



**NOTICE OF  
ANNUAL AND SPECIAL MEETING OF UNITHOLDERS  
ON MAY 25, 2015  
AND  
MANAGEMENT INFORMATION CIRCULAR**

**Dated April 15, 2015**

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April 15, 2015

Dear Unitholder,

We invite you to attend Slate Office REIT's Annual and Special Meeting of Unitholders to be held at the offices of McCarthy Tétrault, 66 Wellington Street, Suite 5300, Toronto, Ontario on Monday, May 25, 2015 at 10:00 a.m. (Eastern Daylight Time).

In March 2015, the Board of Trustees of FAM REIT changed the name of the REIT to Slate Office REIT to reflect the repositioning of the REIT as a pure play on office real estate.

Under its new management by Slate and new leadership team, the REIT has renewed its strategic objectives which are to:

- Reposition the REIT as a pure play office REIT by divesting existing retail and industrial portfolios in a disciplined and orderly fashion to maximize unitholder value. The acquisitions made by the REIT in December 2014 are consistent with this strategy.
- Focus growth on high quality, non-core assets including downtown and suburban office properties.
- Create an institutional quality investment vehicle leveraging Slate's sophisticated and professional management resources.

In order to help meet these objectives, the composition of the Board has been enhanced with the addition of John O'Byran and Al Mawani as new Trustees and Chairs of the Investment Committee and Audit Committee respectively.

At the meeting, you will hear about Slate Office REIT's new direction and plans for the coming year. You will also be able to meet and ask questions of the Board and management.

This Management Information Circular describes the business to be conducted at the meeting. It also describes Slate Office REIT's governance practices.

SLATE OFFICE REIT

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The Compensation, Governance and Nominating Committee will attend the annual and special meeting for the purpose of being available to answer questions about our governance and compensation practices.

Your vote matters. You may exercise your vote by completing the proxy voting form or voting information form or by attending the meeting.

We encourage you to attend the meeting to hear about our annual results and learn more about our plans for Slate Office REIT.

*"Brady Welch"*

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Brady Welch  
Chair

*"Scott Antoniak"*

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Scott Antoniak  
Chief Executive Officer



## NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS

Notice is hereby given that the annual and special meeting (the “**Meeting**”) of the holders (“**Unitholders**”) of units (the “**Units**”) and special voting units (the “**Special Voting Units**”) and together with the Units, the “**Voting Units**”) of Slate Office REIT (the “**REIT**”) will be held at 66 Wellington Street, Suite 5300 on May 25, 2015 at 10:00 am (Toronto time) for the following purposes:

- a) TO RECEIVE AND CONSIDER the audited consolidated financial statements of the REIT for the financial year ended December 31, 2014, and the auditors’ report thereon, a copy of which is enclosed herewith;
- b) TO ELECT trustees of the REIT;
- c) TO RE-APPOINT auditors of the REIT and to authorize the Board of Trustees of the REIT to fix their remuneration;
- d) TO CONSIDER and, if thought advisable, pass a resolution (in the form attached as Appendix “A” to the accompanying information circular) approving the implementation of a deferred unit plan, pursuant to which, the trustees of the REIT will have the opportunity to acquire deferred units of the REIT, as described in the accompanying information circular;
- e) TO CONSIDER and, if thought advisable, to pass a resolution (in the form attached as Appendix “B” to the accompanying information circular) authorizing and approving an amendment to the Declaration of Trust to clarify that the REIT will be permitted to utilize “notice and access” delivery procedures, as described in the accompanying information circular; and
- f) TO TRANSACT such other business as may properly come before the Meeting or any adjournment thereof.

The specific details of the foregoing matters to be put before the Meeting are set forth in the Management Information Circular accompanying and forming part of this Notice of Annual and Special Meeting.

The Board of Trustees has fixed April 6, 2015 as the record date (the “**Record Date**”) for the purpose of determining holders of Voting Units entitled to receive notice of and to vote at the Meeting. Any holder of Voting Units of record at the close of business on the Record Date is entitled to vote the Voting Units registered in such Unitholder’s name at that date on each matter to be acted upon at the Meeting.

Unitholders are invited to attend the Meeting. Registered Unitholders who are unable to attend the Meeting in person are requested to complete, date and sign the enclosed form of proxy and send it in the enclosed envelope or otherwise to the Secretary of the REIT c/o the REIT’s transfer agent, Computershare Trust Company of Canada (“**Computershare**”), 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, BC, V6C 3B9, fax number (604) 661-9549 or to the Secretary of the REIT at the REIT’s registered office which is located at 200 Front Street West, Suite 2400, Toronto, Ontario, M5V 3K2, fax number (416) 947-9366. *Non-Registered Unitholders* of the REIT who receive these materials

through their broker or other intermediary should complete and send the form of proxy or voting instruction form, as applicable, in accordance with the instructions provided by their broker or intermediary. Failure to do so may result in your Voting Units not being eligible to be voted by proxy at the Meeting. To be effective, a proxy must be received by Computershare or the Chief Financial Officer of the REIT not later than May 21, 2015 at 5:00 p.m. (Toronto time), or in the case of any adjournment of the meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment.

DATED the 15th day of April, 2015

By Order of the Board of Trustees

*"Brady Welch"* (signed)

Chair



## MANAGEMENT INFORMATION CIRCULAR

### PROXIES

#### Solicitation of Proxies

This management information circular (the “Management Information Circular”) is furnished in connection with the solicitation, by or on behalf of the management of Slate Office REIT (the “REIT”) of proxies to be used at the REIT’s annual and special meeting (the “Meeting”) of the holders (“Unitholders”) of units (the “Units”) and special voting units (the “Special Voting Units” and together with the Units, the “Voting Units”) of the REIT to be held on May 25, 2015 or at any adjournment thereof for the purposes set forth in the accompanying notice of Meeting.

It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited personally, by telephone, facsimile transmission, other electronic means or personal contact by Trustees, officers, or employees of the REIT without special compensation. The cost of solicitation will be borne by the REIT.

#### REGISTERED UNITHOLDERS

A holder of Units or Special Voting Units, as the case may be, is a registered Unitholder if shown on April 6, 2015 (the “Record Date”) on the list of holders of Units or Special Voting Units kept by Computershare Trust Company of Canada (“Computershare”), as registrar and transfer agent of the REIT, in which case a unit certificate will have been issued to the Unitholder which indicates the Unitholder’s name and the number of Units or Special Voting Units, as the case may be, owned by the Unitholder. Registered holders of Units or Special Voting Units will receive with this Management Information Circular a form of proxy from Computershare representing the Units or Special Voting Units held by the registered Unitholder.

#### Appointment of Proxy

A form of proxy is enclosed and, whether or not Unitholders expect to attend the Meeting, please exercise the right to vote. Unitholders who have voted by proxy may still attend the Meeting. Complete and return the form of proxy in the envelope provided. The form of proxy must be executed by the registered Unitholder or the attorney of such Unitholder, duly authorized in writing.

Proxies to be used at the Meeting must be deposited with the REIT’s transfer agent, Computershare, in the envelope provided or otherwise by mail to:

Computershare Trust Company of Canada  
3rd Floor, 510 Burrard Street  
Vancouver, BC, V6C 3B9

not later than 5:00 p.m. (Toronto time) on May 21, 2015 or, if the Meeting is adjourned, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of such adjournment thereof.

The persons named in the enclosed form of proxy are Trustees or officers of the REIT. **A Unitholder may appoint as proxyholder a person or company (who need not be a Unitholder), other than any person(s) or company(ies) designated by management of the REIT in the form of proxy, to attend and act on such Unitholder's behalf at the Meeting or at any adjournment thereof.** Such right may be exercised by either inserting such other desired proxyholder's name in the blank space provided on the form of proxy or by completing another proper form of proxy.

### **Revocation of Proxy**

A registered Unitholder who has given a proxy pursuant to this solicitation may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by an instrument in writing executed by the Unitholder or by the attorney of such Unitholder authorized in writing or, if the registered Unitholder is a corporation, by an officer or attorney thereof duly authorized, and deposited either at the head office of the REIT, by not later than 5:00 p.m. (Toronto time) on May 21, 2015 or, if the Meeting is adjourned, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of such adjournment thereof, at which the form of proxy is to be used or with the Chair of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

### **NON-REGISTERED UNITHOLDERS**

**Only registered Unitholders of the REIT or duly appointed proxyholders are permitted to vote at the Meeting. Most Unitholders of the REIT are "non-registered" Unitholders because the Units they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Units.** A holder of Units or Special Voting Units, as the case may be, is a non-registered (or beneficial) Unitholder (a "**Non-Registered Holder**") if the Unitholder's Voting Units are registered either:

- a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Voting Units, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, RDSPs, TFSAs and similar plans; or
- b) in the name of a clearing agency (such as CDS & Co.) of which the Intermediary is a participant.

### **Appointment of Proxy**

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about them to the REIT are referred to as non-objecting beneficial owners ("**NOBOs**"). Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about them to the REIT are referred to as objecting beneficial owners ("**OBOs**"). In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), the REIT has elected to send copies of the Notice, this Management Information Circular and a form of proxy or voting instruction form (collectively, the "**meeting materials**") directly to the NOBOs and indirectly through

Intermediaries for onward distribution to the OBOs. Management of the REIT does not intend to pay for Intermediaries to forward the meeting materials to OBOs under NI 54-101 and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and that in the case of an OBO, the OBO will not receive the materials unless the OBO's Intermediary assumes the cost of delivery. Intermediaries must forward the meeting materials to each Non-Registered Holder (unless the Non-Registered Holder has waived the right to receive such materials), and often use a service company (such as Broadridge Investor Communication Solutions, Canada), to permit the Non-Registered Holder to direct the voting of the Voting Units held by the Intermediary on behalf of the Non-Registered Holder.

Generally, Non-Registered Holders who have not waived the right to receive meeting materials will either:

- a) be given a proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Units beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with Computershare, as described above under "Registered Unitholders"; or
- b) more typically, be given a voting instruction form (a "VIF") which must be completed and signed by the Non-Registered Holder in accordance with the directions on the VIF. Non-Registered Holders should submit VIFs to Intermediaries in sufficient time to ensure that their votes are received from the Intermediaries by the REIT.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Voting Units they beneficially own. Should a Non-Registered Holder who receives either a proxy or a VIF wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the form of proxy and insert their own (or such other person's) name in the blank space provided in the form of proxy or, in the case of a VIF, follow the corresponding instructions on the VIF, to appoint themselves as proxyholders, and deposit the form of proxy or submit the VIF in the appropriate manner noted above. **Non-Registered Holders should carefully follow the instructions on the form of proxy or VIF that they receive from their Intermediary in order to vote the Units that are held through that Intermediary.**

### **Revocation of Proxy**

A Non-Registered Holder giving a proxy may revoke the proxy by contacting his or her Intermediary in respect of such proxy and complying with any applicable requirements imposed by such Intermediary. An Intermediary may not be able to revoke a proxy if it receives insufficient notice of revocation.

## VOTING UNITS

### Voting at the Meeting

As at December 31, 2014, the REIT had 14,935,795 Units and 5,073,818 Special Voting Units issued and outstanding, each carrying the right to one vote per unit.

Except as otherwise noted in this Management Information Circular or required by law or pursuant to the Amended and Restated Declaration of Trust of the REIT dated December 17, 2014 and amended March 16, 2015 (the “**Declaration of Trust**”), a simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of any matter submitted to a vote.

The Voting Units of the REIT represented by properly executed proxies will be voted or withheld from voting in accordance with the instructions of the Unitholder on any ballot that may be called for and, if the Unitholder specifies a choice with respect to any matter to be acted upon at the Meeting, Voting Units represented by properly executed proxies will be voted accordingly.

If no choice is specified by a Unitholder with respect to the appointment of a proxyholder and to any matter to be acted upon at the Meeting, the Voting Units represented by such Unitholder’s proxy or VIF will be voted (i) FOR the re-appointment of KPMG LLP as auditors of the REIT and authorizing the Trustees to fix such auditors’ remuneration, (ii) FOR the election of the nominees named herein as members of the Board of Trustees of the REIT for the ensuing year, (iii) FOR the approval of the Deferred Unit Plan and, (iv) FOR the amendment to the Declaration of Trust.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to such other matters as may properly come before the Meeting or any adjournment thereof. At the date of this Management Information Circular, the Trustees and management of the REIT are not aware of any amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. With respect to amendments or variations to matters identified in the Notice or other matters that may properly come before the Meeting or any adjournment thereof, Voting Units represented by properly executed proxies will be voted on such matters by the persons so designated pursuant to such discretionary authority.

The REIT’s registrar and transfer agent, Computershare, will serve as independent scrutineer at the Meeting, and will tabulate all votes at the Meeting.

### Record Date

The Board has fixed April 6, 2015 as the Record Date for the purpose of determining which Unitholders are entitled to receive the Notice and vote at the Meeting or any adjournment thereof, either in person or by proxy. No person acquiring Voting Units after that date shall, in respect of such Voting Units, be entitled to receive the Notice and vote at the Meeting or any adjournment thereof.

### **Quorum for Meeting**

The quorum at the Meeting or any adjournment thereof (other than an adjournment for lack of quorum) shall be one Unitholder present in person or represented by proxy, such person holding or representing by proxy in aggregate not less than 5% of the total number of outstanding Units and Special Voting Units on the Record Date.

### **PRINCIPAL HOLDERS OF UNITS AND SPECIAL VOTING UNITS**

To the knowledge of the Trustees and management of the REIT, as of the Record Date, no person or company beneficially owned, or controlled or directed, directly or indirectly, Units carrying 10% or more of the votes attached to the outstanding Units or Voting Units of the REIT, other than:

- i. Subcore Equities Inc., which owned, in aggregate 2,794,363 Units, representing approximately 14.0% of the outstanding Voting Units (or 18.7% of the outstanding Units)
- ii. Huntingdon Capital Corp. ("**Huntingdon**" or "**the Manager**") owned, in aggregate, 1,687,251 Units and 5,073,818 Special Voting Units, representing approximately 33.8% of the outstanding Voting Units (or 11.3% of the outstanding Units and 100.0% of the outstanding Special Voting Units as of the Record Date, respectively).

### **DATE OF INFORMATION**

Unless otherwise noted herein, the information provided in this Management Information Circular is given as of the date of this Management Information Circular and all dollar amounts used in this document are in Canadian Dollars.

## **BUSINESS TO BE TRANSACTED AT THE MEETING**

### **Financial Statements**

The REIT's audited consolidated financial statements for the year ended December 31, 2014 and the report of the auditors on those statements as well as Management's Discussion and Analysis ("MD&A") will be placed before the meeting. Copies of the financial statements and MD&A may be accessed at [www.sedar.com](http://www.sedar.com) or [www.slateofficereit.com](http://www.slateofficereit.com) or may be obtained from the Secretary of the REIT upon request and will be available at the meeting.

### **Election of Trustees**

The present term of office of each Trustee of the REIT will expire upon the election of Trustees at the meeting. It is proposed that each of the current Trustees be re-elected as a Trustee to serve until the close of the next annual meeting of Unitholders or until his or her successor is elected. In addition, the Trustees have determined to increase the size of the Board of Trustees to seven at the Meeting, and the Compensation, Governance and Nominating Committee has determined to nominate Mr. Blair Welch, co-founder and principal of the Manager, for election as a Trustee at the Meeting. The names of each of the proposed nominees is set out in the chart below.

Pursuant to the Declaration of Trust, the Manager, which is controlled by Slate Asset Management LP (together with its subsidiaries, "**Slate**"), has the right to nominate one Trustee to stand for election to the Board of Trustees for so long as Slate has an interest of at least 5% of the Units on a fully-diluted basis, and the number of Trustees entitled to be nominated by Slate will be proportionately adjusted (rounding the number of appointees upwards) to account for any increase or decrease in the number of Trustees of the Trust. Because the size of the Board of Trustees has been increased, Slate currently has the right to nominate two Trustees to stand for election to the Board of Trustees (the "**Slate Nominees**"). In addition, pursuant to the Management Agreement, Slate has the right to nominate one Trustee for election to the Board of Trustees during the term of the Management Agreement, provided that so long as Slate or an affiliate has rights to elect Board of Trustee members in accordance with the Declaration of Trust as set out above this right shall not apply.

Other than the Slate Nominees, the nominees for election of the Trustees have been determined by the Compensation, Governance and Nominating Committee in accordance with the provisions of the Declaration of Trust. Consequently, five nominees will be nominated by Management of the REIT (the "REIT Nominees" and together with the Slate Nominees, the "Nominees") and two Slate Nominees will be nominated by Slate for election as Trustees at the Meeting.

In the absence of a contrary instruction, the person(s) designated by Management of the REIT in the enclosed form of proxy intend to vote FOR the election as Trustees of the proposed Nominees whose names are set forth below, each of whom has been a Trustee since the date indicated below opposite the proposed Nominee's name. Management of the REIT does not contemplate that any of the proposed Nominees will be unable to serve as a Trustee, but if that should occur for any reason prior to the Meeting, the Units represented by properly executed proxies given in favour of such

**SLATE OFFICE REIT**

Nominee(s) may be voted by the person(s) designated by management of the REIT in the enclosed form of proxy, in their discretion, in favour of another nominee.

For each Trustee, the following information includes the Trustees' jurisdiction of residence; their age; the date they were elected or appointed; all positions and offices held by them with the REIT; their attendance at meetings; their principal occupations or employment during the past five years; their status as an independent Trustee; other public board memberships; and the number of REIT securities owned by each of them. Mr. Blair Welch and Mr. Brady Welch are the Slate Nominees. Mr. Brady Welch and Mr. John O'Bryan were appointed to the Board on November 5, 2014 and March 18, 2015, respectively to fill vacancies on the Board. The Board size was increased by one position on April 14, 2015 upon the appointment of Mr. Al Mawani.

**Nominees for Appointment**

<b>John O'Bryan</b> Toronto, ON Canada  Age: 64  Date elected or appointed Trustee: Mar. 18, 2015  Independent	<b>Principal Occupation During Past Five Years and Prior</b>		
	Mr. O'Bryan is currently a corporate director. Until 2014, Mr. O'Bryan was Chair of CBRE Limited and was a former member of its Canadian Board of Directors and Canadian Executive Management Committee. Mr. O'Bryan joined CBRE Limited in 2008. Prior to joining CBRE, he served as Managing Director at TD Securities from 1998 to 2008. He has over 40 years' experience in the real estate industry. Mr. O'Bryan holds an honours degree in Estate Management. John's numerous professional affiliations include board positions with the Urban Land Institute (ULI) and REALpac in addition to being an associate of the Royal Institution of Chartered Surveyors. He is a past president of the National Association of Industrial and Office Properties (NAIOP) and former member of the Appraisal Institute of Canada (AIC).		
	<b>Board/Committee Membership:</b>	<b>2014 Attendance:</b>	<b>Other Public Board Memberships:</b>
	Board of Trustees Audit Committee Investment Committee, Chair	n/a	CT Real Estate Investment Trust since 2013
<b>Securities owned, controlled or directed</b>			
<b>As at</b>	<b>Units</b>	<b>Warrants</b>	<b>Market Value of Units &amp; Warrants</b>
April 14, 2015	0	0	\$0

<b>Pam Spackman</b> Toronto, ON Canada  Age: 63  Date elected or appointed Trustee: Dec. 28, 2012  Independent	<b>Principal Occupation During Past Five Years and Prior</b>					
	Ms. Spackman has been the Chair of the Mortgage Advisory Committee for Timbercreek Mortgage Strategies Inc.,(TMSI), since 2008; TMSI is an entity that reviews and approves or declines mortgage loans proposed to be funded by Timbercreek Mortgage Investment Corp., Timbercreek Senior Mortgage Investment Corp. or Timbercreek Global Real Estate Fund. Ms. Spackman has also been a Member of the Advisory Committee of Crestpoint Real Estate Investments Ltd., a part of the Connor, Clark and Lunn group of companies since 2011. She has served on the Board of Directors of Gazit America Inc., and held positions as President and Chief Executive Officer of Column Canada Financial Corporation, a wholly owned subsidiary of Credit Suisse, Vice-President Mortgage Investment for the Ministry of Finance, in British Columbia and Investment Manager for the Workers' Compensation Board, Investment Fund, Ontario. Ms. Spackman holds an ICD.D designation.					
	<b>Board/Committee Membership:</b>	<b>2014 Attendance:</b>	<b>Other Public Board Memberships:</b>			
	Board of Trustees, Lead Trustee Audit Committee	<table border="1"> <tr> <td align="center">12/12</td> <td align="center">100%</td> </tr> <tr> <td align="center">4/4</td> <td align="center">100%</td> </tr> </table>	12/12	100%	4/4	100%
12/12	100%					
4/4	100%					

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	Compensation Gov & Nom Comm., Chair	1/1	100%
	Investment Committee	2/2	100%
<b>Securities owned, controlled or directed</b>			
<b>As at</b>	<b>Units</b>	<b>Warrants</b>	<b>Market Value of Units &amp; Warrants</b>
April 14, 2015	18,000	0	\$146,880 <sup>(1)</sup>

(1) Using April 14, 2015 closing price of SOT.UN Units of \$8.16.

<b>Gary Samuel</b> Toronto, ON Canada  Age 57  Date elected or appointed Trustee: Dec. 28, 2012  Independent	<b>Principal Occupation During Past Five Years and Prior</b>		
	Mr. Samuel has been President of Perek Bet Inc., a real estate investment firm since 1998. Mr. Samuel is a co-founder and retired partner of Crown Realty Partners, a Canadian institutional real estate investment and management corporation, a position he held between 2001 and 2011. Mr. Samuel was co-founder and Chief Executive Officer of Royop Properties Corporation, a Canadian real estate development company formerly listed on the TSX. He also founded and was the former Chief Executive Officer of Canadian Real Estate Investment Trust, a real estate investment trust. Mr. Samuel formerly served as Chair of HOMEQ Corporation and its wholly owned subsidiary HomEquity Bank, a Canadian chartered bank. He was also formerly a Director of First Capital Realty Corporation and lead director of Gazit America Inc., both real estate companies. Mr. Samuel holds a JD from Osgoode Hall Law School, Toronto.		
	<b>Board/Committee Membership:</b>	<b>2014 Attendance:</b>	<b>Other Public Board Memberships:</b>
	Board of Trustees	12/12 100%	n/a
	Audit Committee	4/4 100%	
	Compensation Gov & Nom Comm.	1/1 100%	
Investment Committee	5/5 100%		
<b>Securities owned, controlled or directed</b>			
<b>As at</b>	<b>Units</b>	<b>Warrants</b>	<b>Market Value of Units &amp; Warrants</b>
April 14, 2015	52,000	5,000	\$424,370 <sup>(1)</sup>

<b>Georges Dubé</b> Toronto, ON Canada  Age: 49  Date elected or appointed Trustee: Dec. 28, 2012  Independent	<b>Principal Occupation During Past Five Years and Prior</b>		
	Since November 1, 2012, Mr. Dubé has been a Partner at Bennett Jones LLP, a Canadian-based business law firm. From March 2003 to October 31, 2012 Mr. Dubé practiced law at another large Canadian-based business law and litigation firm. Mr. Dubé is a transactional corporate securities lawyer with 18 years of experience. He was listed in 2012 by Lexpert as a leading Corporate Finance and Securities lawyer in Canada. Mr. Dubé is a board member of the Shaw Festival Boxing annual fundraising event. He also served from 2010 to 2012 on the Securities Advisory Committee of the Ontario Securities Commission. Mr. Dubé received a Bachelor of Science in Foreign Service from Georgetown University and an LLB from the Faculty of Law of McGill University.		
	<b>Board/Committee Membership:</b>	<b>2014 Attendance:</b>	<b>Other Public Board Memberships:</b>
	Board of Trustees	12/12 100%	n/a
	Compensation Gov. and Nom. Comm.	1/1 100%	
<b>Securities owned, controlled or directed</b>			
<b>As at</b>	<b>Units</b>	<b>Warrants</b>	<b>Market Value of Units and Warrants</b>
April 14, 2015	3,500	250	\$28,562 <sup>(1)</sup>

(1) Using April 14, 2015 closing price of SOT.UN Units of \$8.16 and SOT.WT warrants of \$0.01.



**SLATE OFFICE REIT**

<b>Al Mawani</b> Thornhill, ON Canada  Age: 63  Date elected or appointed Trustee: Apr. 14, 2015  Independent	<b>Principal Occupation During Past Five Years and Prior</b>		
	Mr. Mawani has been President & CEO of Rodenbury Investments Limited, a private owner of industrial real estate since April 2015. Mr. Mawani was previously President & CEO of Calloway REIT (2011-2013) and Principal of Exponent Capital Partners Inc., a private equity investor (1999-2015). He worked at Oxford Properties Group Inc for 23 years including 10 years as Chief Financial Officer (1989-2000). He has been a board member of a number of REITs and real estate corporations since 2001. Mr. Mawani is a chartered accountant and has a Master of Business Administration from University of Toronto and a Masters in Law from York University.		
	<b>Board/Committee Membership:</b>	<b>2014 Attendance:</b>	<b>Other Public Board Memberships:</b>
Board of Trustees Audit Committee, Chair	n/a n/a	Boardwalk REIT since 2002	
<b>Securities owned, controlled or directed</b>			
<b>As at</b>	<b>Units</b>	<b>Warrants</b>	<b>Market Value of Units and Warrants</b>
April 14, 2015	5,000	0	\$40,800 <sup>(1)</sup>

<b>Blair Welch</b> Ancaster, ON, Canada  Age: 42  Date elected or appointed Trustee: Nominee  Non-independent	<b>Principal Occupation During Past Five Years and Prior</b>		
	Blair Welch has over 18 years of experience in the real estate industry and serves as chief executive officer and as a trustee of Slate Retail REIT. Prior to co-founding Slate, Mr. Welch worked with First National Financial Corporation where he was responsible for developing a successful Canadian commercial mortgage-backed securities program. Prior to that, Mr. Welch was employed as a consultant with General Motors Acceptance Corporation. Mr. Welch also worked with GMAC to assist with their Canadian commercial mortgage-backed securities program. Mr. Welch was an original member of Fortress Investment Group, spending time in Tokyo and Toronto, where he was responsible for originating investment opportunities throughout North America. Mr. Welch began his career at Bankers Trust where he identified acquisition opportunities and raised debt and equity capital for a variety of U.S. real estate clients. Mr. Welch holds a BCom from the University of B.C		
	<b>Board/Committee Membership:</b>	<b>2014 Attendance:</b>	<b>Other Public Board Memberships:</b>
Board of Trustees	n/a	Slate Retail REIT since 2012 and Slate U.S. Opportunity (No. 3) Realty Trust since 2013	
<b>Securities owned, controlled or directed</b>			
<b>As at</b>	<b>Units</b>	<b>Warrants</b>	<b>Market Value of Units &amp; Warrants</b>
April 14, 2015	1,693,671 Units and 5,073,818 Special Voting Units <sup>(1)</sup>	0	\$55,222,710 <sup>(2)</sup>

(1) Includes the Units owned by Huntingdon.

(2) Using April 14, 2015 closing price of SOT.UN Units of \$8.16.

**SLATE OFFICE REIT**

<b>Brady Welch</b> Burlington, ON, Canada  Age: 45  Date elected or appointed Trustee: Nov. 2014  Non-independent	<b>Principal Occupation During Past Five Years and Prior</b>		
	Brady Welch has over 18 years of experience in the real estate industry and serves as chief financial officer and a trustee of Slate Retail REIT. Prior to co-founding Slate in 2004, he held senior management positions with Fortress Investment Group, including acting as a Vice President and Managing Director, responsible for overseeing all direct investments in commercial real estate in the U.S. During his time at Fortress, Mr. Welch was involved in a significant number of commercial real estate investments across retail, office, industrial, multi-family and hospitality asset classes. Prior to this, Mr. Welch managed the joint venture investments of Truscan (a former arm of TD Canada Trust) including class A office towers in major Canadian markets. Mr. Welch began his career in the mid-1990s with Brazos Advisors (now Lonestar) in the acquisition and work-out of distressed commercial real estate loan pools. Mr. Welch holds a Bachelor of Commerce from Mount Allison University.		
	<b>Board/Committee Membership:</b>	<b>2014 Attendance:</b>	<b>Other Public Board Memberships:</b>
Board of Trustees, Chair	2/2 <sup>(1)</sup> 100%	Slate Retail REIT since 2012 and Slate U.S. Opportunity (No. 3) Realty Trust since 2013	
<b>Securities owned, controlled or directed</b>			
<b>As at</b>	<b>Units</b>	<b>Warrants</b>	<b>Market Value of Units &amp; Warrants</b>
April 14, 2015	1,700,121 Units and 5,073,818 Special Voting Units <sup>(2)</sup>	0	\$55,275,342 <sup>(3)</sup>

(1) Mr. Welch was appointed to the Board on November 5, 2014 and attended the two remaining Board meetings held in 2014.

(2) Includes the Units owned by Huntingdon.

(3) Using April 14, 2015 closing price of SOT.UN Units of \$8.16.

### Appointment of Auditors

KPMG LLP was first appointed auditor of the REIT December 28, 2012. Upon the recommendation of the Audit Committee of the Board of Trustees of the REIT, the Board of Trustees of the REIT recommends that KPMG LLP, Chartered Accountants, be reappointed as the REIT's auditors to hold office until the close of the next annual meeting and that the Trustees be authorized to fix their remuneration.

This reappointment of KPMG LLP as auditors must be approved by a simple majority of votes cast by Unitholders at the meeting. Representatives of KPMG LLP will be present at the meeting and will be given the opportunity to make a statement if they so wish and will respond to appropriate questions.

The following chart summarizes the fees of KPMG LLP for services during 2014 and 2013 for audit fees and non-audit related services:

<u>Category of fees</u>	<u>Dec. 31, 2014</u>	<u>Dec. 31, 2013</u>
Audit Fees		
Year end audit	\$100,000	\$88,000
Review of interim financial statements	63,000	60,000
Audit Related Fees <sup>(1)</sup>		
Prospectus-related fees	81,600	74,000
Acquisition-related fees	-	62,782

Tax Fees	59,875	60,000
All Other Fees	0	0
Total	\$304,475	\$344,782

<sup>(1)</sup> Audit-related fees are aggregate fees billed by the REIT’s external auditor for assurance and related services that are not reported under “Audit Fees” in the table above.

## Special Business

### Deferred Unit Plan

On April 14, 2015, the Board of Trustees of the REIT adopted the Deferred Unit Plan, subject to the approval of such plan by Unitholders at the Meeting. If Unitholder approval is obtained, the effective date of the Deferred Unit Plan will be May 26, 2015. Because the Deferred Unit Plan does not have a fixed maximum aggregate number of securities issuable thereunder, Unitholders will need to re-approve it every three years if it is approved at the Meeting, in accordance with the rules of the TSX. For clarity, the Deferred Unit Plan is considered an “evergreen” plan, since the Units covered by Deferred Units which have expired or which have been exercised, terminated or cancelled shall be available for subsequent grants under the Deferred Unit Plan and the number of Deferred Units available to grant increases as the number of issued and outstanding Units increases. The Deferred Unit Plan is administered by the Board and the Compensation, Governance and Nominating Committee.

### Purpose of the Deferred Unit Plan

The purpose of the Deferred Unit Plan is to advance the interests of the REIT by enhancing the ability of the REIT to attract, motivate and retain trustees of the REIT and to compensate such persons for their sustained contributions, to encourage such persons to take into account the long-term performance of the REIT and to promote a greater alignment of interests between trustees of the REIT and Unitholders.

### Overview

The Deferred Unit Plan provides trustees of the REIT with the opportunity to acquire deferred Units (the “**Deferred Units**”). Deferred Units represent a right to receive Units on ceasing to be a trustee of the REIT.

### Eligible Persons

Trustees of the REIT who are neither full nor part-time employees of the REIT or Slate or any of their Subsidiaries are eligible to participate in the Deferred Unit Plan (“**Participants**”). Participants may elect to receive all or part of their annual retainer, meeting fees and additional compensation (including travel fees), which are paid quarterly, in Deferred Units. Deferred Units will not entitle a trustee of the REIT who elects to participate in the Deferred Unit Plan (“**Participating Trustee**”) to any voting or other Unitholder rights. One Deferred Unit is economically equivalent to one Unit. Fractional Deferred Units are permitted under the Deferred Unit Plan and will be rounded down to the nearest whole number of Units in the event that Deferred Units are redeemed for Units.

A Participating Trustee who is not a U.S. taxpayer is entitled once per calendar year to terminate his or her participation in the **Deferred Unit Plan** by way of a termination

notice. Such termination shall be effective immediately upon receipt. Participation in the Deferred Unit Plan by a U.S. taxpayer is irrevocable for the year of participation.

Any Deferred Units granted under the Deferred Unit Plan prior to the delivery of a termination notice by a Participating Trustee shall remain in the Deferred Unit Plan following such termination and will be redeemable only in accordance with the terms of the Deferred Unit Plan.

#### **Number of Units Issuable under Deferred Unit Plan**

The maximum number of Units issuable pursuant to the Deferred Unit Plan will, in the aggregate, not exceed 5% of the total number of issued and outstanding Units (including Units issuable on the exchange of FAM Class B LP Units and FAM II Class B LP Units), on a fully-diluted basis, from time to time.

Notwithstanding the above, subject to applicable law or the requirements of the TSX or any other stock exchange upon which the Units are listed and any Unitholder or other approval which may be required, the Board may, in its discretion, amend the Deferred Unit Plan to increase such limit without notice to Participants.

The maximum aggregate number of Units that may be subject to grants of Deferred Units under the Deferred Unit Plan to any one Participant during any 12-month period shall be no greater than 5% of the issued and outstanding Units (including Units issuable on the exchange of FAM Class B LP Units and FAM II Class B LP Units) on a non-diluted basis.

The maximum aggregate number of Units issuable under the Deferred Unit Plan to insiders at any time, including those Units issuable under any other security based compensation arrangement, shall not exceed 10% of the issued and outstanding Units (including Units issuable on the exchange of FAM Class B LP Units and FAM II Class B LP Units) on a non-diluted basis as of the award date of such Deferred Units and the maximum aggregate number of Units that may be issued pursuant to Deferred Units to such insiders during any 12-month period, including those Units issuable under any other security based compensation arrangement, shall not exceed 10% of the issued and outstanding Units (including Units issuable on the exchange of FAM Class B LP Units and FAM II Class B LP Units) on a non-diluted basis.

#### **Deferred Unit Grants and Accounts**

Deferred Units will be credited quarterly to each Participating Trustee's account and will be determined by dividing the amount the Participating Trustee elects to receive in Deferred Units by the volume weighted average trading price of a Unit on the TSX for the five trading days prior to the date on which the Deferred Units are credited. Additional Deferred Units will be automatically credited to a Participating Trustee's account under the Deferred Unit Plan when the REIT pays a cash distribution to Unitholders. The additional Deferred Units to be credited will be calculated by multiplying the number of Deferred Units in the Participating Trustee's account at the time such distribution is paid by the amount of the distribution and dividing that amount by the volume weighted average trading price of a Unit on the TSX for the five trading days prior to the day the distribution is paid.

In addition to the foregoing, Deferred Units may be granted from time to time to Participants at the discretion of the Board or the Compensation, Governance and Nominating Committee.

### **Vesting of Deferred Units**

Subject to the Compensation, Governance and Nominating Committee's discretion to vary the manner in which Deferred Units vest pursuant to any grant of Deferred Units, Deferred Units granted to Participating Trustees will vest immediately upon grant, including additional Deferred Units credited to a Participating Trustee's account in connection with cash distributions. Additional Deferred Units shall vest on the same schedule as their corresponding Deferred Units and are considered issued on the same date as the Deferred Units in respect of which they were credited.

### **Redemption and Termination of Deferred Units**

When a Participating Trustee ceases to be a member of the Board, provided the Participating Trustee redeems any Deferred Units on or before the date that is two years following the date the Participating Trustee ceases to be a trustee, the former Trustee of the REIT will receive Units issued by the REIT for the number of Deferred Units credited to his or her account, including any cash distributions paid by the REIT on the Units that have accrued in the form of Deferred Units or, at his or her election in whole or in part, the cash equivalent thereof. Units (or where the former trustee of the REIT so elects, cash) will be issued to the former trustee of the REIT, subject to any applicable statutory source deductions. In the event Deferred Units are redeemed for cash, a cash payment, net of any applicable statutory source deductions, will be made by the REIT to the former Trustee equal to the amount calculated by multiplying (i) the number of Deferred Units to the redeemed by (ii) the volume weighted average trading price of a Unit on the TSX for the five trading days prior to the applicable redemption date.

Upon payment in full of the value of the Deferred Units, the Deferred Units shall be cancelled.

### **Amendment, Suspension or Termination**

The Compensation, Governance and Nominating Committee may review and confirm the terms of the Deferred Unit Plan from time to time and may, subject to applicable stock exchange rules, amend or suspend the Deferred Unit Plan in whole or in part as well as terminate the Deferred Unit Plan without prior notice as it deems appropriate.

Without limitation, the Compensation, Governance and Nominating Committee may, subject to the rules of the TSX, make changes:

- (a) to correct errors, immaterial inconsistencies or ambiguities in the Deferred Unit Plan;
- (b) necessary or desirable to comply with applicable laws or regulatory requirements, rules or policies (including stock exchange requirements);
- (c) to the vesting provisions applicable to Deferred Units issued under the plan;
- (d) to add a provision permitting the REIT to match a percentage of the elected amount for each Participating Trustee such that the aggregate number of Deferred Units

issued to each such Participating Trustee annually shall be increased by such percentage (provided that such provision does not result in any increase in the number of Deferred Units issuable under the Deferred Unit Plan); and

- (e) any other amendment that does not require Unitholder approval under applicable laws or rules of the TSX.

However, subject to the terms of the Deferred Unit Plan, no amendment may adversely affect the Deferred Units previously granted under the Deferred Unit Plan without the consent of the affected Participant, and any amendment requiring Unitholder approval under the rules of the TSX may not be made without such approval.

In addition, any amendment to the Deferred Unit Plan that would, among other things, result in any increase in the number of Deferred Units issuable under the Deferred Unit Plan or permit Deferred Units granted under the plan to be transferable or assignable other than for normal estate settlement purposes will be subject to the approval of Unitholders.

### **Assignment**

In no event may the rights or interests of a Participant under the Deferred Unit Plan be assigned, encumbered, pledged, transferred or alienated in any way, except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law.

Rights and obligations under the Deferred Unit Plan may be assigned by the REIT to a successor in the business of the REIT.

### **Approval and Recommendation of the Board**

**The Board has unanimously determined that the Deferred Unit Plan is in the best interests of the REIT and its Unitholders and recommends that Unitholders vote in favour of the Deferred Unit Plan Resolution.**

### **Approvals Required for the Deferred Unit Plan**

#### *Unitholder Approval*

At the Meeting, Unitholders will be asked to consider and, if thought fit, pass the Deferred Unit Plan Resolution approving the Deferred Unit Plan.

To be approved, the Deferred Unit Plan Resolution must receive the affirmative vote of not less than a majority of the votes cast thereon by holders of Units and Special Voting Units, with such Unitholders voting together as a single class.

#### *TSX Approval*

The TSX conditionally approved the Deferred Unit Plan and the listing of the Units issued pursuant to the Deferred Unit Plan on April 15, 2015, subject to the satisfaction of certain conditions and the receipt of certain documentation.

## **Amendment to the Declaration of Trust**

The Board of Trustees is proposing that an amendment be made to the Declaration of Trust to clarify that, for certainty and notwithstanding any other provision of the Declaration of Trust, the REIT shall be permitted to utilize the “notice and access” delivery procedures set out in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”).

Under the notice-and-access system adopted by the Canadian Securities Administrators, the REIT will not be required to mail paper copies of an information circular or management's discussion and analysis and consolidated financial statements to its investors, unless such paper copies are requested by a particular investor. Instead, the REIT will post electronic versions of such materials on its website, [www.slateofficereit.com](http://www.slateofficereit.com) and otherwise comply with the notice and access procedures prescribed by NI 54-101.

This change is in line with the REIT's commitment to environmental stewardship as it reduces the cost and environmental impact of producing and distributing paper copies of documents in very large quantities. It also provides Unitholders with faster access to information about the REIT.

## **GOVERNANCE DISCLOSURE**

The REIT's Board of Trustees and members of its management consider good governance to be central to the REIT's effective and efficient operation. The REIT's governance practices comply with the Ontario Securities Commission (“OSC”) rules and policies and the TSX Company Manual and are designed to protect the interests of Unitholders. The REIT's governance, investment guidelines and operating policies are overseen by the Board of Trustees.

### **Term of Election for Trustees**

The Trustees are individually elected by resolution that is passed by a majority of the votes cast at a meeting of the Unitholders. Trustees elected at an annual meeting are elected for terms expiring at the next annual meeting or until their successors are elected or appointed, and are eligible for re-election.

### **Number of Trustees**

Pursuant to the Declaration of Trust, there are to be no fewer than one and no more than nine Trustees, with a majority being residents of Canada and independent Trustees. The Trustees have determined that seven Trustees are appropriate at this time.

### **Process for Nomination of Trustees**

The Compensation, Governance and Nominating Committee, which is composed of independent Trustees, is responsible for succession planning, including the identification and nomination of Trustees.

The Board succession planning process is comprised of a review of the size of the Board, a skills assessment and a three part Board and Trustee evaluation process.

Annually, the Compensation, Governance and Nominating Committee reviews the size of the Board and determines the appropriate size based on the outcome of a Trustee skills review, the projected workload requirements and the results of the Board effectiveness report.

The Compensation, Governance and Nominating Committee reviews the skills represented on the Board annually against the skills matrix which defines the skills deemed as necessary for the Board to fulfill its responsibilities. If there is a skills gap, the Committee may address the matter by increasing the size of the Board, replacing an incumbent or enhancing Board education.

The annual Board effectiveness review process is discussed below and describes how incumbents are evaluated for their contribution and ongoing suitability for a role on the Board.

The Board of Trustees reviews the recommendations of the Compensation, Governance and Nominating Committee with respect to succession planning and approves the size of the Board.

If a vacancy is to be filled, the Compensation, Governance and Nominating Committee uses selection criteria to prioritize and select potential candidates. In addition to having the basic characteristics of integrity, good judgment, financial knowledge, and sufficient time available, potential candidates should also have experience in any of such areas as capital markets, real estate management or corporate governance. The Board considers gender, ethnic background, geographic origin and other personal characteristics together with the skills, experience, character and behavioural qualities of each individual when determining the value which a candidate could bring to the Board.

Candidates for the position of Trustee are identified through formal and informal search processes. Interviews are conducted by the Governance and Nominating Committee and a short list of candidates is put before the Board for consideration. Prior to nomination, new Trustees are given a clear indication of the workload and time commitment required. The Board of Trustees approves nominations for the role of Trustees.

In early 2015, the Compensation, Governance and Nominating Committee considered nominations for election at the 2015 Meeting of Annual and Special Unitholders. As part of the process, the Committee members considered the appropriate number of Trustees as well as the need for independence and breadth of experience needed among Board members. It was determined to increase the Board size.

A skills matrix was reviewed and it was determined that nominees for two additional positions must possess an in-depth knowledge of real estate markets across Canada, have hands-on real estate experience and knowledge of leasing and property valuations and be an established and respected member of the real estate community.

As a result of the resignation of Mr. MacKellar from the Board and as Chair of the Audit Committee in March, a third vacancy was created. The Committee expanded on the criteria for this position, determining that requirements must include a CA designation, specific financial acumen and experience in a financial executive role in addition to the above-noted criteria.



A list of candidates was compiled through referrals from business associates and a short list of candidates was screened against qualifications. Interviews were conducted, meetings were arranged with Trustees to ensure fit and references were checked.

### **Trustee Independence**

The Trustees have determined that five of the seven Trustees standing for election are independent Trustees in accordance with the Declaration of Trust and the Canadian Securities Administrators' rules, having no direct or indirect material relationship with the REIT. Pursuant to NI 58-101, an Independent Trustee is one who is free from any direct or indirect relationship which could, in the view of the Board, be reasonably expected to interfere with a Trustee's independent judgment. Neither Mr. Blair Welch nor Mr. Brady Welch, the Slate Nominee, is independent under these standards as they are partners and executive officers of Slate Asset Management LP, an entity which wholly owns the Manager. See "*Business to Be Transacted at the Meeting - Election of Trustees*".

Pursuant to the conflict of interest provisions in the Declaration of Trust, non-independent Trustees are required to disclose the nature and extent of their interest in, and are not entitled to vote on any resolution to approve, any material contract or transaction or any proposed material contract or transaction, between the REIT and the Manager.

Independent Trustee Nominees:

John O'Bryan  
Pam Spackman  
Gary Samuel  
Georges Dubé  
Al Mawani

Non Independent Trustee Nominees:

Brady Welch  
Blair Welch

**Board Chair**

The Chair is responsible for the following duties and responsibilities among other things:

- leading, managing and organizing the Board,
- promoting cohesiveness among the Trustees,
- acting as Chair of meetings of the Board of Trustees including establishing procedures to govern the Board's work to ensure the Board can conduct its work effectively and efficiently,
- acting as a liaison between the Board of Trustees and management through the CEO, and
- promoting the provision of information to the Trustees on a timely basis to keep the Trustees apprised of matters which are material to Trustees.

**Lead Trustee**

The Board appoints a non-executive, independent Trustee whose responsibilities are related to ensuring that appropriate structures and procedures are in place so that the Board may function independently of management. Duties also include leading the process by which the Independent Trustees seek to ensure that the Board represents and protects the interest of all Unitholders.

**Director / Trustee Interlocks**

None of the Trustee nominees has served together as directors on any outside boards during the REIT's most recently completed fiscal year, except for Messrs. Blair and Brady Welch who are each trustees of Slate Retail REIT and Slate U.S. Opportunity (No. 3) Realty Trust. The directorships on other public companies of all Trustee nominees, are described under the section entitled "Nominees for Appointment" in this Circular.

**Majority Voting Policy**

The Trustees have adopted a policy that provides for majority voting in Trustee elections at any meeting of the REIT's Unitholders. In an uncontested election of Trustees at a meeting of Unitholders, each Nominee should be elected by the vote of a majority of the Voting Units represented in person or by proxy at the meeting that are voted in respect of that Nominee. If any Nominee receives, from the Voting Units voted at the meeting in person or by proxy, a greater number of votes "withheld" than votes "for" his or her election as a Trustee, such Trustee will be required to tender his resignation to the Board of Trustees for consideration promptly following the meeting. The Compensation, Governance and Nominating Committee shall consider such tendered resignation and

provide a recommendation to the Board of Trustees as to whether or not to accept such resignation. The REIT is responsible to disclose publically the Board of Trustee's determination on a timely basis. A Trustee who tenders his resignation will not participate in any deliberations pertaining to such resignation.

At the 2014 Annual General Meeting, all of the nominees were elected with a majority of votes in excess of 99% FOR their election.

### **Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

To the best of the knowledge of management, no person or company who is a proposed Trustee of the REIT:

(a) is, as at the date of this Management Information Circular or has been, within the 10 years before the date of this Management Information Circular, a director or chief executive officer or chief financial officer of any company, that:

(i) while that person was acting in that capacity was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation (each, an "order"), for a period of more than 30 consecutive days;

(ii) was subject to an order that was issued after that person ceased to act in that capacity and which resulted from an event that occurred while the person was acting in that capacity; or

(iii) while that person was acting in that capacity or in the capacity as another executive officer, within a year of that person ceasing to act in any such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or Trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of this Management Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or Trustee appointed to hold the assets of the director, officer or Unitholder.

### **Financial Literacy**

All Trustees meet the standard for financial literacy prescribed by the Ontario Securities Commission, being the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

### **Committees of the Board**

To assist the Board in fulfilling its responsibilities, three committees of the Board are in place. All committee chairs are independent.

### Audit Committee

The Audit Committee's charter and the education and experience of each audit committee member that is relevant to the performance of his or her responsibilities as an audit committee member are detailed in the sections entitled "Audit Committee" and "Audit Committee Charter" in the Annual Information Form dated March 6, 2015 which can be found on SEDAR and on the REIT's website. Mr. Mawani was appointed Chair of the Audit Committee on April 14, 2015.

The Audit Committee must pre-approve all non-audit services to be provided to the issuer or its subsidiary entities by the external auditor. The Audit Committee is required to review the REIT's financial statements, MD&A and annual and interim press releases prior to public disclosure of these matters. Each member of the Audit Committee is independent and financially literate.

### Investment Committee

The Investment Committee is required to be comprised of at least three Trustees, consisting of two persons determined by the REIT to be independent and the Chair pursuant to the Investment Committee charter. The Investment Committee is currently composed of John O'Bryan (Chair) and Gary Samuel, both of whom have been determined by the REIT to be independent. It is the intention of the Board of Trustees to appoint Mr. Blair Welch to the Investment Committee should he be elected as a Trustee at the Meeting.

The Investment Committee meets on an "as needed" basis and has the authority to exercise all of the powers and discretions in the management and direction of the REIT's activities delegated to it by the Board of Trustees in accordance with the Board Mandate and applicable law, including to: (i) approve or reject proposed investments by the REIT in accordance with the REIT's investment guidelines, in each case, of up to \$30 million (by way of debt or equity); (ii) approve the assumption or granting of any mortgage, or the assumption or incurrence of any debt obligation, of up to \$30 million (or such other amount provided the terms thereof have been reflected in the REIT's operating budget approved by the Board of Trustees for the applicable year); and (iii) develop the REIT's strategy for review and approval by the Board of Trustees. Although the Investment Committee has been delegated authority in respect of many aspects of the REIT's business, in accordance with the Board Mandate, all material investments and transactions outside the REIT's ordinary course of business must be reviewed by, and are subject to the prior approval of, the REIT's Board of Trustees.

### Compensation, Governance and Nominating Committee

The role of the Compensation, Governance and Nominating Committee is described in the Statement of Executive Compensation.

Summarized on the next page is the membership of each committee of the Board at the date of this document, and their independence status.

## SLATE OFFICE REIT

Audit Committee	Al Mawani, Chair <sup>(1)</sup> Pam Spackman Gary Samuel	Independent Independent Independent
Compensation, Governance & Nominating Committee	Pam Spackman , Chair Georges Dubé Gary Samuel	Independent Independent Independent
Investment Committee	John O'Bryan, Chair Gary Samuel	Independent Independent

(1) Mr. Ian MacKellar, former Trustee and Chair of the Audit Committee, resigned effective March 13, 2015. Mr. Mawani was appointed Chair of the Audit Committee on April 14, 2015.

### Board and Committee Attendance

	Ian MacKellar <sup>(1)</sup>	Pam Spackman	Gary Samuel	Georges Dubé	Brady Welch
Board of Trustees	100% (12 of 12)	100% (12 of 12)	100% (12 of 12)	100% (12 of 12)	100% (2 of 2) <sup>(2)</sup>
Audit Committee	100% (4 of 4)	100% (4 of 4)	100% (4 of 4)	n/a	n/a
Compensation Governance & Nominating Committee	n/a	100% (1 of 1)	100% (1 of 1)	100% (1 of 1)	n/a
Investment Committee	100% 5/5	100% 2/2 <sup>(3)</sup>	100% 5/5	n/a	n/a

(1) Mr. MacKellar resigned from the Board on March 13, 2015

(2) Mr. Welch was appointed to the Board on November 5, 2014 and attended the two remaining Board meetings of 2014.

(3) Ms. Spackman was on the Investment Committee for an interim period in 2014 and attended two Investment Committee meetings during that time.

Written mandates are in place for each committee and are available on SEDAR. A process has been established for an annual review and update of these mandates by the Board. Position descriptions are in place for each Committee Chair.

### Meetings of Independent Trustees

The Trustees hold *in camera* meetings as required at which non-independent Trustees and members of management are not in attendance. In 2014, the independent Trustees held at least 36 of such meetings.

### Board Charter

The Board is responsible for the general stewardship of the REIT. It is elected by Unitholders to supervise management of the REIT's business. The Board has adopted a charter which reflects the REIT's commitment to high standards of corporate governance. The charter also assists the Board in supervising the management of the REIT.

The Chair of the Board of Trustees also has a charter. These charters contribute to establishing appropriate limits on management's authority. The Board's charter, which is expressly incorporated by reference herein, is available at [www.sedar.com](http://www.sedar.com).

The Board oversees the management of the REIT. The Manager is responsible for general day-to-day management of the REIT and for making recommendations to the Board with respect to long-term strategic, financial, organizational and related objectives.

The roles and responsibilities of the Board are intended to primarily focus on the formulation of long term strategic, financial and organizational goals for the REIT and on the monitoring of management performance. The Board is responsible for (a) adopting the strategic planning process presented by the Manager, approving an annual budget, evaluating and discussing a strategic plan for the upcoming year which takes into account, among other things, the opportunities and risks of the REIT's business and investments; (b) supervising the activities and managing the investments and affairs of the REIT; (c) approving major decisions regarding the REIT; (d) defining the roles and responsibilities of management; (e) reviewing and approving the business and investment objectives to be met by management; (f) assessing the performance of and overseeing management; (g) reviewing the REIT's debt strategy; (h) identifying and managing the REIT's risk exposure; (i) ensuring the integrity and adequacy of the REIT's internal controls and management information systems; (j) succession planning; (k) establishing committees of the Board, where required or prudent, and defining their mandate; (l) maintaining records and providing reports to Unitholders; (m) ensuring effective and adequate communication with Unitholders, other stakeholders and the public; and (n) determining the amount and timing of distributions to Unitholders.

### **Annual Assessment of Board and Trustees & Peer Review**

Annually, the Compensation, Governance and Nominating Committee approaches the evaluation of the members of the Board using a questionnaire process for Trustees and individual peers. A report is prepared by the Chair of the Compensation, Governance and Nominating Committee based on the results of the questionnaires. The Board meets to discuss the report at an *in camera* meeting, to consider its findings and recommendations. Any issues related to specific Trustees are discussed with the individual one-on-one.

### **Diversity**

The REIT encourages diversity in the composition of the Board. While neither a written policy nor targets relating to the identification and nomination of women Trustees have been adopted to date and the emphasis in filling Board vacancies has been finding the best qualified candidates given the needs and circumstances of the Board, a nominee's diversity of gender, race, nationality, age, experience and other attributes has and will be considered favorably in the assessment of Trustee nominees.

The Compensation, Governance and Nominating Committee recognizes the benefits that diversity brings to the Corporation. A key objective in this regard is to bring that diversity of thought which the Board believes is fundamental to successful decision-making and stewardship. The REIT does not have any formal policy on gender or other diversity on the Board or in senior management or on the identification and nomination of female Trustees, do not have fixed percentages or targets for any selection criteria, and are not considering establishing any measurable objectives in that regard.

Currently, as to gender, the Board has one female Trustee (17%) and four male Trustees (83%). Following the Meeting, assuming all of the Corporation's nominees are elected, the

Board will be comprised of one female Trustee (14%) and six male Trustees (86%). As to gender, the Board and the Compensation, Governance and Nominating Committee are receptive to increasing the representation of women on the Board as turnover occurs, taking into account the skills, background, experience and knowledge desired at that particular time by the Board and its Committees.

With respect to executive officer positions, the REIT is externally managed and has no control over the recruitment of the Manager's employees.

### **Orientation Plan – Board Trustees**

In 2015 the REIT will adopt an orientation program for new Trustees which addresses the role of the Board, its committees and individual members and provides a reference manual of materials, to include: the Declaration of Trust, material agreements, Board, committee and chair mandates, legal and organizational structure, Board structure, strategic plan, prospectuses, annual information forms, operational plans, financial reports and other reports, and corporate policies. Other publications are to be provided from organizations such as the Canadian Institute of Chartered Accountants, the Canadian Coalition for Good Governance and professional services firms, among others.

As part of the Orientation Plan, the Board and members of management will organize presentations on the portfolio, the strategic plan, budget and operations. External legal counsel will be invited to brief on new legislative and policy developments that affect Boards and Trustees; management will arrange one-on-one briefings with the Board Chair, and the CEO, CFO and Secretary will set aside time for social interaction with the Trustees and management.

Once approved, the Orientation Plan will be reviewed annually by the Compensation, Governance and Nominating Committee and the Board of Trustees and feedback from newly oriented Board members will be incorporated in the program.

### **Continuing Education for Trustees**

The Compensation, Governance and Nominating Committee is responsible for the ongoing education of Trustees. Continuing education contributes to the awareness of Trustees with respect to changes and developments in the following areas: legislative, policy and accounting developments, risk, insurance, corporate governance, market performance, competitive analysis, investment opportunities and environmental issues.

The Trustee educational program has five components:

1. REIT management presentations
2. External advisors (solicited information):
  - external legal counsel
  - audit firm
  - investment bankers
  - corporate governance
  - board and executive compensation
  - other advisors

3. Consulting, law and accounting firms (conferences, seminars and information sessions)
4. Accredited programs: Professional development (e.g. Canadian Institute of Chartered Accountants)
5. Site visits

Education matters involving management and external advisors take place at regularly scheduled Board meetings and *in camera* sessions.

Trustees are provided opportunities to visit the REIT's properties as well as those of competitors. The continuing education program is reviewed annually by the Compensation, Governance and Nominating Committee and the Board of Trustees.

### **Retirement Policy for Trustees**

The Compensation, Governance and Nominating Committee has determined that no fixed retirement date or term of service be set for Trustees or Chairs of the Board or Committees as such restrictions could create risk for the REIT. The matter of retirement is addressed in the Board evaluation process in which the contributions of individual Trustees is assessed and the Trustee nomination process in which the Compensation, Governance and Nominating Committee considers the skills and qualifications needed on the Board of the REIT.

### **Code of Conduct Policy**

The REIT has adopted a written code of business conduct and ethics (the "Code of Conduct") that applies to all Trustees, officers, and management of the REIT and its subsidiaries. The objective of the Code of Conduct is to provide guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality of the REIT and its subsidiaries. The Code of Conduct addresses conflicts of interest, protecting the REIT's assets, confidentiality, fair dealing with security holders, competitors and employees, insider trading, compliance with laws and reporting any illegal or unethical behaviour. As part of the Code of Conduct, any person subject to the Code of Conduct is required to avoid or fully disclose interests or relationships that are harmful or detrimental to the REIT's best interests or that may give rise to real, potential or the appearance of conflicts of interest.

The REIT has appointed Scott Antoniak, Chief Executive Officer of the REIT, as the contact person for the Code of Conduct and appointed the Audit Committee as responsible for communicating the Code of Conduct to Trustees, officers and employees and administering the Code of Conduct. The Audit Committee monitors compliance with the Code of Conduct by employees who are not Trustees or officers of the REIT. The Audit Committee monitors overall compliance with the Code of Conduct with specific responsibility for compliance by Trustees and officers of the REIT, provided that all issues and concerns specifically related to accounting, internal financial controls and/or auditing will be reviewed and forwarded to the Audit Committee. The Audit Committee, in consultation with the Board of Trustees, reviews the process for administering the Code every year. The Board of Trustees has the ultimate responsibility for the stewardship of the Code of Conduct. Unitholders may contact the REIT to request a copy of the Code of



Conduct. Any such request should be made to the Chief Financial Officer of the REIT at 200 Front Street West Suite 2400, Toronto, Ontario M5V3K2.

### **Whistleblower Policy**

The REIT has also adopted a whistleblower policy to enable any person to raise concerns regarding accounting, internal accounting controls or auditing matters on a confidential basis, free from discrimination, retaliation or harassment, anonymously or otherwise. The Audit Committee is responsible for administering the whistleblower policy.

### **Interests of Management and Others in Material Transactions**

Except as described below or otherwise disclosed in this Circular, the REIT and management are not aware of any material interest, direct or indirect, of any Trustee, executive officer of the REIT, trustee, director or executive officer of any subsidiary of the REIT, any person or company who beneficially owns, directly or indirectly, voting securities of the REIT or who exercises control or direction over voting securities of the REIT or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the REIT, any Trustee, director or executive officer of any such person or company, or any associate or affiliate of any of the foregoing, in any transaction since the commencement of the REIT's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the REIT or its subsidiaries. See also "*Principal Holders of Units and Special Voting Units*".

On May 13, 2014, the REIT completed a public offering of 1,955,000 Units at a price of \$8.85 per Unit. Concurrent with the closing of the Offering, the REIT issued 831,639 Units on a private placement basis to Huntingdon at a purchase price of \$8.85 per Unit.

On December 17, 2014, the REIT completed the acquisition of a portfolio of seven office properties from Slate GTA Suburban Office Inc., a wholly-owned subsidiary of Slate, for consideration of \$190.0 million, before transaction costs of \$3.2 million and net closing adjustments of \$5.6 million. The purchase price was satisfied by a combination of: (a) approximately \$144.0 million in cash, (b) the issuance of 2,794,363 Units at a price of \$9.00 per unit, and (c) the issuance of 2,096,686 Class B LP Units of FAM II LP (and associated Special Voting Units of the REIT) at a price of \$9.00 per unit, and (d) the REIT's existing liquidity.

As described herein under "Management Contracts", the Manager is entitled to certain rights under the Management Agreement, Exchange Agreement and ROFO Agreement, including among other things pre-emptive rights to maintain its pro rata ownership interest in the REIT and its subsidiaries, "piggy back" registration rights with respect to public offerings by the REIT, board nomination rights and certain limited approval rights, and such rights are based on ownership thresholds in the REIT (calculated based on the number of Units assuming that all Class B LP Units are redeemed for Units). The Management Agreement, the Exchange Agreement and the ROFO Agreement can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Mr. Brady Welch (a Trustee of the REIT), Mr. Blair Welch, (a Trustee nominee), Mr. Scott Antoniak (the Chief Executive Officer of the REIT), Mr. Brian Moncik (Chief Financial

Officer of the REIT), Mr. Ramsey Ali (Secretary of the REIT) and Ms. Lisa Rowe (Senior Vice President of the REIT) all have on-going relationships with Slate.

The Declaration of Trust requires that approving or enforcing any agreement entered into by the REIT with a related party will require the approval of a majority of the independent Trustees who have no interest in the matter.

### **Unitholder/Investor Communications Policy and Feedback**

The REIT has in place procedures to effectively communicate with its stakeholders, including its Unitholders, employees and the general public. The fundamental objective of these procedures is to ensure an open, accessible and timely exchange of information with Unitholders, employees and other stakeholders concerning the business, affairs and performance of the REIT. This includes contact with industry analysts and media representatives in conjunction with the release of the REIT's financial results, as well as regular presentations to or meetings with industry analysts and with institutional Unitholders.

The Board approves all of the REIT's significant communications with stakeholders, including financial statements and management's discussion and analysis, this management information circular, significant press releases, the annual information form and other disclosure documents.

Through the REIT's website, Unitholders and other stakeholders may access the REIT's most recent presentation made to the investment community.

The Chair of the Board of Trustees may be contacted by writing to Mr. Brady Welch, Chair, Slate Office REIT at 200 Front Street West Suite 2400, Toronto, Ontario M5V 3K2. Unitholders can provide feedback to the REIT by contacting CEO Scott Antoniak at 416-583-1764 or by email at [scott@slateproperties.ca](mailto:scott@slateproperties.ca).

### **Relationship of the Board of Trustees and Management**

The Board of Trustees has in place appropriate structures to ensure that it can function independently of management, including the appointment of a non-executive, independent lead Trustee.

The responsibilities of the Chair of the Board of Trustees include overseeing the Board of Trustees' discharge of its responsibilities. The Chair's role and responsibilities include managing the affairs of the REIT's Board of Trustees and, together with the Compensation, Governance and Nominating Committee, monitoring the effectiveness of the REIT's Board of Trustees, assessing the performance of the Board and its Trustees and the contribution of individual Trustees.

Management's responsibilities are determined by the Board of Trustees of the REIT. All major policy decisions relating to the REIT's business are made by the REIT's Board of Trustees or a committee thereof.

## Officers of the REIT

The following table sets forth the name, municipality of residence and positions held with the REIT of each executive officer of REIT:

<u>Name</u>	<u>Office</u>	<u>Principal Occupation</u>	<u>Municipality of Residence</u>
Scott Antoniak	Chief Executive Officer	Chief Executive Officer Slate Office REIT	Toronto, ON
Brian Moncik	Chief Financial Officer	Chief Financial Officer Slate Office REIT	Toronto, ON
Ramsey Ali	Secretary	Senior Vice President and General Counsel Slate Asset Management LP	Burlington, ON
Lisa Rowe	Senior Vice President	Senior Vice President Finance and Taxation Slate Asset Management LP	Vaughan, ON

## REPORT ON TRUSTEE COMPENSATION

### Trustee Compensation Philosophy, Approach and Process

The REIT's compensation objective for Trustees is to fairly and competitively compensate trustees in order to attract well qualified board members.

### Compensation of Members of the Board of Trustees and Comparator Set

Compensation of the Trustees is to be reviewed annually by the Corporate Governance, and Nominating Committee. The Corporate, Governance and Nominating Committee has decided to maintain current levels for the REIT's retainers and fees as described in the table below under "*Trustee Fee Schedule*". In addition, each Trustee is reimbursed for all reasonable travel and ancillary expenses incurred in attending meetings of the Trustees or any committee meeting, up to a maximum of \$1,000 per meeting. The Trustees do not receive any additional remuneration for acting as directors on the boards of the REIT's subsidiaries.

### Peer Comparators and Compensation Consultant for Trustees

No compensation consultant was used in determining compensation for the Trustees. The Compensation, Governance and Nominating Committee consulted compensation data disclosed by other public issuers as one aspect of consideration in determining Trustee compensation.

### Trustee Pension Plan

The Trustees do not have a pension plan.

### Minimum Unitholding Requirement

Trustees are required to hold the equivalent of three times the annual trustee retainer in Slate Office REIT Units within three years of service on the Board. This is intended to align the interests of Trustees with those of the Unitholders.

### Details of 2014 Trustee Compensation

Name	Trustee Annual Retainer	Board and Standing Committee Meeting Attendance Fees	Chair Annual Retainer	Committee Retainer	Special Committee <sup>(1)</sup>	Total Compensation
Zachary George <sup>(2)</sup>	\$21,060 <sup>(2)</sup>	\$15,000	\$4,212 <sup>(2)</sup>	\$4,212 <sup>(2)</sup>	\$0	<b>\$44,484</b>
Pam Spackman	25,000	18,000	5,000 <sup>(3)</sup>	5,000 <sup>(4)</sup> 5,000 <sup>(5)</sup>	30,000	<b>\$88,000</b>
Gary Samuel, Lead Trustee (2014)	30,000	22,000		5,000 <sup>(4)</sup> 5,000 <sup>(5)</sup> 5,000 <sup>(6)</sup>	40,000	<b>\$107,000</b>
Ian MacKellar <sup>(7)</sup>	25,000	21,000	10,000 <sup>(8)</sup>	5,000 <sup>(5)</sup> 5,000 <sup>(6)</sup>	30,000	<b>\$96,000</b>
Georges Dubé	25,000	13,000		5,000 <sup>(4)</sup>	30,000	<b>\$73,000</b>
Brady Welch <sup>(9)</sup>	0	0	0	0	0	\$0
	<b>\$126,060</b>	<b>\$89,000</b>	<b>\$19,212</b>	<b>\$44,212</b>	<b>\$130,000</b>	<b>\$408,484</b>

- (1) In addition to Board and standing committee meetings, a Special Committee of independent Trustees met 36 times in connection with the Acquisition that is fully described in the REIT's Management Information Circular dated October 30, 2014. Fees for the independent Trustees were capped at \$40,000 for the chair of the Special Committee and \$30,000 for the independent Trustees.
- (2) Mr. George resigned from the Board on November 3, 2014. The Trustee annual retainer, the Chair Annual Retainer and the Investment Committee Retainer were each prorated for the period January 1, 2014 to November 3, 2014.
- (3) Compensation, Governance and Nominating Committee Chair retainer.
- (4) Compensation, Governance and Nominating Committee member retainer.
- (5) Audit Committee member retainer.
- (6) Investment Committee member retainer.
- (7) Mr. MacKellar resigned March 13, 2015
- (8) Audit Committee Chair retainer
- (9) As an executive Board member, Mr. Welch did not receive Trustee fees.

### Trustee Fee Schedule

<u>Compensation</u>	<u>2014</u>
Annual Retainer	\$25,000
Lead Independent Trustee Retainer	\$30,000
Audit Committee Chair Retainer	\$10,000
Audit Committee Member Retainer	\$5,000
Governance & Nominating Chair Retainer	\$5,000

Governance& Nominating Member Retainer	\$5,000
Investment Committee Chair Retainer	\$5,000
Meeting Fee	\$1,000

## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The REIT has been continuously managed by the Manager since 2012. On November 4, 2014, Huntingdon became wholly owned by Slate. Prior to this change of ownership, Huntingdon was a real estate operating company listed on the TSX and governed by a Board of Directors. All 2014 compensation-related decisions prior to this change of ownership were made by the compensation committee of Huntingdon’s Board of Directors.

The NEOs employed by Huntingdon before the ownership change resigned on November 5, 2014 at which time replacement NEOs designated by Slate were appointed to the REIT. The REIT’s officers named in the “Summary Compensation Table” are referred to herein as the “named executive officers”, and individually a “named executive officer”.

The statement of executive compensation in respect of the named executive officers of the REIT prior to Slate’s acquisition of Huntingdon, and the sections on Compensation Discussion and Analysis and Description of the Compensation Framework for 2014, are described in Appendix D. The 2014 approach to NEO compensation was discontinued following replacement of the NEOs by Slate in November 2014.

From November 14 to December 31, 2014, the following officers qualified as the REIT’s named executive officers: Blair Welch, the REIT’s interim Chief Executive Officer and Brady Welch, the REIT’s interim Chief Financial Officer. Neither Blair Welch nor Brady Welch received any compensation from Huntingdon or Slate that is attributable to time dedicated to the business and affairs of the REIT. Accordingly, no option or security awards to these Named Executive Officers were outstanding as at December 31, 2014, and no option-based, security-based or non-equity based incentive plan awards vested for the Named Executive Officers during 2014.

On January 22, 2015 Mr. Scott Antoniak was appointed CEO and Mr. Brian Moncik was appointed CFO to the REIT. Messrs. Antoniak and Moncik are employees of Slate and have other responsibilities in addition to their roles with the REIT.

Pursuant to the Management Agreement, the Manager provides the REIT with strategic, asset management, administrative, property management, leasing, construction management and administrative services necessary to manage the day-to-day operations of the REIT and its assets. For a description of the fees payable by the REIT to the Manager in respect of its management services, see the section entitled “Management Contracts” below. In 2014, the REIT paid \$2.3 million in property management, asset management, leasing financing and construction management fees and acquisition fees.

## **Approach to Risk Management**

The REIT has engaged the Manager to provide asset management services for the REIT under the long-term Management Agreement. The Manager owns an aggregate equity interest in the REIT of approximately 34%. The REIT believes that the Manager's substantial ownership interest in the REIT, together with the REIT's compensation structure under the Management Agreement, which includes an incentive component as described under "Compensation Discussion and Analysis", fully align the Manager's interests with those of other Unitholders. The Board has not identified any risks with the REIT's compensation policies and practices that are reasonably likely to have a material adverse effect on the REIT.

The REIT's executive officers are employed and compensated by the Manager. As a result, the Compensation, Governance and Nominating Committee does not determine the compensation of the executive officers and the Board has never engaged a compensation consultant or advisor.

The Trustees are prohibited from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the Trustees.

## **Compensation Governance and Oversight**

### **Role of the Compensation, Governance and Nominating Committee**

The responsibilities, powers and operation of the Compensation, Governance and Nominating Committee are set out in the committee charter.

While the Compensation, Governance and Nominating Committee's charter mandates that it is responsible for reviewing and approving the compensation of executive management to the extent that senior officers are employed directly by the REIT, the REIT's senior management team currently consists of individuals employed and compensated by Slate. As a result, the Compensation, Governance and Nominating Committee does not currently have any direct responsibilities or powers in respect of executive compensation matters.

As described in its charter, the Compensation, Governance and Nominating Committee is responsible for: (i) assessing the effectiveness of the Board of Trustees, each of its committees and individual Trustees; (ii) overseeing the recruitment and selection of candidates as Trustees of the REIT; (iii) organizing an orientation and education program for new Trustees; (iv) considering and approving proposals by the Trustees to engage outside advisers on behalf of the Board of Trustees as a whole or on behalf of the Independent Trustees; (v) reviewing and making recommendations to the Board of Trustees concerning any change in the number of Trustees composing the Board of Trustees; (vi) considering questions of management succession; (vii) administering any unit option or purchase plan of the REIT, and any other compensation incentive programs; (viii) assessing the performance of management of the REIT; (ix) reviewing and approving the compensation of executive management to the extent the senior officers are employed directly by the REIT; (x) reviewing and making recommendations to the Board of Trustees

concerning the level and nature of the compensation payable to Trustees; and (xi) overseeing the Management Agreement.

Neither the Trustees nor any committee thereof has retained a compensation consultant or advisor to advise on compensation related matters or decisions for any of the REIT's executive officers or Trustees.

The Committee must pre-approve any retainer for the use of a compensation consultant or advisor retained by the Committee or the Board for determining compensation for any of the REIT's trustees or executive officers at the request of management.

The charter for the Compensation, Governance and Nominating Committee is available on the SEDAR website.

### **Use of Discretion**

The Governance and Nominating Committee does not have the explicit authority to exercise discretion to award compensation absent attainment of the relevant performance goal. As the REIT is externally managed and compensation is determined by Slate, this is not a required authority.

### **Members and Experience**

The Compensation, Governance and Nominating Committee is entirely made up of independent Trustees and does not include the Chief Executive Officer. The experience of the Committee members is rich and varied.

The members are: Pam Spackman, Chair  
Gary Samuel  
Georges Dubé

Ms. Spackman's experience with respect to governance and executive compensation matters is related to her experience in her role as CEO of Column Canada Financial Corporation between 2000 and 2008. Ms. Spackman acquired further experience in her role on the Board of Directors of Gazit America Inc., a TSX-listed company for which she served as Chair of Corporate Governance, Nominating and Compensation Committee, and was a member of the Audit Committee from July 2009 until its' privatization in August 2012. Ms. Spackman also holds the ICD.D designation from the Institute of Corporate Directors.

Mr. Samuel draws upon extensive governance and compensation experience acquired through his role on a number of boards of TSX listed companies as well as his executive experience as founder and CEO of Canadian Real Estate Investment Trust.

Mr. Dubé's extensive legal career has provided deep experience in matters of securities law and governance matters as they relate specifically to public companies. In addition to his experience on private boards, he served from 2010 to 2012 on the Securities Advisory Committee of the Ontario Securities Commission.

The Committee members will be in attendance at the annual general meeting and will be available to respond to appropriate questions about governance matters.

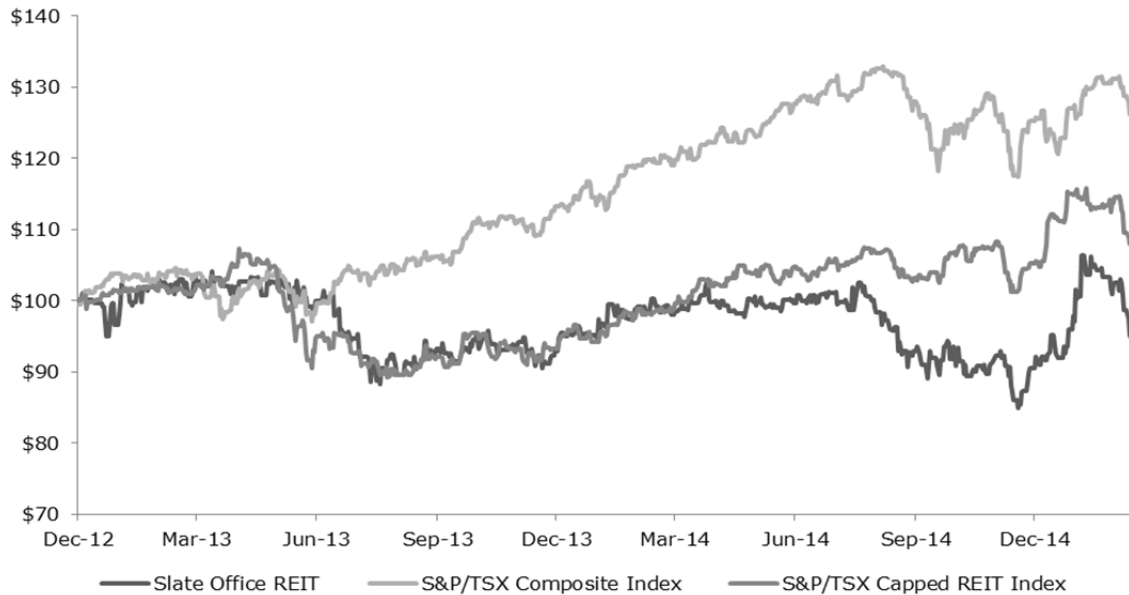
**Independent Advice**

The Compensation, Governance and Nominating Committee charter provides the authority to select, engage and compensate any outside compensation, nomination or other consultant the Committee determines to be necessary to permit it to carry out its duties at the REIT's expense. The Committee is ultimately responsible for its own decisions, and may take into consideration more than the information and recommendations provided by its compensation consultants.

**PERFORMANCE GRAPH**

Slate Office REIT's Units began trading on the TSX on December 28, 2012. The following charts compare the Unitholder Cumulative Total Return (appreciation of capital and reinvestment of distributions) on Slate Office Units to the S&P / TSX Composite Index and to the S&P / TSX Capped REIT Index, each assuming reinvestment of distributions or dividends.

**Unitholder Cumulative Total Return since IPO**



	<b>28-Dec -12</b>	<b>31-Dec-13</b>	<b>31-Dec-14</b>
<b>Slate Office REIT</b>	\$100.00	\$95.40	\$91.00
<b>S&amp;P / TSX Capped REIT Index</b>	\$100.00	\$113.50	\$125.50
<b>S&amp;P / TSX Composite Index</b>	\$100.00	\$95.00	\$104.80

Source: Bloomberg

The REIT pays fees to Slate determined in accordance with the terms of the Management Agreement, which fees do not track and are not affected by the market value of the REIT's Units. As described above, the REIT's executive officers are employed by Slate and the REIT does not directly or indirectly pay any compensation to them.



## MANAGEMENT CONTRACTS

### Slate and Huntingdon

The REIT's wholly-owned properties are managed by the Manager, a wholly-owned subsidiary of Slate. Slate is a leading real estate investment platform.

### Management Agreement

Pursuant to the Management Agreement, the Manager provides the REIT with strategic, asset management, administrative, property management, leasing, construction management and administrative services necessary to manage the day-to-day operations of the REIT and its assets (collectively, the "Management Services"). The Manager will provide such administrative, executive and management personnel as may be reasonably necessary to perform its obligations by using its own employees. The Manager also provides personnel to serve as CEO and CFO of the REIT.

Under the Management Agreement, the REIT's strategy will concentrate on acquiring, holding, developing, maintaining, improving, leasing, managing or otherwise dealing with office properties in Canada, including data centres.

Pursuant to the Management Agreement, the Manager has the right to nominate one Trustee for election to the Board of Trustees during the term of the Management Agreement, provided that so long as the Manager or an affiliate of the Manager has rights to elect board members in accordance with the Declaration of Trust this right shall not apply.

The Manager is entitled to the following fees for its management services:

- a "base management fee" equal to 0.3% of the GBV of the REIT's assets, less restricted cash;
- a "property management fee" equal to 3.0% of the gross revenues collected and remitted from the REIT's assets;
- an "acquisition fee" equal to 1.0% of the purchase price on the first \$100 million of properties acquired in each fiscal year; (ii) 0.75% of the purchase price on the next \$100 million of properties acquired each fiscal year, and (iii) 0.50% of the purchase price on properties in excess of \$200 million acquired in each fiscal year; provided that no acquisition fee was payable in respect of the Initial Properties and no acquisition fee is payable on any properties owned by the Manager or any of its subsidiaries at the time of the closing of the IPO if such properties are subsequently acquired by the REIT;
- a "financing fee" equal to 0.25% of the value of any debt financing payable on transaction completion;
- a "leasing fee" equal to 5.0% of the base rent for all new leases and 2.0% of base rent for all renewals of existing leases and expansion of leased premises, payable on the signing of a binding lease, extension, renewal or amending document; and

- a “construction management fee” equal to 5.0% of all costs of any construction activity undertaken by the REIT, payable at the time payments for construction are made. Construction activities include all tenant and building improvements undertaken by the REIT but exclude maintenance capital expenditures.

The Manager is also entitled to receive reimbursement for all reasonable out-of-pocket costs and expenses incurred by the Manager in the performance of its duties under the Management Agreement, consistent with industry standards in such regard. Reimbursable expenses shall be reimbursed to the Manager on a monthly basis. For greater certainty, reimbursable expenses shall not include any mark-up or profit component for the Manager. These reimbursements will include, among other things, landlord reimbursements and recoveries as well as property administration fees allowable under the tenant leases relating to assets or resources of the Manager that are directly attributable to the management of the REIT’s properties, including those relating to: (i) employment expenses of property-related personnel (salaries, wages, cost of employee benefit plans, etc.) and (ii) expenses related to on-site offices. For greater clarity, the Manager shall not be reimbursed for corporate-level general and administrative expenses.

The Manager will not charge any disposition fees.

In addition, the Manager will be reimbursed for all third party costs and out-of-pocket expenses incurred in connection with the performance of the services described in the Management Agreement or such other services which the REIT and the Manager agree in writing are to be provided from time to time by the Manager, including: (i) interest and other costs of borrowed money; (ii) legal, accounting and other professional advisors, appraisers and consultants; (iii) fees/expenses incurred in connection with acquisitions, dispositions and ownership of property or mortgage loans or other property; (iv) insurance; (v) travel and accommodation expenses; and (vi) incorporation, organization and maintenance of subsidiaries of the REIT.

In 2014, the REIT paid \$2.3 million in property management, asset management, leasing financing and construction management fees and acquisition fees.

### **Term and Termination**

The Management Agreement has an initial term of 10 years (the “Initial Term”) and is renewable for further five year terms (the “Renewal Terms”, and together with the Initial Term, the “Term”), unless and until the Management Agreement is terminated in accordance with the provisions thereof. Subject only to the termination provisions in the Management Agreement, the Manager will automatically be re-engaged at the expiration of each Term. The Manager has the right, at any time, but upon 180 days’ prior written notice, to terminate the Management Agreement for any reason. The Manager may also terminate the Management Agreement upon the occurrence of an “event of default” (as defined in the Management Agreement) of the REIT.

The REIT will have the right to terminate the Management Agreement upon an “event of default” (being a bankruptcy, fraud or material uncured breach) by the Manager. The REIT may also terminate the Management Agreement, upon three months’ prior written notice, at the expiry of the Initial Term and thereafter upon the expiry of each ensuing Renewal Term provided that: (i) a majority of the Independent Trustees determine that the services

of the Manager under the Management Agreement are unsatisfactory; (ii) such termination is approved by at least two-thirds of the votes cast by Unitholders at a duly called meeting of Unitholders; and (iii) a termination fee in an amount equal to the fees payable to the Manager for the prior 12-month period is paid to the Manager. For greater clarity, no termination fee will be payable where the Management Agreement is terminated due to an event of default of the Manager or where the Management Agreement is terminated by the Manager (other than in connection with an event of default of the REIT). Upon the Amended Management Agreement becoming effective, the existing termination right pursuant to (ii) in the second sentence of this paragraph will be modified such that the required vote of two-thirds of votes cast by Unitholders and holders of Special Voting Units voting together will now exclude Units or Special Voting Units held by the Manager or any of its Affiliates.

Upon termination of the Management Agreement for any reason (other than for a Manager “event of default” or by the Manager for convenience), the REIT has agreed to fully indemnify the Manager from and against any and all severance costs (if any) actually incurred by the Manager in respect of employees of the Manager arising out of or resulting from the ensuing termination of redundant or surplus employees as a consequence of the termination of the Management Agreement or the Amended Management Agreement, as the case may be, in respect of the period after the closing of the REIT’s Initial Public Offering that each such employee has worked on REIT matters and based on the proportion of each such employee’s services attributable to REIT matters.

The REIT will also have the right to terminate the Management Agreement at any time after December 28, 2022 upon achieving an equity market capitalization of \$750 million, if (i) a majority of the independent trustees of the REIT have determined it is in the best interests of the REIT to internalize the services provided pursuant to the Management Agreement and (ii) such internalization is approved by at least two-thirds of votes cast by Unitholders and holders of Special Voting Units (excluding any Units and Special Voting Units held by the Manager and its affiliates). Upon such termination, the REIT must pay the Manager an additional amount equal to the Manager’s aggregate annual management fees earned for the preceding 12-month period and reimburse the Manager for all severance costs actually incurred by the Manager (or its affiliates) in respect of employees of the Manager (or its affiliates) arising out of or resulting from the ensuing termination of redundant or surplus employees as a consequence of the termination of the Management Agreement. For greater certainty, such severance costs shall apply in respect of the period from the closing of the REIT’s Initial Public Offering that each such employee has worked on REIT matters and will be based on the proportion of each such employee’s services attributable to REIT matters.

The REIT will also have the right to terminate the Management Agreement in the event that both of Messrs. Blair Welch and Brady Welch, the founding partners of Slate, are no longer associated with Slate (“Loss of Key Men”), provided that the independent trustees of the REIT reasonably determine that the Loss of Key Men is detrimental to the Manager’s performance of its obligations to the REIT. This termination right shall not apply following the REIT achieving an equity market capitalization of \$750 million.

On the termination of the Management Agreement, for any reason other than due to (i) an event of default by the Manager, (ii) the Loss of Key Men, (iii) an event of default by the

REIT due to the insolvency of the REIT or (iv) the Manager terminating the agreement upon 180 days' prior written notice, and subject to compliance with applicable laws, the REIT shall use commercially reasonable best efforts to facilitate the disposition (but in any event, ensure such disposition is completed within six months following receipt of notice of the Manager's decision to proceed with a disposition) of the units owned by the Manager or its affiliates (including securities at the time of termination convertible, exchangeable or redeemable into Units (including limited partnership units of an affiliate of the REIT and Special Voting Units)) at a price not less than 95% of the 20 day volume weighted average price on the date the Manager received notification of such termination, provided that such number of Units shall not exceed such number of Units as would have an aggregate purchase price (as calculated in accordance with the foregoing) of \$75,000,000.

### **Management Restrictions**

During the term of the Management Agreement, the Manager and its officers and directors are not to, directly or indirectly, individually or in partnership or jointly or in conjunction with any person(s): (i) create or manage another real estate investment trust focused on the ownership of office revenue producing real property, where the revenue of such real property is primarily derived from office tenants, which meets the "Investment Guidelines and Operating Policies" of the REIT set out in the Declaration of Trust (the "Restricted Investments"); (ii) invest in, purchase or finance the purchase of any assets which constitute Restricted Investments and meet the investment criteria of the REIT, unless such investment opportunity has first been offered to the REIT (on no less favourable terms) and the REIT has declined to purchase such assets; or (iii) solicit tenants, suppliers, employees, consultants, advisers, partners, trustees, directors, officers or agents away from the REIT or its facilities, or otherwise interfere with relationships that the REIT has with such persons.

The above restrictions will not apply to (each, a "Permitted Property"): (a) any interest up to \$10 million in an entity owning Restricted Investments that represents less than a 50% fully-diluted interest in such entity and affiliates of that entity; (b) any interest in the securities of a public entity owning Restricted Investments that represents less than a 10% fully-diluted interest in such entity; (c) any interest in the securities of a public entity owning Restricted Investments (representing up to a 100% interest) provided that any Restricted Investments owned or subsequently acquired by such entity that do not constitute a Permitted Property are first offered to the REIT; (d) any controlling interest in any entity or a portfolio of assets, in each case that owns or contains Restricted Investments that comprise less than 30% of the asset value of such entity or portfolio; (e) any activity or investment related to (i) any Restricted Investment that is first offered to the REIT in accordance with the restrictions set out in the Management Agreement, or (ii) any of the other exceptions in this section; (f) any investment in or purchase of a property that does not meet the Investment Guidelines and Operating Policies of the REIT set out in the Declaration of Trust; (g) Investments that are owned by the Manager on November 4, 2014; (h) Investments by Slate, its affiliates and/or its associates, directors, officers, members, partners, shareholders and employees (other than the Manager); and (f) any other exception approved by the Board of Trustees from time to time (provided that the Independent Trustees shall be required to act reasonably and expeditiously in responding to any request for an exception).

## **Non-Solicitation**

During, and for a period of two years following termination of the Management Agreement, the REIT will not (without the consent of the Manager), solicit or hire for employment any employee of the Manager (other than non-executives who respond to an advertisement available to the general public), provided that the REIT will be entitled to solicit any non-executive employee of the Manager in respect of whom the REIT is required to pay any and all severance costs (if any) actually incurred by the Manager in respect of employees of the Manager arising out of or resulting from the ensuing termination of redundant or surplus employees as a consequence of the termination of the Management Agreement in respect of the period after closing of the IPO that each such employee has worked on REIT matters and based on the proportion of each such employee's services attributable to REIT matters.

A complete copy of the Management Agreement is available at [www.sedar.com](http://www.sedar.com).

## **Exchange Agreement**

On December 28, 2012, the REIT, FAM LP and Huntingdon entered into an exchange agreement (the "Exchange Agreement"). The Exchange Agreement governs the mechanics by which Huntingdon may require the REIT to exchange each Class B LP Unit for one Unit (the "Exchange Right"), subject to customary anti-dilution adjustments and the adjustments described under "Declaration of Trust".

The Exchange Agreement was amended on December 17, 2014 and Slate GTA was added as party to the agreement in connection with the GTA Acquisition. The original Exchange Agreement was amended to facilitate the exchange of FAM II Class B LP Units for Units, to provide the same rights to Slate GTA in respect of the FAM II Class B LP Units as Huntingdon had in respect of the FAM Class B LP Units, and to make certain other consequential amendments.

The exchange procedure may be initiated at any time by the holder of a Class B LP Unit so long as all of the following conditions have been met:

- (a) the exchange would not cause the REIT to breach the restrictions respecting Non-Resident (within meaning of the Tax Act) ownership contained in the REIT's Declaration of Trust as described under "Declaration of Trust" or otherwise cause it to cease to be a "mutual fund trust" for purposes of the Tax Act or create a substantial risk of such cessation;
- (b) the REIT is legally entitled to issue the Units in connection with the exercise of the exchange rights; and
- (c) the person receiving the Units upon the exercise of the exchange rights complies with all applicable securities laws.

The Exchange Agreement provides that, so long as Huntingdon, directly or indirectly, holds at least a 10% ownership interest in the REIT, calculated on a fully-diluted basis, Huntingdon will have, subject to certain exceptions, pre-emptive rights to purchase Class B LP Units and/or Units to maintain its pro rata ownership interest in the REIT in the event that the REIT or any of its subsidiaries decides to issue equity securities, or securities

convertible into or exchangeable for equity securities, to third parties. Upon exercise of this right, Huntingdon will be entitled to participate in the issue of such securities at the most favourable price and on the most favourable terms as such securities are offered to any third party.

Pursuant to the terms of the Exchange Agreement, so long as Huntingdon, directly or indirectly, holds at least a 20% ownership interest in the REIT (calculated on a fully-diluted basis) Huntingdon will be granted demand and “piggy-back” registration rights by the REIT that will enable it to require the REIT to file a prospectus and otherwise assist with a public offering of Units, subject to certain limitations. The expenses in respect of the exercise by Huntingdon of its “piggy back” rights, subject to certain exceptions, will be borne by the REIT, except that any underwriting fee on the sale of Units by Huntingdon and the fees of Huntingdon's external legal counsel will be borne by Huntingdon. The expenses in respect of an exercise by Huntingdon of its demand rights, subject to certain exceptions, will be borne by the REIT and Huntingdon on a proportionate basis according to the number of Units distributed by each.

The Exchange Agreement also provides that if one of the Limited Partnerships has insufficient funds to pay any distribution on its Class B LP Units required pursuant to its Limited Partnership Agreement to be paid concurrently with, and in an amount equal to, the distribution that such holders would have received if they held that number of Units, then the REIT shall advance to such Limited Partnership, by way of a loan or equity investment, funds to facilitate such distribution.

### **ROFO Agreement**

The REIT and Huntingdon are party to a right of first offer agreement (the “ROFO Agreement”) dated December 28, 2012, and amended effective November 4, 2014, which gives the REIT the right of first offer to acquire office properties that Huntingdon owns or in which it has a direct or indirect interest, prior to disposition of any such properties to a third party which will be on terms not materially less favourable to the REIT than those offered by or to such third party. The REIT expects to be offered assets from Huntingdon as these properties become stabilized and more suitable under the REIT's investment criteria, as disclosed in the REIT's IPO prospectus. It is anticipated that the REIT may from time to time enter into transactions with certain related parties, including Huntingdon or any of its subsidiaries and/or pursuant to the exercise of the REIT's right of first offer under the ROFO Agreement described above, directly or indirectly through FAM LP or FAM II LP and/or its direct and indirect subsidiaries.

The ROFO Agreement provides that if at any time and from time to time, Huntingdon determines that it desires to sell, or receives and desires to accept an offer to acquire (directly or indirectly by way of the sale or acquisition of securities), one or more office properties that Huntingdon owns or in which it has a direct or indirect interest (a “Proposed Disposition”), Huntingdon will, by notice in writing, advise the REIT of such opportunity. Such a notice must outline all of the material terms and conditions of the Proposed Disposition and be accompanied by all material information relating to the Proposed Disposition as is in the control or possession of Huntingdon. The REIT will have up to 10 business days to notify Huntingdon, in the form of an executed non-binding letter of intent and accompanying refundable deposit, if it intends to acquire the Proposed

Disposition. If the REIT reasonably believes that the information contained in the investment proposal is insufficient for it to make an investment decision, and notifies Huntingdon of same, Huntingdon must make reasonable commercial efforts to provide the REIT with such further information as is requested by the REIT and the REIT will have up to 10 business days from receipt of such additional information to notify Huntingdon, in the form of an executed non-binding letter of intent and accompanying refundable deposit, if it intends to acquire the Proposed Disposition. If the REIT is unwilling to acquire the Proposed Disposition at the proposed price, the REIT may counter, in the form of an executed non-binding letter of intent, with a minimum reservation price, below which price Huntingdon would be unable to sell the Proposed Disposition to a third party for a period of 180 days, following which period any sale of the property would be considered a new Proposed Disposition. If the REIT notifies Huntingdon that it does not wish to acquire the Proposed Disposition, or the applicable period for the REIT providing notice to Huntingdon lapses, Huntingdon will be entitled to complete the sale of the Proposed Disposition within the following 180 days to any third party on terms not materially more favourable to the third party than those offered to the REIT. The right of first offer may be subject to the rights of lenders under certain loan documents securing properties in which Huntingdon has an interest.

### **Slate Voting Support**

Slate has agreed that, for a period of two years from the date of completion of Slate's acquisition of Huntingdon on November 4, 2014, subject to certain limited termination rights, it shall vote all of the Units and Special Voting Units that Slate owns or controls in favour of the REIT's independent Trustees (both current and any replacements) nominated for election by the REIT's Compensation, Governance and Nominating Committee to serve on the Board of Trustees.

### **Vendor Take-Back Loan Agreement**

As partial consideration for the acquisition by the REIT from Huntingdon of 27 income-producing office, industrial, and retail properties in connection with the REIT's initial public offering (the "Initial Properties"), the REIT entered into a vendor take-back loan agreement with Huntingdon (the "VTB Loan") dated December 28, 2012. The VTB Loan is an unsecured loan with a face value of \$9.2 million, bearing interest at 3.0% per annum and is payable quarterly, with the principal originally due in full on December 28, 2014 and subsequently extended to June 30, 2015. As at December 31, 2014, there was approximately \$9.2 million outstanding under the VTB Loan and the REIT paid approximately \$0.3 million in interest payments on the VTB Loan for the year ended December 31, 2014.

### **INDEBTEDNESS OF TRUSTEES, OFFICERS & EMPLOYEES**

None of the Trustees, officers or employees of the REIT, or any associate or affiliate of any of the Trustees, officers or employees of the REIT were indebted to the REIT at any time in 2014.

## **TRUSTEES AND OFFICERS LIABILITY INSURANCE**

The REIT carries Trustees' and Officers' liability insurance. Under this insurance coverage, The REIT is reimbursed for payments made under indemnity provisions on behalf of its Trustees and Officers, subject to a deductible for each loss. Individual Trustees and Officers are also reimbursed for losses arising during the performance of their duties for which they are not indemnified by the REIT, subject to a deductible which is paid by the REIT. Excluded from coverage are illegal acts, acts which result in personal profit and certain other acts. The Declaration of Trust provides for the indemnification in certain circumstances, of Trustees and Officers from and against liability and costs in respect of any action or suit against them in respect of the execution of their duties of office. In the year ending December 31, 2014, The REIT paid \$62,700 in insurance premiums for Trustees and Officers' liability coverage with a limit of \$20 million.

## **ACCESS TO INFORMATION**

Current financial information about the REIT is provided in the REIT's audited consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations for the most recently completed financial year. This information and additional information relating to the REIT can be found on the SEDAR website at [www.sedar.com](http://www.sedar.com) and on the REIT's website at [www.slateofficereit.com](http://www.slateofficereit.com).

Copies of the REIT's annual audited consolidated financial statements and Management's Discussion and Analysis for the most recently completed financial year may be obtained upon request from the Chief Financial Officer of Slate Office REIT, at 200 Front St W, Suite 2400, Toronto, Ontario M5V 3K2.

Copies of the mandates for the Board and committees of the Board may also be obtained upon request from the Chief Financial Officer.

## **APPROVAL**

The contents and distribution of this management information circular to each Unitholder entitled to receive notice of the annual general meeting and to the auditors of the REIT have been approved by the Trustees of the REIT on April 14, 2015.

"Brady Welch"

Chair, Board of Trustees

SLATE OFFICE REIT

Toronto, Ontario, Canada



## **APPENDIX A – SPECIAL BUSINESS - PROPOSED DEFERRED UNIT PLAN**

### **FOR CONSIDERATION AT THE ANNUAL AND SPECIAL MEETING OF UNITHOLDERS OF SLATE OFFICE REIT**

#### **BE IT RESOLVED THAT:**

1. an ordinary resolution authorizing and approving the adoption of a deferred unit plan (the “**Deferred Unit Plan**”) pursuant to which the trustees of Slate Office REIT (the “**REIT**”) have the opportunity to acquire deferred trust units of the REIT, is hereby approved and authorized; and
2. any trustee or officer of the REIT is hereby authorized, for and on behalf of the REIT, to execute and deliver any and all agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do, or cause to be done, any and all such other acts and things as in the opinion of such trustee or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions as trustees or otherwise to be entered into by the REIT, such determination to be conclusively evidenced by the execution and delivery of any such document, agreement or instrument, and the taking or doing of any such action.

**APPENDIX B - SPECIAL BUSINESS - RESOLUTION RE: AMENDMENT TO  
DECLARATION OF TRUST**

**FOR CONSIDERATION AT THE ANNUAL AND SPECIAL MEETING OF  
UNITHOLDERS OF SLATE OFFICE REIT**

**BE IT RESOLVED THAT:**

1. The Amended and Restated Declaration of Trust of Slate Office REIT (the “**REIT**”) dated December 17, 2014 and amended March 16, 2015 (the “**Declaration of Trust**”) is hereby amended, effective on a date determined by any trustee or officer of the REIT, in accordance with the amendment described under the heading “*Amendment to the Declaration of Trust*” in the accompanying information circular; and
2. any trustee or officer of the REIT is hereby authorized, for and on behalf of the REIT, to execute and deliver any and all agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do, or cause to be done, any and all such other acts and things as in the opinion of such trustee or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions as trustees or otherwise to be entered into by the REIT, such determination to be conclusively evidenced by the execution and delivery of any such document, agreement or instrument, and the taking or doing of any such action.

**APPENDIX C - 2014 COMPENSATION DISCUSSION AND ANALYSIS  
REGARDING COMPENSATION PAID BY THE EXTERNAL MANAGER (PRIOR TO  
SLATE'S ACQUISITION OF HUNTINGDON)**

Set out below is a statement of executive compensation in respect of the years 2012, 2013 and 2014 (prior to Slate's acquisition of Huntingdon on November 5, 2014), as well as a Compensation Discussion and Analysis and Description of the Compensation Framework for 2014. As noted under "Statement of Executive Compensation", the prior approach to NEO compensation was discontinued following replacement of the NEOs by Slate in November 2014. Mr. Blair Welch did not receive compensation from Huntingdon for his services as interim CEO to the REIT in 2014, and Mr. Brady Welch did not receive compensation from Huntingdon for his services to the REIT as interim CFO in 2014.

As the REIT's senior management team was employed by an external manager, the REIT was only obligated to pay a fixed amount to the Manager pursuant to the Management Agreement. The REIT did not have any employment agreements with members of senior management and did not pay any cash compensation to any individuals serving as the REIT's officers, directly or indirectly. Rather, those individuals were compensated by the Manager. Any variability in compensation paid by the Manager to the named executive officers did not impact the REIT's financial obligations. A portion of the compensation paid to certain employees of the Manager was attributable to time spent on the REIT's activities. Huntingdon's Board of Directors had the sole responsibility for determining the compensation of the named executive officers.

**2014 Summary Compensation Paid by Manager**

Title	Year	Salary	Unit-Based Awards	Option-Based Awards	Non-Equity Incentive Plan Compensation		Pension Value	All Other Comp.	Total Comp.
					Annual Incentive Plans	Long-Term Incentive Plans			
Shant Poladian CEO	2014	\$475,833 <sup>(1)</sup>	\$0	\$0	\$100,000	\$0	n/a	\$	\$575,833
	2013	\$200,000	\$2,000,000 <sup>(2)</sup>	\$0	\$100,000	\$0	n/a	\$0	\$2,300,000
	2012 <sup>(3)</sup>	\$0	\$0	\$0	\$0	\$0	n/a	\$0	\$0
Sandeep Manak CFO	2014 <sup>(4)</sup>	\$244,167 <sup>(5)</sup>	\$0	\$0	\$46,500 <sup>(7)</sup>	\$25,000 <sup>(7)</sup>	n/a	\$10,000 <sup>(6)</sup>	\$325,667
	2013 <sup>(7)</sup>	\$100,000 <sup>(7)</sup>	\$37,500 <sup>(7)</sup>	\$0	\$50,000 <sup>(7)</sup>	\$0	n/a	\$0	\$187,500
	2012 <sup>(3)</sup>	\$0	\$0	\$0	\$0	\$0	n/a	\$0	\$0
Azim Lalani	2014 <sup>(8)</sup>	\$27,708	\$0	\$0	\$0	\$0	n/a	\$0	\$27,708
	2013 <sup>(9)</sup>	\$95,000	\$100,000	\$0	\$22,500	\$0	n/a	\$0	\$217,500
	2012 <sup>(3)</sup>	\$0	\$0	\$0	\$0	\$0	n/a	\$0	\$0

- (1) Mr. Poladian's 2014 salary compensation is prorated to November 5, 2014 when Mr. Poladian left the REIT. He received \$170,833 in salary and \$305,000 in termination benefits.
- (2) Mr. Poladian received an initial grant of \$2.0 million (face value) in deferred equity compensation consisting of (i) \$1.5 million (face value) in Deferred Shares pursuant to Huntingdon's Deferred Share Plan, and (ii) \$500,000 (face value) in phantom deferred units of the REIT.
- (3) The REIT became a reporting issuer on December 28, 2012; no compensation was paid to or earned by the named executive officers during that fiscal year.
- (4) Mr. Manak's compensation was prorated for the 50% of the time that he was allocated to the REIT and prorated as well for the period January 1, 2014 – November 5, 2014 when Mr. Manak left the REIT.
- (5) This includes \$193,333 in salary and \$295,000 in termination benefits, all prorated at 50% to reflect the amount of time that he allocated to the REIT.

- (6) Mr. Manak was paid \$10,000 in consulting fees to support the transition to new ownership of Huntingdon Capital Corp. in November and December 2014. These fees (total \$20,000) are prorated for the 50% of the time that he was allocated to the REIT.
- (7) Mr. Manak's compensation was prorated for the 50% of his time that was allocated to the REIT.
- (8) Mr. Lalani's annual salary was \$190,000 which was prorated for the 50% of his time that was allocated to the REIT and also prorated to reflect his resignation in April 2014.
- (9) Mr. Lalani's compensation was prorated for the 50% of his time that was allocated to the REIT.

### **Incentive Plan awards - Value vested or earned during the year**

Prior to November 4, 2014, awards granted under the Incentive Plans consist of Deferred Shares of Huntingdon's now defunct Deferred Share Plan. Each Award was subject to the terms and conditions set out in the respective Plans and to those other terms and conditions specified in Mr. Poladian's employment agreement and by the REIT's Board of Trustees and memorialized in a written award agreement. A summary of the terms of the Deferred Share Plan is set out at the bottom of this Appendix C.

<b>Name</b>	<b>Unit-based awards – value vested during the year</b>	<b>Non-Equity Incentive Plan compensation – Value earned during the year</b>
Shant Poladian	\$1,896,466	\$100,000
Sandeep Manak	\$38,779 <sup>(1)</sup>	\$46,500
Azim Lalani	\$24,102 <sup>(1)</sup>	\$0

(1) Prorated to reflect the amount of the award that was allocated to REIT business.

In 2014, Mr. Poladian held 109,236 Deferred Shares that had been granted pursuant to Huntingdon's Deferred Share Plan and 45,000 phantom deferred trust units that had been granted pursuant to his employment agreement. Dividends of 2,887 Deferred Shares and distributions of 7,472 phantom deferred units accrued from the date of grant throughout 2013 and 2014 until November 4, 2014 at which time, 112,123 Deferred Shares and 52,472 phantom deferred units vested immediately as a result of the sale of Huntingdon to Slate Capital Corp. and were settled for an aggregate \$1,896,466. The Deferred Shares were settled at a price of \$13.25 per Deferred Share (\$1,485,630) which is the transaction price on the sale of Huntingdon to Slate Capital Corp. on November 4 of \$13.25 per share (the "transaction price"). The Deferred Units were settled at a price of \$7.83 per Deferred Unit (\$410,836) which is the 10 day volume weighted average price of FAM REIT on November 3, 2014.

In 2014, Mr. Manak held 2,993 Deferred Shares that had been granted in 2013 pursuant to Huntingdon's Deferred Share Plan and attributable to work performed for the REIT. In March 2014, 748 Deferred Shares vested and were settled for \$9,038 based on the \$12.08 share price at the vesting date. On November 4, 2014 the remaining 2,245 Deferred Shares vested upon the completion of the sale of Huntingdon and were settled for \$29,741 at the Huntingdon sale price of \$13.25.

In 2014, Mr. Lalani held 7,981 Deferred Shares that had been granted in 2013 pursuant to Huntingdon's Deferred Share Plan and attributable to work performed for the REIT. Of these, 1,995 Deferred Shares vested in March 2014 and were settled for \$24,102 based on the share price of \$12.08. Mr. Lalani resigned on April 17, 2014, at which date his remaining 5,986 unvested Deferred Shares were forfeited.

## Description of Compensation Framework

The following discussion describes the portion of the compensation of the named executive officers that was attributable to time spent on the REIT's activities in 2014 prior to Slate's acquisition of Huntingdon, and supplements the more detailed information concerning executive compensation that appears in the tables above and the accompanying narrative. As described above, this compensation framework is no longer in place.

### *Principal Elements of Compensation*

In 2014, the compensation of the named executive officers included three major elements: (a) base compensation, (b) an annual incentive bonus, and (c) long-term incentive plan.

### *Base Compensation*

Base compensation remunerated management for discharging job requirements. The base salaries of named executive officers were reviewed by the compensation committee (the "**Huntingdon Compensation Committee**") of Huntingdon's board of directors (the "**Huntingdon Board**") with the goal of ensuring that each named executive officer was paid fairly, taking into consideration the requirements of the position, the executive's performance, skills, knowledge, experience and equity with other named executive officers and compared to executives in similar roles in comparable entities. The Huntingdon Compensation Committee considered comparable entities adjusted as appropriate to reflect differences in total assets, annual revenues, number of employees and market capitalization.

### *Annual Incentive Bonus*

In addition to base compensation, named executive officers were eligible for additional annual compensation based on a combination of individual and corporate (Huntingdon and REIT) performance against pre-set goals and targets as determined by the Huntingdon Board from time to time. Each named executive officer was entitled to an annual incentive bonus equal to up to a range of 25% to 50% of their base salary (the "**Target Bonus**").

The awarding of the Target Bonus was measured against the achievement of annual financial and operational targets of Huntingdon and the REIT set by the Huntingdon Board and the named executive officer's individual performance. The annual incentive bonus, if any, was paid in cash or in Deferred Shares in accordance with Huntingdon's deferred share plan (formerly the deferred unit plan of Huntingdon Real Estate Investment Trust dated June 18, 2008, the obligations under which were assumed by Huntingdon in connection with its corporate conversion (the "**Deferred Share Plan**")). See below in this Appendix C for a summary description of the now-defunct Deferred Share Plan.

For 2014, the Huntingdon Compensation Committee set financial and operational targets for the annual incentive bonus. These financial targets included achievement of certain financial measures including cash flow from operations. The operational targets included achievement of certain operational measures including occupancy, lease rate growth, operating cost recovery rates and execution of special transactions.

The Huntingdon Compensation Committee had the authority to exercise discretion to increase or decrease performance-based compensation under the annual incentive bonus.

#### *Long-Term Incentive Plan in the form of Deferred Share Awards and Deferred Unit Awards*

Huntingdon's equity based awards allowed it to retain employees and reward management for their sustained contributions to Huntingdon. The Huntingdon Board believed the Deferred Share Plan provided named executive officers with a strong link to long-term performance and the creation of shareholder/unitholder value.

In connection with the REIT's initial public offering completed December 28, 2012 (the "IPO"), Huntingdon issued the Chief Executive Officer of the REIT an initial grant of \$2.0 million (face value) in deferred equity compensation consisting of (i) \$1.5 million (face value) in Deferred Shares pursuant to Huntingdon's Deferred Share Plan, and (ii) \$500,000 (face value) in phantom deferred units ("**phantom deferred units**"). Each phantom deferred unit was exchangeable for a nominal FAM REIT Unit forming part of Huntingdon's retained interest in the REIT and was valued at a price of \$10.00. The pricing of the Deferred Shares was determined at the time of their issuance. Deferred Shares issued to the Chief Executive Officer were subject to performance based vesting conditions whereby \$150,000 initial value of Deferred Shares and \$50,000 initial value of Deferred Units would vest for each \$65 million of acquisitions completed by the REIT, excluding acquisitions from Huntingdon.

The phantom deferred units had substantially similar terms to those of the Deferred Shares as set out in the Deferred Share Plan. Huntingdon initially issued Mr. Poladian equity-based compensation in the form of a combination of Deferred Shares of Huntingdon and phantom deferred units of the REIT, issued from Huntingdon's retained interest in the REIT in order to avoid dilution of the REIT's equity during the first year following the IPO. In addition, as Mr. Poladian was an employee of Huntingdon, issuing Mr. Poladian equity based incentives from Huntingdon rather than the REIT avoided the REIT initially paying both management fees to Huntingdon and compensation directly to Mr. Poladian.

#### **Compensation-Related Risk**

In 2014, the Huntingdon Board and, as applicable, the Huntingdon Compensation Committee, considered and assessed, as necessary, risks relating to compensation prior to entering into or amending employment contracts with named executive officers. The Huntingdon Board and the Huntingdon Compensation Committee believed that Huntingdon's compensation policies and practices were appropriate for its industry and stage of business and that such policies and practices would not have associated with them any risks that would reasonably likely have had a material adverse effect on Huntingdon, the REIT or which would encourage a named executive officer to take any inappropriate or excessive risks.

#### **Termination and Change of Control Benefits**

The REIT did not have any contracts, agreements, plans or arrangements in place that provided for payments to any of the named executive officers, at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the REIT or a change in any of the named executive officer's responsibilities with respect to the REIT.

#### **Summary of Previous Deferred Share Plan**

The following is a summary of the material terms of the now defunct Deferred Share Plan of Huntingdon in its capacity as the Manager of the REIT. The following information describes the terms of equity awards that were granted to NEOs up until 2013. The Plan was discontinued in 2014. The terms of this Deferred Share Plan are set out below:

#### *Eligible Persons*

The purpose of the Deferred Share Plan was to promote a greater alignment of interests between the directors, officers and employees of Huntingdon and/or its affiliates and employees of a consultant of Huntingdon and/or its affiliates (each an “**Eligible Person**”). Eligible Persons were selected from time to time to participate in the Deferred Share Plan at the discretion of the Huntingdon Compensation Committee (selected persons being “**Participants**” in the Deferred Share Plan) and granted such number of deferred shares (“**Deferred Shares**”) of Huntingdon from time to time as the Huntingdon Board deemed appropriate. Deferred Shares were not Huntingdon Shares and did not entitle a Participant to any rights as a shareholder of Huntingdon, including, without limitation, voting rights, distribution entitlements (other than as set out in the Deferred Share Plan and described below) or rights on liquidation. One Deferred Share was equivalent to one common share of Huntingdon (each a “**Huntingdon Share**” and collectively, the “**Huntingdon Shares**”).

#### *Election by Eligible Persons*

At the discretion of the Huntingdon Board, grants of Deferred Shares were made to any Eligible Person at any time in any year. In addition, each Eligible Person who was entitled to receive an annual bonus, an annual board retainer or board meeting fees was given, subject to the conditions stated in the Deferred Share Plan, the right to elect to be a Participant of the Deferred Share Plan.

#### *Vesting of Deferred Shares*

Subject to the exceptions noted below, Deferred Shares granted to Participants other than directors vested equally over a four-year vesting period; provided, however, that in the event of any “Change of Control” (as defined in the Deferred Share Plan), any unvested Deferred Share would vest upon the earlier of (i) the next applicable vesting date determined in accordance with the above provisions, and (ii) the date immediately prior to the date upon which the Change of Control was completed.

The Deferred Shares were to vest immediately and be redeemable by the Participant following an event, including termination other than for cause, causing the Participant to no longer be an Eligible Person (the “**Termination Date**”).

#### *Deferred Shares and Deferred Share Accounts*

For the purposes of the Deferred Share Plan, “Market Value” in respect of shares means the volume weighted average price of all Huntingdon Shares traded on the TSX for the 10 trading days immediately preceding the date on which the Market Value of Huntingdon Shares is determined.

An account, to be known as a "Deferred Share Account," was maintained by Huntingdon for each Participant and was credited with notional grants of Deferred Shares received by a Participant from time to time.

If cash distributions were paid on the Huntingdon Shares, additional Deferred Shares will be credited to the Participant's Deferred Share Account. The number of such additional Deferred Shares was calculated by dividing:

- (a) the amount determined by multiplying:
  - (i) the number of Deferred Shares in each Participant's Deferred Share Account on the record date for the payment of such distribution; by
  - (ii) the distribution paid per Huntingdon Share;
- by
- (b) the Market Value of a Huntingdon Share on the distribution payment date for such distribution,

Such additional Deferred Shares vested at the same time and on the same basis as the Deferred Shares in respect of which they were credited.