

**ENVIRONMENTAL INDEMNITY AGREEMENT**

**THIS AGREEMENT** made as of the 3<sup>rd</sup> day of October, 2024.

**B E T W E E N :**

**RIOCAN-HBC (OTTAWA) HOLDINGS INC.**

(hereinafter called the "**Borrower**")

OF THE FIRST PART

- and -

**RIOCAN-HBC LIMITED PARTNERSHIP** by its general partner **RIOCAN-HBC GENERAL PARTNER INC.**

(hereinafter called "**RioCan-HBC**")

OF THE SECOND PART

- and -

**RIOCAN REAL ESTATE INVESTMENT TRUST**

("RioCan" and together with RioCan-HBC, hereinafter called the "**Guarantors**" and the Guarantors together with the Borrower, hereinafter called the "**Indemnitors**")

OF THE THIRD PART

- and -

**DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY**

(hereinafter called the "**Lender**")

OF THE FOURTH PART

**WHEREAS** the Lender has agreed to provide a loan to the Borrower in the amount of **FIFTY-SIX MILLION FIVE HUNDRED TWENTY-FIVE THOUSAND DOLLARS** (\$56,525,000.00) (the "**Loan**") on the security of, *inter alia*, a mortgage (the "**Mortgage**") against the lands and premises legally described as in Schedule "A" attached hereto, municipally known as 73, 85, 87 Rideau Street, Ottawa, Ontario K1N 5X1 (the "**Property**") pursuant to a letter credit agreement dated October 3, 2024 issued by the Lender to and in favour of the Borrower (as the same may be amended from time to time, collectively, the "**Credit Agreement**").

**AND WHEREAS** the Credit Agreement contains certain provisions with respect to Hazardous Substances as hereinafter defined.

**AND WHEREAS** the Lender requires the Indemnitors to enter into an agreement with respect to the representations, warranties, covenants and indemnifications with respect to Hazardous Substance as set forth in the Credit Agreement.

**NOW THIS AGREEMENT WITNESSES** that in consideration of the premises hereinbefore set forth, the Lender advancing the Loan under the Credit Agreement to the Borrower in the amounts provided for or contemplated by the Credit Agreement, and the sum of Ten Dollars (\$10.00) now paid by the Lender to Indemnitors and other good and valuable consideration, the receipt and sufficiency whereof is acknowledged by the Indemnitors, the Indemnitors hereby represent, warrant, covenant and agree to indemnify the Lender as follows:

## **1. DEFINITIONS**

In this Agreement (including the recitals hereto), unless something in the subject matter or context is inconsistent therewith, capitalized terms not defined herein shall have the meanings ascribed to them in the Credit Agreement, and the following terms shall have the following meanings:

- (a) **“Environmental Laws”** means all present and future federal and provincial statute, regulation or order (including consent decrees and administrative orders) in effect for the Province of Ontario and Canada, as amended and re-enacted from time to time, and all municipal by-laws and ordinances, relating to the protection of the environment; to the care, maintenance, use, storage and possession of Hazardous Substance; and to the safe-guarding of the health and safety of persons coming or potentially coming into contact with such substances; and
- (b) **“Hazardous Substance”** means any substance, waste, liquid, gas or solid matter, fuel, sound, vibration, odour, radiation and organic or inorganic matter which is or is deemed to be, alone or in any combination, hazardous, hazardous waste, subject waste, toxic, radioactive, a pollutant, a contaminant, a deleterious substance, or a source of pollution under any applicable Environmental Laws.

## **2. REPRESENTATIONS AND WARRANTIES**

2.1 The Indemnitors each represent and warrant to the Lender that to the best of their knowledge and belief:

- (a) except as disclosed in any reports delivered to the Lender, neither of the Indemnitors, has ever caused or permitted any Hazardous Substance to be placed, held, located or disposed of on, under or at the Property, except in compliance with any applicable Environmental Laws (including, without limitation laws respecting the transportation, storage, disposal or emission of Hazardous Substance of every kind);
- (b) the Borrower's business and assets at the Property are operated in material compliance with Environmental Laws (including, without limitation laws respecting the transportation, storage, disposal or emission of any Hazardous Substance); and
- (c) no enforcement actions with respect to any Hazardous Substance in respect of the Property are pending or, to the best of their knowledge, threatened.

### **3. COVENANTS**

#### **3.1 Each of the Indemnitors covenant with the Lender to:**

- (a) observe and conform to, in all material respects, all applicable Environmental Laws relating to the environment and the operation of the business activities of the Borrower at the Property;
- (b) allow the Lender access at all reasonable times to the Property during normal business hours and on no less than 48 hours' prior written notice (subject to the rights of the tenants) to monitor and inspect all property and business activities and to conduct environmental remedial actions at the expense of the Indemnitors if the Indemnitors fail to take such remedial action as is required to ensure compliance with the requirements of applicable Environmental Laws;
- (c) pay all the expenses of any environmental investigations or assessments that may be required by the Lender, acting reasonably, from time to time, based upon credible information that an adverse change in the environmental condition of the Property has occurred;
- (d) notify the Lender from time to time of any business activity conducted at the Property which involves the use of or handling of any Hazardous Substances and which increases the environmental liability of the Indemnitors in any material manner in connection with the Property;
- (e) notify the Lender of any proposed change in the use of the Property other than as a commercial property prior to any change occurring; and
- (f) provide the Lender with immediate written notice of any environmental problem and any Hazardous Substances which have a material adverse effect on the Property, equipment, or business activities at the Property and with any other environmental information reasonably requested by the Lender from time to time.

#### **3.2 The Indemnitors further covenant that in the event it notifies the Lender of any specified activity or change or provides the Lender with any information pursuant to subsections 3.1(d), (e) or (f) above or if the Lender receives any credible environmental information from other sources, the Lender, acting reasonably, may decide that a material adverse change in the environmental condition of the Property has occurred. Following this decision being made by the Lender, the Lender shall notify the Indemnitors of such decision concerning the adverse change and the Indemnitors shall undertake such remediation as is required to ensure compliance with the requirements of the applicable Environmental Laws. If the Lender is required to incur reasonable expenses due to the Indemnitors' failure to comply or to verify the Indemnitors' compliance with applicable Environmental Laws, the Indemnitors shall indemnify, on a several basis as set out in the Credit Agreement, the Lender in respect of such expenses, which will constitute further advances by the Lender to the Indemnitors pursuant to the Loan.**

### **4. INDEMNITIES**

#### **4.1 The Indemnitors, on a several basis as set out in the Credit Agreement, agree to indemnify the Lender, its officers, directors, employees and agents and agree to hold each of them**

harmless from and against any and all losses, liabilities, damages, costs, expenses (including legal and consultant fees) and claims of any and every kind whatsoever, incurred by the Lender or its officers, directors, employees, and agents arising from (A) the actions or omissions of the Indemnitors related to environmental matters concerning the Property, (B) the Indemnitors' failure to observe and conform to, in all material respects, all applicable Environmental Laws relating to the environment and the operation of the business activities at the Property, or (C) the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release of any Hazardous Substance from the Property into or upon any land, the atmosphere, or any watercourse, body of water or wetland, including without limitation:

- (a) the costs of defending and/or counterclaiming or claiming over against third parties in respect of any action or matter; and
- (b) any cost, liability or damage arising out of a settlement of any action entered into by the Lender with consent of the Indemnitors (which consent is not required if the Indemnitors are in default hereunder or if the Lender has been, or has been deemed to be, in possession of the Property), which at any time or from time to time may be paid, incurred or asserted against, any of them for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release of any Hazardous Substance from the Property into or upon any land, the atmosphere, or any watercourse, body of water or wetland.

4.2 In addition, notwithstanding anything to the contrary herein, the liabilities and obligations of RioCan hereunder shall not be personally binding upon, nor shall resort be had to nor shall recourse or satisfaction be sought from, the private property of:

- (a) any holder of units of RioCan;
- (b) annuitants under a plan of which a holder of units of RioCan acts a trustee or carrier; or
- (c) any trustee, officer, employee or agent of RioCan, but same may be satisfied out of the property of RioCan.

## **5. AGREEMENT SURVIVES**

5.1 If the Lender takes possession of the Property or otherwise becomes a mortgagee in possession, this Agreement and all of its provisions shall survive the satisfaction or extinguishment of the Indemnitors' liability and obligations to the Lender pursuant to the Credit Agreement and the security granted by the Indemnitors to the Lender pursuant thereto, the intent being that the Indemnitors shall remain liable to the Lender pursuant to the provisions of this Agreement for matters arising during the term of the loan, notwithstanding that the mortgage debt has been repaid in full and the security granted by the Borrower and the Indemnitors to the Lender has been discharged or re-assigned.

## **6. SUCCESSORS**

6.1 It is hereby agreed this agreement shall be binding on the successors and assigns, as the case may be, of the Borrower.

**7. CREDIT AGREEMENT**

This Agreement shall be deemed to include the “**Environmental**” and “**Hazardous Waste**” provisions contained in the Credit Agreement. In the event of any inconsistency or conflict between the provisions contained in this Agreement and the “**Environmental**” and “**Hazardous Waste**” provisions contained in the Credit Agreement, the provisions of the Credit Agreement shall prevail. Notwithstanding the foregoing, in the event that this Agreement contains provisions which are in addition to the provisions set forth in the Credit Agreement, the existence of such additional provisions in this Agreement shall not constitute a conflict or inconsistency with the provisions of the Credit Agreement.

**8. HEADINGS**

- 8.1 The headings herein are provided for convenience of reference only and are not intended to assist the interpretation of any of the provisions hereof.

**9. GOVERNING LAW**

- 9.1 This Agreement shall be governed by the laws of the Province of Ontario and the applicable laws of Canada.


**10. COUNTERPARTS**

- 10.1 The parties agree that this document may be signed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute one and the same instrument, binding upon all the parties hereto. This Agreement may be transmitted by fax or pdf/email and the reproduction of signatures (electronic or otherwise) by way of fax or pdf/email will be treated as though such reproductions were executed originals. The parties consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* (Ontario), as amended from time to time, with respect to this Agreement.

***[Remainder of Page Intentionally Left Blank]***

**IN WITNESS WHEREOF** each Indemnitor by its duly authorized officers in that behalf has hereunto set their hands and seal to this Agreement on the date first appearing above.

**RIOCAN-HBC LIMITED PARTNERSHIP, by  
its general partner RIOCAN-HBC  
GENERAL PARTNER INC.**

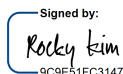
Per:   
Name: Rocky Kim  
Title: Vice President FP&A and Treasury

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I/We have authority to bind the above.

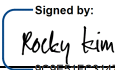
**RIOCAN REAL ESTATE INVESTMENT  
TRUST**

Per:   
Name: Dennis Blasutti  
Title: Chief Financial Officer

Per:   
Name: Rocky Kim  
Title: Vice President FP&A and Treasury

I/We have authority to bind the above.

**RIOCAN-HBC (OTTAWA) HOLDINGS INC.**

Per:  \_\_\_\_\_  
Name: Rocky Kim  
Title: Vice President FP&A and Treasury

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the above.

## **SCHEDULE "A"**

### **Legal Description of the Property**

**Municipal Address:** 73, 85, 87 Rideau Street, Ottawa, Ontario K1N 5X1

### **PART I – FREEHOLD LANDS**

#### **Firstly:**

#### **PIN 04215-0226 (LT)**

PART OF LOT F PLAN 42482, N/S RIDEAU ST., PARTS 1, 2, 3 AND 4 PLAN 4R-599, EXCEPT PART 1 PLAN 5R-9476; OTTAWA. S/T N328914.

#### **Secondly:**

#### **PIN 04215-0143 (LT)**

LTS C, D & E, PL 42482 , N/S RIDEAU ST, EXCEPT PT 1, PL 4R-11766 ; OTTAWA

### **PART II – LEASEHOLD LAND**

#### **PIN 04215-0144 (LT)**

PT GEORGE STREET, PL 42482 , PART 1 , 5R6343 , CLOSED BY NS155733 ; FREIMAN STREET, PL 42482 , PART 1 , 5R5514 , CLOSED BY NS119631 (FORMERLY MOSGROVE ST) ; OTTAWA