

## **DISTRIBUTIONS COMMITTEE MANDATE**

### **I. MANDATE**

The Distributions Committee (the “Committee”) is a committee of the Board of Trustees (the “Board”) of Primaris Retail Real Estate Investment Trust (the “REIT”) whose primary function is to determine distributions to be made by the REIT.

### **II. COMMITTEE COMPOSITION, APPOINTMENT AND PROCEDURES**

#### **1. Composition of Committee**

The Committee shall be comprised of four Trustees, two of whom shall be Independent Trustees.

#### **2. Appointment of Committee Members**

Members of the Committee shall be appointed from time to time and shall hold office at the pleasure of the Board.

Where for any reason, a member of the Distributions Committee is disqualified from voting on or participating in a decision, any other independent and disinterested Trustee not already a member of the Distributions Committee may be designated by the Trustees to act as an alternate.

#### **3. Vacancies**

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board. The Board shall fill any vacancy if the membership of the Committee is less than three Trustees.

#### **4. Committee Chairman**

The Board shall appoint a Chairman for the Committee whose responsibilities shall be to:

- (a) oversee the Committee’s discharge of responsibilities under this Mandate;
- (i) provides leadership to the Committee with respect to its functions as described in this Mandate and as otherwise may be appropriate, including overseeing the logistics of the operations of the Committee;
- (ii) chairs meetings of the Committee, unless not present;
- (iii) ensures that the Committee meets on a regular basis and at least two times per year;
- (iv) reviews in advance the agenda and supporting material for Committee meetings as prepared by the CFO or other members of Management appointed by the CFO;

- (v) in consultation with the Chair of the Board and the Committee members, establishes a calendar for holding meetings of and sets the agendas for the meetings of the Committee;
- (vi) acts as liaison and maintains communication with the Chair of the Board and the Board to optimize and co-ordinate input from Trustees, and to optimize effectiveness of the Committee
- (vii) ensures that the Committee receives adequate and regular updates from the Management on all issues relating to audits, financial statements, MD&A, annual and interim earnings, press releases, procedures for disclosure of financial information and disclosure controls;
- (viii) meets separately as required with the external auditors to ensure that the Committee has the information required to perform its role of oversight in line with its mandate;
- (ix) pre-approves non-audit services not prohibited by law to be performed by external auditors in conformity with the terms of any authorization delegated to the Chair by the Committee;
- (x) reports annually to the Committee in writing on the role of the Chair and the effectiveness of the Chair role in contributing to the objectives and responsibilities of the Committee as a whole; and
- (xi) reports annually to the Board on the role of the Committee and the effectiveness of the Committee role in contributing to the objectives and responsibilities of the Board as a whole.

5. Absence of Committee Chairman

If the Chairman of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting.

6. Secretary of Committee

The Secretary of the REIT shall serve as a secretary of the Committee.

7. Meetings

- (a) Any member of the Distributions Committee may call a meeting of the Distributions Committee. The Committee shall meet at such times during each year as it deems appropriate. The Committee will ordinarily meet *in camera* at the end of each of its formal meetings.
- (b) Notice of the time and place of every meeting shall be given in writing (including by way of written facsimile communication or e-mail) to each member of the Committee and the Chief Executive Officer of the REIT at least 48 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting constitutes a waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

8. Quorum

A majority of the members of the Committee shall constitute a quorum.

9. Review of Mandate

The Committee shall review its performance and this mandate annually or otherwise as it deems appropriate and propose recommended changes to the Board.

**III. RESPONSIBILITIES OF THE COMMITTEE**

1. The Committee shall determine distributions to be made by the REIT to the unitholders of the REIT. Distributions of the REIT (other than the final distribution of the REIT for each calendar year which shall be approved by the Trustees pursuant to Article XI of the REIT's Declaration of Trust) shall be approved by two members of the Distributions Committee, at least one of whom shall be an Independent Trustee. Decisions may be taken by written consent signed by all of the members of the Distributions Committee.
2. Notwithstanding the appointment of the Distributions Committee, the Trustees may consider and approve any matter that the Distributions Committee has the authority to consider or approve.
3. The REIT may distribute to Unitholders on each Distribution Date such percentage of the funds from operations of the REIT for the calendar month then ended as the Trustees determine in their discretion. Notwithstanding the foregoing, the REIT shall distribute in each year an amount equal to the greater of: (i) 80% of its Distributable Income for such year; and (ii) an amount of net income and net realized capital gains of the REIT for such year as is necessary to ensure that the REIT will not be subject to tax on its net income and net capital gains under Part I of the *Income Tax Act* (Canada).

**IV. RESOURCES, MEETINGS AND REPORTS**

1. The Committee shall have adequate resources to discharge its responsibilities. The Committee may, for and on behalf of the REIT and at the REIT's sole expense, engage such consultants as it considers in its sole discretion necessary to assist it in fulfilling its duties and responsibilities.
2. The Committee shall meet not less than two times per year.
3. The meetings of the Committee shall ordinarily include the Chief Executive Officer (provided that the Committee may meet in private at any time it chooses) and the Chairman of the Board shall be an *ex officio* member of the Committee if not otherwise appointed as a member of the Committee. The Committee may request the attendance of other officers at its meetings from time to time.

The Board shall be kept informed of the Committee's activities. This includes reporting to the full Board on all proceedings and deliberations of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Board or the Declaration of Trust of the REIT may require or as the Committee considers advisable;

4. The Committee shall keep minutes of its meetings in which shall be recorded all actions taken by the Committee which minutes shall be made available to the Board.
5. The members of the Committee shall have the right, for the purposes of discharging the powers and responsibilities of the Committee, to inspect any relevant records of the REIT and its subsidiaries.