

**ADMISSION TO PARTNERSHIP AND
PARTNERSHIP AMENDMENT AGREEMENT**

**MEMORANDUM OF AGREEMENT OF ADMISSION TO PARTNERSHIP AND PARTNERSHIP
AMENDMENT AGREEMENT** made effective as of the ____ day of _____, _____.

BETWEEN:

[ORIGINAL PARTNER 1]

a body corporate incorporated under the laws of [jurisdiction] and
having an office in [city], Alberta
(the "1st Partner")

OF THE FIRST PART

- and -

[ORIGINAL PARTNER 2]

a body corporate incorporated under the laws of [jurisdiction] and
having an office in [city], Alberta
(the "2nd Partner")

OF THE SECOND PART

- and -

[NEW PARTNER]

a body corporate incorporated under the laws of [jurisdiction] and
having an office in [city], Alberta
(the "New Partner")

OF THE THIRD PART

WHEREAS:

- (a) 1st Partner and 2nd Partner are parties to a partnership agreement dated the ____ day of _____, _____ (the "Partnership Agreement"), which Partnership Agreement created the partnership known as the [Partnership name] (the "Partnership").
- (b) 1st Partner and 2nd Partner wish to admit New Partner to the Partnership as a partner, effective the ____ day of _____, _____, on the terms and conditions herein set forth, and New Partner wishes to be so admitted to the Partnership.
- (c) The parties hereto wish to amend the terms of the Partnership Agreement in accordance with the amendments set out herein.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereby agree as follows:

ARTICLE I: DEFINITIONS

Where used in this Agreement, including the Schedules hereto, the following words and phrases shall have the meanings attributed to them below:

- (a) "Alternate Representative" has the meaning ascribed to it in Article 16 hereof;

- (b) "Architect" means [architects] or any successor thereto engaged with respect to the Project, who shall be a member in good standing of the Alberta Association of Architects and engaged in the practice of Architecture;
- (c) "Architect's Contract" means an agreement between the Partnership and the Architect dated the ____ day of _____, _____;
- (d) "Capital" means, at any time (whether at a fiscal year end of the Partnership or at any time other than a fiscal year end of the Partnership), the amount obtained by adding to the amount of such Capital at the end of the previous fiscal year of the Partnership (which amount shall be zero in the case of the first fiscal year of the Partnership), (i) the aggregate of any amounts contributed by the Partners to the Partnership to such time during the then current fiscal year of the Partnership, and (ii) the net income (if any) of the Partnership earned to such time in the then current fiscal year; and by deducting therefrom (iii) the net loss (if any) of the Partnership incurred to such time in the then current fiscal year of the Partnership, and (iv) the aggregate of the amounts of any Cash Distribution to the Partners to such time during the then current fiscal year of the Partnership;
- (e) "Capital Account" of a Partner means, at any time (whether at a fiscal year end of the Partnership or at any time other than a fiscal year end of the Partnership), the amount obtained by adding to the amount of such Capital Account of a Partner at the end of the previous fiscal year of the Partnership (which amount shall be zero in the case of the first fiscal year of the Partnership), (i) the aggregate of any amounts contributed by such Partner to the Partnership to such time during the then current fiscal year of the Partnership, and (ii) such Partner's share of the net income (if any) of the Partnership earned to such time during the then current fiscal year; and by deducting therefrom (iii) such Partner's share of the net loss (if any) of the Partnership incurred to such time during the then current fiscal year, and (iv) the aggregate of the amounts of any Cash Distribution to such Partner to such time during the then current fiscal year;
- (f) "Cash Distribution" means, when the context in which this term is used relates to the Capital of the Partnership, the aggregate amount of any payments to the Partners reducing the Capital; or when the context in which this term is used relates to the Capital Account of a Partner, the amount of any payment to such Partner reducing the Capital Account of such Partner;
- (g) "Closing" means the execution and delivery of this Agreement, and the other agreements to be executed and delivered in accordance with this Agreement, and the taking of the other actions to be taken contemporaneously therewith pursuant hereto;
- (h) "Closing Agenda" means a document entitled Closing Agenda, setting forth the documents to be delivered by each of the parties hereto on New Partner's entry to the Partnership;
- (i) "Closing Date" means the [closing date];
- (j) "Completion Date" means that date when:
 - (i) the Architect for the Project has certified that work on the Project is substantially complete, and
 - (ii) the City of [city] has issued a building occupancy permit certifying the Project as being available for occupancy for the commencement of construction of tenants' leasehold improvements;
- (k) "Development Agreement" means a development agreement dated the ____ day of _____, _____ between the Partnership and the City of [city];
- (l) "Development Budget" has the meaning ascribed to it in Clause _____ of the Partnership Agreement;

- (m) "Development Permit" means the application for a development permit for the Project approved by the [city] Planning Commission as number [permit number] and the development permit arising out of such application for development permit;
- (n) "Developer" means, initially, New Partner and includes any successor thereto appointed by the Partnership as developer of the Project from time to time;
- (o) "Effective Date" means the effective date of New Partner's admission to the Partnership, being the [effective date];
- (p) "Financial Statements" means the financial statements of the Partnership as of the ____ day of _____, _____ attached and marked as Schedule _____ hereto;
- (q) "Ground Lease" means a certain lease agreement in writing dated [lease date] between 1st Partner as Lessor and the Partnership as Lessee, whereby the Partnership leased the Lands from 1st Partner;
- (r) "Income Tax Act" means The Income Tax Act (Canada) 1970-71-72 c. 63 as amended or replaced from time to time;
- (s) "Lands" means the following lands: [legal description of lands]
- (t) "Leasehold Interest" means the interest arising under and held by the Partnership pursuant to the Ground Lease;
- (u) "Manager" means, initially, New Partner and includes any successor thereto appointed property manager by the Partnership from time to time;
- (v) "Management Agreement" means the form of agreement attached and marked as Schedule hereto;
- (w) "Management Committee" means the committee comprised of representatives of the Partners, with power and authority to conduct the business of the Partnership, as provided for in Article 16 hereof;
- (x) "Operating Budget" has the meaning ascribed to it in Clause _____ of the Partnership Agreement;
- (y) "Partner" means one of the partners in the Partnership from time to time and "Partners" has a corresponding meaning;
- (z) "Partnership" means the partnership formed pursuant to the Partnership Agreement as from time to time subsisting;
- (aa) "Partnership Act" or the "Act" means The Partnership Act of the Province of Alberta, as amended from time to time;
- (bb) "Partnership Agreement" means the Partnership Agreement between 1st Partner and 2nd Partner dated the ____ day of _____, _____, as amended from time to time;
- (cc) "Partnership Amendment Agreement" means the document dated as of the ____ day of _____, _____, entitled Admission to Partnership and Partnership Amendment Agreement, executed and delivered by 2nd Partner, New Partner and 1st Partner, which document sets out the terms of New Partner's admission to the Partnership, and amends the Partnership Agreement;

- (dd) "Partnership Interest" means, at any time, and from time to time, the interest of a Partner in the Partnership and the Partnership Property at such time or times and "Partnership Interests" has a corresponding meaning;
- (ee) "Partnership Property" means all property, assets, rights and interests in property originally brought into or contributed to the Partnership or acquired by the Partnership, whether by purchase or otherwise, on account of the Partnership or for the purposes of and in the course of the Partnership business and includes, without restricting the generality of the foregoing, the Ground Lease, as amended from time to time, the Architect's Contract, the Development Permit, the Development Agreement, the Temporary Shoring Indemnity Agreement and all existing plans, permits, drawings, licences, certificates, reports, tests, appraisals and proposals relating to the Project;
- (ff) "Prime Rate" means that nominal annual rate, as varied from time to time, published and charged by the [bank], [city] as its most favorable rate to its largest and most credit-worthy customers on large Canadian dollar commercial loans, commonly known as its Prime Rate;
- (gg) "Principal Business Corporation" means a corporation whose principal business is and has been throughout its entire current fiscal year and throughout the entire current fiscal year of the Partnership the leasing, rental, development or sale, or any combination thereof, of real property owned by it;
- (hh) "Pro Forma Statement" has the meaning ascribed to such term in Clause 16.11 hereof;
- (ii) "Project" means the first class commercial building to be developed, constructed, leased and operated on the Lands by the Partnership pursuant to the provisions of the Partnership Agreement;
- (jj) "Project Development Agreement" means the agreement attached and marked as Schedule hereto;
- (kk) "Representative" has the meaning ascribed to it in Article 16 hereof;
- (ll) "Temporary Shoring Indemnity Agreement" means a temporary shoring indemnity agreement dated the ____ day of _____, _____ between the Partnership and the City of [city];
- (mm) "1st Partner" means [1st Partner];
- (nn) "2nd Partner" means [2nd Partner];
- (oo) "New Partner" means [New Partner].

ARTICLE II: ADMISSION OF NEW PARTNER TO PARTNERSHIP

2.01 1st Partner and 2nd Partner agree to and do hereby admit New Partner as a Partner in the Partnership on and subject to the following terms and conditions, and New Partner agrees to and does hereby join the Partnership on the said terms and conditions: