

Year ended December 31, 2011

5. Investments (continued):

(c) Investment in KMH Limited Partnership ("KMH"):

The Corporation holds 274,000 Preferred partnership units ("KMH Units") in KMH Limited Partnership (the "KMH Investment"). 30,000 of the KMH Units were acquired on April 27, 2010 for an aggregate acquisition cost of \$3 million, 20,000 KMH Units on May 18, 2010 for an aggregate acquisition cost of \$2 million, and 224,000 KMH Units on December 30, 2011 for an aggregate acquisition cost of \$22.4 million.

In October 2011, the Corporation invested \$22.4 million into KMH by way of automatically convertible promissory notes (interest at 6.5% per annum) to help finance two acquisitions KMH was completing. The notes automatically converted into KMH Units on December 30, 2011 and the first year distributions on these new units will be \$3.3 million. The Corporation also provided a \$3.2 million demand note (interest at 8.5% per annum) to temporarily bridge mortgage financing on one of the acquisitions. That loan was repaid subsequent to December 31, 2011.

Pursuant to the KMH partnership agreement (the "KMH Partnership Agreement") dated April 27, 2010, the KMH Units entitle the Corporation to receive an annual preferred distribution (the "Preferred Distribution") in priority to distributions on KMH's other partnership units in an amount equal to the Preferred Distribution for the prior fiscal year multiplied by the percentage increase or decrease in KMH's Same Clinic Sales for the previous fiscal year. Distributions on the KMH Units are receivable monthly.

KMH has the option at any time after April 27, 2013 to repurchase all (but not less than all) of the KMH Units at a pre-negotiated premium to the original purchase price.

(d) Investment in Solowave Design, LP ("Solowave"):

The Corporation holds 3,250,000 Preferred partnership units ("Solowave Units") in Solowave Design Limited Partnership (the "Solowave Investment") acquired on December 16, 2010 for an aggregate acquisition cost of \$32.5 million.

Pursuant to the Solowave partnership agreement (the "Solowave Partnership Agreement") dated December 16, 2010, the Solowave Units entitle the Corporation to receive an annual preferred distribution (the "Preferred Distribution") in priority to distributions on Solowave's other partnership units in an amount equal to the Preferred Distribution for the prior fiscal year multiplied by the percentage increase or decrease in Solowave's Same Customer Net Sales for the previous fiscal year. Distributions on the Solowave Units are receivable monthly.

Solowave has the option at any time after December 16, 2013 to repurchase all (but not less than all) of the Solowave Units at a pre-negotiated premium to the original purchase price.

(e) Investment in Killick Aerospace, LP ("Killick"):

The Corporation holds 2,725,000 Preferred partnership units ("Killick Units") in Killick Aerospace Limited Partnership (the "Killick Investment") acquired on July 6, 2011 for an aggregate acquisition cost of \$27.25 million.

Pursuant to the Killick partnership agreement (the "Killick Partnership Agreement") dated July 6, 2011, the Killick Units entitle the Corporation to receive an annual preferred distribution (the "Preferred Distribution") in priority to distributions on Killick's other partnership units in an