



DREAM OFFICE REAL ESTATE INVESTMENT TRUST

GOVERNANCE AND NOMINATING COMMITTEE CHARTER

DEFINITIONS

In this Charter, the following terms have the meanings set out below:

“**Annual Meeting**” means the annual meeting of unitholders of the Trust;

“**Board**” means the Board of Trustees of the Trust;

“**Board Interlock**” means when two Trustees of the Trust sit together on the board of directors of another company or board of trustees of another trust;

“**Chair**” means the chair of the Board;

“**Charter**” means this Governance and Nominating Committee Charter;

“**Chief Executive Officer**” means the Chief Executive Officer and/or Vice Chairman of the Trust;

“**Committee**” means the Governance and Nominating Committee established by the Board;

“**Committee Interlock**” means when a Board Interlock exists and the relevant two Trustees also sit together on a board committee of the Trust;

“**Independent Trustee**” means any Trustee who is independent for purposes of National Instrument 58-101 - *Disclosure of Corporate Governance Practices*;

“**Trust**” means Dream Office Real Estate Investment Trust;

“**Trustee**” means, as of any particular time, a trustee of the Trust;

“**Person**” includes an individual, sole proprietorship, company, partnership, limited partnership, joint venture, association, trust, trustee, unincorporated organization, limited liability company, société à responsabilité limitée, or government or any agency or instrumentality thereof, or any other entity recognized by law; and

“**Subsidiary**” means, with respect to any Person, a Person who is a “subsidiary” of that first mentioned Person as that term is defined in National Instrument 45-106 *Prospectus and Registration Exemptions*.

PURPOSE

The Committee is a standing committee appointed by the Board. The Committee is responsible for overseeing and assessing the functioning of the Board and the committees of the Board and for developing, recommending, implementing and assessing governance principles and guidelines in respect of the Trust. The Committee’s responsibilities also include identifying

candidates for Trustees and recommending that the Board select qualified Trustee candidates for election at the Annual Meeting.

The function of the Committee is oversight. The Committee and its chair are members of the Board, appointed to the Committee to provide broad oversight of the governance related activities of the Trust, and are specifically not accountable or responsible for the day to day operation or performance of such activities.

PROCEDURES, POWERS AND DUTIES

1. The Committee shall have the following procedures, powers and duties:

General

- (a) *Composition* – The members of the Committee shall be appointed by the Board. The Committee shall consist of at least three members, all of whom shall be Independent Trustees and the majority of whom shall be resident Canadians.
- (b) *Meetings* – The Committee shall meet regularly and as often as it deems necessary to perform the duties and discharge its responsibilities as described herein in a timely manner, but not less than once a year. Meetings may be held at any time deemed appropriate by the Committee. The Committee shall maintain written minutes of its meetings, which will be filed with the meeting minutes of the Board. Subject to any conflicts of interest, the Chair may attend and speak at all meetings of the Committee, whether or not the Chair is a member of the Committee. The Committee may invite such persons to meetings of the Committee as the Committee considers appropriate, except to the extent exclusion of certain persons is required pursuant to this Charter or applicable laws. The Committee shall also meet periodically *in camera* without management or the Chair present.
- (c) *Professional Assistance* – The Committee may retain special legal, accounting, financial or other consultants to advise the Committee at the Trust's expense, including sole authority to retain and terminate any search firm to be used to identify Trustee candidates and to approve any such firm's fees and other retention terms.
- (d) *Reliance* - The Committee shall have unrestricted and unfettered access to all personnel and documents of the Trust and shall be provided with the resources reasonably necessary to fulfill its responsibilities. The Committee shall be entitled to rely, without independent verification, on the integrity of those persons and organizations within and outside the Trust from whom the Committee receives information or advice and on the accuracy and completeness of the financial and other information provided to the Committee by or on behalf of such persons or organizations, absent actual knowledge to the contrary, which shall be reported to the Board.
- (e) *Reporting to the Board* – Following each Committee meeting, the chair of the Committee will report to the Board, on behalf of the Committee, on matters

considered by the Committee and the Committee's activities and compliance with this Charter.

- (f) *Procedure* – The Committee meetings shall be conducted as follows: (i) questions arising at any meeting shall be decided by a majority of the votes cast; (ii) decisions may be taken by written consent signed by all members of the Committee; (iii) meetings may be called by any member of the Committee upon not less than 48 hours' notice, unless such notice requirement is waived by the Committee members; and (iv) if any member is disqualified from voting on or participating in a decision, any other independent and disinterested Trustee who is a resident Canadian not already a member of the Committee may be designated by the Trustees to act as an alternate.

Appointment and Replacement of Committee Members

2. Any member of the Committee may be removed or replaced at any time by the Board and shall automatically cease to be a member of the Committee upon ceasing to be a trustee. The Board shall fill any vacancy if the membership of the Committee is less than three trustees. Whenever there is a vacancy on the Committee, the remaining members may exercise its powers as long as a quorum remains in office. Subject to the foregoing, the members of the Committee shall be appointed by the Board annually and each member of the Committee shall remain on the Committee until his or her successor shall be duly appointed and qualified or his or her earlier resignation or removal.

Committee Chair

3. Unless a chair of the Committee is designated by the full Board, the members of the Committee may designate a chair of the Committee by majority vote of the full Committee. The chair of the Committee shall be responsible for leadership of the Committee and reporting to the Board. If the chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present shall be chosen by the Committee to preside at the meeting. The Committee will report through chair of the Committee to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

Conflicts of Interest

4. If a Committee member faces a potential or actual conflict of interest relating to a matter before the Committee, other than matters relating to the compensation of Trustees, that member shall be responsible for alerting the chair of the Committee. If the chair of the Committee faces a potential or actual conflict of interest, the chair of the Committee shall advise the Chair. If the chair of the Committee, or the Chair, as the case may be, concurs that a potential or actual conflict of interest exists, the member faced with such conflict shall disclose to the Committee the member's interest and shall not be present for or participate in any discussion or other consideration of the matter and shall not vote on the matter.

Board Composition and Trustee Nominations

5. The Committee shall:
 - (a) review, from time to time, the size of the Board, including any change in the number of Trustees comprising the Board;
 - (b) develop and review, periodically, standards to be applied in making determinations as to the presence or absence of material relationships between the Trust and a Trustee;
 - (c) annually review the competencies, skills and personal qualities required of a Trustee in order to add value to the Trust, in light of:
 - (i) the opportunities and risks facing the Trust and the Trust's proposed strategy; and
 - (ii) the Trust's corporate governance guidelines and Board policies with respect to tenure, retirement and succession of the Trustee's and the number of boards on which a Trustee may sit.
 - (d) review periodically the competencies, skills and personal qualities of each of the existing Trustees, the contributions made by each of the Trustees to the effective operation of the Board and any significant change in the primary occupation of any Trustee and other public company directorships held by the Trustees; and
 - (e) in light of (a), (b), (c) and (d) above, make recommendations to the Board with respect to the composition of the Board.
6. The Committee shall recruit and consider candidates for Trustee, including any candidates recommended by unitholders, having regard to the background, employment, diversity, residency and qualifications of possible candidates. The Committee shall:
 - (a) consider whether the candidate's competencies, skills and personal qualities are aligned with the Trust's needs and any criteria for selecting new Trustees established by the Board; and
 - (b) educate the candidate regarding the demands and expectations of a Trustee.
7. The Committee shall annually evaluate any Board Interlock or Committee Interlock.

Governance

8. The Committee is responsible for reviewing, at least annually, the Trust's approach to governance issues and revising the Trust's governance guidelines. The Committee may make recommendations to the Board respecting the adoption of a Board policy limiting the number of boards on which Trustees may sit and Board policies with respect to Trustee tenure, retirement and succession.
9. The Committee shall establish policies to enable an individual Trustee to engage outside advisors at the expense of the Trust with the approval of the Committee.

10. The Committee shall assess any unitholder proposals to be included in the proxy circular prepared in connection with the Annual Meeting and make appropriate recommendations to the Board.
11. The Committee shall review annually and recommend to the Board for approval any changes to the Board mandate.
12. The Committee shall review policies and practices with respect to engagement with unitholders, customers and other stakeholders in the Trust.

Insider Trading

13. The Committee shall prepare and revise as necessary a policy on insider trading in respect of the Trust's securities and make recommendations with respect to such policy. Such policy shall impose mandatory black-out periods during which Trustees and senior management of the Trust are prohibited from trading in securities of the Trust.
14. The Committee shall periodically review the Trust's insider trading policy.

Trustee Orientation and Continuing Education

15. The Committee shall oversee an orientation program to familiarize new Trustees with the Trust's activities, including the Trust's reporting structure, strategic plans, management, external auditors and significant financial, accounting and risk issues and compliance programs and policies. The Committee shall also oversee ongoing educational opportunities for all Trustees.

Trustee Protection

16. The Committee shall assess the need for an insurance policy of the Trust for Trustees and officers of the Trust and make recommendations with respect to any such policy, including its renewal or amendment or the replacement of the insurer.

Board Evaluations

17. The Committee shall annually review and make recommendations to the Board for changes to the mandate for the Board and the position descriptions for the Chair and the lead trustee of the Board, if applicable.
18. The Committee shall conduct annual surveys of Trustees with respect to their views on the effectiveness of the Board, the Chair, the lead trustee of the Board, if applicable, each committee of the Board and their respective chairs and the contribution of individual Trustees. The Committee shall evaluate the performance of the Chair, the lead trustee of the Board, if applicable, the chair of each committee and the performance and contribution of individual Trustees, having regard for the position descriptions for the Chair of the Board and the Chair of each Committee, the responsibility of each Committee Chair set out in each Committee Charter, the results of annual surveys of the Trustees and interviews with Trustees, attendance at Board and Board committee meetings and overall contribution, competencies and skills each individual Trustee is expected to bring to the Board.

19. The Committee shall also annually assess the effectiveness of the Board as a whole and each committee of the Board, including this Committee and shall make recommendations to the Board.

Operations of the Board

20. The Committee shall assess the needs of the Board and make recommendations with respect to rules and guidelines governing and regulating the affairs of the Board, including:
 - (a) the frequency and location of Board and committee meetings;
 - (b) procedures for establishing meeting agendas and the conduct of meetings; and
 - (c) the availability, relevance and timeliness of discussion papers, reports and other information required by the Board.

Board Committees

21. At the first meeting of the Board following each Annual Meeting, the Committee shall recommend to the Board the allocation of Trustees to each of the Board committees. Thereafter, when a vacancy occurs at any time in the membership of any Board committee, the Committee shall recommend a particular Trustee to the Board to fill such vacancy.
22. The Committee shall review from time to time, and at least annually, the charters of the committees of the Board and make recommendations regarding the charters to the Board and recommend timely changes in the role, size, composition and structure of Board committees.

Board Succession Planning

23. The Committee shall review and recommend to the Board for approval any changes to the position description for the Board Chair and oversee the succession process for the Board Chair.
24. The Committee shall review succession plans for the chairs of the Board committees.

Board Independence

25. The Committee shall monitor and assess the relationship between the Board and management, defining the limits to management's responsibilities and making such recommendations as it may deem necessary with a view to ensuring that the Board is able to function independently of management.

Reporting and Disclosure Requirements

26. The Committee shall annually prepare, review and approve the governance report to be made in the management information circular prepared in connection with the Annual Meeting. The governance report shall describe the governance practices of the Trust and

disclose the number of Board and committee meetings held during the preceding calendar year and attendance of individual Trustees at all meetings.

Other Initiatives

27. The Committee shall undertake on behalf of the Board such other governance review initiatives, consistent with the Trust's sole undertaking being the investment of its funds, as may be necessary or desirable to enable the Board to provide effective governance for the Trust and contribute to the success of the Trust and perform such other functions as required by law, stock exchange rules or the Trust's constating documents.

Governance and Nominating Charter

28. The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Board. The performance of the Committee shall be evaluated annually with reference to this Charter.
29. The Committee shall ensure that this Charter, or a summary of it that has been approved by the Committee, is disclosed in accordance with all applicable securities laws or regulatory requirements in the annual management information circular of the Trust.