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TERA CAPITAL GLOBAL INNOVATION LP  
(formerly named "Tera Capital Limited Partnership 2")  
AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT  
dated as of the  
24<sup>th</sup> day of July, 2019

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TABLE OF CONTENTS

<u>SUBJECT</u>	<u>PAGE</u>
ARTICLE 1. - INTERPRETATION .....	Page 1
1.1 - Definitions .....	Page 1
1.2 - Headings .....	Page 3
1.3 - Interpretation .....	Page 4
1.4 - Currency .....	Page 4
1.5 - Schedules .....	Page 4
ARTICLE 2. - RELATIONSHIP BETWEEN PARTNERS .....	Page 4
2.1 - Formation of Partnership .....	Page 4
2.2 - Business of the Partnership .....	Page 4
2.3 - Investment Objective .....	Page 5
2.4 - Investment Strategies .....	Page 5
2.5 - Investment Policies and Restrictions .....	Page 5
2.6 - Business in Other Jurisdictions .....	Page 7
2.7 - Office of the Partnership .....	Page 7
2.8 - Fiscal Year .....	Page 7
2.9 - Status of Partners .....	Page 7
2.10 - Survival of Representations, Warranties and Covenants .....	Page 8
2.11 - Evidence of Status and Redemption of Units .....	Page 8
2.12 - Limitation on Authority of Limited Partners .....	Page 9
2.13 - Powers of Attorney .....	Page 9
2.14 - Limited Liability of Limited Partners .....	Page 10
2.15 - Indemnity of Limited Partners .....	Page 10
2.16 - Compliance with Laws .....	Page 10
2.17 - Limitation on Activities of General Partner .....	Page 11
2.18 - General Partner May Hold Units .....	Page 11
2.19 - General Partner as a Limited Partner .....	Page 11
2.20 - Other Activities of Partners .....	Page 11
ARTICLE 3. - UNITS .....	Page 11
3.1 - The Units .....	Page 11
3.2 - Nature of Units .....	Page 11
3.3 - Offering of Units .....	Page 11
3.4 - Terms of Offering .....	Page 11
3.5 - Subscription for Units .....	Page 11
3.6 - Subscription Price .....	Page 12
3.7 - Acceptance of Subscription Agreement by General Partner .....	Page 12
3.8 - Maximum Number of Units .....	Page 12
3.9 - Admittance as Limited Partner .....	Page 12
3.10 - Payment on Closing .....	Page 12
3.11 - Payment of Expenses .....	Page 12
3.12 - Effective Date .....	Page 12
3.13 - Register of Limited Partners .....	Page 13
3.14 - Changes in Membership of Partnership or Information Concerning Limited Partners .....	Page 13
3.15 - Notice of Change to General Partner .....	Page 13
3.16 - Amendment of Record of Partnership Upon Notice .....	Page 13
3.17 - Inspection of Register .....	Page 13

TABLE OF CONTENTS

<u>SUBJECT</u>	<u>PAGE</u>
3.18 - Transfer of Units .....	Page 13
3.19 - Form of Transfer .....	Page 14
3.20 - Additional Documentation on Transfer .....	Page 14
3.21 - Amendment of Record and Declaration of Partnership .....	Page 14
3.22 - Non-Recognition of Trusts or Beneficial Interests .....	Page 14
3.23 - Incapacity, Death, Insolvency or Bankruptcy .....	Page 14
3.24 - Transfer of Fractions .....	Page 14
3.25 - No Transfer upon Dissolution .....	Page 15
3.26 - Pledge of a Unit .....	Page 15
3.27 - Unit Certificates .....	Page 15
3.28 - Valuation of Units .....	Page 15
3.29 - Valuation Rules .....	Page 15
ARTICLE 4. - CAPITAL CONTRIBUTIONS AND ACCOUNTS .....	Page 16
4.1 - Capital .....	Page 16
4.2 - General Partner Contribution .....	Page 17
4.3 - Initial Limited Partner Contribution .....	Page 17
4.4 - Limited Partner Contributions .....	Page 17
4.5 - Separate Capital Accounts .....	Page 17
4.6 - No Interest on Capital Account .....	Page 17
ARTICLE 5. - PARTICIPATION IN PROFITS AND LOSSES .....	Page 17
5.1 - Expenses of the Partnership .....	Page 17
5.2 - General Partner's Entitlement .....	Page 18
5.3 - Allocation of Net Income .....	Page 18
5.4 - Distributions.....	Page 18
5.5 - Allocation of Losses .....	Page 18
5.6 - Allocation of Net Income and Losses for Tax Purposes .....	Page 18
5.7 - Repayments .....	Page 18
ARTICLE 6. - WITHDRAWAL AND REDEMPTION .....	Page 19
6.1 - Withdrawal .....	Page 19
6.2 - Right to Redeem .....	Page 19
6.3 - Redemption Price and Payment .....	Page 19
6.4 - Suspension of Redemption Right .....	Page 19
6.5 - Purchase for Cancellation .....	Page 20
ARTICLE 7. - POWERS, DUTIES AND OBLIGATIONS OF GENERAL PARTNER .....	Page 20
7.1 - Powers, Duties and Obligations .....	Page 20
7.2 - Specific Powers and Duties .....	Page 20
7.3 - Loan From General Partner and Others .....	Page 22
7.4 - Title to Property .....	Page 22
7.5 - Exercise of Duties .....	Page 22
7.6 - Limitation of Liability .....	Page 22
7.7 - Indemnity of General Partner .....	Page 22
7.8 - Indemnity of Partnership .....	Page 23
7.9 - Restrictions upon the General Partner .....	Page 23
7.10 - Employment of an Affiliate or Associate .....	Page 23

TABLE OF CONTENTS

<u>SUBJECT</u>	<u>PAGE</u>
7.11 - Removal of General Partner . . . . .	Page 23
7.12 - Voluntary Change of a General Partner . . . . .	Page 24
7.13 - Condition Precedent . . . . .	Page 24
7.14 - Transfer to New General Partner . . . . .	Page 24
7.15 - Transfer of Title to New General Partner . . . . .	Page 24
7.16 - Release by Partnership . . . . .	Page 24
7.17 - New General Partner . . . . .	Page 24
7.18 - Transfer of General Partner Interest . . . . .	Page 24
ARTICLE 8. - FINANCIAL INFORMATION . . . . .	Page 25
8.1 - Books and Records . . . . .	Page 25
8.2 - Income Tax Information . . . . .	Page 25
8.3 - Accounting Policies . . . . .	Page 25
8.4 - Appointment of Auditor . . . . .	Page 25
8.5 - Financial Statements and Information . . . . .	Page 25
ARTICLE 9. - MEETINGS OF THE LIMITED PARTNERS . . . . .	Page 26
9.1 - Requisitions of Meetings . . . . .	Page 26
9.2 - Place of Meeting . . . . .	Page 26
9.3 - Notice of Meeting . . . . .	Page 26
9.4 - Record Dates . . . . .	Page 26
9.5 - Information Circular . . . . .	Page 26
9.6 - Proxies . . . . .	Page 26
9.7 - Validity of Proxies . . . . .	Page 26
9.8 - Form of Proxy . . . . .	Page 27
9.9 - Revocation of Proxy . . . . .	Page 27
9.10 - Corporations . . . . .	Page 27
9.11 - Attendance of Others . . . . .	Page 27
9.12 - Chairman . . . . .	Page 27
9.13 - Quorum . . . . .	Page 27
9.14 - Voting . . . . .	Page 27
9.15 - Poll . . . . .	Page 28
9.16 - Powers of Limited Partners, Resolutions Binding . . . . .	Page 28
9.17 - Powers Exercisable by Extraordinary Resolution . . . . .	Page 28
9.18 - Conditions to Action by Limited Partners . . . . .	Page 28
9.19 - Minutes . . . . .	Page 29
9.20 - Additional Rules and Procedures . . . . .	Page 29
9.21 - Signed Instruments . . . . .	Page 29
ARTICLE 10. - NOTICES . . . . .	Page 29
10.1 - Notice . . . . .	Page 29
10.2 - Change of Address . . . . .	Page 29
10.3 - Failure to Give Notice . . . . .	Page 29
10.4 - Disruption in Mail . . . . .	Page 30
10.5 - Receipt of Notice . . . . .	Page 30
10.6 - Undelivered Notices . . . . .	Page 30

ARTICLE 11. - DISSOLUTION AND LIQUIDATION .....	Page 30
11.1 - Events of Dissolution .....	Page 30
11.2 - No Dissolution .....	Page 30
11.3 - Procedure on Dissolution .....	Page 30
11.4 - Dissolution .....	Page 31
11.5 - No Right to Dissolve .....	Page 31
11.6 - Agreement Continues .....	Page 31
ARTICLE 12. - AMENDMENT .....	Page 31
12.1 - Power to Amend .....	Page 31
12.2 - Non-Material Amendments .....	Page 31
12.3 - Notice of Amendments .....	Page 32
ARTICLE 13. - MISCELLANEOUS .....	Page 32
13.1 - Binding Agreement .....	Page 32
13.2 - Time .....	Page 32
13.3 - Counterparts .....	Page 32
13.4 - Governing Law .....	Page 32
13.5 - Severability .....	Page 33
13.6 - Further Acts .....	Page 33
13.7 - Limited Partner Not a General Partner .....	Page 33
13.8 - Language of Agreement .....	Page 33

## TERA CAPITAL GLOBAL INNOVATION LP

(formerly named "Tera Capital Limited Partnership 2")

### AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

**THIS AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT** dated as of the 24<sup>th</sup> day of July, 2018, and made among TERA CAPITAL G.P. No. 2 LIMITED, a corporation incorporated under the laws of the Province of Ontario, as General Partner, TERA CAPITAL CORPORATION, a corporation incorporated under the laws of Ontario, as Initial Limited Partner, and each Person who is admitted to the Partnership as a limited partner in accordance with the provisions hereof, amends and restates the limited partnership agreement originally made among the parties as of the 29<sup>th</sup> day of December, 1997 and previously amended by the parties as of the 1<sup>st</sup> day of January, 2005, the 7<sup>th</sup> day of June, 2008, the 10<sup>th</sup> of May 2013 and the 1<sup>st</sup> day of March, 2018.

#### WHEREAS:

- A. the Partnership was formed under the name "Tera Capital Limited Partnership 2" to invest in certain opportunities as more particularly described herein, and the name of the Partnership has been changed to "Tera Capital Global Innovation LP" to better reflect the purpose, objectives and strategy of the Partnership;
- B. the General Partner has assumed the obligations and liabilities as General Partner of the Partnership;
- C. the Partnership will offer Units for sale and may admit Subscribers for Units as Limited Partners;
- D. the General Partner engaged Tera Capital Corporation (which was the Initial Limited Partner), a corporation incorporated under the *Business Corporations Act* (Ontario), and registered as a portfolio manager and an exempt market dealer under the *Securities Act* (Ontario), to act as Manager of the Partnership pursuant to an amended and restated management agreement made as of February 15, 2010;
- E. pursuant to the provisions of Section 12.2 of this Agreement, the General Partner may, without prior notice to or consent from any Limited Partner, amend from time to time any provision of this Agreement, to (among other things):
  - (i) bring the Partnership Agreement into conformity with Applicable Securities Law or with current practice within the securities industry, provided that any such amendment does not adversely affect the pecuniary value of the interest of any Limited Partner;
  - (i) provide added protection to Limited Partners; or
  - (j) amend or add any provision which is, in the opinion of counsel to the Partnership, for the protection or benefit of Limited Partners or of the Partnership or to cure any ambiguity or to correct or supplement any provisions contained herein which may be defective or inconsistent with any other provision contained herein and the cure, correction or supplemental provision does not and will not, in the opinion of counsel to the Partnership, adversely affect the interest of any Limited Partner;
- F. the General Partner has considered the provisions hereof and has concluded that the amendments to sections 1.1, 1.5, 3.1, 3.2, 3.5, 3.11, 3.27, 3.28, 6.2, 6.3, 6.4 and 8.5 of this Agreement, and adding a new Schedule B, as herein provided, are for the purposes above recited and accordingly do not require prior notice to or consent from any Limited Partner; and
- G. it is desired to amend this Agreement in accordance with the foregoing;

**NOW THEREFORE THIS AGREEMENT WITNESSES THAT IN CONSIDERATION** of the covenants and agreements contained in this Agreement, the Partners agree with each other as follows:

#### ARTICLE 1. - INTERPRETATION

##### 1.1 - Definitions.

In this Agreement, the following words have the following meanings:

"**Act**" means the *Limited Partnerships Act* (Ontario).

"**Affiliate**" has the same meaning as in the *Securities Act* (Ontario).

"**Agreement**" means this Amended and Restated Limited Partnership Agreement.

"**Associate**" where used to indicate a relationship with any Person has the same meaning as in the *Securities Act* (Ontario).

"**Applicable Securities Law**" means the *Securities Act* (Ontario) and regulations made thereunder, similar legislation of other Canadian jurisdictions to the extent applicable to the Partnership, and all applicable rules or instruments of the Canadian Securities Administrators adopted pursuant to any such legislation.

"**Auditor**" means such nationally recognized member in good standing of the Canadian Institute of Chartered Accountants as is appointed by the General Partner.

"**Capital Contribution**" means the total amount paid or agreed to be paid to the Partnership by each Limited Partner in respect of Units subscribed for by such Limited Partner.

"**Closing**" means a closing of the issuance of Units on a Closing Date.

**"Closing Date"** means a date upon which a Closing occurs which means such date(s) as may be selected by the General Partner.

**"Declaration"** means the declaration of limited partnership for the Partnership filed under the Act and all amendments thereto and renewals or replacements thereof required under the Act.

**"Extraordinary Resolution"** means

- (i) a resolution approved by at least 66 2/3% of the votes cast by those Partners who vote, and who are entitled to vote, in person or by proxy at a duly constituted meeting of Partners or at any adjournment thereof, called in accordance with this Agreement; or
- (ii) a written resolution in one or more counterparts signed by Partners holding in the aggregate at least 66 2/3 % of the aggregate number of Units held by those Partners who are entitled to vote on such a resolution at a meeting.

**"Fiscal Quarter"** has the meaning set forth in Section 2.8.

**"Fiscal Quarter Date"** means the last day of each Fiscal Quarter.

**"Fiscal Year"** has the meaning set forth in Section 2.8.

**"General Partner"** means the general partner of the Partnership, the first general partner being Tera Capital G.P. No. 2 Limited and any Person who is admitted to the Partnership as a successor to the General Partner.

**"Holding Body Corporate"** has the same meaning as in the *Business Corporations Act* (Ontario).

**"Initial Limited Partner"** means Tera Capital Corporation.

**"Limited Partner"** means any Person who is or shall become a limited partner of the Partnership and includes the Initial Limited Partner and, for greater certainty, any Person who is a transferee of Units of the Partnership.

**"Manager"** means Tera Capital Corporation, or such other manager as may from time to time be appointed by the General Partner to assist the General Partner in endeavoring to invest the Partnership's assets in accordance with the Partnership's investment strategy and Investment Guidelines, all as set forth in this Agreement, and without limitation, to

- (a) be responsible for the management, supervision and administration of the Partnership;
- (b) provide the Partnership with administrative services and facilities, accounting, clerical, investment research, statistical services, portfolio supervision, valuation and preparation of reports;
- (c) be responsible for making all purchases and sales of Partnership investments and for the necessary brokerage arrangements relating thereto, and in the purchase and sale of securities for the Partnership, the Manager shall seek to obtain overall services and prompt execution of orders on favourable terms; and
- (d) identify, analyze and select investment opportunities and structure and negotiate prospective investments.

**"Month End Date"** means the last day of each calendar month.

**"Net Asset Value"** means (i) with respect to the Partnership, the amount obtained by subtracting the aggregate value of the Partnership's liabilities from the aggregate value of its assets, determined in accordance with Section 3.29; and (ii) with respect to a class or series of Units, the amount calculated pursuant to subsection 3.2(g);

**"Net Asset Value Per Unit"** means (i) where there is only one class and series of Units, the Net Asset Value of the Partnership, divided by the number of outstanding Units determined before giving effect to any redemptions or issuances of Units or payments of fees to the General Partner to be implemented as of the time of valuation; and (ii) where there is more than one class or series of Units, the amount calculated pursuant to subsection 3.2 (g).

**"Ordinary Resolution"** means:

- (i) a resolution approved by more than 50% of the votes cast by those Partners who vote, and who are entitled to vote, in person or by proxy at a duly constituted meeting of Partners or at any adjournment thereof, called in accordance with this Agreement; or
- (ii) a written resolution in one or more counterparts signed by Partners holding in the aggregate more than 50% of the aggregate number of Units held by those Partners who are entitled to vote on such a resolution at a meeting.

**"Partners"** means the General Partner and the Limited Partners and **"Partner"** means any one of them.

**"Partnership"** means the partnership governed hereby, named Tera Capital Global Innovation LP, and formerly named "Tera Capital Limited Partnership 2" formed under the laws of the Province of Ontario as a limited partnership upon the filing of the Declaration under the Act.

**"Person"** means an individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted.

**"Record"** means the record of the Limited Partners which the General Partner is required by the Act to maintain.

**"Register"** means the register of Limited Partners maintained by the General Partner or the Registrar and Transfer Agent in accordance with Section 3.13.

**"Registrar and Transfer Agent"** means the registrar and transfer agent of the Units appointed pursuant to Section 3.13 hereof, or, if no such registrar and transfer agent is appointed, the General Partner.

**"Requisitioning Partners"** has the meaning set forth in Section 9.1.

**"Responsible Person"** means, with respect to the Manager, a "responsible person" as defined in Section 13.5 of National Instrument 31-103 of the Canadian Securities Administrators (as such instrument is amended from time to time).

**"Side Pocket Unit"** means a Unit designated as a Side Pocket Unit, as described in Schedule B hereto.

**"Subscriber"** means a subscriber for Units.

**"Subscription Agreement"** means a subscription agreement in a form to be established and approved by the General Partner, as the same may be revised and amended by the General Partner from time to time.

**"Transfer Form"** means a transfer and power of attorney in a form to be established and approved by the General Partner, as the same may be revised and amended by the General Partner from time to time.

**"Unit"** means the interest of a Limited Partner in the Partnership as set forth in Section 3.1.

## 1.2 - Headings.

In this Agreement, the headings are for convenience of reference only, do not form a part of this Agreement and are not to be considered in the interpretation of this Agreement.

## 1.3 - Interpretation.

In this Agreement,

- (a) words importing the masculine gender include the feminine and neuter genders, corporations, partnerships and other Persons, and words in the singular include the plural, and vice versa, wherever the context requires;
- (b) all references to designated Articles, Sections and other subdivisions are to the designated Articles, Sections and other subdivisions of this Agreement;
- (c) all accounting terms not otherwise defined will have the meanings assigned to them by, and all computations to be made will be made in accordance with, generally accepted accounting principles in Canada (or applicable international financial reporting standards) from time to time;
- (d) any reference to a statute will include and will be deemed to be a reference to the regulations made pursuant to it, and to all amendments made to the statute and regulations in force from time to time, and to any statute or regulations that may be passed which has the effect of supplementing or superseding the statute referred to or the relevant regulations;
- (e) any reference to a Person will include and will be deemed to be a reference to any Person that is a successor to that Person;
- (f) business days will be deemed to be a reference to any day which is not a Saturday, Sunday or a day which is generally observed as a holiday in Ontario; and
- (g) **"hereof"**, **"hereto"**, **"herein"**, and **"hereunder"** mean and refer to this Agreement and not to any particular Article, Section or other subdivision.

#### **1.4 - Currency.**

All references to currency herein are references to lawful money of the Canada unless otherwise indicated herein.

#### **1.5 - Schedules.**

The following schedules are annexed to and form part of this Agreement:

Schedule A	Management Fees
Schedule B	Classes of Units

### **ARTICLE 2. - RELATIONSHIP BETWEEN PARTNERS**

#### **2.1 - Formation of Partnership.**

The General Partner and the Limited Partners acknowledge and confirm that the Partnership was formed as a limited partnership in accordance with the laws of the Province of Ontario and the provisions of this Agreement to carry on business in common with a view to profit under the firm name and style of "Tera Capital Limited Partnership 2" or any other name or names as the General Partner may determine from time to time, and that such name has been changed by the General Partner to "Tera Capital Global Innovation LP" to better reflect the purpose, objectives and strategy of the Partnership. The Partnership became a limited partnership on December 29, 1997, the date of filing the Declaration.

#### **2.2 - Business of the Partnership.**

The Partnership shall seek to achieve the investment objectives set out below and to that end the business of the Partnership shall consist solely of:

- (a) trading or investing in securities and financial instruments pursuant to the Partnership's investment objective and strategies, subject to the Partnership's investment policies and restrictions (as those investment objective, strategies, policies and restrictions are defined or described in Sections 2.3, 2.4 and 2.5, respectively);

- (b) temporarily holding cash for the purposes of paying the expenses of the Partnership, paying amounts payable by the Partnership in connection with redemptions to Limited Partners; and
- (c) doing all acts and things necessary or advisable to give effect to the Partnership's business as described in this Agreement.

### **2.3 - Investment Objective.**

The principal investment objective of the Partnership is to achieve superior returns by profiting from investment opportunities identified by the General Partner.

### **2.4 - Investment Strategies.**

The Partnership will employ a variety of investment strategies to take advantage of profitable opportunities in the capital markets. Strategies that may be used by the General Partner include:

- (a) investment in securities that the General Partner believes offer high return opportunities and that may be higher risk in nature, issued by any issuer, whether private or public, that is
  - (i) applying innovative science and applications, including, but not limited to, technology services, application software, networking and media equipment, hardware technology, peripherals, specialized systems, material science and semiconductors, and
  - (ii) engaged in diverse industries, including, but not limited to, clean energy (solar, wind, geothermal), oil and gas, energy, agriculture, finance, heavy industry, distribution, broadcast/media and high technology applications;
- (b) selling short securities;
- (c) investing in risk arbitrage opportunities whereby the Partnership will invest in and trade in equity securities or convertible securities of entities which are the object of take-over bids, amalgamation, recapitalization, restructuring or other corporate reorganizations; and

The General Partner may in its discretion use all, one or any combination of the above strategies depending on market conditions.

### **2.5 - Investment Policies and Restrictions.**

The General Partner shall follow the following investment policies and restrictions in implementing the investment objectives and strategies of the Partnership:

- (a) No more than 15% of the Partnership's aggregate net assets will be invested at cost in any single issuer, other than government securities or any instruments thereof or index securities.
- (b) The Partnership may use financial leverage on its investment to seek to increase the rate of return on its investments. Margin used will be in accordance with the rules of The Investment Industry Regulatory Organization of Canada (IIROC).
- (c) In order to reduce currency risks where the Partnership invests in significant transactions denominated in currencies other than Canadian dollars, the Partnership may hedge such currency risks.

- (d) The Partnership will not make or retain an investment in another partnership if any interest in that partnership is a "tax shelter investment" for purposes of the *Income Tax Act* (Canada).
- (e) If the Partnership is a "mutual fund" as defined in the *Securities Act* (Ontario), the Partnership will not knowingly make an investment in any issuer in which the Partnership, alone or together with one or more related mutual funds, owns beneficially, either individually or together or directly or indirectly, voting securities to which are attached more than 20% of the voting rights attached to all the voting securities of the issuer (in this clause, a "substantial investment"), provided however that the General Partner in its discretion may from time to time, consistent with common practice in the venture capital industry, make a substantial investment in an issuer that is not a reporting issuer if each of the following conditions is met:
  - (i) the General Partner determines in good faith, having regard to the best interests of the Partnership and its Limited Partners, that:
    - (A) the investment is consistent with the investment objectives, strategies, policies and restrictions set out in this Agreement, and has the potential for significant positive investment return that outweighs any risk of reduced liquidity resulting from the size of the substantial investment; and
    - (B) the making of a substantial investment in the issuer will help the Partnership maintain greater influence or control over the management and direction of the issuer (including the right to nominate one or more directors of the issuer, which individuals may be related persons of the Partnership and the General Partner), thereby helping ensure that the issuer's actions are consistent with the investment objective and strategies of the Partnership; and
  - (ii) if any exemptive relief from Applicable Securities Law is necessary for the making of the investment, such relief has been obtained and the investment is made in accordance with the terms and conditions set out in the relief order.
- (f) The Partnership may not purchase a security of an issuer in which a Responsible Person, or an associate of a Responsible Person, is a director or officer, except where all of the following circumstances apply:
  - (i) the General Partner identifies an early-stage operating company in any industry (in this clause, a "specified issuer") which the General Partner believes has significant growth prospects and which it believes would constitute a beneficial investment for the Partnership;
  - (ii) the General Partner determines in good faith that it would be in the best interests of the Partnership and its Limited Partners for the Partnership to invest in the specified issuer while a Responsible Person is a director or officer of the specified issuer; and
  - (iii) either the specified issuer is not a reporting issuer in any jurisdiction, or the specified issuer is a reporting issuer and the Responsible Person first became a director or officer (as the case may be) of the specified issuer before the specified issuer became a reporting issuer.

In investing the assets of the Partnership, the General Partner may not:

- a. make or retain investments which render the Units "foreign property" under Part XI of the *Income Tax Act* (Canada) or, if the Partnership is a registered investment within the meaning of such Act, which render it liable to tax under Part XI of such Act; or

- b. enter into any arrangement where the main reason for entering into the arrangement is to enable the Partnership to receive a dividend on such shares in circumstances where, under the arrangement, someone other than the Partnership bears the risk of loss or enjoys the opportunity for gain or profit with respect to such shares in any material respect.

## **2.6 - Business in Other Jurisdictions.**

The Partnership shall not carry on business in any jurisdiction in which, in the opinion of counsel to the Partnership, the laws of that jurisdiction permit the liability of the Limited Partners to be limited upon compliance with such laws to the same extent that such Limited Partners enjoy limited liability under the Act unless the General Partner has taken all steps which may be required by the laws of that jurisdiction for the Limited Partners to benefit from such limited liability.

The Partnership shall carry on business in such a manner as to ensure, to the greatest extent possible, the limited liability of the Limited Partners and the General Partner shall register the Partnership in other jurisdictions where the General Partner considers it is appropriate to do so.

## **2.7 - Office of the Partnership.**

The principal place for transacting the business of the Partnership shall be at 36 Distillery Lane, Suite 440, Toronto, Ontario M5A 3C4, or such other address as the General Partner may designate in writing from time to time to the limited Partners.

## **2.8 - Fiscal Year.**

The first fiscal year of the Partnership shall end on December 31, 1997 and thereafter each fiscal year shall commence on January 1 and end on the earlier of December 31 or the date of dissolution or other termination of the Partnership. Each such fiscal year is herein referred to as a "Fiscal Year", and each three month period ending on the last day of the third, sixth, ninth and twelfth month of the Fiscal Year is herein referred to as a "Fiscal Quarter".

## **2.9 - Status of Partners.**

- (a) The General Partner represents, warrants, covenants and agrees with each Limited Partner that the General Partner:
  - (i) is a corporation incorporated under the laws of the Province of Ontario and is validly subsisting under such laws;
  - (ii) has the capacity and corporate authority to act as a general partner and to perform its obligations under this Agreement, and such obligations do not conflict with nor do they result in a breach of any of its constating documents, by-laws or any agreement by which it is bound;
  - (iii) will not, nor will any Affiliate or Associate of the General Partner, borrow money from the Partnership;
  - (iv) will act in utmost fairness and good faith toward the Limited Partners in the business of the Partnership;
  - (v) holds and shall maintain the registrations necessary for the conduct of its business and has and shall continue to have all licenses and permits necessary to carry on its business as the General Partner of the Partnership in all jurisdictions where the activities of the Partnership require such licensing or other form of registration of the General Partner; and
  - (vi) will devote as much time as is reasonably necessary for the conduct and prudent management of the business and affairs of the Partnership.
- (b) By subscribing for Units, each Subscriber as such, and as a Limited Partner upon acceptance of such Subscriber's subscription, and each transferee, pledgee or hypothecatee of Units upon completion of the transfer,

pledge or hypothecation, severally represents, warrants, covenants and agrees with each other Partner that such Limited Partner, at the time of admission to the Partnership whether by subscription, transfer, pledge, hypothecation, or otherwise:

- (i) has and will have the capacity and competence, and if a corporation, the necessary corporate authority, to enter into this Agreement;
- (ii) is not a "non-resident" of Canada within the meaning of the *Income Tax Act* (Canada) and, if a partnership, is a "Canadian partnership" for the purposes of the *Income Tax Act* (Canada), and is neither a "U.S. person" as defined in Rule 902(o) of Regulation S promulgated under the U.S. *Securities Act* of 1933, as amended nor purchasing Units for the account or benefit of or for resale to such a U.S. person or any Person in the United States;
- (iii) is not a Person an interest in which is a "tax shelter investment" for the purposes of the *Income Tax Act* (Canada); and
- (iv) will not knowingly transfer, pledge or hypothecate his Units in whole or in part to a Person that would not satisfy the foregoing and the requirements of this Agreement governing transfer of Units.

## **2.10 - Survival of Representations, Warranties and Covenants.**

The representations, warranties and covenants made by the General Partner pursuant to Section 2.9(a) above, and made by each Limited Partner pursuant to Section 2.9(b) above and the Subscription Agreement or Transfer Form executed by it, shall survive execution of this Agreement and the Subscription Agreement or Transfer Form respectively.

## **2.11 - Evidence of Status and Redemption of Units.**

Each Limited Partner covenants and agrees that he will upon request, promptly provide evidence to the General Partner that his status under the legislation referred to in Section 2.9(b)(ii) is as represented. In the event that a Limited Partner fails to comply with such a request or in the event that reasonably satisfactory evidence is not provided, or in the event that the General Partner otherwise determines that a Person has become, directly or indirectly, a Limited Partner in contravention of Section 2.9(b)(ii) or (iii), the General Partner, by written notice to such Limited Partner (the "Affected Partner") will require the Affected Partner to redeem all of the Units held by the Affected Partner.

In the event of any such redemption, an Affected Partner shall have the right only to receive the net proceeds therefrom (less any deduction or withholding that may be required under section 116 or any other provision of the *Income Tax Act* (Canada) or any provincial tax legislation) which the Partnership shall pay or cause to be paid to the Affected Partner not later than 60 days following such redemption.

The General Partner shall have the sole right and authority to make any determination required or contemplated under this Section 2.11. The General Partner shall make on a timely basis all determinations necessary for the administration of the provisions of this Section 2.11 and, without limiting the generality of the foregoing, if the General Partner considers that there are reasonable grounds for believing that a contravention of the restrictions contained in Section 2.9(b)(ii) or (iii) has occurred or will occur, the General Partner shall make a determination with respect to the matter. Any such determination shall be conclusive, final and binding except to the extent modified by any subsequent determination by the General Partner.

Notwithstanding anything contained herein, if the General Partner determines that a Person has become a Limited Partner in contravention of Section 2.9(b)(ii) or (iii), such Person shall be deemed to have ceased to be a Limited Partner in respect of the Units held by him or her effective immediately prior to the date of contravention and shall not be entitled to any distributions made by the Partnership on and after such date and such Units shall be deemed not to be outstanding until redeemed; provided that other holders of Units shall not be entitled to any distributions paid in respect of Units that have been so deemed not to be outstanding.

**2.12 - Limitation on Authority of Limited Partners.**

No Limited Partner shall:

- (a) take part in the control or management of the business of the Partnership or exercise any power in connection therewith;
- (b) execute any document which binds or purports to bind any other Partner or the Partnership;
- (c) hold himself out as having the power or authority to bind any other Partner or the Partnership;
- (d) have any authority or power to act for or undertake any obligation or responsibility on behalf of any other Partner or the Partnership;
- (e) bring any action for partition or sale or otherwise in connection with the Partnership, any interest in any property of the Partnership, whether real or personal, tangible or intangible, or register or permit to be filed, registered or remain undischarged any lien or charge in respect of any property of the Partnership; or
- (f) compel or seek a partition, judicial or otherwise, of any of the assets of the Partnership distributed or to be distributed to the Partners in kind in accordance with this Agreement.

**2.13 - Powers of Attorney.**

Each Limited Partner hereby irrevocably nominates, constitutes and appoints the General Partner, with full power of substitution, as his agent and true and lawful attorney to act on his behalf with full power and authority in his name, place and stead to execute and record or file as and where required in the opinion of the General Partner:

- (a) this Agreement, the Declaration, any amendment to this Agreement, the Declaration or the Record and any other instruments or documents required to continue and keep in good standing the Partnership as a limited partnership under the Act, or otherwise to comply with the laws of any jurisdiction in which the Partnership may carry on business or own or lease property in order to maintain the limited liability of the Limited Partners and to comply with the applicable laws of such jurisdiction (including such amendments to the Declaration or the Record as may be necessary to reflect the admission to the Partnership of transferees of Units as contemplated by this Agreement);
- (b) all instruments and any amendments to the Declaration necessary to reflect any amendment to this Agreement;
- (c) any instrument required in connection with the dissolution and termination of the Partnership in accordance with the provisions of this Agreement, including any elections under the *Income Tax Act* (Canada) and under any similar legislation;
- (d) the documents necessary to be filed with the appropriate government body or authority in connection with the business, property, assets and undertaking of the Partnership;
- (e) such documents as may be necessary to give affect to the business of the Partnership as described in Section 2.2;
- (f) the documents on his behalf and in his name as may be necessary to give effect to the sale or assignment of a Unit or to give effect to the admission of a transferee of Units or a new Limited Partner to the Partnership;
- (g) all documents on his behalf and in his name as may be necessary to give effect to a sale of Units pursuant to Section 2.15;
- (h) all other instruments and documents on his behalf and in his 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

- (i) any information return, form of election or determination or similar document or instrument as may be required at any time under the *Income Tax Act* (Canada) and under any similar legislation of the federal or a provincial government which relates to the Partnership or the membership of any Person as a Partner.

To evidence the foregoing, each Limited Partner, in executing a Subscription Agreement, and each transferee of Units, in executing a Transfer Form, will have executed a power of attorney incorporating by reference, ratifying and confirming some or all of the powers set forth above.

The powers of attorney granted herein are irrevocable and are powers coupled with an interest and have been given for valuable consideration, the receipt and adequacy of which is acknowledged, and shall survive any legal incapacity, dissolution, bankruptcy, liquidation or winding-up of a Limited Partner, continue despite the mental incompetence of a Limited Partner, shall survive the death or disability of a Limited Partner and shall survive the transfer or assignment by a Limited Partner of the whole (but only in respect of matters relating to such Person's status as a Limited Partner during the time such Person was a Limited Partner) or any part of the interest of a Limited Partner in the Partnership and extend to the heirs, executors, administrators, successors, transferees, assigns and other legal representatives of a Limited Partner, and may be exercised by the General Partner on behalf of a Limited Partner in executing any instrument by a facsimile signature or by listing the Limited Partners and executing such instrument with a single signature as attorney and agent for all of them, with the indication that it is acting on behalf of all of the Limited Partners. Each Limited Partner agrees to be bound by any representations and actions made or taken by the General Partner pursuant to these powers of attorney and hereby waives any and all defenses which may be available to negate or disaffirm the action of the General Partner taken in good faith under these powers of attorney. In accordance with the *Powers of Attorney Act* (Ontario) and *Substitute Decisions Act* (Ontario), and any comparable legislation in effect in the jurisdiction of residence of a Limited Partner, each Limited Partner declares that these powers of attorney may be exercised during any legal incapacity or mental infirmity on his part. Each Limited Partner agrees that all acts of the General Partner are ratified and approved and directs that the General Partner will be fully and completely indemnified against all claims, actions and costs that may be incurred by or imposed on it in connection with the exercise of these powers of attorney in good faith. Each Limited Partner authorizes the General Partner to delegate to any other person any power or authority granted hereunder, as may be necessary or desirable in the opinion of the General Partner. Such delegation shall be in writing and may be revoked or suspended at any time by the General Partner.

#### **2.14 - Limited Liability of Limited Partners.**

Subject to the provisions of the Act and of similar applicable legislation in Canada, the liability of each Limited Partner for the debts, liabilities and obligations of the Partnership shall be limited to the amount of money he contributes or agrees to contribute to the Partnership, plus his pro rata share of any undistributed income of the Partnership. Following payment of his Capital Contribution a Limited Partner shall not be liable for any further claims or assessments or be required to make further contributions to the Partnership. Where Limited Partners have received the return of all or part of their Capital Contribution, they are nevertheless liable to the Partnership or, where the Partnership is dissolved, to its creditors for any amount, not in excess of the amount returned with interest, necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims otherwise arose before the return of the Capital Contribution.

#### **2.15 - Indemnity of Limited Partners.**

Subject to Section 7.6, the General Partner will indemnify and hold harmless each Limited Partner (including former Limited Partners) for any costs or damages suffered or incurred by the Limited Partner if his liability is not limited in the manner provided for in this Agreement or in the Act or other applicable laws other than any lack of limited liability caused by any act or omission of such Limited Partner, including breach by such Limited Partner of any requirement imposed under Section 2.12.

#### **2.16 - Compliance with Laws.**

Each Limited Partner will, on the request of the General Partner, immediately execute the Declaration and/or other documents considered by the General Partner to be necessary to comply with any applicable law or regulation of any jurisdiction in Canada, for the continuation, operation or good standing of the Partnership.

**2.17 - Limitation on Activities of General Partner.**

The General Partner shall not carry on any business in addition to its activities as general partner of the Partnership.

**2.18 - General Partner May Hold Units.**

The General Partner may subscribe for and acquire Units or purchase Units by private contract or in the market and shall be entered on the Register as a Limited Partner and shall be shown in the Record as a Limited Partner in respect of the number of Units held by the General Partner from time to time.

**2.19 - General Partner as a Limited Partner.**

If the General Partner holds any Units, it shall be deemed in its capacity as the holder of such Units to be a Limited Partner with the same rights and powers and subject to the same restrictions as each other Limited Partner, with respect to such Units.

**2.20 - Other Activities of Partners.**

Limited Partners and their Affiliates and Associates, and Affiliates and Associates of the General Partner may engage in businesses, ventures, investments and activities which may be similar to or competitive with those in which the Partnership is or might be engaged and no such Person shall be required to offer or make available to the Partnership any other business or investment opportunity which any such Person may be engaged in for its own account.

**ARTICLE 3. - UNITS**

**3.1 - The Units.**

After giving effect to the redemption of the Initial Limited Partner's Unit, the interest of the Limited Partners in the Partnership shall be divided into and represented by an unlimited number of Units issuable in one or more classes and/or series of Units. There shall be no restriction on the number of Units that a Limited Partner may hold in the Partnership.

**3.2 - Nature of Units.**

- (a) Except as otherwise provided in this Agreement, no Limited Partner will, in respect of any Unit held by such Limited Partner, have any preference, priority or right in any circumstance over any other Limited Partner in respect of any Unit held by the other Limited Partner.
- (b) No Unit shall have any preference, conversion, exchange, pre-emptive or redemption rights in any circumstances over any other Unit (except as may be specifically provided herein).
- (c) Each Limited Partner will be entitled to one vote for each Unit held by such Limited Partner in respect of all matters to be voted upon by the Limited Partners or any of them (except as may be specifically provided herein).
- (d) Units may be designated by the General Partner as being Units of a series. Units of each series may be issued at a Net Asset Value per Unit as the General Partner may in its discretion 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) The General Partner may create and name (or rename) from time to time one or more classes of Units which may be subject to different management fees, administrative fees and other fees (if any) than those chargeable against Units of another class, and may have different redemption or other features than other classes of Units as the General Partner may determine, and may designate one or more series of Units within each such class. Set out in Schedule B hereto is a list of each class of Units designated by the General Partner from time to time together with a description of the unique features of each such class.

- (g) 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 pursuant to subsection 3.2(d) above 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 and outstanding. 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 distributions payable to the General Partner on such previous Valuation Date, and adjusted for subscriptions, 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, and any fees payable to the Manager and distributions payable to the General Partner in respect of Units of such series. 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.
- (h) 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:
- a. 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;
  - b. in the case of a conversion to another class of Units, the fees payable pursuant to Schedule A 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 the Limited Partners affected or in accordance with policies outlined in writing to such Limited Partners at the time of acquisition of the affected Units;
  - c. in the case of a renaming of a series, the Net Asset Value per Unit of each series is identical (following, if necessary, the consolidation or conversion of Units of one or both such series);
  - d. any benchmark, high water mark, 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;
  - e. 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
  - f. no Limited Partner is otherwise adversely affected thereby.
- (i) The General Partner may consolidate or subdivide the Units from time to time in such manner as it considers appropriate. 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. Fractional Units may be issued, subject to section 3.24. None of the rights described in this Agreement as being available to a holder of a Unit, including, without limitation, those rights described in Section 3.2, are available to the purported holder of a fractional Unit other than a proportional right to allocations and distributions and the right to payment on redemption or return of capital.
- (j) 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 the delivery of such money, securities or other property, and (ii) from all liability of the Partnership to see to the application thereof.

### **3.3 - Offering of Units.**

The General Partner is entitled to raise capital for the Partnership from time to time in all of the provinces and territories of Canada by an offering or offerings of Units for sale by way of private placement pursuant to applicable exemptions from the registration and prospectus filing requirements of applicable securities legislation. The General Partner may also effect public offerings of Units in accordance with Section 7.2(s).

### **3.4 - Terms of Offering.**

The General Partner may, in its discretion, determine the terms and conditions of the offering and sale of the Units from time to time and is authorized to do all things which it deems to be advisable in connection therewith.

### **3.5 - Subscription for Units.**

No subscription may be made or shall be accepted for a fraction smaller than multiples of one tenth (1/10 or 0.1) of a Unit. Each subscribing Person other than the Initial Limited Partner shall agree to purchase a minimum of Units having an aggregate subscription price of Canadian \$150,000 (or such greater or lesser amount as may be acceptable to the General Partner in its sole discretion and in compliance with applicable securities legislation) and shall complete and execute a Subscription Agreement setting forth, among other things, the total subscription price agreed to be contributed

by him. The subscription price shall be equal to \$100 per Unit, in respect of the initial issuance of Units, and such amount per Unit as the General Partner may determine in its sole discretion in respect of future issuances of Units. 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.

### **3.6 - Subscription Price.**

The subscription price in Canadian Dollars or U.S. Dollars will be payable by delivery to the General Partner of a certified cheque or bank draft payable to the Partnership. Cheques shall be held in trust by the General Partner pending acceptance of the Subscription Agreement by the General Partner, in its sole discretion, and upon such acceptance shall be delivered by the General Partner to the Partnership.

### **3.7 - Acceptance of Subscription Agreement by General Partner.**

The General Partner shall have the right, in its sole discretion, to refuse to accept a Subscription Agreement. The General Partner shall also have the right to reject Subscription Agreements submitted by a "non-resident" within the meaning of the *Income Tax Act* (Canada) and to require Subscribers to provide evidence reasonably satisfactory to it that such Subscribers are not within such category. If, for any reason, a Subscription Agreement is not accepted, the General Partner shall forthwith redeliver to the Subscriber the Subscription Agreement and the cheque representing subscription funds for such Units without interest or deduction.

### **3.8 - Maximum Number of Units.**

The General Partner is entitled to accept Subscription Agreements for Units up to the maximum aggregate subscription price of \$250,000,000. Units may also be issued from time to time pursuant to section 5.4.

### **3.9 - Admittance as Limited Partner.**

Upon acceptance by the General Partner of any Subscription Agreement and upon payment by the Subscriber of the subscription price in respect thereof, all Partners will be deemed to consent to the admission of the Subscriber as a Limited Partner, the General Partner will execute this Agreement on behalf of the Subscriber, will cause the Record, and such other documents as may be required to be filed or amended under the Act or legislation similar to the Act in other provinces, including as required to afford, to the extent possible, limited liability, to be amended specifying the prescribed information and will cause the foregoing information in respect of the new Limited Partner to be included in the Register and other partnership books and records. As provided in Section 3.12, upon the entering of the Subscriber's name in the Record, the Subscriber will be admitted to the Partnership as a Limited Partner and will be entitled to all of the rights accruing to a Limited Partner under this Agreement and the Units in respect of which the Subscription Agreement has been submitted will thereupon be deemed to be issued.

### **3.10 - Payment on Closing.**

The subscription cheques received together with interest earned thereon, if any, shall be delivered and paid by the General Partner to the Partnership on Closing.

### **3.11 - Payment of Expenses.**

In addition to the costs and expenses contemplated by Section 5.1, the Partnership will pay all costs, disbursements and other expenses and fees incurred in connection with the offering of Units from time to time and the arranging of financing for the Partnership, the organization and operation of the Partnership and the registration of the Partnership under the Act and under similar legislation of other provinces, including, without limitation, legal and audit fees and expenses, brokerage commissions, and costs and expenses relating to the redemption of Units, financial and other reporting and regulatory compliance. Expenses other than the fees contemplated in Schedule A (plus applicable taxes) shall be deducted from the Net Asset Value of the Partnership and not from the Net Asset Value of any particular class(es) or series unless the General Partner determines that such expenses are properly attributable only to certain classes or series of Units.

### **3.12 - Effective Date.**

The rights and obligations of a Subscriber as a Limited Partner under this Agreement commence and are enforceable by and upon the Limited Partner as between the Limited Partner and the other Partners from the date on which the Record

is amended as required under the Act, adding such Limited Partner as a Limited Partner of the Partnership and Units in

respect of which a Subscription Agreement has been accepted by the General Partner will thereupon be deemed to be issued.

### **3.13 - Register of Limited Partners.**

The General Partner shall at all times maintain, or cause to be maintained by a registrar and transfer agent which may be appointed by the General Partner, a Register of Limited Partners in the City of Toronto which shall contain the name and address of each Limited Partner and the number of Units held by each Limited Partner.

### **3.14 - Changes in Membership of Partnership or Information Concerning Limited Partners.**

No change of name or address of a Limited Partner, no transfer of a Unit of a Limited Partner in the Partnership and no admission of a substituted Limited Partner in the Partnership shall be effective for the purposes of this Agreement until all reasonable requirements as determined by the General Partner with respect thereto have been met and until such change, transfer, substitution or addition is duly reflected in an amendment to the Record prepared and recorded as may be required by the Act. The names and addresses of the Limited Partners as reflected from time to time in the Record, as from time to time amended, shall be conclusive as to such facts for all purposes of the Partnership.

### **3.15 - Notice of Change to General Partner.**

No name or address of a Limited Partner shall be changed and no transfer, substitution or addition of a Unit of a Limited Partner in the Partnership shall be recorded on the Record except pursuant to a notice in writing received by the General Partner.

### **3.16 - Amendment of Record of Partnership Upon Notice.**

Subject to Section 3.14, the General Partner shall, on or before the last business day of each calendar quarter, prepare and file or record an amendment to the Record or to any similar document required to be filed or maintained under the Act or under similar legislation in other provinces to reflect as required the receipt of any notice from any Limited Partner requiring the filing or recording of an amendment to such Record or other documents.

### **3.17 - Inspection of Register.**

A Limited Partner, or an agent of a Limited Partner duly authorized in writing, has the right to inspect and make extracts from the Register of Limited Partners or Record during normal business hours, and upon payment of a reasonable fee to the General Partner or Registrar and Transfer Agent, to obtain a copy of the Register of Limited Partners or the Record within a period of 10 days from the date of the filing of his written request therefor with the General Partner at its principal office in Toronto, Ontario or with the Registrar and Transfer Agent at its principal office, together with a statutory declaration stating the name and address of the applicant, that the applicant is a Limited Partner and that the list will not be used by any Person except in connection with an effort to influence the voting of the Limited Partners, or any other matter relating to the affairs of the Partnership.

### **3.18 - Transfer of Units.**

Subject to the provisions of this Agreement, and subject to compliance with all applicable securities legislation (evidence of which may be required by the General Partner in its sole discretion) Units may be transferred by a Limited Partner or his agent duly authorized in writing to any Person but such Person shall not be recorded on the Register as the holder of the Units so transferred nor, if such Person is not a Limited Partner, be entitled to become a Limited Partner unless such Person has delivered to the General Partner a Transfer Form (or any similar form from time to time prescribed by the General Partner) completed and executed in a manner acceptable to the General Partner. No such Person will become a Limited Partner until all filings and recordings required by the Act and this Agreement have been duly made. The General Partner will, on or before the last business day of each Fiscal Quarter, prepare and record the amendment to the Record necessary to give effect to transfers pursuant to completed Transfer Forms received more than 15 days prior to the end of such Fiscal Quarter. The General Partner will register any transfer of Units received within 15 days of the end of such Fiscal Quarter on or before the last business day of the next Fiscal Quarter. Any transfer of a Unit shall be at the expense of the transferee (provided however that the Partnership shall be responsible for all costs in relation to the preparation of any amendment to the Record and similar documents in other jurisdictions). No transfer of a Unit shall

relieve the transferor from any obligations to the Partnership incurred prior to the transfer becoming effective. Where the transferee complies with the provisions aforesaid and is entitled to become a Limited Partner pursuant to the provisions hereof, subject to Section 3.15 the General Partner shall be authorized to admit the transferee to the Partnership as a Limited Partner and the Limited Partners hereby consent to the admission of, and will admit, the transferee to the Partnership as a Limited Partner, without further act of the Limited Partners (other than as may be required by law).

### **3.19 - Form of Transfer.**

The Transfer Form shall be signed by the transferor (whose endorsement thereon shall be guaranteed by a Canadian chartered bank, a trust company qualified to carry on business in the Province of Ontario, a member of The Investment Industry Regulatory Organization of Canada (IIROC), formerly The Investment Dealers Association of Canada, or a Toronto Stock Exchange Participating Organization or a TSX Venture Exchange Member) and by the transferee and shall be accompanied by the certificates, if any, issued by the Partnership representing the Units to be transferred.

### **3.20 - Additional Documentation on Transfer.**

If a transferor of Units is a firm or a corporation, or purports to assign such Units in any representative capacity, or if an assignment results from the death, mental incapacity or bankruptcy of a Limited Partner or is otherwise involuntary, the transferor or his legal representative shall furnish to the General Partner such documents, certificates, assurances, court orders and other instruments as the General Partner may reasonably require to effect the said transfer and assignment.

### **3.21 - Amendment of Record and Declaration of Partnership.**

The General Partner shall in accordance with this Agreement, effect such filings, recordings, registrations and amendments to the Record, the Declaration and such other documents as in the opinion of counsel to the Partnership are necessary or advisable to reflect changes in the membership of the Partnership, transfers of Units and dissolution of the Partnership as herein provided by the Partnership and to constitute a transferee as a Limited Partner.

### **3.22 - Non-Recognition of Trusts or Beneficial Interests.**

Except as required by law, no Person will be recognized by the Partnership or any Limited Partner as holding any Unit in trust, and the Partnership and Limited Partners will 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 in the Limited Partner registered as holder of such Unit.

### **3.23 - Incapacity, Death, Insolvency or Bankruptcy.**

Where a Person becomes entitled to Units on the incapacity, death, insolvency, or bankruptcy of a Limited Partner, or otherwise by operation of law, in addition to the other requirements of this Agreement, such entitlement will not be recognized or entered into the Register until such Person:

- (a) has produced evidence satisfactory to the General Partner of such entitlement:
- (b) has agreed 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) has delivered such other evidence, approvals and consents in respect to such entitlement as the General Partner may require and as may be required by law or by this Agreement.

### **3.24 - Transfer of Fractions.**

No transfer of a fraction smaller than multiples of one tenth (1/10 or 0.1) of a Unit may be made or will be recognized or entered into the Register.

**3.25 - No Transfer upon Dissolution.**

No transfer of Units may be made or will be recognized or entered into the Register after the occurrence of any of the events set forth in Section 11.1.

**3.26 - Pledge of a Unit.**

Notwithstanding section 3.22, but subject to Section 2.9(b)(iii) and compliance with applicable securities legislation, a Limited Partner may pledge or hypothecate Units held by him as security for a loan to, or an obligation of, him and, if the Units are so pledged or hypothecated, the General Partner will, upon receipt of a written request from the Limited Partner, deliver a written acknowledgment to the Person specified by the Limited Partner in the written request acknowledging the pledge or hypothecation and confirming that, upon receipt by the General Partner of a written order from such Person setting forth an address for service, all distributions by the Partnership in respect of the Units following the receipt by the General Partner of the written order will be made to such Person at the address set forth therein until such Person delivers a release of the acknowledgment to the General Partner; and the Limited Partner, by delivering the written request to the General Partner, hereby authorizes the General Partner to make, and consents to the making of, all such distributions pursuant to the written order.

**3.27 - Unit Certificates.**

The Partnership will not issue Unit certificates. However, on any purchase or redemption of Units, the General Partner shall issue confirmation slips indicating the nature of the transaction effected by the Limited Partner and the number, class and series (as applicable) of Units held by such Limited Partner after such transaction.

**3.28 - Valuation of Units.**

The General Partner shall determine the Net Asset Value and the Net Asset Value Per Unit as of 5:00 p.m. (Toronto time) on each Fiscal Quarter Date within ten business days of the Fiscal Quarter Date. In the event that there are more than one class and/or series of Units outstanding, the Net Asset Value per Unit will be calculated separately for each class and/or series, as the case may be, of Units issued.

**3.29 - Valuation Rules.**

Subject to generally accepted accounting principles in Canada (or applicable international financial reporting standards), (standards) as applicable to public enterprises:

- (a) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash received (or declared to holders of record on a date before the date as of which the Net Asset Value is being determined) and interest accrued and not yet received, shall be deemed to be the full amount thereof, provided that:
  - (i) the value of any security which is a debt obligation which, at the time of acquisition, had a remaining term to maturity of one year or less shall be the amount paid to acquire the obligation plus the amount of any interest accrued on such obligation since the time of acquisition (for this purpose, interest accrued will include amortization over the remaining term to maturity of any discount or premium from the face value of an obligation at the time of its acquisition), or the value shall be calculated in accordance with Section 3.29(a)(ii);

- (ii) any interest or other amount due in respect of an obligation in respect of which the issuer has ceased paying interest or has otherwise defaulted shall be excluded from such calculation; and
  - (iii) if the General Partner or any Person retained by the General Partner to calculate Net Asset Value (the "Valuator") has determined that any such deposit, bill, demand note or account receivable is not otherwise worth the full amount thereof, the value thereof shall be deemed to be such value as the Valuator determines to be the fair value thereof.
- (b) The value of any security, option or futures contract which is listed or traded upon a stock exchange shall be determined by taking the last sale price on the Fiscal Quarter Date, or lacking any such sales, shall be determined by the Valuator but shall not be greater than the closing ask price nor less than the closing bid price, as at the date as of which the Net Asset Value is being determined, all as reported by any means in common use.
  - (c) The value of any security or financial instrument which is traded over-the-counter will be priced at the average of the last bid and asked prices for the immediately preceding 20 trading days quoted by a major dealer in such securities or financial instruments, unless the Valuator determines that the bid or offer price more accurately reflects the value of the security or financial instrument.
  - (d) The value of any security, option or futures contract which is not listed or traded on a recognized exchange or the resale of which is restricted by reason of a representation, undertaking or agreement by the Partnership or by the Partnership's predecessor in title shall be determined on the basis of such price or yield equivalent quotations (which may be public quotations or may be obtained from major market makers) as the Valuator determines best reflects its fair value.
  - (e) Any market price or asset value reported in a currency other than Canadian dollars shall be translated into Canadian currency at the prevailing rate of exchange at the time of valuation.
  - (f) The value of securities subject to a hold period will be valued as described above with an appropriate discount as determined by the Valuator and investments in private companies and other assets for which no published market exists will be valued at the lesser of cost and the most recent value at which such securities have been exchanged in an arm's length transaction which approximates a trade effected in a published market, unless a different fair market value is otherwise determined to be appropriate by the Valuator.
  - (g) Any security purchased, the purchase price of which has not been paid, shall be included for valuation purposes as a security held, and the purchase price, including brokers' commissions and other expenses, shall be treated as a liability of the Partnership.
  - (h) The value of any security or property to which in the opinion of the Valuator the principles of this Section cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair value thereof determined in good faith in such manner as the Valuator from time to time adapts.

#### **ARTICLE 4. - CAPITAL CONTRIBUTIONS AND ACCOUNTS**

##### **4.1 - Capital.**

The capital of the Partnership consists of the aggregate of all sums of money or other property contributed or agreed to be contributed by the Partners and not returned to them.

**4.2 - General Partner Contribution.**

The General Partner has contributed the sum of \$100 to the capital of the Partnership.

**4.3 - Initial Limited Partner Contribution.**

The Initial Limited Partner has contributed the sum of \$100 to the capital of the Partnership in full satisfaction of its Capital Contribution and has received one (1) Unit. (Upon acceptance by the General Partner of a subscription for an additional Unit, the Unit issued to the Initial Limited Partner was redeemed and the Capital Contribution of the Initial Limited Partner was returned to it.)

**4.4 - Limited Partner Contributions.**

The Capital Contribution of each Limited Partner is the aggregate of the subscription prices for the Units purchased by such Limited Partner.

**4.5 - Separate Capital Accounts.**

The General Partner will maintain a separate capital account for each Partner and will credit the account of a Partner with such Capital Contribution and debit the account with the amount of Capital Contribution actually returned from time to time by the Partnership to the Partner. The interest of a Limited Partner will not terminate by reason of there being a negative or nil balance in the Limited Partner's account.

**4.6 - No Interest on Capital Account.**

The Partnership will not pay interest on any credit balance of a capital account. Except as provided in this Agreement or the Act or similar applicable legislation in Canada, no Limited Partner is required to pay interest to the Partnership on any Capital Contribution returned to the Limited Partner.

**ARTICLE 5. - PARTICIPATION IN PROFITS AND LOSSES****5.1 - Expenses of the Partnership.**

The Partnership will pay the General Partner for all expenses incurred on the Partnership's behalf by the General Partner in the performance of its duties hereunder, and by the Manager pursuant to the authority of the General Partner, in accordance with the provisions of Section 3.11. All services provided by the General Partner and its Associates and Affiliates, including by the Manager, will be charged for at rates not exceeding those at which such services are available from independent parties dealing at arm's length. All such direct and allocated expenses will be subject to an independent audit and report thereon to the Limited Partners at the request of the Limited Partners expressed by Ordinary Resolution and the General Partner covenants to provide reasonable access to its books and records for such purpose. Expenses borne by the Partnership include:

- (i) the costs of legal, audit, custodial and banking fees and expenses, cost of portfolio valuation, Limited Partner registration and accounting services, reporting and making distributions to Limited Partners and communications with Limited Partners, fees and expenses related to this Agreement and Subscription Agreements and Transfer Forms;
- (ii) brokerage fees and commissions and other expenses of portfolio transactions;
- (iii) the management fees and performance fees in accordance with Schedule A;
- (iv) interest charges should the Partnership be required to borrow;
- (v) the costs of travel, accommodation, and other expenses associated with due diligence on invested companies and investment opportunities for the Partnership; and

- (vi) any provincial and federal taxes levied on any such costs and expenses and any other taxes directly attributable to the Partnership.

### **5.2 - General Partner's Entitlement.**

In addition to the amounts to which it is entitled pursuant to Sections 5.1 and 5.3, the General Partner (and the Manager pursuant to the authority of the General Partner) will be entitled to receive as consideration for management of the business and affairs of the Partnership such fees as are provided for in Schedule A hereto.

### **5.3 - Allocation of Net Income.**

The net income of the Partnership for each Fiscal Year as reported on by the Auditors, after deducting the amounts referred to in Sections 5.1 and 5.2, shall be allocated among the Partners within ninety days of the Fiscal Year end of the Partnership as follows:

- (a) the General Partner shall be allocated 0.01 % of the net income of the Partnership; and
- (b) the balance of the net income shall be allocated among the Persons who are Limited Partners and whose names appear in the Record at the end of the Fiscal Year in proportion to the number of Units held by each of them.

### **5.4 - Distributions**

The General Partner may, in its sole discretion, distribute at any time, to the General Partner and, subject to Section 3.26, to Persons who are Limited Partners and whose names appear in the Record any amount (in cash or in kind in the form of securities held by the Partnership).

### **5.5 - Allocation of Losses.**

The losses of the Partnership for each Fiscal Year as reported on by the Auditors shall be allocated among the Partners within sixty days of the Fiscal Year end of the Partnership in the same proportions as the allocation of net income required by Section 5.3.

### **5.6 - Allocation of Net Income and Losses for Tax Purposes.**

The net income or losses for tax purposes of the Partnership for each Fiscal Year, the amounts of which may vary in any Fiscal Year from the net income or losses of the Partnership as reported on by the Auditors for that Fiscal Year, shall be allocated among the Partners in the same proportions as the allocations required by Sections 5.3 and 5.5, respectively.

### **5.7 - Repayments.**

If, as determined by the General Partner, it appears that any Partner has received an amount which is in excess of that Partner's entitlement, the Partner will, forthwith upon notice from the General Partner, reimburse the Partnership to the extent of the excess, and failing immediate reimbursement, the General Partner may withhold the amount of the excess (with interest at 10% per annum calculated and compounded monthly) from further distributions otherwise due the Partner.

## **ARTICLE 6. - WITHDRAWAL AND REDEMPTION**

### **6.1 - Withdrawal.**

Subject to Section 4.3, no Limited Partner has the right to withdraw any of his Capital Contribution or other amount or to receive any cash or other distribution from the Partnership except as provided for in this Agreement and except as permitted by law.

### **6.2 - Right to Redeem.**

Units (other than Side Pocket Units) may be surrendered at any time to the General Partner for redemption. Subject to the conditions and limitations hereof, Units surrendered for redemption by a Unitholder prior to 5:00 p.m. (Toronto time) on the thirtieth day immediately preceding the Month End Date will be redeemed on such Month End Date, and Units surrendered for redemption after 5:00 p.m. (Toronto time) on the thirtieth day immediately preceding a Month End Date will be redeemed on the next following Month End Date (such date of redemption referred to as the "Redemption Date"). The redemption right must be exercised by causing written notice to be given to the General Partner in the form from time to time prescribed by the General Partner. Such surrender will be irrevocable except with respect to any Units surrendered for redemption in respect of which the redemption price specified in Section 6.3 are not paid by the Partnership on or before the date on which such payment is due and except as otherwise provided herein.

For Limited Partners holding more than one class or series of Units, the General Partner may adopt and amend a policy from time to time, on a basis which it determines to be fair and reasonable under the circumstances, to determine the order in which such Limited Partner's outstanding Units are redeemed, which policy shall be binding on the redeeming Limited Partner.

Side Pocket Units are not redeemable at the option of Limited Partners, and may only be redeemed at the discretion of the General Partner following a Realization Event as described in Schedule B hereto.

### **6.3 - Redemption Price and Payment.**

Upon redemption of Units, a Limited Partner will be entitled to receive a redemption price per Unit equal to the Net Asset Value Per Unit determined as of 5:00 p.m. (Toronto time) on the Redemption Date, less an amount equal to (i) 20% of any increase in Net Asset Value per Unit above the high water mark as of 5:00 p.m. on the Redemption Date in excess of Net Asset Value per Unit as of 5:00 p.m. on the immediately preceding Quarter end multiplied by (ii) the number of Units redeemed by the Limited Partner.

If a redemption of Units occurs any time prior or up to 12 months from the initial subscription, a 7% value of the total redemption amount will be withheld. The total redemption amount is determined by multiplying the Net Asset Value on the Redemption Date by the number of Units being redeemed. If a redemption of Units occurs any time after 12 months and prior to the 24 month date from the initial subscription, a 5% value of the total redemption amount will be withheld. The total redemption amount is determined by multiplying the Net Asset Value on the Redemption Date by the number of Units being redeemed.

The General Partner shall, within 20 business days after the Redemption Date on which a Limited Partner's Units are redeemed, make payment of the redemption price per Unit in respect of the Units redeemed together with any unpaid distribution in respect of such Units which became payable on or before such Redemption Date less any amount required to be withheld therefrom under applicable law. Payment shall be made in Canadian funds and may be made by wire transfer to the bank account of the Limited Partner, by the mailing or delivery of a cheque to the Limited Partner at his last address as shown on the Record of Limited Partners or by some other method as the General Partner deems appropriate. Any payment so made shall, unless a cheque is not honoured on presentation, discharge the Partnership and the General Partner from all liability to the Limited Partner in respect of the amount thereof plus any amount required by law to be withheld and the Units so redeemed shall be cancelled and not reissued.

### **6.4 - Suspension of Redemption Right.**

Notwithstanding the provisions of Sections 6.2 and 6.3, the General Partner may suspend the redemption of Units or payment of redemption proceeds (i) during any period when normal trading is suspended on The Toronto Stock Exchange (TSX), the TSX Venture Exchange, NASDAQ, the New York Stock Exchange (NYSE) or the Chicago Board of Trade (CBOT); or (ii) for any period during which the General Partner determines that conditions exist which

render impractical the sale of assets of the Partnership or which impair the ability of the General Partner to determine the value of the assets of the Partnership. The suspension may, at the sole discretion of the General Partner, apply to all requests for redemptions received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Limited Partners making such requests shall be advised by the General Partner of the suspension and that the redemption will be effected on the basis of the Net Asset Value per Unit determined on the first Fiscal Quarter Date following the termination of the suspension. All such Limited Partners shall have and shall be advised that they have the right to withdraw their requests for redemption.

The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with Applicable Securities Law, any declaration of suspension made by the General Partner shall be conclusive.

#### **6.5 - Purchase for Cancellation.**

Subject to applicable law, the Partnership may at any time or times purchase outstanding Units from one or more holders thereof at such prices not exceeding the Net Asset Value per Unit on the last Fiscal Quarter Date prior to purchase, and on such other terms and conditions as the General Partner may determine.

### **ARTICLE 7. - POWERS, DUTIES AND OBLIGATIONS OF GENERAL PARTNER**

#### **7.1 - Powers, Duties and Obligations.**

The General Partner has:

- (a) unlimited liability for the debts, liabilities and obligations of the Partnership;
- (b) subject to the terms of this Agreement and to any applicable limitations set forth in the Act and similar legislation in Canada, the full and exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of the Partnership; and
- (c) subject to the terms of this Agreement, the full and exclusive right, power and authority 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 carrying out the business of the Partnership for and on behalf of and in the name of the Partnership, including, without limitation, any management and advisory agreement between the General Partner and the Manager.

An action taken by the General Partner on behalf of the Partnership in accordance with the terms hereof is deemed to be the act of the Partnership and binds the Partnership.

#### **7.2 - Specific Powers and Duties.**

Subject to the terms of this Agreement and to any applicable limitation set forth in the Act and similar legislation in Canada, the General Partner is authorized and required to manage, control, administer and operate the business and affairs of the Partnership and to represent the Partnership, and without limiting the generality of the foregoing, the General Partner will have full power and authority for and on behalf of and in the name of the Partnership to:

- (a) execute and carry out all agreements which require execution by or on behalf of the Partnership involving matters or transactions which are within the ordinary course of the Partnership's business, including without limitation a management agreement between the Partnership and the Manager;
- (b) to borrow funds in the name of the Partnership from time to time, from the General Partner, its Affiliates or Associates, or from financial institutions selected by it, only to pay operating expenses of the Partnership;
- (c) open and manage bank accounts in the name of the Partnership, and to spend the capital of the Partnership in the exercise of any right or power exercisable by the General Partner hereunder;
- (d) review and supervise from time to time the activities of any Person employed to invest the unused assets of the Partnership and review from time to time the performance of such Person;
- (e) incur all costs and expenses in connection with the Partnership;

- (f) employ, retain, engage or dismiss from employment personnel, agents, representatives or professionals or other investment participants with the powers and duties upon the terms and for the compensation as in the discretion of the General Partner may be necessary or advisable in the carrying on of the business of the Partnership;
- (g) act as attorney in fact or agent of the Partnership in disbursing and collecting moneys for the Partnership, paying debts and fulfilling the obligations of the Partnership and handling and settling any claims of the Partnership;
- (h) commence or defend any action or proceeding in connection with the Partnership or submit the Partnership to binding arbitration;
- (i) file returns or other documents required by any governmental or like authority and if in its reasonable judgment, the General Partner deems it advisable to do so, register the Partnership as a tax shelter under the *Income Tax Act* (Canada) (and effect such amendments hereto as may be required in connection with such registration and which do not adversely affect the interest of any Limited Partner) and maintain such registration;
- (j) retain legal counsel, experts, advisors or consultants as the General Partner considers appropriate and rely upon the advice of such Persons;
- (k) do anything that is in furtherance of or incidental to the business of the Partnership or that is provided for in this Agreement;
- (l) execute, acknowledge and deliver the documents necessary to effectuate any or all of the foregoing or otherwise in connection with the business of the Partnership;
- (m) obtain any insurance coverage;
- (n) decide in its sole and entire discretion any additional time at which distributions shall be made to the Partners and the amount of any such distribution;
- (o) decide in its sole and entire discretion any additional time at which the capital or other assets of the Partnership shall be distributed to the Partners and the amount of any such distribution;
- (p) determine, subject to generally accepted accounting principles (or applicable international financial reporting standards), in its sole and entire discretion, what proportion of a distribution is profits or capital;
- (q) establish reserves;
- (r) carry out the objects, purposes and business of the Partnership; and
- (s) if in its sole discretion the General Partner deems it advisable to do so, offer such Units of the Partnership by way of prospectus or other public offering and/or qualify previously issued Units by way of prospectus or other means (and effect such amendments hereto as may be required in the circumstances and which do not adversely affect the interest of any Limited Partner).

No Persons dealing with the Partnership will be required to enquire into the authority of the General Partner to do any act, take any proceeding, make any decision or execute and deliver any instrument, deed, agreement or document for or on behalf of or in the name of the Partnership. The General Partner shall insert, and cause agents of the Partnership to insert, the following clause in any contracts or agreements to which the Partnership is a party or by which it is bound:

**"Tera Capital Global Innovation LP is a limited partnership formed under the *Limited Partnerships Act* (Ontario) and 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 has contributed or agreed to contribute to its capital and his pro rata share of any undistributed income."**

### **7.3 - Loan From General Partner and Others.**

Subject to the limitations contained in Section 7.2(b), the General Partner and its Affiliates or Associates may advance or loan to the Partnership funds which may be necessary for the operating expenses of the Partnership. The rate of interest and any other expenses relative to such advances or borrowings shall not exceed the prime rate of interest charged by Canadian Imperial Bank of Commerce as announced and in effect from time to time, plus 1% per annum.

### **7.4 - Title to Property.**

The General Partner may hold legal title to any of the assets or property of the Partnership in its name for the benefit of the Partnership.

### **7.5 - Exercise of Duties.**

Except as provided herein, the General Partner covenants that it will exercise the powers and discharge its duties under this Agreement honestly, in good faith, and in the best interests of the Partnership, and that it will exercise the degree of care, diligence and skill that a reasonably prudent Person would exercise in comparable circumstances. Furthermore, the General Partner covenants that it will maintain the confidentiality of financial and other information and data which it may obtain through or on behalf of the Partnership the disclosure of which may adversely affect the interests of the Partnership or a Limited Partner, except to the extent that disclosure is permitted as provided herein, is required by law or is in the best interests of the Partnership.

### **7.6 - Limitation of Liability.**

The General Partner is not personally liable for the return of any Capital Contribution made by a Limited Partner to the Partnership. Moreover, subject to section 7.5 but notwithstanding anything else contained in this Agreement, neither the General Partner nor any Affiliates thereof nor their respective officers, directors, shareholders, employees or agents are liable, responsible for or accountable in damages or otherwise to the Partnership or a Limited Partner for an action taken or failure to act on behalf of the Partnership within the scope of the authority conferred on the General Partner by this Agreement or by law unless the act or omission was performed or omitted fraudulently or in bad faith or constituted wilful misfeasance or gross negligence in the performance of their obligations.

### **7.7 - Indemnity of General Partner.**

- (1) The General Partner and each of its directors, officers, employees and agents (each an "Indemnitee") will be indemnified by the Partnership for all liabilities, costs and expenses incurred by them in connection with any action, suit or proceeding that is proposed or commenced or any other claim that is made against the General Partner or any of its directors, officers, employees and agents in the exercise of the performance by the General Partner of its duties as the general partner of the Partnership, except those liabilities, costs and expenses resulting from wilful misconduct, bad faith, negligence or breach of its obligations under the Partnership Agreement on the part of the General Partner.
- (2) To the fullest extent permitted by law, expenses (including, without limitation, legal fees and expenses) incurred by an Indemnitee in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Partnership prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Partnership of an undertaking by or on behalf of the Indemnitee to repay such amount if it shall be determined that the Indemnitee is not entitled to be indemnified as authorized in this Section 7.7.
- (3) The Partnership may purchase and maintain (or reimburse the General Partner or its Affiliates for the cost of) insurance, on behalf of the General Partner and such other Persons as the General Partner shall determine, against any liability that may be asserted against or expense that may be incurred by such Person in connection with the Partnership's activities, whether or not the Partnership would have the power to indemnify such Person against such liabilities under the provisions of this Agreement.

**7.8 - Indemnity of Partnership.**

The General Partner will indemnify and hold harmless the Partnership for any costs or damages suffered or incurred by the Partnership as a result of an act of gross negligence or wilful misconduct by the General Partner or of any act or omission not believed in good faith to be within the scope of authority conferred by this Agreement.

**7.9 - Restrictions upon the General Partner.**

The General Partner's power and authority does not extend to any powers, actions or authority enumerated in Section 9.17 unless and until the requisite Extraordinary Resolution is passed by the Partners. In addition, the General Partner will not:

- (a) cause the Partnership to guarantee the obligations or liabilities of or make loans, to any Person, provided that the General Partner may cause the Partnership to invest in debt obligations that are consistent with Sections 2.2 to 2.5;
- (b) co-mingle the funds of the Partnership with the funds of the General Partner or any of its Affiliates or Associates or with the funds of any other Person;
- (c) dissolve the affairs of the Partnership except in accordance with the provisions of Article Eleven hereof;
- (d) except in accordance with Section 11.3, effect a bulk sale of the assets of the Partnership; or
- (e) assign, transfer or otherwise dispose of its interest in the Partnership as General Partner other than to an Affiliate.

**7.10 - Employment of an Affiliate or Associate.**

The General Partner may employ or retain Affiliates or Associates of the General Partner on behalf of the Partnership to provide goods or services to the Partnership provided that if the Partnership is to reimburse the General Partner for the costs and expenses of such goods or services, the costs of such goods or services must be reasonable and competitive with the costs of similar goods and services provided by independent third parties and provided that no reimbursement shall be made for any costs or expenses for which the General Partner would not, if it provided such goods and services directly, be entitled to payment or reimbursement under this Agreement.

**7.11 - Removal of General Partner.**

- (a) Upon the passing of any resolution of the directors or shareholders of the General Partner or its Holding Body Corporate requiring or relating to the bankruptcy, dissolution, liquidation or winding-up or the making of any assignment for the benefit of creditors of the General Partner or its Holding Body Corporate, or upon the appointment of a receiver of the assets and undertaking of the General Partner or its Holding Body Corporate, or upon the General Partner failing to maintain its status under Section 2.9(a), a new general partner shall be appointed by the Limited Partners by an Ordinary Resolution within 180 days of notice of such event being given to the Limited Partners; provided that the General Partner shall not cease to be the General Partner until the earlier of: (i) the appointment of a new General Partner and (ii) the expiry of the 180 day period.
- (b) The Limited Partners also may remove for cause the General Partner and substitute another as the general partner in its stead by an Extraordinary Resolution, but only if the General Partner has materially breached its obligations under this Agreement and such breach continues unremedied for a period of 30 days after the General Partner has received written notice of such breach from any Limited Partner. The Limited Partners shall appoint, concurrently with the removal of the General Partner, a replacement general partner which assumes all the responsibilities and obligations of the removed General Partner under this Agreement.

**7.12 - Voluntary Change of a General Partner.**

The General Partner may resign as such on written notice to all Limited Partners, such resignation to become effective (i) 180 days after notice is so given or on an earlier date if a new general partner is admitted by an Ordinary Resolution, provided that the General Partner will not resign if the effect would be to dissolve the Partnership, or (ii) where the General Partner has concluded that the continuing profitability of the Partnership is in doubt and has called a meeting of Limited Partners to seek approval for the dissolution of the Partnership and such dissolution has not been approved, 120 days after such meeting or earlier if a new general partner is admitted by Ordinary Resolution. The General Partner shall not be permitted to withdraw its resignation (except as required in (i) above) or assign, transfer or otherwise dispose of its interest in the Partnership as General Partner once the written notice has been communicated to the Limited Partners.

**7.13 - Condition Precedent.**

As a condition precedent to the resignation or removal of the General Partner, the Partnership shall pay all amounts payable by the Partnership to the General Partner pursuant to this Agreement accrued to the date of resignation or removal.

**7.14 - Transfer to New General Partner.**

On the admission of a new general partner to the Partnership on the resignation or removal of the General Partner, the resigning or retiring General Partner will do all things and take all steps to transfer the administration, management, control and operation of the business of the Partnership and the books, records and accounts of the Partnership to the new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion.

**7.15 - Transfer of Title to New General Partner.**

On the resignation or removal of the General Partner and the admission of a new general partner, the resigning or retiring General Partner will, at the cost of the Partnership, transfer title to the Partnership's property to such new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion.

**7.16 - Release by Partnership.**

On the resignation or removal of the General Partner, the Partnership will release and hold harmless the General Partner resigning or being removed, from any costs, damages, liabilities or expenses suffered or incurred by the General Partner as a result of or arising out of events, other than any wilful act or omission by the General Partner, which occur in relation to the Partnership after such resignation or removal.

**7.17 - New General Partner.**

A new general partner shall not be a "non-Canadian" within the meaning of the *Investment Canada Act* (Canada) or a "non-resident" or a partnership that is not a "Canadian partnership", in each case, within the meaning of the *Income Tax Act* (Canada) and will become a party to this Agreement by signing a counterpart hereto and will agree to be bound by all of the provisions hereof and to assume the obligations, duties and liabilities of the General Partner hereunder as from the date the new general partner becomes a party to this Agreement.

**7.18 - Transfer of General Partner Interest.**

The General Partner may transfer all, but not less than all, of its general partner interest in the Partnership without the approval of the Limited Partners to an Affiliate provided that such transferee satisfies the requirements set forth in Section 7.17 and assumes the rights and duties of the General Partner and agrees to be bound by the provisions of this Agreement.

## ARTICLE 8. - FINANCIAL INFORMATION

### 8.1 - Books and Records.

The General Partner will keep or cause to be kept on behalf of the Partnership during the duration of the Partnership and for a period of six years thereafter, at its principal place of business books of proper and complete account and records of the business and affairs of the Partnership. Such books, records and registers will be kept available for inspection and audit by any Limited Partner or his authorized representative at the Limited Partner's expense, during business hours at the office of the General Partner, but a Limited Partner may not have access to any information of the Partnership which, in the reasonable opinion of the General Partner, should be kept confidential in the interests of the Partnership.

### 8.2 - Income Tax Information.

The General Partner will send or cause to be sent to each Person who is a Limited Partner at the end of a Fiscal Year within ninety days of such Fiscal Year end, all information relating to the Partnership necessary for such Person to prepare his Canadian federal and provincial income tax returns. If applicable the General Partner shall file, on behalf of Limited Partners, annual Partnership information returns and any other information returns required to be filed under the *Income Tax Act* (Canada) and any other applicable tax legislation in respect of the Partnership's activities.

### 8.3 - Accounting Policies.

The General Partner is authorized to establish from time to time accounting policies with respect to the financial statements of the Partnership and to change from time to time any policy that has been so established so long as such policies are consistent with the provisions of this Agreement and with generally accepted accounting principles in Canada (or applicable international financial reporting standards) as approved by the Auditor.

### 8.4 - Appointment of Auditor.

The General Partner will, on behalf of the Partnership, select the Auditor on behalf of the Partnership to audit and report to the Partners upon the financial statements of the Partnership for, and as at the end of each Fiscal Year, and to advise upon and make determinations with regard to financial questions relating to the Partnership or required by this Agreement to be determined by the Auditor.

### 8.5 - Financial Statements and Information.

The General Partner shall, at the expense of the Partnership:

- (a) at each month end, post to the Manager's website the unaudited Net Asset Value for each class of Units of the Partnership, together with such comments as the General Partner deems appropriate with respect to the financial condition and performance of the Limited Partnership;
- (b) on or before the 90<sup>th</sup> day following each Fiscal Year end, prepare and furnish to each Limited Partner:
  - (i) upon request, audited comparative annual financial statements and auditor's report thereon, as prescribed in section 2.1 of National Instrument 81-106 of the Canadian Securities Administrators; and
  - (ii) any information necessary for the completion of individual tax returns; and
- (c) on or before the 60<sup>th</sup> day following the end of the first six months of each Fiscal Year, prepare and furnish to each Limited Partner, upon request, unaudited comparative interim financial statements, as prescribed in section 2.3 of National Instrument 81-106 of the Canadian Securities Administrators.

In addition, the General Partner will convene an informational meeting of Limited Partners annually for the purpose of reviewing the Partnership's investment portfolio.

## **ARTICLE 9. - MEETINGS OF THE LIMITED PARTNERS**

### **9.1 - Requisitions of Meetings.**

The General Partner may call a general meeting of Partners at such time and place as it deems appropriate in its absolute discretion for the purpose of considering any matter set forth in the notice of meeting. In addition, where two or more Limited Partners holding not less than 25% of the outstanding Units in number (the "Requisitioning Partners") give notice requesting a meeting of the Partnership signed by each of them to the General Partner, the General Partner will forthwith give 21 days notice of a meeting in accordance with this Agreement, and if it fails to do so, any Requisitioning Partner may convene such meeting by giving notice in accordance with this Agreement. Every meeting, however convened, will be conducted in accordance with this Agreement.

### **9.2 - Place of Meeting.**

Every meeting shall be held in the Municipality of Metropolitan Toronto, Ontario or at such other place in Canada as the General Partner may designate.

### **9.3 - Notice of Meeting.**

Notice of any meeting will be given to each Limited Partner and the Auditor by prepaid registered mail or by personal delivery not less than 21 days (but not more than 60 days) prior to such meeting, and will state:

- (a) the time, date and place of such meeting; and
- (b) in general terms, the nature of the business to be transacted at the meeting.

### **9.4 - Record Dates.**

For the purpose of determining the Limited Partners who are entitled to vote or act at any meeting or any adjournment thereof, or for the purpose of any other action, the General Partner may from time to time, provided that each Limited Partner is given notice by prepaid registered mail or by personal delivery at least twenty days prior to such action, cause the transfer books to be closed for such period, not exceeding 30 days, as the General Partner may determine; or without causing the transfer books to be closed the General Partner may fix a date not more than 60 days prior to the date of any meeting of Partners or other action as a record date for the determination of Limited Partners entitled to vote at such meeting or any adjournment thereof or to be treated as Limited Partners of record for purposes of such other action, and any Person who was a Limited Partner at the time so fixed shall be entitled to vote at such meeting or any adjournment thereof even though he has since that date disposed of his Units, and no Limited Partner becoming such after that date shall be a Limited Partner of record for purposes of such action. A Person shall be a Limited Partner of record at the relevant time if the Person's name appears as a Limited Partner in the Record as amended and supplemented at such time.

### **9.5 - Information Circular.**

If proxies are solicited from the Limited Partners, the Person or Persons soliciting such proxies will prepare an information circular, and if such information circular is delivered to the General Partner at least 21 days before any such meeting, the General Partner will cause the information circular to be sent to Limited Partners whose proxies are solicited at least 14 days prior to the meeting. An information circular will contain, to the extent that it is relevant and applicable, the information prescribed for information circulars by Applicable Securities Law.

### **9.6 - Proxies.**

Any Limited Partner entitled to vote at a meeting may vote by proxy if the proxy has been received by the General Partner or the chairman of the meeting for verification prior to the commencement of the meeting.

### **9.7 - Validity of Proxies.**

A proxy purporting to be executed by or on behalf of a Limited Partner will be considered to be valid unless challenged at the time of or prior to its exercise. The Person challenging the proxy will have the burden of proving to the

satisfaction of the chairman of the meeting that the proxy is invalid and any decision of the chairman concerning the validity of a proxy will be final. Proxies shall be valid only at the meeting with respect to which they were solicited, or any adjournment thereof, but in any event shall cease to be valid one year from their date. A proxy given on behalf of joint holders must be executed by all of them and may be revoked by any of them, and if more than one of several joint holders is present at a meeting and they do not agree which of them is to exercise any vote to which they are jointly entitled, they will for the purposes of voting be deemed not to be present.

#### **9.8 - Form of Proxy.**

Every proxy will be substantially in the form as may be approved by the General Partner or as may be satisfactory to the chairman of the meeting at which it is sought to be exercised.

#### **9.9 - Revocation of Proxy.**

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

#### **9.10 - Corporations.**

A Limited Partner which is a corporation may appoint by instrument in writing an officer, director or other authorized Person as its representative to attend, vote and act on its behalf at a meeting of Partners.

#### **9.11 - Attendance of Others.**

Any officer or director of the General Partner, legal counsel for any Partner or the Partnership and representatives of the Auditor will be entitled to attend any meeting of Partners. The General Partner or Limited Partners, by Ordinary Resolution, may authorize the presence of any Person at a meeting regardless of whether the Person is a Partner. With the approval of the chairman of the meeting, that Person is entitled to address the meeting.

#### **9.12 - Chairman.**

The General Partner may nominate a Person, including, without limitation, an officer or director of the General Partner, (who need not be a Limited Partner) to be chairman of a meeting of Partners and the Person nominated by the General Partner will be chairman of such meeting unless the Partners elect another chairman by Extraordinary Resolution.

#### **9.13 - Quorum.**

A quorum at any meeting of Partners will consist of two or more Limited Partners present in Person or represented by proxy holding at least 10% of the outstanding Units. If, within half an hour after the time fixed for the holding of such meeting, a quorum for the meeting is not present, the meeting:

- (a) if called by or on the requisition of Limited Partners, will be terminated, and
- (b) if called by the General Partner, will be reconvened at the same time and place on the day which is 14 days later (or if that date is not a business days, the first business days after that date). The General Partner will give three days' notice to Limited Partners of the date of the reconvening of the adjourned meeting and, at such reconvened meeting, the quorum will consist of the Partners then present in person or represented by proxy.

#### **9.14 - Voting.**

Every question submitted to a meeting:

- (a) which requires an Extraordinary Resolution under this Agreement, will be decided by a poll; and

- (b) which does not require an Extraordinary Resolution, will be decided by an Ordinary Resolution on a show of hands unless otherwise required by this Agreement or a poll is demanded by a Partner, in which case, a poll will be taken;

and in the case of an equality of votes, the chairman will not have a casting vote and the resolution will be deemed to be defeated. The chairman will be entitled to vote in respect of any Units held by him or for which he may be a proxyholder. On any vote at a meeting of Partners, a declaration of the chairman concerning the result of the vote will be conclusive.

On a poll, each Person present at the meeting will have one vote for each Unit in respect of which he is shown in the Record as amended and supplemented as the Unitholder at the record date and for each Unit in respect of which he is the proxyholder or representative. Each Partner, proxyholder or representative present at the meeting and entitled to vote thereat will have one vote on a show of hands. If whole Units are held jointly by two or more Persons and only one of them is present or represented by proxy at a meeting of Unitholders, such Unitholder may, in the absence of the other or others, vote with respect thereto, but if more than one of them is present or represented by proxy, they shall vote together on the whole Units held jointly.

The General Partner, as such, shall be entitled to one vote on any poll or on a show of hands at any meeting of Partners.

#### **9.15 - Poll.**

A poll requested or required will be taken at the meeting, or an adjournment of the meeting, in such manner as the chairman directs.

#### **9.16 - Powers of Limited Partners, Resolutions Binding.**

The Limited Partners shall have only the powers set forth in this Agreement and any additional powers provided by law. Subject to the foregoing sentence, any resolution passed in accordance this Agreement will be binding on all the Partners and their respective heirs, executors, administrators, successors and assigns, whether or not any such Partner was present in person or represented by proxy or voted against any resolution so passed.

#### **9.17 - Powers Exercisable by Extraordinary Resolution.**

The following powers shall only be exercisable by Extraordinary Resolution passed by the Partners:

- (a) dissolving the Partnership, except as otherwise provided for under Section 11.1;
- (b) removing the General Partner and electing a general partner as provided in Section 7.11(b);
- (c) waiving any default on the part of the General Partner on such terms as the Limited Partners may determine;
- (d) amending, modifying, altering or repealing any Extraordinary Resolution previously passed by the Limited Partners;
- (e) amending this Agreement pursuant to Section 12.1 in accordance with the provisions thereof;
- (f) entering into transactions out of the ordinary course of business;
- (g) requiring the General Partner on behalf of the Partnership to enforce any obligation or covenant on the part of any Limited Partner; and
- (h) electing the chairman of a meeting of Partners as provided in Section 9.12.

#### **9.18 - Conditions to Action by Limited Partners.**

The right of the Limited Partners to vote to amend this Agreement, to dissolve the Partnership or to remove the General Partner and to admit a replacement therefor or to exercise any of the powers set forth in Section 9.17 or to approve or

initiate the taking of, or take any other action at any meeting of Partners shall not come into existence or be effective in any manner unless and until, prior to the exercise of any such right or the taking of any such action, the Partnership has received an opinion of counsel advising the Limited Partners as to the effect that the exercise of such rights or the taking of such actions may have on the limited liability of any Limited Partners other than those Limited Partners who have initiated such action, each of whom expressly acknowledges that the exercise of such right or the taking of such action may subject each of such Limited Partners to liability as a general partner under the Act or similar legislation in Canada.

#### **9.19 - Minutes.**

The General Partner will cause minutes to be kept of all proceedings and resolutions of every meeting and will cause all such minutes and all resolutions of the Partners consented to in writing to be made and entered in books to be kept for that purpose. Any minutes of a meeting signed by the chairman of the meeting will be deemed evidence of the matters stated in them and such meeting will be deemed to have been duly convened and held and all resolutions and proceedings shown in them will be deemed to have been duly passed and taken.

#### **9.20 - Additional Rules and Procedures.**

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

#### **9.21 - Signed Instruments.**

Any action which may be taken or any powers which may be exercised by the Partners at a meeting may also be taken or exercised, in the case of matters which must be approved by Extraordinary Resolution, by a resolution in writing signed by Partners who hold at least 66 2/3% of the Units and, in the case of matters which must be approved by Ordinary Resolution, by a resolution in writing signed by Partners who hold more than 50% of the Units. Notice of any written resolution passed in accordance with this Section 9.21 shall be given by the General Partner to all Partners within 30 days of the date on which the resolution was passed.

### **ARTICLE 10. - NOTICES**

#### **10.1 - Notice.**

Any notice or other written communication which must be given or sent under this Agreement shall be given by first-class mail or delivery to the address of the General Partner and the Limited Partners as follows:

in the case of the General Partner, to:

Tera Capital G.P. No. 2 Limited  
36 Distillery Lane, Suite 440  
Toronto, Ontario M5A 3C4

and in the case of Limited Partners, to the postal address inscribed in the Record, or any other new address following a change of address in conformity with Section 10.2.

#### **10.2 - Change of Address.**

A Limited Partner may, at any time, change his address for the purposes of service by written notice to the General Partner. The General Partner may change its address for the purpose of service by written notice to all the Limited Partners.

#### **10.3 - Failure to Give Notice.**

An accidental omission in the giving of, or failure to give, a notice required by this Agreement will not invalidate or affect in any way the legality of any meeting or other proceeding in respect of which such notice was or was intended to be given.

#### **10.4 - Disruption in Mail.**

In the event of any disruption, strike or interruption in the Canadian postal service after mailing and before receipt or deemed receipt of a document, such document will be deemed to have been received on the sixth business days following full resumption of the Canadian postal service.

#### **10.5 - Receipt of Notice.**

Subject to Section 10.4, notices given by first-class mail shall be deemed to have been received on the third business days following the deposit of such notice in the mail and notices given by delivery shall be deemed to have been received on the date of their delivery.

#### **10.6 - Undelivered Notices.**

If the General Partner sends a notice or document to a Limited Partner in accordance with Section 10.1 and the notice or document is returned on three consecutive occasions because the Limited Partner cannot be found, the General Partner is not required to send any further notices or documents to the Limited Partner until the Limited Partner informs the General Partner in writing of the Limited Partner's new address.

### **ARTICLE 11. - DISSOLUTION AND LIQUIDATION**

#### **11.1 - Events of Dissolution.**

The Partnership shall follow the procedure for dissolution established in Section 11.3 in order to dissolve on December 31, 2023 or upon the earlier occurrence of any of the following events or dates:

- (a) the passing of any resolution of the directors or shareholders of the General Partner requiring or relating to the bankruptcy, dissolution, liquidation or winding-up or the making of any assignment for the benefit of creditors of the General Partner, or upon the appointment of a receiver of the assets and undertaking of the General Partner during the term of this Agreement unless the General Partner is replaced as provided in Section 7.11(a);
- (b) the failure to appoint a successor to the General Partner in accordance with Section 7.11(b); or
- (c) the passage of an Extraordinary Resolution approving the dissolution of the Partnership.

#### **11.2 - No Dissolution.**

The Partnership shall not come to an end by reason of the death, bankruptcy, insolvency, mental incompetency or other disability of any Limited Partner or upon transfer of any Units.

#### **11.3 - Procedure on Dissolution.**

On December 31, 2023 (or such later date as may be determined pursuant to section 11.1) or upon the occurrence of any of the events set forth in Section 11.1, the General Partner (or in the event of an occurrence specified in Section 11.1 (a) or (b), such other Person as may be appointed by Ordinary Resolution of the Limited Partners) shall act as a receiver and liquidator of the assets of the Partnership and shall in the following order and priority:

- (a) sell or otherwise dispose of such part of the Partnership's assets as the receiver shall consider appropriate;
- (b) pay or provide for the payment of the debts and liabilities of the Partnership and liquidation expenses;
- (c) distribute to the Limited Partners of record on the date of dissolution, subject to Section 3.27, proportionate to the number of Units held by them, an amount equal to the amount in cash or kind of the Capital Contribution paid in respect of each Unit held, less any amounts of Capital Contribution previously distributed to Limited Partners hereunder;

- (d) distribute to the General Partner and to Limited Partners of record on the date of dissolution, subject to Section 3.27, the balance of the assets of the Partnership in the same proportions as the allocations required by Sections 5.3 and 5.5; and
- (e) file the declaration of dissolution prescribed by the Act and satisfy all applicable formalities in such circumstances as may be prescribed by the laws of other jurisdictions where the Partnership is registered. In addition, the General Partner (or such other Person as hereinbefore provided) shall give prior notice of any dissolution of the Partnership by mailing to each Limited Partner such notice at least 21 days prior to the filing of the declaration of dissolution prescribed by the Act.

#### **11.4 - Dissolution.**

The Partnership shall be dissolved upon the completion of all matters set forth in Section 11.3.

#### **11.5 - No Right to Dissolve.**

Except as provided for in Section 11.1, no Limited Partner shall have the right to ask for the dissolution of the Partnership, for the winding-up of its affairs or for the distribution of its assets.

#### **11.6 - Agreement Continues.**

Notwithstanding the dissolution of the Partnership, this Agreement shall not terminate until the provisions of Section 11.3 shall have been satisfied.

### **ARTICLE 12. - AMENDMENT**

#### **12.1 - Power to Amend.**

Subject to Section 12.2, this Agreement may be amended only with the consent of the Partners given by Extraordinary Resolution provided that:

- (a) this Section 12.1 may not be amended without the unanimous written consent of the Partners;
- (b) no amendment shall be made to this Agreement which would have the effect of removing the General Partner involuntarily other than an amendment to give effect to the removal of the General Partner in accordance with Section 7.11, reducing any Partner's share of the net income or net loss of the Partnership, reducing the interest of the Limited Partners in the Partnership, changing in any manner the allocation of income or loss for tax purposes, changing the liability of any Limited Partner, allowing any Limited Partner to exercise control over or management of the business of the Partnership, changing the right of a Partner to vote at any meeting, or changing the Partnership from a limited partnership to a general partnership without the unanimous written consent of the Partners; and
- (c) no amendment which would have the effect of adversely affecting the rights and obligations of the General Partner other than an amendment to give effect to the removal of the General Partner in accordance with Section 7.11 may be made without the written consent of the General Partner.

#### **12.2 - Non-Material Amendments.**

The General Partner may, without prior notice to or consent from any Limited Partner, amend from time to time any provision of this Agreement, to reflect:

- (a) such amendment as is required pursuant to Section 7.2(i) or 7.2(s);
- (b) a change in the name of the Partnership or the location of the principal place of business of the Partnership or the registered office of the Partnership;
- (c) admission, substitution, withdrawal or removal of Limited Partners in accordance with this Agreement;

- (d) a change that, in the sole discretion of the General Partner, is reasonable and necessary or appropriate to qualify or continue the qualification of the Partnership as a partnership in which the Limited Partners have limited liability under the applicable laws;
- (e) a change that, in the sole discretion of the General Partner, is reasonable, necessary or appropriate to enable the Partnership to take advantage of, or not be detrimentally affected by, changes in the *Income Tax Act* (Canada) or other taxation laws;
- (f) remove any conflicts or other inconsistencies which may exist between any terms of the Partnership and any provisions of Applicable Securities Law or any other law or regulation applicable to or affecting the Partnership;
- (g) make any change or correction in the Partnership Agreement which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;
- (h) bring the Partnership Agreement into conformity with Applicable Securities Law or with current practice within the securities industry, provided that any such amendment does not adversely affect the pecuniary value of the interest of any Limited Partner;
- (i) provide added protection to Limited Partners;
- (j) or such amendment as amends or adds any provision which is, in the opinion of counsel to the Partnership, for the protection or benefit of Limited Partners or of the Partnership or to cure any ambiguity or to correct or supplement any provisions contained herein which may be defective or inconsistent with any other provision contained herein and the cure, correction or supplemental provision does not and will not, in the opinion of counsel to the Partnership, adversely affect the interest of any Limited Partner.

### **12.3 - Notice of Amendments.**

The General Partner shall notify the Limited Partners in writing of the full details of any amendment to this Agreement other than non-material amendments as provided in Section 12.2 within 30 days of the effective date of the amendment.

## **ARTICLE 13. - MISCELLANEOUS**

### **13.1 - Binding Agreement.**

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators and other legal representatives, successors and assigns.

### **13.2 - Time.**

Time shall be of the essence hereof.

### **13.3 - Counterparts.**

This Agreement, or any amendment to it, may be executed in multiple counterparts, each of which will be deemed an original agreement. This Agreement may also be executed and adopted in any Subscription Agreement, Transfer 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.

### **13.4 - Governing Law.**

This Agreement will be governed and construed exclusively according to the laws of the Province of Ontario and the laws of Canada applicable therein.

**13.5 - Severability.**

If any part of this Agreement is declared invalid or unenforceable, then such part will be deemed to be severable from this Agreement and will not affect the remainder of this Agreement.

**13.6 - Further Acts.**

The parties will perform and cause to be performed such further and other acts and things and execute and deliver or cause to be executed and delivered such further and other documents as counsel to the Partnership considers necessary or desirable to carry out the terms and intent of this Agreement.

**13.7 - Limited Partner Not a General Partner.**

If any provision of this Agreement has the effect of imposing upon any Limited Partner (other than the General Partner) any of the liabilities or obligations of a general partner under the Act, such provision shall be of no force and effect.

**13.8 - Language of Agreement.**

The parties to this Agreement have expressly agreed that this Agreement be drawn in the English language. Les parties aux présentes ont expressément convenu que le présent contrat soit rédigé en anglais.

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

TERA CAPITAL G.P. NO. 2 LIMITED  
as General Partner

By: (Signed) "Howard Sutton"  
Howard Sutton  
President

TERA CAPITAL CORPORATION  
as Initial Limited Partner

By: (Signed) "Howard Sutton"  
Howard Sutton  
President

TERA CAPITAL G.P. NO. 2 LIMITED.  
as agent and attorney for the Limited Partners

By: (Signed) "Howard Sutton"  
Howard Sutton  
President

## SCHEDULE A

### MANAGEMENT AND PERFORMANCE FEES

The following fees shall be payable by the Partnership to the General Partner and Manager in consideration for their services hereunder:

- (a) A maximum quarterly management fee ("Management Fee") equal to 0.625% of Net Asset Value calculated as at 5:00p.m. (Toronto time) on the Fiscal Quarter Date in each year, and payable within 20 days following the Fiscal Quarter Date.
- (b) The Manager is entitled to receive a performance incentive fee ("Performance Fee") in addition to the basic Management Fee. The Performance Fee payable, if any, is calculated and payable quarterly at the end of each calendar quarter (a "Calculation Quarter") based on the Partnership's performance. At the time of each purchase of Units by a Unitholder, the Net Asset Value is referred to as the Unitholder's initial "High Water Mark" for those Units. A Performance Fee will not be payable in respect of a Unitholder's investment in Units unless and until the Net Asset Value per Unit on the last Valuation Date of a subsequent Calculation Quarter exceeds the Unitholder's initial High Water Mark as ascribed to those Units. When this happens, the Net Asset Value per Unit (net of all Management Fees, Performance Fees and expenses) on the last Valuation Date of that Calculation Quarter becomes the Unitholder's new "High Water Mark" for those Units. The Performance Fee payable in respect of a Unitholder's Units for any Calculation Quarter will be equal to 20% of the increase, if any, of the Net Asset Value Per Unit on the last Valuation Date of that Calculation Quarter over the Unitholder's High Water Mark at the commencement of that Calculation Quarter, multiplied by the number of Units held by the Unitholder on the last Valuation Date of the Calculation Quarter.

A commission in the amount of 20% of the quarterly Performance Fee collected by the General Partner is paid to registered dealers. The Performance Fee based commission for each registered dealer is calculated for each of the dealer's Unitholder(s) on an individual basis in order to determine total fee payable.

## SCHEDULE B

### CLASSES OF UNITS

#### **CLASS A UNITS**

All Units of the Partnership, other than Side Pocket Units, are of a single class designated as Class A Units. The features and attributes of the Class A Units are as set out in this Agreement. For greater certainty, all references in this Agreement to “Units” mean Class A Units, except where specifically referring to Side Pocket Units.

#### **SIDE POCKET UNITS**

##### **Creation and Issuance**

The General Partner may, in its sole discretion and at any time, create one or more classes of Units designated as a “Side Pocket Class” (Units of which class are referred to as “Side Pocket Units”) and allocate and attribute to the Side Pocket Class (i) such private securities or other investments (“Side Pocket Investments”) that the General Partner determines, in its sole discretion, to be illiquid, difficult to value, subject to lock-up or non-redemption provisions, subject to other special circumstances, or which it may be prudent, necessary or desirable to segregate from other assets or investments of the Partnership, and (ii) cash in such amount as the General Partner deems appropriate to facilitate the payment of Management Fees, Performance Fees and expenses out of such Side Pocket Class.

Each investor who is a Limited Partner at the time a Side Pocket Investment is acquired by the Partnership, or at the time an existing investment is designated a Side Pocket Investment by the General Partner, shall be issued Side Pocket Units of the newly created Side Pocket Class pro rata to such Limited Partner’s percentage holding of Units (other than Side Pocket Units) at that time. Subsequently admitted Limited Partners will not acquire an interest in any existing Side Pocket Investments or in any existing Side Pocket Class to which such investments are allocated and shall accordingly not participate in the gain, loss or income of the Side Pocket Units constituting any such existing Side Pocket Class. However, such subsequent Limited Partners will acquire interests in any future Side Pocket Classes created after they become investors in the Partnership. Fractional Side Pocket Units may be issued.

The Partnership may, at the discretion of the General Partner, issue multiple series of Units within a Side Pocket Class in order to isolate the ownership of different Side Pocket Investments. The designation by the General Partner of a Side Pocket Investment and its allocation to a newly created Side Pocket Class may apply in respect of any type of investment whatsoever. There is no limit on the size of any Side Pocket Class or on the portion of investments of the Partnership which can be allocated to a particular Side Pocket Class or to Side Pocket Classes in aggregate.

##### **Valuation**

Side Pocket Investments will be carried at their fair value as determined by the General Partner (the “Side Pocket Allocation Value”). Each Side Pocket Class shall, for internal accounting and Net Asset Value calculation and valuation purposes and for the purposes of determining the rights and entitlements of holders of each class of Units (including such Side Pocket Class) to income and profits of the Partnership between themselves, constitute and be treated as a separate pool of assets of the Partnership and as a separate class of Units.

On each Valuation Date, the General Partner shall cause a separate Net Asset Value to be calculated for each class of Units (including Side Pocket Classes) and a separate Net Asset Value per Unit for each class of Units. The Net Asset Value per Side Pocket Unit of each Side Pocket Class shall be calculated by determining first the proportion of the Net Asset Value of the Partnership as a whole attributable to such class (on the basis of the rules and principles set out in this Agreement) and by then dividing the Net Asset Value attributable to such class by the number of outstanding Side Pocket Units of such class. Any expenses relating specifically to a Side Pocket Class will be charged to the Limited Partners participating in such class. A Side Pocket Investment shall be valued at the Side Pocket Allocation Value unless and until the General Partner in its sole discretion determines that in view of any change of circumstances (including, without limitation, when it becomes possible to re-value a previously difficult to value investment or when an originally illiquid investment becomes more or less liquid), it is appropriate to adjust the value of any Side Pocket Investment.

##### **Redemption**

Side Pocket Units are not redeemable at the option of Limited Partners, and may only be redeemed at the discretion

of the General Partner following a “Realization Event” as provided below.

### **Realization Events**

A “Realization Event” occurs when (i) a Side Pocket Investment is liquidated, sold or otherwise disposed of by the Partnership, or (ii) the General Partner determines in its sole discretion that any investment held by the Partnership no longer constitutes a Side Pocket Investment for any reason including, without limitation, that the investment has become sufficiently liquid (whether through a public offering of securities or otherwise), is appropriately priced or can be valued with reasonable accuracy, or if for any other reason in the opinion of the General Partner it is no longer necessary or desirable for the investment to be segregated from other assets or investments of the Partnership.

Upon the occurrence of a Realization Event, the General Partner may in its discretion take any one or more of the following actions:

(a) sell or otherwise dispose of the Side Pocket Investment in the open market, redeem such portion of the Side Pocket Units as is equivalent in value (based on the re-calculated Net Asset Value per Side Pocket Unit after the disposition of the Side Pocket Investment) to the net proceeds of disposition (after deducting any costs, expenses, taxes and other liabilities relating to such disposition), and distribute to the relevant Limited Partners their respective redemption proceeds by issuance of Class A Units (at the then prevailing Net Asset Value per Unit for such class) equal in value to such net proceeds of disposition of the Side Pocket Investment less any accrued Management Fees or Performance Fees attributable to such Side Pocket Investment; or

(b) re-value such investments which no longer constitute a Side Pocket Investment, allocate and attribute such investments from the Side Pocket Class to the Class A Units and thereafter redeem such portion of the Side Pocket Units as is equivalent in value to the value of such investments (re-valued as aforesaid) and distribute to the relevant Limited Partners their respective redemption proceeds by issuance of Class A Units (at the then prevailing Net Asset Value per Unit for such class) of equivalent value, less any accrued Management Fees or Performance Fees attributable to such Side Pocket Investment.

Class A Units issued to Limited Partners in accordance with the foregoing provisions may be subsequently redeemed at the option of Limited Partners subject to the then prevailing redemption restrictions and limitations of the Partnership.

The redemption proceeds payable to Limited Partners in relation to the redemption of Side Pocket Units shall be net of fees and expenses, including any accrued Management Fees or Performance Fees payable with respect to such Side Pocket Units.