



US Ownership Restrictions

To ensure compliance with U.S. securities laws, Alaris Common Shares are subject to a number of ownership and transfer restrictions. Purchases of Alaris common shares are permitted only by non U.S. persons, and in certain private placements by U.S. persons who are “Qualified U.S. Purchasers” and who are not “ERISA Persons”.

A full copy of the terms of the Common Shares is available on the Company's SEDAR profile at www.sedar.com.

A “Qualified U.S. Purchaser” is a purchaser in a private placement conducted in the United States, who is located in the United States or a U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933), and is:

- i. a “qualified purchaser” within the meaning of Section 2(a)(51)(A) of the U.S. Investment Company Act; and
- ii. is not and is not acting on behalf of: (a) an “employee benefit plan” (within the meaning of Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974 (“ERISA”)) that is subject to the fiduciary requirements of ERISA; (b) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (“U.S. Tax Code”); (c) an entity whose underlying assets are considered, under applicable regulations, to include “plan assets” of any such plan, account or arrangement pursuant to ERISA or the U.S. Tax Code; or (d) any other retirement or benefit plan that is subject to any state, local, non-U.S. or other laws or regulations similar in effect to the foregoing ERISA, U.S. Tax Code or regulatory provisions.

Representations on Purchase For All Purchasers of Common Shares

To address the limitations described below on U.S. investors, the Company has implemented Representations on Purchase For All Purchasers of Common Shares, whether or not the purchaser is located in the United States or a U.S. Person.

When acquiring Common Shares, each purchaser of Common Shares, whether or not it is located in the United States or a U.S. Person, will either make or be deemed to have made the acknowledgements, representations, warranties and agreements set forth below in “Legends on All Securities for Holders Whether or Not Located in the United States or U.S. Persons” below. Qualified U.S. Purchasers that acquired Common Shares in certain private placements may not resell their Common Shares in the United States or to, or for the account or benefit of, U.S. Persons.

However, for the avoidance of doubt, a sale of the Common Shares on the TSX will be free of restriction and satisfy the obligations set forth herein and in "Legends on All Securities For All Holders Whether or Not Located in the United States or U.S. Persons", so long as the transaction is not pre-arranged with a buyer in the United States or a U.S. Person or a person acting for the account or benefit of U.S. Persons or with a person otherwise known to be in the United States, a U.S. Person or a person acting for the account or benefit of U.S. Persons and is otherwise conducted in accordance with Regulation S.

U.S. Investment Company Act Considerations and Restrictions

Based on the Company's current assets, and absent an exemption under the U.S. Investment Company Act of 1940, as amended, Alaris may be deemed to be an "investment company" as defined in that Act. The U.S. Investment Company Act, among other things, prohibits foreign investment companies from publicly offering their securities in the United States. Alaris has not been and does not intend to become registered as an investment company with the U.S. Securities and Exchange Commission (the "SEC").

Alaris relies on the exemption provided in Section 3(c)(7) of the U.S. Investment Company Act, which provides that a company is excluded from the definition of an "investment company", and is therefore excluded from regulation under that Act, if the company's securities have only been issued to persons, or for the account or benefit of, U.S. Persons that are "qualified purchasers", as defined under Section 2(a)(51) of the U.S. Investment Company Act and if the company does not make a public offering of its securities in the United States. Common Shares will be issued by Alaris only: (i) outside the United States to non-U.S. Persons in offshore transactions in reliance on Regulation S under the U.S. Securities Act of 1933, and (ii) in the United States or to, or for the account or benefit of, U.S. Persons that are Qualified U.S. Purchasers. Additionally, generally, Qualified U.S. Purchasers that hold Common Shares may not resell their Common Shares in the United States or to, or for the account or benefit of, U.S. Persons. To enforce these limitations, the Company has implemented restrictions on the ownership and transfer of Common Shares. See Representations on Purchase, below.

ERISA Restriction of No Ownership By Plans

Alaris will prohibit investment in Common Shares by ERISA Plans, and, therefore, will also prohibit transfers of Common Shares to such investors. For these purposes, ERISA Plans are (a) "benefit plan investors," defined as (i) "employee benefit plans" (defined in Section 3(3) of ERISA) subject to the fiduciary requirements of ERISA, (ii) plans (including individual retirement accounts) subject to Section 4975 of the U.S. Tax Code, (iii) entities whose underlying assets are deemed to include "plan assets" under applicable U.S. Department of Labor regulations issued under ERISA, as modified by Section 3(42) of ERISA (the "Plan Asset Regulations") and (b) other benefit plans not described in (a), such as the plans of churches or governmental entities or other non-U.S. plans, that are subject to laws or regulations similar in effect to the Plan Asset Regulations, the fiduciary responsibility requirements of ERISA or the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the U.S. Tax Code ("Similar Law").

If benefit plan investors hold Common Shares, Alaris' activities may become subject to ERISA. The Plan Asset Regulations generally provide that when a benefit plan investor acquires an equity interest in an entity that is neither a "publicly-offered security" nor a security issued by an investment company registered under the U.S. Investment Company Act, the benefit plan investor's assets include both the equity interest and an undivided interest in the underlying assets of the entity unless it is established either that the entity is an "operating company," or equity participation in the entity by benefit plan

investors is not "significant," that is, such investors hold, in the aggregate, less than 25% of the value of each class of equity interests of such entity, excluding equity interests held by certain persons described in the Plan Asset Regulations.

If under the Plan Asset Regulations or Similar Law, Alaris' assets were deemed to be "plan assets" of an ERISA Plan investor in Alaris, (i) the prudence and other fiduciary responsibility standards of ERISA would apply to investments made by Alaris, and (ii) certain transactions that Alaris or its subsidiaries entered into, or may enter into, in the ordinary course of business might constitute non-exempt prohibited transactions with the ERISA Plans under Section 406 of ERISA, Section 4975 of the U.S. Tax Code or Similar Law. Non-exempt prohibited transactions might be subject to fines and penalties, would have to be rescinded, and under certain circumstances, could result in the tax disqualification of an individual retirement account that invests in Alaris.

Issued and outstanding Common Shares and any Common Shares issued by Alaris in the future are not and will not be "publicly-offered securities"; Alaris is not, and does not intend to become a registered investment company under the U.S. Investment Company Act; and Alaris will not qualify as an operating company within the meaning of the Plan Asset Regulations. In addition, Alaris does not intend to monitor whether the level of investment in Common Shares by benefit plan investors will be "significant." Consequently, Common Shares and any beneficial interests therein may not be held by ERISA Plans nor acquired using "plan assets" of an ERISA Plan. Each investor in Common Shares and each subsequent transferee, by acquiring or holding Common Shares or a beneficial interest therein, will be deemed to have represented, warranted, agreed and acknowledged that it is not (and during the period it holds Common Shares will not be) an ERISA Plan and no portion of the assets used to acquire or hold its interest in the Common Shares constitutes or will constitute "plan assets" of an ERISA Plan. Any breach of such deemed representation will void the investment in Common Shares ab initio. See Representations on Purchase below.

Legends on All Securities For All Holders Whether or Not Located in the United States or U.S. Persons

All Common Shares issued, and all certificates (or other evidences of entitlement) issued in exchange therefor or in substitution thereof, will bear the legend set forth below (whether they are issued in certificated form or are held through the book-based system maintained by CDS). This legend will be placed on certificates (or other evidences of entitlement) for purchasers outside the United States, as well as on certificates (or other evidences of entitlement) for purchasers that are located in the United States, are U.S. Persons or are persons acting for the account or benefit of U.S. Persons. Consequently, each initial holder and each subsequent purchaser of the Common Shares will, or will be deemed to, represent, agree and acknowledge as follows:

ALARIS EQUITY PARTNERS INCOME TRUST (THE "CORPORATION") HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY AND ANY BENEFICIAL INTEREST HEREIN MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS. BY ACQUIRING THIS SECURITY OR A BENEFICIAL INTEREST HEREIN, EACH HOLDER SHALL BE DEEMED TO REPRESENT, WARRANT AND AGREE WITH THE CORPORATION THAT: (1) IT IS EITHER: (A) OUTSIDE THE UNITED STATES, NOT A U.S. PERSON AND NOT ACTING FOR THE ACCOUNT OR BENEFIT OF PERSONS LOCATED IN THE UNITED STATES OR U.S. PERSONS OR (B) A QUALIFIED PURCHASER AS DEFINED IN SECTION 2(A)(51)(A) OF THE U.S. INVESTMENT

COMPANY ACT; (2) IT WILL NOT OFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY OR A BENEFICIAL INTEREST HEREIN IN THE UNITED STATES, OR TO A U.S. PERSON OR TO A PERSON ACTING FOR THE ACCOUNT OR BENEFIT OF PERSONS LOCATED IN THE UNITED STATES OR U.S. PERSONS; AND (3) IT IS NOT, AND SHALL NOT BE WHILE IT HOLDS ANY INTEREST IN THIS SECURITY (i) AN "EMPLOYEE BENEFIT PLAN" (WITHIN THE MEANING OF SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (ii) A PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "U.S. INTERNAL REVENUE CODE"), (iii) ANY OTHER RETIREMENT OR BENEFIT PLAN SUBJECT TO ANY STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT WOULD HAVE THE SAME EFFECT AS ERISA SECTION 3(42) AND THE REGULATIONS OF THE U.S. DEPARTMENT OF LABOR CODIFIED AT 29 C.F.R. SECTION 2510.3-101 (TOGETHER, THE "PLAN ASSET REGULATIONS") TO CAUSE THE UNDERLYING ASSETS OF THE CORPORATION TO BE TREATED AS ASSETS OF THAT INVESTING ENTITY BY VIRTUE OF ITS INVESTMENT (OR ANY BENEFICIAL INTEREST) IN THE CORPORATION AND THEREBY SUBJECT THE CORPORATION TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE FIDUCIARY RESPONSIBILITY OR PROHIBITED TRANSACTION PROVISIONS CONTAINED IN ERISA OR SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE ("SIMILAR LAW"), OR (iv) AN ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE "PLAN ASSETS" OF ANY SUCH PLAN, ACCOUNT OR ARRANGEMENT DESCRIBED IN (i)-(iii) UNDER THE PLAN ASSET REGULATIONS OR SIMILAR LAW (EACH OF (i)-(iv), A "PLAN") AND NO PORTION OF THE ASSETS USED BY IT TO ACQUIRE OR HOLD THIS SECURITY OR BENEFICIAL INTEREST THEREIN CONSTITUTES OR WILL CONSTITUTE THE ASSETS OF A PLAN.

THE CORPORATION HAS THE RIGHT TO COMPEL ANY SECURITY HOLDER OR BENEFICIAL HOLDER TO SELL ITS SECURITIES OR INTEREST THEREIN, OR MAY SELL SUCH COMMON SHARES OR INTEREST THEREIN ON BEHALF OF SUCH PERSON, WHERE SUCH PERSON DOES NOT SATISFY THE REQUIREMENTS IN THE PARAGRAPH ABOVE.

THE CORPORATION AND ITS AGENTS SHALL NOT BE OBLIGATED TO RECOGNIZE ANY RESALE OR OTHER TRANSFER OF THIS SECURITY OR ANY BENEFICIAL INTEREST HEREIN MADE OTHER THAN IN COMPLIANCE WITH THESE RESTRICTIONS.

TRANSFERS OF THIS SECURITY OR ANY INTEREST HEREIN TO A PERSON USING ASSETS OF A PLAN TO PURCHASE OR HOLD THIS SECURITY OR ANY INTEREST HEREIN WILL BE VOID AND OF NO FORCE AND EFFECT AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO SUCH PERSON NOTWITHSTANDING ANY INSTRUCTION TO THE CONTRARY TO THE CORPORATION OR ANY OF ITS AGENTS.

THE TERM "U.S. PERSON" SHALL HAVE THE MEANING SET FORTH IN REGULATIONS UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED.

In addition, potential investors' ability to invest in Common Shares or to transfer any Common Shares that investors hold may be limited by U.S. Tax Code and other considerations as described in the Company's Annual Information Form on file at www.sedar.com.