

## Tax Information

### General Canadian Tax Summary

The following discussion is intended to provide a general explanation of the Canadian tax treatment of holding units of Partners Value Investments LP (the "Partnership").

*This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular holder of Partnership units, and no representation with respect to the Canadian income tax consequences to any particular holder is made. Consequently, holders of Partnership units are advised to consult their own tax advisors with respect to their circumstances.*

### Partnership Tax Overview

The Partnership is a Bermuda limited partnership that is treated as a partnership for Canadian tax purposes. The Partnership is not a corporation or a trust. The Equity units of the Partnership are listed on the Toronto Venture Exchange.

The Partnership is generally expected to earn investment income from Canadian subsidiary corporations and is not expected to earn any business income. The Partnership is not subject to tax, instead its income (determined under Canadian tax rules using the Canadian dollar as its functional currency) is subject to tax in the hands of its unitholders.

The Equity units and Class A preferred units, Series 1 of the Partnership should be qualified investments for tax deferred plans (i.e. RRSPs, RRIFs, RESPs, TFSAs, etc).

### Nature of Preferred LP Distributions

The income allocated to the preferred LP unitholders is expected to consist of Canadian eligible dividends, the same tax treatment as receiving dividends on a preferred share of a Canadian corporation.

### Tax Reporting

After the end of the Partnership's taxation year (December 31), the Canadian taxable income of the Partnership is determined and allocated to all unitholders that are in turn required to report such income in their respective tax returns. The allocation of Canadian taxable income is communicated using Form T5013. Canadian registered holders of the Partnership will receive a T5013 directly from the Partnership or the Partnership's transfer agent. All other Canadian unitholders should receive a T5013 that is produced by their Canadian broker.

For the purposes of reporting foreign property by Canadian investors, pursuant to section 233.3 of the Canadian Income Tax Act, the Partnership is not a specified foreign property and therefore does not need to be reported by unitholders on Form T1135 Foreign Income Verification Statement.

[2025 Canadian Taxable Income Calculation \(Preferred Series 1\)](#)

[2025 Canadian Taxable Income Calculation \(Preferred Series 2\)](#)

[2025 Canadian Taxable Income Calculation \(Preferred Series 3\)](#)

[2025 Canadian Taxable Income Calculation \(Preferred Series 4\)](#)

[2024 Canadian Taxable Income Calculation \(Preferred Series 1\)](#)

[2024 Canadian Taxable Income Calculation \(Preferred Series 2\)](#)

[2024 Canadian Taxable Income Calculation \(Preferred Series 3\)](#)

[2024 Canadian Taxable Income Calculation \(Preferred Series 4\)](#)

### Computation of Tax Cost

For Canadian residents, in general, a unitholder's tax cost of the Partnership units should equal the sum of (i) the amount paid to acquire the units and (ii) the net taxable income allocated to the unitholder each year as per the T5013 form, minus (iii) the cash distributions received each year. Any tax elections filed in respect of the Partnership units should be considered. The Partnership does not have sufficient information to track the tax cost of Partnership units for each individual holder. Unitholders are obligated to accurately compute the tax cost of their Partnership units.

### Qualified Notices - U.S. tax withholding under IRC Section 1446(f) on the disposition of Partners Value Investments LP units

We do not expect non-U.S. investors to be subject to U.S. tax withholding under IRC Section 1446(f) on the disposition of their units. Partners Value Investments LP has not been and does not expect to be engaged in a U.S. trade or business within the meaning of Treas. Reg. Sec. 1.1446(f)-4(b)(3)(ii)(A)(2). Partners Value Investments LP has issued qualified notices in accordance with Treas. Reg. Sec. 1.1446(f)-4(b)(3)(iii) as applicable.

Please refer to the "Qualified Notices" section of the website for previously issued notices.

## Plan of Arrangement – 2023

In November 2023, Partners Value Investments LP, Partners Value Investments Inc. ("PVII") and Partners Limited implemented a reorganization under a court approved plan of arrangement to simplify the ownership of PVII and increase the liquidity of the Partnership's securities. Please refer to the Management Information Circular dated September 29, 2023 for details.

### Distribution

On November 27, 2023, holders of Equity units of the Partnership received a distribution of the following securities, as an in-kind repayment of Extraction Notes:

1. For each 100 units of the Partnership held, unitholders received 1 Class A limited voting share of Brookfield Reinsurance Ltd ("BN Re");
2. For each 10.4058 units of the Partnership held, unitholders received 1 Class A-1 non-voting share of BN Re, and
3. For each 1 unit of the Partnership held, unitholders received 1 Class A preferred share, series 1 of Partners Value Investments Inc. ("PVII").

In order to determine the fair value of the distribution for tax reporting purposes, a commonly used method is to use the volume weighted average trading price ("5 day VWAP")\* of the BN Re shares on the New York and/or Toronto Stock Exchanges for the five trading days ending on the day before the distribution. However, you should consult with your tax advisor and there is no guarantee that the Canada Revenue Agency will agree with this valuation method.

#### **Distribution Value per Partnership Unit:**

Class A limited voting share of BN Re	\$US 0.3430 / unit	
Class A-1 non-voting share of BN Re	\$US 3.2970 / unit	
Class A preferred share, series 1 of PVII	\$US 1.0000 / unit	
<b>Total Distribution Value</b>	<b>\$US 4.6400 / unit</b>	<b>** C\$6.3284 / unit</b>

\*The 5 day VWAP of a Class A limited voting share of BN Re ending on November 24, 2023 on the NYSE was US\$34.2987, which may also be used to value the Class A-1 non-voting shares of BN Re since they are convertible into Class A limited voting shares on a 1:1 basis.

\*\* The distribution value is converted from USD to CAD using the FX rate on November 24, 2023, which was 1.3639.

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