

## CROMBIE REAL ESTATE INVESTMENT TRUST

### DISTRIBUTION REINVESTMENT PLAN (DRIP)

The attached Distribution Reinvestment Plan (“**DRIP**”) is offered by Crombie REIT to beneficial unitholders of Crombie REIT who are Canadian residents. Participation in the DRIP is also available to beneficial holders of Class B limited partnership units of Crombie Limited Partnership who may acquire additional Class B limited partnership units on substantially the same terms.

Under the DRIP, a participant may voluntarily elect to automatically invest Crombie REIT cash distributions made to the participant on a monthly basis into additional units of Crombie REIT. The purchase price for the additional units is at the market price of Crombie REIT units as determined under the DRIP. There are generally no commissions, service charges or brokerage fees payable on DRIP purchases.

Participants in the DRIP have the option to invest the entirety of their distributions into additional units or they may choose to invest only a partial amount of distributions into additional units. No fractional Crombie REIT units will be issued under the DRIP and participants will receive cash payment in lieu of fractional units.

All Crombie REIT units are held through a book-based system operated by CDS Clearing and Depository Services Inc. Beneficial holders hold Crombie REIT units through securities brokers and dealers, banks and trust companies who participate directly or indirectly in the CDS book-based system. **Accordingly, all Crombie REIT unitholders wishing to participate in the DRIP must do so through the securities broker, dealer, bank or trust company through which they hold Crombie REIT units.**

Participation in the DRIP is determined on the last business day of each month so beneficial unitholders must ensure that enrolment arrangements are made such that their participation will be recognized prior to this date. Beneficial unitholders may instruct that participation will continue automatically unless terminated in accordance with the DRIP or unless participation becomes unlawful under the laws governing Canada.

As practices may vary among institutions, beneficial unitholders of Crombie REIT should contact the securities broker, dealer, bank or trust company through which they hold Crombie REIT units to determine whether participation in the DRIP is accommodated and, if so, receive instructions on enrolment applicable to them. Unitholders are also encouraged to consult with their own tax advisors to determine the consequences associated with their enrolment in the DRIP.

Enrolment in the DRIP does not impact the ability of a beneficial holder of Crombie REIT units to vote, acquire or dispose of Crombie REIT units.

The DRIP is administered by CST Trust Company of Canada as Agent on behalf of Crombie REIT. For more information about the DRIP, please contact:

AST Trust Company (Canada)  
PO Box 2082, Station C  
Halifax, NS  
B3J 3B7

Attn: Crombie REIT Distribution Reinvestment Plan  
Phone: 902-420-3821  
Fax: 902.420.3242  
Email: [charrett@astfinancial.com](mailto:charrett@astfinancial.com)

# CROMBIE REAL ESTATE INVESTMENT TRUST

and

## CROMBIE LIMITED PARTNERSHIP

### DISTRIBUTION REINVESTMENT PLAN

(As amended effective May 22, 2018)

#### INTRODUCTION

This distribution reinvestment plan (the "**Plan**") is being offered to eligible beneficial holders ("**REIT Unitholders**") of units (the "**REIT Units**") of Crombie Real Estate Investment Trust (the "**REIT**") and to beneficial holders ("**LP Unitholders**") of Class B Limited Partnership units (the "**LP Units**") of Crombie Limited Partnership ("**Crombie LP**") in each case who are Canadian residents.

#### 1. PURPOSE

The Plan enables REIT Unitholders to invest any and all cash distributions on REIT Units beneficially held by such REIT Unitholders in additional REIT Units and enables LP Unitholders to invest any and all cash distributions on LP Units beneficially held by such LP Unitholders in additional LP Units. All such additional Units are purchased directly from treasury of the REIT or Crombie LP, as the case may be, by the Agent.

#### 2. DEFINED TERMS

Where used herein, the following terms shall have the following meanings, respectively:

"**Agent**" means CST Trust Company of Canada in respect of the REIT Units and the REIT in respect of the LP Units.

"**Average Market Price**" means the volume weighted average trading price of Units on the Toronto Stock Exchange for the 5 trading days immediately preceding the relevant Distribution Payment Date.

"**Business Day**" means any day on which the Plan Agent's offices are open for the transaction of business, but does not in any event include a Saturday, Sunday, civic or statutory holiday in the Province of Ontario, or a day on which the TSX is not open for trading.

"**CDS**" means CDS Clearing and Depository Services Inc.

"**CDS Participants**" means participants in the CDS depository service, which include, without limitation, securities brokers and dealers, banks and trust companies or other financial institutions that hold REIT Units on behalf of beneficial holders.

"**Declaration of Trust**" means the Declaration of Trust dated January 1, 2006, as amended and restated from time to time, pursuant to which the REIT is governed.

"**Distribution Payment Date**" means, for any month's distribution, the 15th day of the immediately following month and such other dates determined from time to time by the Trustees.

**"Distribution Record Date"** means the last business day of the calendar month for the relevant distribution (except for the month of December where the record date shall be December 31) or such other date as is fixed by the Trustees in accordance with the provisions of the Declaration of Trust.

**"Insider Trading Policy"** means the REIT's Statement of Policies and Procedures with respect to Confidentiality, Insider Trading and Tipping, Disclosure and Insider Reporting or any similar policy in effect from time to time.

**"Issuer"** means the REIT and Crombie LP.

**"Purchase Price"** means the Average Market Price.

**"Registered Participant"** means CDS as registered holder of REIT Units and any registered holders of LP Units who are Canadian residents and who are participants in the Plan.

**"Trustees"** means the trustees of the REIT from time to time.

**"Unit"** means a REIT Unit and LP Unit.

**"Unitholder"** means a REIT Unitholder and LP Unitholder.

### **3. BOOK-ENTRY SYSTEM**

CDS holds securities for CDS Participants and facilitates the clearance and settlement of securities transactions between CDS Participants through electronic book entries, thereby eliminating the need for physical movement of certificates.

REIT Unitholders may purchase, sell or otherwise transfer ownership in REIT Units only through CDS Participants. In addition, REIT Unitholders will receive distributions on REIT Units from the Agent through CDS Participants. Under a book-entry format, REIT Unitholders may experience some delay in receiving payments, since payments will be forwarded by the Agent to CDS. CDS will forward these payments to CDS Participants, which will then forward them to REIT Unitholders.

Currently, the only eligible Registered Participant for REIT Units is CDS. **REIT Unitholders wishing to participate in the Plan must do so through their CDS Participant.** REIT Unitholders who participate in the Plan through their CDS Participant will not be recognized directly by the REIT or the Agent as Registered Participants. REIT Unitholders can exercise the rights only through CDS and its CDS Participants.

### **4. FEATURES**

Under the Plan, a Unitholder may purchase additional Units with all or part of the cash distributions paid on Units beneficially held by the Unitholder or held in a Unitholder's account maintained pursuant to the Plan. The price at which Units will be purchased with such cash distributions will be the Purchase Price.

### **5. ADMINISTRATION**

All cash distributions paid on Units held for beneficial holders thereof who have elected to participate in the Plan will be used to purchase additional Units for the Unitholders directly from the treasury of the Issuer. Additional REIT Units purchased under the Plan shall be registered in

the name of CDS, the Registered Participant for the benefit of REIT Unitholders, and Additional LP Units purchased under the Plan shall be registered in the name of the LP Unitholder.

Accounts under the Plan shall be maintained in the names in which Units were registered at the time the Registered Participants enrolled in the Plan.

## 6. PARTICIPATION

### 6.1 Participation by REIT Unitholders in Plan

Canadian residents who are beneficial holders of REIT Units may request enrollment in the Plan, in writing, through their CDS Participant. Once a REIT Unitholder has advised his, her or its CDS Participant that such REIT Unitholder wishes to participate in the Plan, such REIT Unitholder's participation generally continues automatically unless terminated in accordance with the terms of the Plan or unless participation becomes unlawful under the laws governing the REIT.

Beneficial owners of REIT Units wishing to participate in the Plan must make appropriate arrangements with the CDS Participant who holds their REIT Units to enroll in the Plan on their behalf. The CDS Participant must, on behalf of the REIT Unitholder, provide a participation notice to CDS of the REIT Unitholder's participation in the Plan no later than 4:00 p.m. (Toronto time) on the Distribution Record Date or such other deadline as may be established by CDS from time to time. CDS shall, in turn, notify the Agent no later than 2:00 p.m. (Toronto time) on the business day immediately following the Distribution Record Date of such holder's participation in the Plan. If a participation notice is received after the deadline, the current distribution will be paid to the REIT Unitholder in cash. **Beneficial owners should contact the CDS Participant who holds their REIT Units to provide instructions regarding their participation in the Plan and to inquire about any applicable deadlines that the CDS Participants may impose or be subject to.**

If any REIT Units are beneficially held by a non-resident of Canada, such REIT Unitholder is not eligible to participate in the Plan. Upon ceasing to be a resident of Canada, a REIT Unitholder shall forthwith notify his, her or its CDS Participant, who shall immediately terminate such REIT Unitholder's participation in the Plan. Such CDS Participant shall make no further election to CDS on behalf of such REIT Unitholder in respect of further distributions.

Participation in the Plan is restricted to residents of Canada for the purposes of the Income Tax Act (Canada). Neither the Plan Agent nor CDS will have any duty to inquire into the residency status of REIT Unitholders, nor will the Plan Agent or CDS be required to know the residency status of REIT Unitholders, other than as notified by a CDS Participant.

No later than three business days prior to the next Distribution Record Date, CDS will receive from the Agent the number of whole REIT Units to which it is entitled.

No interest will be paid on any funds held for investment under the Plan.

### 6.2 Participation by LP Unitholders in Plan

Canadian residents who are beneficial holders of LP Units may request enrollment in the Plan, in writing, through the Agent. Once a LP Unitholder has advised the Agent that such LP Unitholder wishes to participate in the Plan, participation continues automatically unless terminated in accordance with the terms of the Plan or unless participation becomes unlawful under the laws governing Crombie LP.

Cash distributions paid on LP Units under the Plan will be automatically reinvested in additional LP Units on each Distribution Payment Date in accordance with the applicable enrolment request. For greater certainty, the LP Unitholder may give a standing enrolment instruction that is a formula which may be based upon the percentage participation of REIT Units under the Plan on a monthly basis.

If any LP Units are beneficially held by a non-resident of Canada, such LP Unitholder is not eligible to participate in the Plan. Upon ceasing to be a resident of Canada, a LP Unitholder shall forthwith notify the Agent who shall immediately terminate such LP Unitholder's participation in the Plan.

The LP Units purchased from Crombie LP's treasury will be allocated to the Registered Participant. The Registered Participant will be credited with the number of new LP Units, including fractions, computed to three decimal places, which is equal to the distributions reinvested divided by the applicable Purchase Price.

No interest will be paid on any funds held for investment under the Plan. LP Units will be accompanied by Special Voting Units of the REIT.

### **6.3 Transfer of Participation Rights**

The right to participate in the Plan may not be transferred by a Registered Participant without the approval of the securities regulatory authorities.

### **6.4 Termination of Participation**

Unitholders may voluntarily terminate their participation in the Plan as of a particular Distribution Record Date by notifying their CDS Participant sufficiently in advance of that Distribution Record Date. Unitholders should contact their CDS Participant for appropriate procedures. Beginning on the first Distribution Payment Date after such Notice is received by a CDS Participant, the Distribution payable to such holders will be made in cash. Any expenses associated with the preparation and delivery of a termination notice will be for the account of the Unitholder exercising its right to terminate participation in the Plan.

A LP Unitholder may terminate his, her or its participation in the Plan by providing prior written notice to the Agent. Subject to section 6.5, this notice will have effect in respect of the next Distribution Record Date.

The REIT reserves the right to refuse participation in the Plan to, or to terminate participation in the Plan of, any person who, in the REIT's sole determination, has failed to comply with the terms of the Plan or, in the reasonable opinion of the REIT, is participating in the Plan primarily with a view to arbitrage trading, whose participation in the Plan is part of a scheme to avoid applicable legal requirements or engage in unlawful behaviour or has been artificially accumulating the REIT securities, or for the purpose of taking advantage of or abusing the Plan to the detriment of the REIT or its Unitholders. The REIT may also deny the right to participate in the Plan to any person or terminate the participation of any participant in the Plan if the REIT deems it advisable under any applicable laws or regulations.

When participation in respect of any LP Units subject to the Plan is terminated, the Registered Participant will be credited for such LP Units held for the Registered Participant's account.

## **6.5 Participation by Insiders**

The Plan is intended to be an “automatic securities purchase plan” under applicable securities laws. Accordingly, Unitholders that are insiders (as defined under applicable securities laws) or employees of the REIT or its subsidiaries may elect to participate in the Plan, provided however such persons may only give directions to participate and may only vary or terminate their participation in the Plan when they (1) are not subject to a blackout period under the REIT’s Insider Trading Policy and (2) they otherwise comply with any additional requirements imposed upon them by the REIT’s Insider Trading Policy.

In addition, insiders holding LP Units may only give directions to participate, vary or terminate their participation in the Plan to acquire LP Units (1) within 14 days after the announcement of the Plan commencement, or (2) with advance notice to the Agent of not less than 30 days prior to the applicable Distribution Record Date.

Notwithstanding any other provision of the Plan, Unitholders may not give directions to enroll, terminate or change instructions for participation in the Plan at any time when they have knowledge of an undisclosed material fact or material change with respect to the REIT.

Neither the Plan Agent nor CDS will be responsible for compliance with this section.

## **6.6 Amendment, Suspension or Termination of the Plan**

The REIT reserves the right to amend, suspend or terminate the Plan at any time (subject to any applicable approval of any regulatory authority, including, without limitation, the Toronto Stock Exchange) but such action shall have no retroactive effect that would prejudice the interest of the Registered Participants and Unitholders. All Registered Participants will be sent written notice of any such amendment, suspension or termination.

In the event of termination of the Plan by the REIT, the Units and any applicable cash payments will be credited to an account designated by the Registered Participant. In the event of suspension of the Plan by the REIT, any distribution paid after the effective date of any such suspension will be remitted by the Issuer to the Registered Participant in cash only.

## **6.7 Rules and Regulations**

The REIT, in conjunction with the Agent, may from time to time adopt rules and regulations to facilitate the administration of the Plan. The REIT also reserves the right to regulate and interpret the Plan as it deems necessary or desirable to ensure the efficient and equitable operation of the Plan.

## **6.8 Rights Offering**

In the event the REIT makes available to holders of Units rights to subscribe for additional Units or other securities, rights certificates will be issued by the REIT to each Registered Participant in respect of the whole Units held for a Registered Participant’s account under the Plan on the record date for such rights issue. Rights based on fractional Units held for a Registered Participant’s account will be sold together with rights based on fractional Units held for other Registered Participants on a commingled basis by the Agent and the proportionate net proceeds will be remitted to the Registered Participant.

## **6.9 Unit Splits and Unit Distributions**

If Units are distributed pursuant to a Unit split or Unit distribution on Units, such Units received by the Agent or its nominee for Registered Participants under the Plan will be retained by the Agent or its nominee and credited proportionately to the accounts of the Registered Participants in the Plan.

## **7. PRICE OF UNITS AND COSTS**

### **7.1 Price of Additional Units**

On each Distribution Payment Date, the Plan Units shall be purchased directly from the treasury of the Issuer. The REIT will provide to the Agent the Purchase Price for such additional Units under the Plan. The number of Units to be issued to the Registered Participant is equal to the amount to be re-invested for the Registered Participant, divided by the Purchase Price for the Units. The Agent will credit CDS and CDS will in turn credit Plan Participants for such Plan REIT Units via the applicable CDS Participant in accordance with its customary procedures. No fractional REIT Units will be issued under this Plan to CDS. Payment in cash in lieu of any fractional REIT Units will be made by the Agent to CDS. CDS will in turn credit Plan Participants via the applicable CDS Participant in accordance with its customary procedures.

### **7.2 Costs**

No commissions, service charges or brokerage fees are payable by Registered Participants to the Issuer or Agent in connection with the Plan. All administrative costs of the Issuer and Agent in respect of the Plan are borne by the REIT.

## **8. RECORDING AND CERTIFICATES**

### **8.1 Reports to Registered Participants**

An account will be maintained by the Agent for each Registered Participant in the Plan. A monthly statement of Units issued under the Plan will be mailed to each Registered Participant. These statements will be the Registered Participant's continuing record of purchases made and Units issued and should be retained for income tax purposes. In addition, each Registered Participant will be sent annually the appropriate information for tax reporting purposes.

### **8.2 Certificates for LP Units**

LP Units purchased under the Plan will be held by the Agent for Registered Participants in the Plan.

## **9. RESPONSIBILITIES OF THE ISSUER AND THE AGENT**

The Issuer and the Agent shall not be liable for any act or any omission to act in connection with the operation of the Plan including, without limitation, any claims for liability arising in connection with or relating to:

- income taxes (together with any applicable interest and/or penalties) payable by Registered Participants, CDS Participants or Unitholders in connection with the latter's participation in the Plan;



- the prices at which Units are purchased or sold for the Unitholder's account and the times such purchases or sales are made;
- receipt or non-receipt of any payment, form or other writing purported to have been sent to Issuer, the Agent, any Registered Participant, CDS Participant or Unitholder;
- actions taken as a result of inaccurate and incomplete information or instructions;
- any decision to amend, suspend, terminate or replace the Plan in accordance with the terms hereof; or
- the involuntary termination of a Unitholder's participation in the Plan in the circumstances described herein.

Registered Participants, CDS Participants and Unitholders should recognize that neither the Issuer nor the Agent can assure a profit or protection against a loss on the Units purchased or sold under the Plan.

## **10. PERSONAL LIABILITY**

The Plan shall be conclusively taken to have been approved by, or by officers of the REIT on behalf of, the Trustees of the REIT only in their capacity as trustees under the Declaration of Trust. The obligations of the REIT hereunder are not personally binding upon any Trustee of the REIT, any registered or beneficial holder of Units or any annuitant under a plan of which a registered or beneficial holder of Units acts as trustee or carrier, and resort shall not be had to, nor shall recourse or satisfaction be sought from, the private property of any of the foregoing, but the property of the REIT from time to time only shall be bound by such obligations.

## **11. NOTICES**

All notices required to be given under the Plan shall be mailed to Registered Participants at the addresses shown on the records of the Plan or at a more recent address as furnished by the Registered Participant.

Notices to the Issuer shall be sent to:

AST Trust Company (Canada)  
PO Box 2082, Station C  
Halifax, NS B3J 3B7  
Attn: Crombie REIT Distribution Reinvestment Plan  
Phone: 902-420-3821  
Fax: 902.420.3242  
Email: charrett@astfinancial.com

## **12. GOVERNING LAW**

This Plan shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the laws of Canada applicable therein.

**13. EFFECTIVE DATE OF THE PLAN**

The effective date of the Plan as amended is May 22, 2018.