the formation and organization of the General Partner and the Partnership and the ongoing activities of the Partnership and the General Partner related to the Partnership, including but not limited to:

- (i) fees and expenses of the Partnership, which include Manager's fees, up-front fees and service fees payable in connection with the Partnership's portfolio, fund administrator's fees, fees and expenses payable to members of an independent review committee of the Partnership (if any), accounting, valuation, audit and legal costs, insurance premiums, custodial fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, Limited Partner communication expenses, mailing and printing expenses, organizational and set-up expenses, the cost of maintaining the Partnership's existence, regulatory fees and expenses, and all reasonable extraordinary or non-recurring expenses; and
 - (ii) fees and expenses relating to the Partnership's portfolio investments, including the costs of securities, interest on borrowings and commitment fees and related expenses payable to lenders and counterparties, fees relating to servicing of the portfolio assets, brokerage fees, commissions and expenses, banking fees and interest expenses.
- (b) Series Expenses incurred that are specific to a class or series of Units shall be deducted from the Net Asset Value of the relevant class or series only.

6.3 Duties of General Partner

The General Partner shall exercise the powers and discharge the duties of its office hereunder honestly, in good faith, and with a view to the best interests of the Partnership and in connection therewith, shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The General Partner shall be entitled to retain advisers, experts or consultants to assist in the exercise of its powers and the performance of its duties hereunder. The General Partner may assign or delegate any of its enumerated powers or duties granted hereunder to the Manager and/or to other service providers from time to time.

6.4 Power of Attorney

- (a) Each Limited Partner hereby nominates, constitutes and appoints the General Partner, with full power of substitution, as his, her, their or its agent and true and lawful attorney for property and agent to act on his, her, their or its behalf, with full power and authority in his, her, their or its name, place and stead to execute, swear to, ratify, confirm, acknowledge, deliver, file and record in the appropriate public offices in any jurisdictions where the General Partner considers it appropriate any and all of:
 - (i) this Agreement, and any amendment, change or modification thereto from time to time made in accordance with its terms, and all declarations and other instruments or documents necessary or required to continue and keep in good standing the Partnership as a limited partnership in the Province of Ontario and elsewhere;

- (ii) all documents on behalf of the Limited Partner and in the Limited Partner's name as may be necessary to give effect to the sale or assignment of a Unit or to give effect to the admission of additional or substituted Limited Partners or a transferee of Units as a new Limited Partner of the Partnership as required by and/or subject to the terms and restrictions of this Agreement;
 - (iii) all conveyances and other instruments or documents required in connection with the dissolution and liquidation of the Partnership subject to the terms and restrictions of this Agreement, including the distribution of assets of the Partnership;
 - (iv) all other instruments and documents on the Limited Partner's behalf and in the Limited Partner's name or in the name of the Partnership as may be deemed necessary by the General Partner to carry out fully this Agreement in accordance with its terms; and
 - (v) all elections, determinations, designations, applications, declarations of status or beneficial ownership, claims, information returns, forms, or similar documents or instruments under the Tax Act (including without limitation elections under Section 97(2) thereof) or any other taxation or other legislation or laws of like import in Canada, in the United States of America, or in any other foreign jurisdiction, in respect of the affairs of the Partnership or of the Limited Partner's interest in the Partnership, for and including all such taxation years in which the Limited Partner is or is deemed to be a Limited Partner.
- (b) The Limited Partner acknowledges that the ability of the General Partner to carry out its duties and discharge its obligations to the Partnership is dependent on the validity and survival of this power of attorney.
- (c) The power of attorney hereby granted is a power coupled with an interest and is irrevocable; it shall survive the assignment by a Limited Partner of the whole or any part of the interest of the Limited Partner in the Partnership, extends to the heirs, executors, administrators, successors, assigns and other legal representatives of the Limited Partner, shall survive the death or disability of the Limited Partner and may be exercised by the General Partner on behalf of the Limited Partner in executing such instrument with a single signature as attorney and agent for all of them. Each Limited Partner agrees to be bound by any representation or action made or taken by the General Partner pursuant to such power of attorney and hereby waives any and all defences that may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under such power of attorney. In the event that a court of competent jurisdiction (or an arbitrator in circumstances where the General Partner has agreed to be bound by such arbitrator's decision) determines that this power of attorney has been terminated, been duly revoked or has become invalid, any exercise of the

power by the General Partner following such termination, revocation or invalidity shall be valid and binding as between the Limited Partner or the estate of the Limited Partner and any person, including the General Partner, who acted in good faith and without knowledge of the termination, revocation or invalidity.

- (d) Each Limited Partner hereby releases the General Partner from all liability of any kind that may arise in consequence of any act or omission of the General Partner, so long as the General Partner exercises its authority hereunder in good faith. The Limited Partner agrees to be bound by any representation or action made or taken by the General Partner pursuant to this power of attorney and, if requested, agrees to ratify any such representation or action, including the execution of any documents necessary to effect such ratification. The Limited Partner hereby indemnifies the General Partner with respect to all liability that may arise hereunder in consequence of any act or omission of the General Partner in the exercise of its authority hereunder, unless the General Partner is found by a court of competent jurisdiction in the Province of Ontario to have acted without good faith in exercising its authority hereunder, and such indemnification shall remain effective for any entity that ceases to be General Partner in respect of any such act or omission that occurred while such entity was General Partner.
- (e) This power of attorney becomes effective on the date that the Limited Partner becomes a Limited Partner and shall continue in respect of the General Partner so long as it is the general partner of the Partnership, and shall terminate thereafter, but shall continue in respect of a new general partner as if the new general partner were the original attorney. This power of attorney is in addition to and does not override or terminate any other power of attorney previously granted by the Limited Partner. This power of attorney shall survive the granting of any subsequent power of attorney by the Limited Partner. The Limited Partner agrees to take any action reasonably required by the General Partner to ratify any decision made or step taken by the General Partner pursuant to this power of attorney.

6.5 Specific Powers

Without limiting the generality of the foregoing, it is acknowledged and agreed that the General Partner is authorized, at the appropriate time, on behalf of and in the name of the Partnership and without further authority from the Limited Partners:

- (a) to do all acts and things and to enter into all agreements on behalf of the Partnership in connection with the investments made and the investment strategies employed by the Partnership;
- (b) to admit additional Limited Partners in accordance with the terms of this Agreement;

- (c) to execute and deliver as and when required any and all documents, instruments, forms and declarations required by the Act and other applicable laws in order to maintain to the fullest extent possible the limited liability of the Limited Partners;
- (d) to place registered title to any assets of the Partnership in its name or in the name of a nominee or a trustee for the purpose of convenience or benefit of the Partnership;
- (e) to incur all reasonable expenditures;
- (f) to employ and dismiss from employment any and all employees, agents, contractors, managers, brokers, solicitors, accountants and auditors (subject to necessary Limited Partner approval) as the General Partner considers advisable in order to perform its duties hereunder;
- (g) to open bank accounts, brokerage and trading accounts and similar accounts for the Partnership in its own name or that of the Partnership, to designate, and from time to time change, the signatories to such accounts and to execute loan and credit agreements on behalf of the Partnership;
- (h) to generally do all things and take all steps in connection with the investments and other assets of the Partnership that would be customarily carried out by a reasonable owner of similar investments or assets in Canada;
- (i) to submit the Partnership to binding arbitration with respect to any matters pertaining to the assets and undertakings of the Partnership;
- (j) to pay out of the Partnership all taxes, fees and other expenses relating to the activities and investments of the Partnership;
- (k) to make Withholding Advances and execute all documents and take all other steps contemplated by Section 4.13;
- (l) to act on behalf of the Partnership with respect to any and all actions and other proceedings brought by or against the Partnership;
- (m) to possess and exercise, as may be required, all of the rights and powers of a general partner as more particularly provided in the Act;
- (n) to borrow funds on behalf of the Partnership and to pledge the Partnership's assets to secure such borrowings;
- (o) to lend the cash, securities or other property of the Partnership to, or conduct any transactions of the Partnership with, arm's length or related parties, provided that at all times the terms of such loan are commercially reasonable and at market rates; and

- (p) to execute, acknowledge and deliver any and all other deeds, documents and instruments, and to do all acts as may be necessary or desirable to carry out the intent and purpose of this Agreement, including, without limitation, retaining any contractors to carry out any of the foregoing.

6.6 Commingling of Funds

The funds and assets of the Partnership shall not be commingled with the funds or assets of the General Partner.

6.7 Limitation on Reimbursement for Expenses of the Partnership

The provisions of Section 6.2 shall not entitle the General Partner to reimbursement of any expense incurred in relation to any action, suit or other proceeding as a result of which it is adjudged to be in breach of any duty or responsibility imposed on it hereunder.

ARTICLE 7 - MANAGEMENT SERVICES

7.1 Managing the Affairs of the Limited Partnership

In order to engage professional management of the Partnership's capital and to obtain other necessary services, the General Partner may from time to time:

- (a) appoint a fund manager (the “**Manager**”) to manage the undertaking and affairs of the Partnership, including the provision of all management and administrative services, who may in turn engage one or more service providers at the expense of the Partnership;
- (b) appoint a portfolio manager to manage the investment portfolio of the Partnership, who may in turn appoint one or more sub-advisers, and who may be the fund manager referred to in clause (a);
- (c) appoint such other service providers as it deems prudent or necessary;
- (d) execute a management agreement with the Manager (the “**Management Agreement**”) and agreements with such other service providers on such terms and conditions as the General Partner deems appropriate;
- (e) monitor such service providers in order to verify that such service providers are properly performing the services and discharging their duties, obligations and responsibilities pursuant to the agreements contemplated above (and the General Partner shall be entitled, in discharging its monitoring duties in connection with the services provided by the service providers, to rely on reports prepared for it by the service providers); and

- (f) authorize such service providers to exercise certain powers conferred upon the General Partner by this Agreement (including for greater certainty, any of the powers conferred upon the General Partner by ARTICLE 6 hereof) to such extent and in such manner as the General Partner shall determine.

7.2 Fees

- (a) The Manager shall be entitled to receive from the Partnership such fees payable in such amounts and at such intervals as the General Partner and the Manager may agree to from time to time provided such fees are fully disclosed to the purchaser of Units affected thereby at the time of purchase (“**Management Fees**”). The fees charged by the Manager may be greater in respect of one class and/or series of Units than for another class or series of Units and in such regard shall be calculated and deducted from the Net Asset Value of each respective class or series in accordance with subsection 3.2(f). The General Partner must give to affected Limited Partners not less than 60 days’ notice of any proposed change to the method of calculation or amount of management fees, if such change could result in increased management fees being paid by the Partnership in respect of Units held by such Limited Partners, and each such Limited Partner must be given the opportunity to redeem all of such Limited Partner’s Units prior to the effective date of such change to the method of calculation or amount of management fees (in such event the General Partner shall be deemed to have waived, to the extent necessary, any lock-up and notice periods, and to have waived any redemption deductions for Units that are redeemed in the specified period).
- (b) The Partnership shall also pay all other fees of the service providers contemplated in Section 7.1 other than those fees that the Manager agrees to pay out of the fees earned by it.

7.3 Termination of Service Provider Agreements

The agreements provided for in subsection 7.1(d) shall continue unless terminated in accordance with the terms thereof and in any event shall terminate upon the termination of this Agreement. In the event that such an agreement is terminated or the service provider resigns before the termination of this Agreement, the General Partner shall carry out, or shall promptly appoint a successor to carry out, the activities of such service provider.

7.4 Service Providers Not Partners

It is not the intention of the parties hereto that any service provider appointed pursuant to Section 7.1 (including the Manager) be a partner of the Partnership, and the appointment of any service provider pursuant to Section 7.1, the carrying out by such service provider of its obligations pursuant to an agreement provided for in subsection 7.1(d) and the payment of fees to such service provider (including fees based on profits) are not intended to and shall not constitute the service provider as a Partner. For greater certainty, the assignment of powers, duties and

authorities to the Manager or other person pursuant to Section 7.1 shall not cause the Manager or other person to be a partner.

7.5 Use of Name

Chesswood Group Ltd., the indirect parent company of the Manager, has specifically licensed to the General Partner and the Partnership the use of the name “Chesswood” in connection with their names and the carrying on of their respective businesses. In the event that the Manager resigns or is otherwise terminated, each of the General Partner and the Partnership undertakes to change its name to a name that does not include “Chesswood” unless it has the specific written consent of the Manager.

7.6 Indemnification of General Partner and Manager

The Partnership will indemnify the General Partner, the Manager and their respective directors, officers, employees, partners, shareholders and members and any other Person who serves at the request of the General Partner on behalf of the Partnership (in each case, an “**Indemnitee**”) against any loss, damage, liability, deficiency, cost or expense including all reasonable legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement but excluding loss of profit (“**Losses**”) arising directly or indirectly from any action, suit, claim, demand or proceeding, whether civil, criminal, administrative, investigative or otherwise, other than any such action, suit, claim, demand or proceeding made by one or more Indemnitees against one or more other Indemnitees (“**Claims**”) threatened or commenced against such Indemnitee for or in respect of anything done or permitted to be done or omitted to be done (excluding any act or omission of brokers, custodians or other agents of the Partnership or the General Partner) in the execution of the duties and powers of that Indemnitee in accordance with this Agreement and with any other agreement entered into in connection with the activities of the Partnership. Notwithstanding the foregoing, no Indemnitee shall be entitled to indemnification by the Partnership hereunder to the extent any Claim arises as a result of the Indemnitee’s bad faith, negligence, breach of applicable law, fraud, wilful misconduct or material breach of this Agreement (including for greater certainty breach of the General Partner’s standard of care set out in Section 6.3 or the Manager’s standard of care set out in the Management Agreement, as applicable). To the extent that any Indemnitee is not a party to this Agreement, the General Partner shall obtain and hold the right and benefit of this section in trust for and on behalf of such non-party Indemnitee.

ARTICLE 8 - LIABILITIES OF PARTNERS

8.1 Unlimited Liability of General Partner

The General Partner shall be responsible and liable for the debts, obligations and any other liabilities of the Partnership in the manner and to the extent required by the Act and as set forth in this Agreement.

8.2 Limited Liability of Limited Partners

- (a) Subject to the provisions of the Act and of other applicable limited partnership legislation, the liability of each Limited Partner for the liabilities and obligations of the Partnership is limited to the amount of cash and property the Limited Partner contributes or agrees in writing to contribute to the capital of the Partnership, less any such amounts properly returned to the Limited Partner.
- (b) Subject to the provisions of the Act and of other applicable limited partnership legislation, where a Limited Partner has received the return of all or part of the Limited Partner's Contributed Capital, the Limited Partner is nevertheless liable to the Partnership or, following the dissolution of the Partnership, to its creditors for any amount, not in excess of the amount returned with interest (calculated at a rate per annum equal to the prime commercial lending rate of the Partnership's bankers), necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims otherwise arose before the return of the Contributed Capital.
- (c) A Limited Partner holds as trustee for the Partnership:
 - (i) Contributed Capital that has been returned contrary to the Act; and
 - (ii) money or other property paid or conveyed to the Limited Partner by the Partnership contrary to the Act.

8.3 Dealings with Persons

Before any material contract is entered into by the Partnership or by the General Partner (or agent duly authorized) on behalf of the Partnership, or any loans are made to the Partnership, or to the General Partner on behalf of the Partnership, the General Partner (or agent, as the case may be) shall use commercially reasonable efforts to notify the other party or parties to such transaction that the personal liability of the Limited Partners to third parties is limited to their interest in the Partnership's assets. The General Partner shall use commercially reasonable efforts to insert, or to cause agents of the Partnership to insert, the following clause (or words to like effect) in any contracts or agreements to which the Partnership is a party or by which it is bound:

Chesswood Canadian Asset-Backed Credit Fund LP (the "**Partnership**") is a limited partnership formed under the *Limited Partnerships Act* (Ontario), a limited partner of which is only liable for any of its liabilities or any of its losses to the extent of the amount that he, she, they or it has already contributed to its capital. Recourse under this agreement shall be limited to the assets of the Partnership and no action shall be taken against the Limited Partners or agents of the Partnership to recover any amount in excess of the assets of the Partnership.

8.4 Indemnification of Limited Partners

The General Partner shall indemnify and hold harmless each Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by such Limited Partner that result from or arise out of such Limited Partner not having limited liability as set out in Section 8.2, other than any lack of limited liability caused by or arising out of any act or omission of such Limited Partner.

ARTICLE 9 - PARTNERSHIP MEETINGS

9.1 Special Meetings of Limited Partners

A special meeting of the Limited Partners may be called at any time by the General Partner and shall be conducted in accordance with the provisions of this Agreement. The expenses incurred in calling and holding such meeting shall be for the Partnership. Special meetings shall be held in the City of Toronto, Ontario or in such other city as the General Partner may determine.

9.2 Notice of Meetings and Quorum

Notice of any meeting of the Limited Partners called pursuant to Section 9.1 shall be given to each Limited Partner entitled to vote at such meeting by ordinary post to each Limited Partner's address shown in the Register, to the General Partner and to the Manager or by any other means permitted by securities legislation. Any such notice shall be given at least 10 days and not more than 60 days prior to the meeting and shall state the time and place where such meeting is to be held. The notice shall specify, in general terms, the nature of all business to be transacted thereat in sufficient detail to enable the Limited Partners to make a reasoned judgment concerning each matter to be considered at the meeting. A copy of the text of any proposed Resolution shall accompany the mailing of the notice. Accidental failure to give notice to a Limited Partner shall not invalidate a meeting, any adjournment thereof or any proceeding thereat. A representative of the General Partner shall act as Chairman of such meeting. A quorum for a meeting of Limited Partners shall consist of one Limited Partner present in person or by proxy.

9.3 Voting

Resolutions shall be voted on by all Limited Partners, however, if a Resolution would affect only the rights of holders of one class or series of Units, or more than one class or series of Units, but less than all Limited Partners, only the holders of Units so affected are entitled to vote. If a Resolution to be voted on would affect one class or series of Units in a manner that is different, and could adversely affect such class or series of Units in a manner that is different, than the manner in which it would affect the other classes or series, the Resolution must, in addition to all other requisite approvals, be approved by the holders of such class or series of Units, by the specified majority, in order to be effective. Also, on any resolution in which the General Partner or an Affiliate has an interest that is or could be in conflict with the interests of the Partnership or the Limited Partners generally, in addition to any other approval required under this section such resolution must be approved by the Limited Partners excluding the General Partner (to the extent

that it holds Units), its Affiliates, their respective directors and officers and their respective associates (except to the extent that any such person is acting in their capacity as proxyholder for a Limited Partner who is entitled to vote). Each Resolution to be voted on at a meeting of Limited Partners shall be decided by a show of hands unless a poll is reasonably demanded by any Person entitled to vote at the meeting in which case a poll shall be taken by the Chairman of the meeting. The Chairman of the meeting shall not have a casting vote on any Resolution but shall be entitled to any voting rights he, she, they or it may have as a Limited Partner or as a proxyholder. With respect to the voting on any Resolution:

- (a) for which no poll is required or requested, a declaration made by the Chairman of the meeting as to the results of the voting on any such Resolution shall be conclusive evidence thereof, and
- (b) for which a poll is required or requested, the result of the poll shall be deemed to be the decision of the meeting on such Resolution.

9.4 Proxies

Any Limited Partner entitled to vote may vote in person or by proxy at any meeting of Limited Partners provided that a proxy shall have been received by the General Partner for verification two days prior to the meeting or on the date of the meeting filed with the Secretary of the meeting. The form of proxy shall substantially comply in form and content with the rules pertaining to forms of proxy in the *Securities Act* (Ontario) and the regulations thereunder. A person appointed as proxy holder need not be a Limited Partner. Every proxy purporting to be executed by or on behalf of a Limited Partner shall be valid unless challenged by any Limited Partner or holder of another proxy prior to or at the time of its exercise, and the burden of proving an invalidity shall rest on the person so challenging. Any challenge to the validity of any proxy shall be made in such form and shall contain such material as the Chairman of the meeting shall reasonably require and all the decisions concerning the validity of proxies shall be made by the Chairman of the meeting. Such proxy is effective until notice in writing, including a subsequent form of proxy, revoking such proxy is delivered to (i) the General Partner, or (ii) the Chairman of the meeting to which the proxy relates.

9.5 Conduct of Meetings

The Chairman of any meeting of Limited Partners shall be an officer or director of the General Partner or the Manager or an individual nominated in writing by the General Partner, failing which the Chairman of the meeting shall be any other person approved by Resolution at the outset of the meeting. Representatives of the General Partner and the Manager may attend any meeting and may address the meeting. The General Partner shall have the right to authorize the presence of any person at any meeting of Limited Partners regardless of whether such person is a Partner. With the approval of the Chairman, such persons shall be entitled to address the meeting. Any legal adviser of a Partner, any other person authorized in writing by a Partner and the Auditor of the Partnership may attend any meeting of Limited Partners and shall be entitled to address the meeting and resolutions thereat on behalf of a Partner.

Officers and directors of the General Partner and the Manager shall have the right to attend in their capacity as such at any meeting of Partners and shall be entitled to address the meeting on the matters properly before it.

9.6 Resolutions Binding

Any Resolution passed in accordance with this Agreement at a meeting or in writing shall be binding on all Limited Partners and their respective heirs, executors, administrators, other legal representatives, successors and assigns, whether or not such Limited Partners were present or represented by proxy at the meeting at which such Resolution was passed, voted against such Resolution or elected not to sign a Resolution in writing.

Minutes of all Resolutions passed and proceedings taken at every meeting of Limited Partners shall be made and recorded in a minute book by the General Partner. Minutes, when signed by the Chairman of the meeting of Limited Partners, shall be prima facie evidence of the matters therein stated and, until the contrary is proved, every such meeting in respect of which minutes shall have been made shall be taken to have been duly held and convened, and all Resolutions passed or proceedings taken as referred to in the minutes shall be deemed to have been duly passed and taken in accordance with this Agreement. The minute book shall be available for inspection by the Limited Partners at all meetings of the Limited Partners and at all other reasonable times during normal business hours at the principal office of the Partnership.

9.7 Rules of Procedure

The General Partner may adopt reasonable rules of order for conducting all meetings of the Limited Partners, failing which the Chairman of any meeting may make such reasonable rulings as he or she may determine appropriate.

9.8 Written Resolutions

A written resolution signed by the General Partner and the requisite number of Limited Partners shall be effective as a Resolution, as the case may be, as if it had been passed at a meeting in accordance with this ARTICLE 9, provided all Limited Partners are provided a copy of the proposed resolution (and all such other information they would have otherwise been entitled to pursuant to Section 9.2) as soon as is practicable and in any event prior to the effective date of such resolution.

9.9 Potential Loss of Limited Liability

It shall be the responsibility of each Limited Partner to consult with legal counsel as to whether the passing of a Resolution by Limited Partners would or could be construed as participating in the control of the business of the Partnership and the effect, if any, of such Limited Partner's participation in the passing of such Resolution would have on such Limited Partner's statutory limited liability, having regard to the Act, Section 2.9 hereof, and other relevant factors.

ARTICLE 10 - REMOVAL OF GENERAL PARTNER

10.1 Assignment of Interest of General Partner

The General Partner may not sell, assign or otherwise transfer its interest or rights as the General Partner in the Partnership, other than to an affiliate of the General Partner, except with the prior approval of the Limited Partners given by Resolution. For greater certainty, this shall not fetter the power of the General Partner to assign enumerated powers, duties and authority pursuant to Section 7.1.

10.2 Removal of General Partner

- (a) The General Partner may not be removed as the general partner of the Partnership except by Resolution, which includes the consent of the General Partner, or as hereinafter provided. Any Resolution removing the General Partner shall also appoint a new General Partner, and the removal of the General Partner shall be effective upon the date specified in such Resolution.
- (b) Upon the bankruptcy, dissolution or making of an assignment of the benefit of creditors of or by the General Partner or upon the appointment of a receiver of the assets and undertaking of the General Partner, the General Partner shall be deemed to have been removed as the General Partner of the Partnership and a new General Partner shall, in such instances, be appointed by a Resolution (which for this purpose need not be approved by the removed General Partner) within 60 days of the bankruptcy, dissolution, assignment or appointment.

10.3 Reimbursement of Expenses to General Partner on Removal

In the event of the removal of the General Partner under Section 10.2 at any time during the term hereof, the Partnership shall pay to the removed General Partner in cash all amounts to be reimbursed under Section 6.2. The General Partner shall be entitled to receive copies of all financial statements prepared with respect to the fiscal year of the Partnership in which removal occurs.

10.4 Transfer of Duties to New General Partner

Upon the appointment of a new General Partner of the Partnership, the removed General Partner shall do all things and take all steps to immediately and effectively transfer the management, control, administration and operation of the Partnership and assets, books, records and accounts thereof to the new General Partner including the execution and delivery of all deeds, certificates, declarations and other documents whatsoever that may be necessary or desirable to give effect to such change and to assign, transfer and convey all the undertaking, property and assets of the Partnership to the new General Partner of the Partnership. All costs and expenses associated with the foregoing shall be paid by the Partnership.

10.5 Release of General Partner

Upon the removal of a General Partner, the Partnership shall release and hold harmless such removed General Partner from all actions, claims, costs, demands, losses, damages and expenses based upon events that occur in relation to the Partnership after the effective date of such removal, except where the same results from the fraud, wilful misconduct or gross negligence of such removed General Partner.

10.6 Powers, Duties and Obligations of New General Partner

In the event of the removal of the General Partner, the new General Partner of the Partnership shall execute a counterpart hereof and shall from that time forward, for all purposes and in all ways, assume the powers, duties and obligations of the removed General Partner under this Agreement and shall be subject to the terms of this Agreement and to the terms of any outstanding agreements entered into on behalf of the Partnership.

10.7 Change of Partnership Name

In the event of the removal of the General Partner as general partner, the General Partner shall, subject to any prohibitions contained in the Act, be entitled to have the name of the Partnership changed by deleting any reference to a distinctive part of the removed General Partner's name and by filing the appropriate declaration of change prior to the effective date of such removal.

ARTICLE 11 - BOOKS, RECORDS AND FINANCIAL INFORMATION

11.1 Books and Records

- (a) The General Partner shall keep and maintain, or cause to be kept and maintained, at its principal place of business or elsewhere, the books of account and records respecting the activities of the Partnership and a copy of the Register.
- (b) The General Partner may keep confidential from the Limited Partners for such period of time as the General Partner deems reasonable, any information (other than information regarding the affairs of the Partnership as is required to be provided to a Limited Partner under applicable partnership legislation) that the General Partner reasonably believes to be in the nature of trade secrets or other information the disclosure of which the General Partner in good faith believes is not in the best interests of the Partnership or could damage the Partnership or that the Partnership is required by law or by agreements with third parties to keep confidential.

11.2 Appointment of Auditor

The General Partner shall from time to time appoint an auditor for the Partnership, who shall be a member in good standing of the Canadian Institute of Chartered Accountants. The General

Partner shall retain the Auditor to review and report to the Limited Partners on the financial statements of the Partnership for and as at the end of each fiscal year of the Partnership.

11.3 Annual Reports

Within 120 days after the end of each fiscal year of the Partnership, or such shorter period as may be practical in the circumstances, the General Partner shall prepare and make available to each Limited Partner, unless the Limited Partner has elected otherwise, audited financial statements of the Partnership as at the end of, and for, the immediately preceding fiscal year consisting of such statements as may be required by law or by generally accepted accounting principles, together with the report of the Auditor thereon.

Within 90 days after the end of each fiscal year of the Partnership, or such shorter period as may be practical in the circumstances, the General Partner shall prepare and make available to each Limited Partner tax information to enable each Limited Partner or former Limited Partner to properly complete and file his, her or its tax returns in Canada in relation to his, her or its investment in Units.

On or before the last day of March in the year following each fiscal year of the Partnership, the General Partner will file a tax information return in prescribed form in respect of the activities of the Partnership. In the event that the Partnership dissolves, the General Partner will file such tax information return within 90 days of the dissolution of the Partnership.

11.4 Interim Financial Statements

Within 60 days of the end of the relevant period, the General Partner shall prepare and make available to each Limited Partner, unless the Limited Partner has elected otherwise, unaudited financial statements for the first six months of each fiscal year as the General Partner deems relevant and as may be required by applicable securities legislation.

11.5 Monthly Net Asset Value Information

Upon request, the General Partner shall forward to each Limited Partner monthly information respecting the Net Asset Value per Unit of Units calculated on a Valuation Date held by such Limited Partner within 30 days after the end of such Valuation Date.

11.6 Electronic Delivery of Documents

Except where otherwise required by applicable law, the General Partner may deliver all financial statements and other reports to Limited Partners electronically.

ARTICLE 12 – DURATION AND TERMINATION OF PARTNERSHIP

12.1 Dissolution of the Partnership

Notwithstanding any rule of law or equity to the contrary, the Partnership shall be dissolved only in the manner provided for in this Section 12.1 and each Limited Partner expressly waives his, her or its right to dissolve the Partnership or obtain dissolution in any way other than in the manner provided in this Section. For greater certainty, but without limiting the generality of the foregoing, the Partnership shall continue notwithstanding the withdrawal, expulsion, death or insolvency of any Limited Partner. The Partnership shall be dissolved upon the earlier of:

- (a) a date specified by the General Partner, which date shall not be less than 30 days following the date on which the General Partner gives notice in writing to each Limited Partner of such dissolution of the Partnership; and
- (b) the date which is 60 days following the removal of the General Partner pursuant to Section 10.2, unless a new General Partner is appointed prior to such date.

12.2 Liquidation of Assets

- (a) In the event of the removal of the General Partner where no replacement is appointed within 60 days, and if the Manager shall have resigned or been terminated, the Limited Partner holding Units with the single largest aggregate Net Asset Value may, with the consent of any other Limited Partners holding Units (including Units held by the first mentioned Limited Partner) with an aggregate Net Asset Value of not less than 20% of the Net Asset Value of the Partnership, immediately appoint an interim investment adviser who shall administer the investments of the Partnership. Such interim investment adviser shall have all the powers of the General Partner and of the Manager provided for hereunder and under the Management Agreement for the sole purpose of causing the orderly winding up of the Partnership's assets and obligations. A special meeting of Limited Partners may also be called and held as soon as is practicable in order to appoint a transition committee (made up of Limited Partners or their nominees) with the mandate to cause the orderly unwinding of the Partnership's assets and obligations. Any investment adviser, and every member of a transition committee, appointed hereunder shall be indemnified and held harmless by the Partnership for all actions, claims, costs, demands, losses, damages and expenses incurred by such person(s) in their capacity as investment adviser or transition committee member, as the case may be, pursuant to this Agreement.
- (b) In the event of the dissolution of the Partnership, the General Partner (or investment adviser or committee authorized by subsection 12.2(a)) shall wind up the affairs of the Partnership and the assets of the Partnership shall be liquidated and other security positions unwound in an orderly and prudent manner in anticipation of such dissolution in accordance with the provisions of this Agreement and the Act. The General Partner (or investment adviser or committee

authorized by subsection 12.2(a)) shall have full right and unlimited discretion to determine the time, manner and terms of any sale or sales of Partnership assets pursuant to such liquidation having due regard to the activity and condition of the relevant market and general financial and economic conditions.

12.3 Distribution of Proceeds of Liquidation

The General Partner (or investment adviser or committee authorized by subsection 12.2(a)) shall distribute the net proceeds from liquidation of the Partnership in the following order:

- (a) to pay the expenses of liquidation and the debts and liabilities of the Partnership (including accrued fees, if any) or to make due provision for payment thereof;
- (b) to set up any reserves that the General Partner (or investment adviser or committee authorized by subsection 12.2(a)) may reasonably deem necessary for any contingent or unforeseen liability or obligation of the Partnership. The General Partner (or investment adviser or committee authorized by subsection 12.2(a)) may select a trust company to act as trustee in lieu of the General Partner and shall pay over to such trustee the reserve to be held by that institution for the purpose of disbursing such reserve in payment of any of the contingencies and to distribute the balance remaining, after the expiration of whatever period the General Partner (or investment adviser or committee authorized by subsection 12.2(a)) in its discretion deems reasonable, in the manner hereinafter set forth;
- (c) to pay to the Limited Partners the Net Asset Value of any of their Units that remain outstanding; and
- (d) to pay the balance, if any, to the General Partner.

Any assets that cannot be converted to cash may be distributed in kind.

12.4 Return of Capital

No Partner shall have any right to demand or receive property, other than upon dissolution and termination of the Partnership, or to demand the return of his, her or its original capital contribution to the Partnership, except in accordance with the terms of this Agreement.

12.5 Termination

Upon completion of the liquidation of the Partnership and the distribution of all Partnership funds, the Partnership shall terminate and the General Partner (or investment adviser or committee authorized by subsection 12.2(a)) shall have the authority to execute and file all documents as may be required to effect the dissolution and termination of the Partnership.

ARTICLE 13 - AMENDMENT OF AGREEMENT

13.1 Amendment by General Partner

The General Partner may, without prior notice to or consent from any Limited Partner, amend this Agreement (including Schedule "A"):

- (a) to create additional classes of Units and set the terms thereof;
- (b) to protect the interests of the Limited Partners, if necessary;
- (c) to cure any ambiguity or clerical error or to correct or supplement any provision contained herein that may be defective or inconsistent with any other provision if such amendment does not and shall not in any manner adversely affect the interests of any Limited Partner as a Limited Partner;
- (d) to reflect any changes to any applicable legislation; or
- (e) in any other manner provided that such amendment does not and shall not adversely affect the interests of any existing Limited Partner as a Limited Partner in any material manner.

The General Partner shall provide Limited Partners with a copy of any amendment to this Agreement made pursuant to this Section 13.1, together with a written explanation of the reasons for such amendment, within a reasonable period of time following the amendment.

13.2 Amendment and Other Changes by Resolution or Notice

- (a) This Agreement may be amended, which for greater certainty does not include any Amendment as described in Section 13.1, at any time by:
 - (i) the General Partner with the consent of the Limited Partners given by Resolution; or
 - (ii) the General Partner without the consent of the Limited Partners provided the Limited Partners are given not less than 60 days' written notice prior to the effective date of the amendment (together with a copy of the amendment and an explanation of the reasons for the amendment), and each Limited Partner is given the opportunity to redeem all of such Limited Partner's Units prior to the effective date of such amendment (in such event the General Partner shall be deemed to have waived, to the extent necessary, any lock-up and notice periods, and to have waived any redemption deductions for Units that are redeemed in the specified period).
- (b) The General Partner may, with consent of, or prior notice to, the Limited Partners following the procedures set out in paragraph 13.2(a)(i) or 13.2(a)(ii):

- (i) make an election under subsection 98(3) or under any other section or subsection of the Tax Act and under any analogous provincial legislation in connection with the dissolution of the Partnership;
- (ii) approve or disapprove the sale or exchange of all or substantially all the property and assets of the Partnership; or
- (iii) amend or rescind any Resolution.

ARTICLE 14 - NOTICES

14.1 Notices

Except as otherwise provided in this Agreement, any notice, direction, demand, request or document required or permitted to be given by any party to any other party pursuant to any provision of this Agreement shall be in writing and deemed to have been sufficiently given if delivered, sent by prepaid ordinary mail or sent by electronic means (where permitted by applicable securities legislation) addressed to the other party's address as shown below:

- (a) the General Partner at (i) 1133 Yonge Street, Suite 603, Toronto, Ontario, M4T 2Y7 or (ii) mtorokvei@waypointinvestmentpartners.com, or to such other address or e-mail address as the General Partner may notify the Limited Partners, and
- (b) each Limited Partner, to the address or e-mail address of such Limited Partner as it appears in such Limited Partner's subscription agreement with the Partnership, or to such other address as a Limited Partner may from time to time notify the General Partner or the registrar and transfer agent of the Partnership.

Any such notice (except notice of a meeting of Limited Partners), direction, request or document shall conclusively be deemed to have been received by any such party, (i) if delivered, on the date of delivery (ii) if sent by prepaid ordinary mail, on the fifth business day following the mailing thereof to the party or to an officer of the party to whom it is addressed or (iii) if sent by electronic means, on the next business day after it was sent. For such purposes no day during which there is an actual or imminent strike or other occurrence which shall interfere with normal mail service shall be considered a day. Any notice of a meeting of Limited Partners shall be deemed to have been given on the date on which it was mailed or otherwise sent. Accidental omission to give any notice or communication or to make any payment or demand required or permitted to be given or made under this Agreement to any Limited Partner shall not affect the validity of such notice, communication, payment or demand to the other Limited Partners, nor the consequence resulting or being effected therefrom.

ARTICLE 15 - GENERAL

15.1 Competing Interest

Each Partner is entitled, without the consent of the other Partners, to engage in or possess an interest in other business ventures of every nature and description, independently or with others, including but not limited to any business of the same nature as, and in competition with, that of the Partnership, and is not liable to account to the other Partners therefor.

15.2 Transactions Involving Affiliates

Any service provider appointed pursuant to Section 7.1 or otherwise may be an Affiliate of the General Partner, and the General Partner and the Partnership may enter into and conduct transactions with Affiliates. The validity of any transaction, agreement or payment involving the Partnership and such Affiliate otherwise permitted by the terms of this Agreement shall not be affected solely by reason of the relationship between the General Partner and such Affiliate.

15.3 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and each Limited Partner irrevocably attorns to the jurisdiction of the courts of the Province of Ontario.

15.4 Severability

Each provision of this Agreement is intended to be severable and if any provision is illegal or invalid, such illegality or invalidity shall not affect the validity of this Agreement or the remaining provisions and the remainder of this Agreement shall remain in full force to the extent permitted by law.

15.5 Counterparts

This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. This Agreement may also be adopted in any subscription form or similar instrument signed by a Limited Partner, with the same effect as if such Limited Partner had executed a counterpart of this Agreement. All counterparts and adopting instruments shall be construed together and shall constitute one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

15.6 Time

Time shall be of the essence hereof.

15.7 Further Assurances

The parties hereto agree to execute and deliver such further and other documents and perform and cause to be performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof.

15.8 Assignment

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

[the rest of this page has been intentionally left blank]

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

CHESSWOOD CANADIAN ABS GP INC., as
General Partner

By: “Max Torokvei”
Max Torokvei
Director

AXIS HOLDINGS LTD., as Initial Limited
Partner

By: “Max Torokvei”
Max Torokvei
Director

By executing this Limited Partnership Agreement, the Initial Limited Partner acknowledges herein that he/she/it has been given the opportunity to obtain independent legal advice and has either done so or chosen not to obtain such advice.

CHESSWOOD CANADIAN ABS GP INC., on
behalf of the additional Limited Partners

By: “Max Torokvei”
Max Torokvei
Director

Schedule “A”

to the Amended and Restated Limited Partnership Agreement (the “Agreement”) of Chesswood Canadian Asset-Backed Credit Fund LP (the “Partnership”) dated as of January 2, 2024

Capitalized terms used but not defined in this Schedule “A” or the Agreement shall have the meaning assigned in the most recent Offering Memorandum.

Effective Date: January 2, 2024

Class A Units

Notice period, minimum holding (lock-up) periods and other conditions of redemption per subsection 5.1(c):

Limited Partners wishing to tender their Units to a repurchase offer must deliver a repurchase tender form in the form determined by the General Partner to the Partnership by no later than the first business day of the calendar month preceding the applicable Repurchase Pricing Date (the “**Repurchase Request Deadline Date**”). The Manager reserves the right, but shall not be obligated to, change the Repurchase Request Deadline Date to a date that is later than the first business day of the calendar month preceding a Repurchase Pricing Date in circumstances where it would not be to the detriment of the Partnership to do so.

Redemption deduction per subsection 5.3(b):

If Class A Units are tendered for purchase within one year of their issue, there will be deducted from the repurchase proceeds otherwise payable thereon an amount equal to 5% of the Net Asset Value of such Units. The Manager reserves the right, but shall not be obligated, to waive this deduction at any time and from time to time.

Redemption fee per subsection 5.3(c):

Not applicable.

Fees payable to Manager per subsection 7.2(a):

As set out in the Management Agreement.

Other unique features:

As set out in the Offering Memorandum.

Class F Units

Notice period, minimum holding (lock-up) periods and other conditions of redemption per subsection 5.1(c):

Limited Partners wishing to tender their Units to a repurchase offer must deliver a repurchase tender form in the form determined by the General Partner to the Partnership by no later than the first business day of the calendar month preceding the applicable Repurchase Pricing Date (the “**Repurchase Request Deadline Date**”). The Manager reserves the right, but shall not be obligated to, change the

	Repurchase Request Deadline Date to a date that is later than the first business day of the calendar month preceding a Repurchase Pricing Date in circumstances where it would not be to the detriment of the Partnership to do so.
Redemption deduction per subsection 5.3(b):	If Class F Units are tendered for purchase within one year of their issue, there will be deducted from the repurchase proceeds otherwise payable thereon an amount equal to 5% of the Net Asset Value of such Units. The Manager reserves the right, but shall not be obligated, to waive this deduction at any time and from time to time.
Redemption fee per subsection 5.3(c):	Not applicable.
Fees payable to Manager per subsection 7.2(a):	As set out in the Management Agreement.
Other unique features:	As set out in the Offering Memorandum.

Class C Units

Notice period, minimum holding (lock-up) periods and other conditions of redemption per subsection 5.1(c):	Limited Partners wishing to tender their Units to a repurchase offer must deliver a repurchase tender form in the form determined by the General Partner to the Partnership by no later than the first business day of the calendar month preceding the applicable Repurchase Pricing Date (the “ Repurchase Request Deadline Date ”). The Manager reserves the right, but shall not be obligated to, change the Repurchase Request Deadline Date to a date that is later than the first business day of the calendar month preceding a Repurchase Pricing Date in circumstances where it would not be to the detriment of the Partnership to do so.
Redemption deduction per subsection 5.3(b):	Nil.
Redemption fee per subsection 5.3(c):	Nil.
Fees payable to Manager per subsection 7.2(a):	Nil.
Other unique features:	As set out in the Offering Memorandum.

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