

PARTNERS REIT CLASS ACTION NOTICE OF SETTLEMENT APPROVAL

READ THIS NOTICE CAREFULLY. IT MAY AFFECT YOUR RIGHTS

This notice is directed to all persons and entities, wherever they may reside or be domiciled, who held units of Partners Real Estate Investment Trust ("Partners REIT" or the "REIT") as of the close of trading on April 1, 2014, other than Excluded Persons (the "Class" or "Class Members").

Excluded Persons are the defendants, and any entities owned or controlled by the defendants; past or present subsidiaries or affiliates of Partners REIT and Holyrood Holdings Limited ("Holyrood"); and past or present officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns of the defendants and their immediate family members.

PURPOSE OF THIS NOTICE

The purpose of this Notice is to advise Class Members of the approval of the Settlement of a class action brought on behalf of Class Members. The notice provides Class Members with information about how to apply for compensation from the Settlement.

IMPORTANT DEADLINE

Claims Bar Deadline: April 15, 2019
(to file a claim for compensation)

Claims Forms may not be accepted after the Claims Bar Deadline. As a result, it is necessary that you act without delay.

THE CLASS ACTION

On November 28, 2014, the plaintiff Daniel Locking (the "**Plaintiff**") commenced this action in the Ontario Superior Court of Justice (the "**Court**") against certain former trustees and former officer of Partners REIT, and certain third parties (the "**Defendants**"). Partners REIT is not a defendant in the class action. On November 8, 2016, the Court certified the action, styled *Locking v. McCowan et al.*, Court File No. CV-14-517117-00CP (the "**Class Action**") as a class proceeding.

The Class Action relates to the circumstances surrounding Partner REIT's decision to enter a transaction, announced on April 2, 2014 (the "**Transaction**"), for the purchase of three Ontario properties from Holyrood Holdings Limited. It was alleged that Holyrood was not dealing at arm's length with Partners REIT's then CEO and that the Transaction violated the REIT's Declaration of Trust and applicable rules of the Toronto Stock Exchange requiring unitholder approval.

THE SETTLEMENT

On October 9, 2018, the parties reached a settlement of the Class Action and subsequently executed Minutes of Settlement (the "**Settlement**"). The Settlement, which is subject to the approval of the Court, provides for the payment of **\$4,950,000.00** (the "**Settlement Funds**") in consideration for full and final settlement of the claims of Class Members. The Settlement Funds are inclusive of all legal fees, disbursements, taxes and administration expenses. In return for the Settlement Funds, the Defendants will receive releases and a dismissal of the class action. The Settlement is a compromise of disputed claims and is not an admission of liability, wrongdoing or fault on the part of any of the Defendants, all of whom have denied, and continue to deny, the allegations against them.

On December 14, 2018, the Ontario Court approved the Settlement and declared it fair, reasonable, and in the interests of Class Members. A copy of the Settlement and the Court's Approval Order may be found at www.investigationcounsel.com or by contacting Investigation Counsel P.C. at the contact information provided below.

The Court also awarded Class Counsel legal fees, expenses and applicable taxes in the amount of \$1,767,417.93.

HOW TO FILE A CLAIM IN THE SETTLEMENT

Trilogy Class Action Services is the Administrator of this Settlement. The Administrator will oversee the claims processes and will manage and distribute the Settlement Funds.

The Settlement Funds will be distributed to Class Members after deduction of all legal fees, disbursements, applicable taxes, administration expenses, a levy to the Class Proceedings Fund, and a honourarium to the Plaintiff (the "**Net Settlement Amount**").

The amount of each Class Member's actual compensation from the Net Settlement Amount will depend on: (i) the number of units the Class Member owned at the close of trading on April 1, 2014 and (ii) the total number and value of valid claims for compensation filed by Class Members with the Administrator. It is therefore not possible to predict what any individual Class Member's share of the Net Settlement Amount will be.

Those Class Members who wish to receive compensation from the Net Settlement Amount must mail or otherwise submit a completed Claim Form and any supporting documents to the Administrator, no later than April 15, 2019, the Claims Bar Deadline, at the following address:

Trilogy Class Action Services,
177 Queen Street,
P.O. Box 1000,
Niagara-on-the-Lake, ON
L0S 1J0

Toll Free: 1-866-329-7153
Fax: 1-416-342-1761
Email: inquiry@trilogyclassactions.ca

Each Class Member who files a valid claim and the required supporting documents will be paid a *pro rata* share of the Net Settlement Amount based on the number of Partners REIT units they held as of the close of trading on April 1, 2014.

HOW TO OBTAIN A CLAIM FORM

To obtain a Claim Form and further information regarding the terms of the Settlement or filing proof of your claim visit the Administrator's website at www.partnersreitsettlement.com or contact the Administrator by calling 1-866-329-7153 or by email at claims@trilogyclassactions.ca

CLASS COUNSEL

The law firms of Investigation Counsel P.C. and Paul Bates Barrister are appointed by the Court as Counsel to the Class in the class proceeding, and can be reached at:

Investigation Counsel P.C.
Re: Partners REIT Class Action
350 Bay Street, Suite 300
Toronto ON M5H 2S6
Email: partnersreitclassaction@investigationcounsel.com
Phone: 416-637-3150
Fax: 416-637-3445

PLEASE DO NOT CONTACT THE COURT WITH INQUIRIES ABOUT THE CLASS ACTION OR THE SETTLEMENT. All inquiries should be directed to Investigation Counsel P.C.

PUBLICATION OF THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO SUPERIOR COURT OF JUSTICE