



## CHARTER OF THE INVESTMENT COMMITTEE OF RIOCAN REAL ESTATE INVESTMENT TRUST

### General

#### 1. PURPOSE OF THE COMMITTEE

##### 1.1 Responsibilities

The Committee's purpose includes responsibility for reviewing all proposals regarding Transactions (as defined in Section 6.1) and to authorize proposed Transactions and to make investments on behalf of the Trust.

##### 1.2 General

The Committee's purpose includes responsibility for such other matters as are set out in this Charter or as may otherwise be assigned to the Committee by the Board.

#### 2. DEFINITIONS AND INTERPRETATION

##### 2.1 Definitions

In this Charter:

- (a) “**Applicable Laws**” means all applicable provisions of law, domestic or foreign, including, without limitation, the *Securities Act* (Ontario) as amended, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder and the applicable rules and policies of any stock exchange on which the Trust is listed;
- (b) “**Board**” means the Board of Trustees of the Trust;
- (c) “**Chair**” means the chair of the Committee;
- (d) “**Charter**” means this charter of the Investment Committee of the Trust;
- (e) “**Committee**” means the Investment Committee of the Board;
- (f) “**Declaration of Trust**” means the declaration of trust governing the Trust, as amended from time to time;
- (g) “**Trust**” means RioCan Real Estate Investment Trust; and
- (h) “**Trustees**” means the trustees of the Trust.

## 2.2 Interpretation

The provisions of this Charter are subject to the provisions of the Declaration of Trust and any applicable legislation. All terms used and not otherwise defined herein shall have the meanings ascribed thereto in the charter of the Board of Trustees or the Declaration of Trust, as applicable. In the event of any inconsistencies between the charter of the Board of Trustees and the Declaration of Trust, the terms and definitions shall have the meanings as described in the Declaration of Trust.

## **CONSTITUTION AND FUNCTIONING OF THE COMMITTEE**

### 3. **ESTABLISHMENT AND COMPOSITION OF COMMITTEE**

#### 3.1 Establishment of the Investment Committee

The Committee is hereby established with the constitution, function and responsibilities herein set forth.

#### 3.2 Appointment and Removal of Members of the Committee

- (a) Board Appoints Members. The members of the Committee shall be appointed by the Board.
- (b) Annual Appointments. The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of the Unitholders at which Trustees are elected, provided that if the appointment of members of the Committee is not so made, the Trustees who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed.
- (c) Vacancies. The Board may appoint a member to fill a vacancy that occurs in the Committee between annual elections of Trustees.
- (d) Removal of Member. Any member of the Committee may be removed from the Committee by a resolution of the Board.

#### 3.3 Number of Members

The Committee shall consist of not less than two Trustees.<sup>1</sup>

#### 3.4 Qualification of Members

At least two-thirds of the members of the Committee shall have had at least five years substantial experience in the commercial real estate field<sup>2</sup> and all members of the Committee shall be independent as defined under Applicable Laws.

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<sup>1</sup> Declaration of Trust – s. 8.1

4. **COMMITTEE CHAIR**

4.1 **Board to Appoint Chair**

The Board shall appoint the Chair from the members of the Committee (or if it fails to do so, the members of the Committee shall appoint the Chair of the Committee from among its members).

4.2 **Chair to be Appointed Annually**

The designation of the Committee's Chair shall take place annually at the first meeting of the Board after a meeting of the Unitholders at which Trustees are elected, provided that if the designation of Chair is not so made, the Trustee who is then serving as Chair shall continue as Chair until his or her successor is appointed.

5. **COMMITTEE MEETINGS**

5.1 **Quorum**

A quorum of the Committee shall be a majority of its members present in person. A Trustee may participate in a meeting of the Committee by means of a conference telephone and a Trustee so participating shall be considered to be present at that meeting.<sup>3</sup>

5.2 **Secretary**

The Chair shall designate from time to time a person who may, but need not, be a member of the Committee, to be Secretary of the Committee.

5.3 **Time and Place of Meetings**

The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee. Any member of the Committee or a member of the Trust's management may call a meeting of the Committee upon not less than 48 hours notice.<sup>4</sup>

5.4 **Right to Vote**

Each member of the Committee shall have the right to vote on matters that come before the Committee. Decisions made by the Committee shall be decided by a majority of the votes. Decisions may also be taken by written consent of all members. Where for any reason a member of the Committee is disqualified from voting or participating in a decision, any other independent

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<sup>2</sup> Declaration of Trust – s. 8.1

<sup>3</sup> Declaration of Trust – s. 7.5

<sup>4</sup> Declaration of Trust – s. 8.1

and disinterested Trustee not already a member of the Committee may be designated by the Trustees to act as an alternate.<sup>5</sup>

#### 5.5 Invitees

The Committee may invite Trustees, officers, employees, advisors or consultants of the Trust or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee.

#### 5.6 Regular Reporting

The Committee shall report to the Board at the Board's next meeting the proceedings at the meetings of the Committee and all recommendations made by the Committee at such meetings.

### 6. AUTHORITY OF COMMITTEE

#### 6.1 Delegation of Responsibility for Smaller Transactions

The Committee shall be entitled to delegate its responsibility for Smaller Transactions (defined below) to a committee comprised of at least three members of the Trust's management, which committee shall include the Trust's chief executive officer and chief operating officer. Notwithstanding such delegation, the Committee shall obtain and review reports of such management committee at least quarterly of the deliberations and determinations of such management committee in respect of Smaller Transactions.<sup>6</sup>

For the purposes of this section 6.1, "Transactions" shall mean:

- (a) acquisitions of income producing properties where such acquisition does not involve the issuance of securities unless such issuance is authorized by the Trustees;
- (b) development land acquisitions where such acquisition does not involve the issuance of securities unless such issuance is authorized by the Trustees; and
- (c) dispositions.

For the purposes of this section 6.1, "Smaller Transactions" shall mean:

- (d) acquisitions of income producing properties where the purchase price does not exceed \$40 million and where such acquisition does not involve the issuance of securities unless such issuance is authorized by the Trustees;

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<sup>5</sup> Declaration of Trust – s. 8.1

<sup>6</sup> Declaration of Trust – s. 8.1

- (e) development land acquisitions where the total capital commitment for completion of the development, including land, is estimated not to exceed \$40 million and where such acquisition does not involve the issuance of securities unless such issuance is authorized by the Trustees; and
- (f) dispositions where proceeds do not exceed \$40 million.

## 6.2 Retaining and Compensating Advisors

The Committee shall have the authority to retain and terminate:

- (a) any firm engaged to assist in the evaluation of proposed acquisitions or dispositions; and
- (b) outside counsel and any other advisors as the Committee may deem appropriate in its sole discretion.

The Committee shall have authority to approve related fees and retention terms of any such firm and other advisors.

## 6.3 Recommendations to the Board

The Committee shall have the authority to make recommendations to the Board, but shall have no decision-making authority other than as specifically contemplated in this Charter.

## 7. REMUNERATION OF COMMITTEE MEMBERS

Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board, in consultation with the Human Resources and Compensation Committee, may determine from time to time.

## **SPECIFIC DUTIES AND RESPONSIBILITIES – COMMITTEE ADMINISTRATION**

### 8. REGULAR PERFORMANCE EVALUATION

On a regular basis, the Committee shall follow the process established by the Board and overseen by the Nominating and Governance Committee for assessing the performance and effectiveness of the Committee.

### 9. CHARTER REVIEW

The Committee shall review and assess the adequacy of this Charter annually and recommend to the Board any changes it deems appropriate.