

INTERRENT REAL ESTATE INVESTMENT TRUST
(the “**Trust**”)

CHARTER OF THE BOARD OF TRUSTEES
(the “**Charter**”)

I. GENERAL

1. Mandate and Purpose

The Board of Trustees (the “**Board**”/“**Board of Trustees**”) of the Trust has, subject to all of the provisions of the declaration of trust of the Trust, as amended from time to time (the “**Declaration of Trust**”), the responsibility to:

- oversee the conduct of the business of the Trust;
- oversee the activities of management who are responsible for the day-to-day conduct of the business of the Trust;
- enhance and preserve long-term unitholder value;
- ensure that the Trust meets its obligations on an ongoing basis and operates in a reliable manner; and
- perform the additional duties set out in this Charter.

In performing its functions, the Board should also consider the legitimate interests of the Trust’s other stakeholders such as its employees, customers, suppliers, tenants and the communities in which it carries on business. In broad terms, the Board is responsible for the stewardship of the Trust and will be actively involved in strategic planning, financial reporting, risk management and mitigation, senior management appointments, communication planning and internal control integrity.

2. Authority

Subject to the Declaration of Trust, the Board may operate by reserving certain powers to itself, and by delegating certain powers, duties and responsibilities to the management of the Trust or to various committees of the Trust (the “**Committees**”) constituted by the Board, as it deems fit.

II. PROCEDURAL MATTERS

1. Composition and Qualification

The Board of Trustees shall be constituted at all times of a majority of independent trustees in accordance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices*. A trustee is considered to be “independent” if he or she has no direct or indirect material relationship which could, in the view of the Board of Trustees, reasonably interfere with the exercise of a trustee’s independent judgment. Notwithstanding the foregoing, a trustee shall be

considered to have a material relationship with the Trust (and therefore shall not be considered to be an “independent” trustee) if he or she falls in one of the categories listed in Schedule “A” attached hereto. Subject to the Declaration of Trust, the trustees shall be elected at each annual meeting of the unitholders and hold office for a term expiring at the close of the next annual meeting of unitholders following such election.

2. Structure and Operations

(a) Chair

Each year, the Board will appoint one of its members to act as the chairperson of the Board (the “**Chair**”). The Chair should also be independent or alternatively the Board will appoint an independent lead trustee. The Chair may be removed at any time at the discretion of the Board. If the Chair is absent from any meeting, the Board will select one of the other members of the Board to preside at that meeting.

(b) Meetings

The Chair will be responsible for developing and setting the agenda of the Board meetings, and in consultation with the management, determining the schedule and frequency of such Board meetings. Meetings of the Board will be conducted in accordance with the Declaration of Trust.

(c) Notice

Notice of the time and place of every meeting will be given, in writing, verbally or by means of telephonic or other electronic communication to each trustee, the chief executive officer (“**CEO**”) of the Trust and the chief financial officer (“**CFO**”) of the Trust, at least 48 hours prior to the time fixed for such meeting. The notice period may be waived by a quorum of the Board.

(d) Attendees

The Board may invite such officers and employees of the Trust and advisors as it sees fit from time to time to attend meetings of the Board and assist in the discussion and deliberation of matters being considered by the Board, and to provide information as necessary.

(e) Quorum

Quorum for the transaction of business at any meeting of the Board shall be a majority of the number of trustees then holding office, provided that a majority of the trustees comprising the quorum must be resident Canadians and independent trustees. No business may be transacted by the Board except at a meeting of its members at which a quorum of the Board is present in person, or by means of a telephonic, electronic or other communications facility that permits all participants participating in the meeting to communicate with each other simultaneously and instantaneously.

(f) Secretary

The Board will appoint a Secretary to the Board who need not be a trustee or officer of the Trust.

(g) Records

Minutes of meetings of the Board will be recorded and maintained by the Secretary to the Board and will be subsequently presented to the Board for review and approval.

(h) Liaison

The CEO will act as management liaison with the Board.

III. RESPONSIBILITIES AND DUTIES**1. Specific Duties**

Subject only to the express limitations contained in the Declaration of Trust, and in addition to any powers and authorities conferred by the Declaration of Trust or which the trustees may have by virtue of any present or future statute or rule or law, the Board shall have and may exercise the following powers and authorities (with all defined terms having the meaning prescribed by the Declaration of Trust):

- To retain, invest and reinvest the capital or other funds of the Trust in real property of any kind, and to possess and exercise all the rights, powers and privileges appertaining to the ownership of the property of the Trust and to increase the capital of the Trust at any time by the issuance of additional units for such consideration as they deem appropriate;
- For such consideration as they deem proper, to invest in, purchase or otherwise acquire for cash or through the issuance of units or through the issuance of notes, debentures, bonds or other obligations or securities of the Trust and hold for investment the entire or any participating interest in mortgages. In connection with any such investment, purchase or acquisition, the Board shall have the power to acquire a share of rents, lease payments or other gross income from or a share of the profits from or a share in the equity or ownership of real property;
- To sell, rent, lease, hire, exchange, release, partition, assign, mortgage, pledge, hypothecate, grant security interests in, encumber, negotiate, convey, transfer or otherwise dispose of any or all of the property of the Trust by deeds, trust deeds, assignments, bills of sale, transfers, leases, mortgages, financing statements, security agreements and other instruments for any of such purposes executed and delivered for and on behalf of the Trust or trustees by one or more of the trustees or by a duly authorized officer, employee, agent or any nominee of the Trust;
- To enter into leases, contracts, obligations and other agreements for a term extending beyond the term of office of the trustees and beyond the possible termination of the Trust or for a lesser term;

- To borrow money from or incur indebtedness to any person; to guarantee, indemnify or act as surety with respect to payment or performance of obligations of third parties; to enter into other obligations on behalf of the Trust; and to assign, convey, transfer, mortgage, subordinate, pledge, grant security interests in, or encumber, the property of the Trust to secure any of the foregoing;
- To lend money, whether secured or unsecured;
- To incur and pay out of the property of the Trust any charges or expenses and disburse any funds of the Trust, which charges, expenses or disbursements are, in the opinion of the Board, necessary or incidental to or desirable for the carrying out of any of the purposes of the Trust or conducting the affairs of the Trust including, without limitation, taxes or other governmental levies, charges and assessments of whatever kind or nature, imposed upon or against the Board in connection with the Trust or the property of the Trust or upon or against the property of the Trust or any part thereof and for any of the purposes herein;
- To deposit funds of the Trust in banks, trust companies and other depositories, whether or not such deposits will earn interest, the same to be subject to withdrawal on such terms and in such manner and by such person or persons (including any one or more trustees, officers, agents or representatives) as the Board may determine;
- To possess and exercise all the rights, powers and privileges appertaining to the ownership of all or any mortgages or securities, issued or created by, or interest in, any person, forming part of the assets of the Trust, to the same extent that an individual might and, without limiting the generality of the foregoing, to vote or give any consent, request or notice, or waive any notice, either in person or by proxy or power of attorney, with or without power of substitution, to one or more persons, which proxies and powers of attorney may be for meetings or action generally or for any particular meeting or action and may include the exercise of discretionary power;
- To elect, appoint, engage or employ officers of the Trust (including a chairman, a president, a chief executive, one or more vice-presidents and a secretary and other officers as the Board may determine), who may be removed or discharged at the discretion of the Board, such officers to have such powers and duties, and to serve such terms as may be prescribed by the Board; to engage or employ any persons as agents, representatives, employees or independent contractors (including, without limitation, real estate advisors, investment advisors, registrars, underwriters, accountants, lawyers, real estate agents, property managers, appraisers, brokers, architects, engineers, construction managers, general contractors or otherwise) in one or more capacities, and to pay compensation from the Trust for services in as many capacities as such persons may be so engaged or employed; and, except as prohibited by law, to delegate any of the powers and duties of the Board to any one or more trustees, agents, representatives, officers, employees, independent contractors or other persons;
- To the extent feasible, satisfy itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity

throughout the Trust, and more generally ensuring that the Trust behaves in an ethical manner and complies with all applicable laws, regulations, auditing and accounting principles;

- To collect, sue for and receive sums of money coming due to the Trust, and to engage in, intervene in, prosecute, join, defend, compromise, abandon or adjust, by arbitration or otherwise, any actions, suits, proceedings, disputes, claims, demands or other litigation relating to the Trust, the assets of the Trust or the Trust's affairs, to enter into agreements therefor whether or not any suit is commenced or claim accrued or asserted and, in advance of any controversy, to enter into agreements regarding the arbitration or settlement thereof;
- To renew, modify, release, compromise, extend, consolidate or cancel, in whole or in part, any obligation to or of the Trust;
- To purchase and pay for, out of the assets of the Trust, insurance contracts and policies insuring the assets of the Trust against any and all risks and insuring the Trust and/or any or all of the trustees, or officers of the Trust against any and all claims and liabilities of any nature asserted by any person arising by reason of any action alleged to have been taken or omitted by the Trust or by the trustees, or the officers or otherwise;
- To cause title to any of the assets of the Trust to be drawn up in the name of the trustees, and/or, to the extent permitted by applicable law, in the name of the Trust or one or more of the trustees or any other person, on such terms, in such manner with such powers in such person as the Board may determine and with or without disclosure that the Trust or trustees are interested therein, provided however, should title to any of the assets of the Trust be held by and/or in the name of any person or persons other than the Trust or trustees as aforesaid, the Board shall require such person or persons to execute a declaration of trust acknowledging that title to such assets is held in trust for the benefit of the Trust;
- To determine conclusively the allocation to capital, income or other appropriate accounts of all receipts, expenses, disbursements and property of the Trust;
- To prepare, sign and file or cause to be prepared, signed and filed any prospectus, information circular, offering memorandum or similar document, and any amendment thereto, relating to or resulting from an offering of the units or other securities issued or held by the Trust and to pay the cost thereof and related thereto and any fees related thereto out of the property of the Trust whether or not such offering is or was of direct benefit to the Trust or those persons (if any) who were unitholders immediately prior to such offering;
- To make or cause to be made application for the listing on any stock exchange of any units or other securities of the Trust, and to do all things which in the opinion of the Board may be necessary or desirable to effect or maintain such listing or listings;

- To determine conclusively the value of any or all of the property of the Trust from time to time, and in determining such value, to consider such information and advice as the Board, in their sole judgement, may deem material and reliable;
- To do all such acts and things and to exercise such powers which are delegated to the Board by any person who co-owns real property with the Trust; and
- To do all such other acts and things as are incidental to the foregoing and to exercise all powers which are necessary or useful to carry on the affairs of the Trust, to promote any of the purposes for which the Trust is formed and to carry out the provisions of the Declaration of Trust.

2. Independence, Orientation and Evaluation

The Board shall have the responsibility to:

- implement appropriate structures and procedures to permit the Board to function independently of management;
- implement a system which enables an individual trustee to engage an outside advisor at expense of the Trust in appropriate circumstances;
- provide an orientation and education program for newly appointed members of the Board, to allow them to fully understand (i) the role of the Board and its Committees, (ii) the contribution individual trustees are required to make (including, in particular, the commitment of time and resources that the Trust expects from its trustees), and (iii) the nature and operation of the Trust's business;
- implement a process for assessing the effectiveness of the Board as a whole, the Committees, and the contribution of individual trustees; and
- examine the size of the Board and the impact of the number of trustees upon the effectiveness of the Board.

3. Strategy Determination

The Board shall:

- adapt and annually review a strategic planning process and approve the strategic plan of the Trust, which takes into account, among other things, the opportunities and risks of the business; and
- annually review operating and financial performance results relative to established strategy, budgets and objectives.

4. Managing Risk

The Board has the responsibility to understand the principal risks of the business in which the Trust is engaged, to achieve a proper balance between risks incurred and the potential return to unitholders, and to confirm that there are systems in place which effectively monitor and manage those risks with a view to the long-term viability of the Trust.

5. Appointment, Training and Monitoring of Senior Management

The Board shall:

- appoint the CEO and senior officers, develop clear written position descriptions for the CEO (which includes delineating management responsibilities) and for such senior officers, approve (upon recommendations from the compensation committee of the Trust) their compensation, and monitor the CEO's performance against a set of mutually agreed corporate objectives directed at maximizing unitholder value;
- ensure that a process is established that adequately provides for succession planning including the appointment, training and monitoring of senior management;
- establish limits of authority delegated to management; and
- provide continuing education opportunities for all trustees, so that individuals may maintain or enhance their skills and abilities as trustees, be prepared to address ongoing and emergency issues that may be considered by the Board, and ensure their knowledge and understanding of the Trust's business remains current.

6. Reporting and Communication

The Board has the responsibility to:

- verify that the Trust has in place policies and programs to enable the Trust to communicate effectively with its unitholders, other stakeholders and the public generally;
- verify that the financial performance of the Trust is adequately reported to unitholders, other security holders and regulators on a timely and regular basis;
- verify that the financial results are reported fairly and in accordance with generally accepted accounting standards;
- verify the timely reporting of any other developments that have a significant and material impact on the value of the Trust;
- implement a process for providing opportunities to unitholders to have access to independent trustees and receive feedback from unitholders;

- adopt a corporate disclosure policy for the Trust to ensure that the Trust communicates effectively with its unitholders, other stakeholders and the public, and responds to their inquiries; and
- report annually to unitholders on its stewardship of the affairs of the Trust for the preceding year.

7. **Monitoring and Acting**

The Board has the responsibility to:

- review and approve the Trust's financial statements and oversee the Trust's compliance with applicable audit, accounting and reporting requirements;
- verify that the Trust operates at all times within applicable laws and regulations to the highest ethical and moral standards;
- approve and monitor compliance with significant policies and procedures by which the Trust is operated;
- monitor the Trust's progress towards its goals and objectives and to revise and alter its direction through management in response to changing circumstances;
- take such action as it determines appropriate when performance falls short of its goals and objectives or when other special circumstances warrant; and
- verify that the Trust has implemented adequate internal control and information systems which ensure the effective discharge of its responsibilities, and the integrity of such internal control and information systems.

IV. **COMMITTEES**

- There shall be four Committees: the capital resources committee, the audit committee, the compensation committee and the nominations and governance committee. The Board may establish any other committee as it may deem appropriate from time to time.
- The Board shall establish a written mandate for each of the Committees.

V. **BUSINESS CONDUCT AND ETHICS**

The Board has the responsibility to:

- Adopt a written code of business conduct and ethics (the "**Code**") applicable to trustees, officers and employees of the Trust which constitutes written standards that are reasonably designed to promote integrity and deter wrongdoing.
- Monitor compliance with the Code and ensure that any waivers from the Code for the trustees or senior officers are granted by the Board (or a Committee) only.

- Enhance unitholders' value in a manner that is consistent with good corporate citizenship, including fair treatment of the Trust's employees, customers, suppliers and tenants.

VI. OTHER ACTIVITIES

- The Board shall prepare and distribute the schedule of Board meetings for each upcoming year.
- The Board may perform any other activities consistent with this Charter, the Declaration of the Trust and all amendments thereto and any other governing laws as the Board determines necessary or appropriate.

Updated: _____, 2013

Schedule "A"

Subject to the exemptions available under National Instrument 52-110 Audit Committees, the following individuals are considered to have a material relationship with the Trust:

- (a) an individual who is, or has been within the last three years, an employee or executive officer of the Trust;
- (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the Trust;
- (c) an individual who:
 - (i) is a partner of a firm that is the Trust's internal or external auditor;
 - (ii) is an employee of that firm; or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the Trust's audit within that time;
- (a) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
 - (i) is a partner of a firm that is the Trust's internal or external auditor;
 - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice; or
 - (iii) as within the last three years a partner or employee of that firm and personally worked on the Trust's audit within that time;
- (b) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the Trust's current executive officers serve or served at the same time on the entity's compensation committee; and
- (c) an individual who received, or whose immediate family member who is employed as an executive officer of the Trust received, more than \$75,000 in direct compensation from the Trust during any 12-month period within the last three years, other than as remuneration for acting in his or her capacity as a member of the Board of Trustees or any Committee, or the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service to the Trust if the compensation is not contingent in any way on continued service.