

## Subscription Agreement

**To: Romspen Mortgage Investment Fund (the "Issuer")**

### Recitals:

- A. Pursuant to the terms and conditions of an offering memorandum (the "**Offering Memorandum**") dated November 24, 2009, as may be amended, restated or updated from time to time, the Issuer is offering (the "**Unit Offering**") Class A units (the "**Units**") of the Issuer for subscription to individuals, corporations and other entities resident in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick and Nova Scotia.
- B. The undersigned subscriber (the "**Subscriber**") desires to acquire Units subject to and in accordance with the terms of this subscription agreement (the "**Agreement**").
- C. Unless otherwise stated in this Agreement, or as the context may otherwise require, capitalized terms used in this Agreement shall have the meaning ascribed to such terms in the Offering Memorandum.

In consideration of the premises and of the mutual covenants, agreements and conditions herein contained, it is hereby covenanted, agreed and declared as follows:

### ARTICLE 1-SUBSCRIPTION FOR UNITS

1.1 **Subscription.** The Subscriber hereby irrevocably subscribes, effective the date set out on page 9 of this Agreement (the "**Subscription Date**") for the number of Units as set out on page 8 of this Agreement at a subscription price of \$10.00 per Unit and pays or confirms having paid to the Issuer the amount set out on page 8 of this Agreement in full payment of the aggregate subscription price (the "**Subscription Price**").

### ARTICLE 2-REPRESENTATIONS AND WARRANTIES

2.1 **Representation as to Reliance.** The Subscriber has received the Offering Memorandum prior to subscribing. The Subscriber acknowledges that the Subscriber's decision to subscribe for the Units offered pursuant to the Offering Memorandum, a copy of which has been reviewed by the Subscriber, has been based exclusively on the information and disclosure contained in the Offering Memorandum and the undersigned is not relying on: (i) any representations, warranties or information whether written or oral (except as may be contained in the Offering Memorandum); or (ii) any document other than the Offering Memorandum in connection with the Subscriber's investment in Units pursuant to this Agreement. The Subscriber further acknowledges that the Issuer is relying on the representations and warranties of the Subscriber contained in this Agreement in making its decision to accept the Subscriber's subscription pursuant to this Agreement.

2.2 **General Representations and Warranties of the Subscriber.** The Subscriber hereby represents, warrants, certifies and declares that:

- (a) the Subscriber is not a financial institution within the meaning of subsection 142.1(1) of the Tax Act;
- (b) the Subscriber is a resident of the Province of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick or Nova Scotia;
- (c) if the Subscriber is an individual, the Subscriber has attained the age of majority and has legal capacity and competence to execute this Agreement and such other forms as may be required under the securities laws of the jurisdiction of residence of the Subscriber to lawfully subscribe for Units and to take all actions required pursuant to this Agreement;
- (d) if the Subscriber is a corporation, syndicate, partnership, trust or unincorporated organization (an "**Entity**"):
  - (i) the Entity has full power and authority to execute this Agreement and to take all actions required pursuant to this Agreement and has obtained all necessary approvals of directors, shareholders, partners, members, or otherwise with respect thereto;
  - (ii) the Entity was not created solely and is not being used primarily to permit the purchase of Units without a prospectus, or if the Entity was created or is being used primarily for such a purpose, each shareholder of the corporation, member of the syndicate, partnership or other unincorporated organization or each beneficiary of the trust, as the case may be, is an individual who would qualify for an exemption from the prospectus requirements under applicable securities laws in the jurisdiction where the individual resides if such individual subscribed for the Units personally; and
  - (iii) the Entity is duly created under the laws of its jurisdiction of creation;
- (e) the Subscriber is purchasing the Units as principal for the Subscriber's own account, for investment only and not with a view to or for resale in connection with any distribution or trade within the meaning of applicable securities legislation;
- (f) the Subscriber knows the aims and objectives of the Issuer and has been advised of the nature of its activity;
- (g) the Subscriber does not deal at arm's length with any corporation that carries on an insurance business;
- (h) the Subscriber has received and read a copy of the Offering Memorandum and this Agreement prior to subscribing for Units pursuant to this Agreement and acknowledges that the Offering Memorandum supersedes and replaces any information or disclosure the Subscriber may have received prior to the date of the Offering Memorandum;
- (i) the Subscriber is aware of the characteristics of the Units and of their speculative nature as well as of the fact that they cannot be sold or otherwise disposed of except in accordance with the provisions stipulated in the Offering Memorandum, the Declaration of Trust, and applicable securities legislation;
- (j) the Subscriber is an investor who, by virtue of his net worth and investment experience or by virtue of consultation with or advice from a person or company who is not a promoter of the Issuer and who is registered to provide financial advice, is able to evaluate the prospective investment on the basis of information respecting the investment presented in the Offering Memorandum;

- (k) to the Subscriber's knowledge, the purchase of the Units has not been through or as the result of an advertisement in printed media of general and regular paid circulation, radio or television;
- (l) if the Subscriber is a resident of Ontario, or is otherwise subject to the securities laws of Ontario, the Subscriber is purchasing as principal and:
  - (i) is an "accredited investor" as such term is defined in Section 1.1 of *National Instrument 45-106 - Prospectus and Registration Exemptions* ("**NI 45-106**") and the Subscriber has completed and executed the "Accredited Investor" Certificate attached to this Agreement as Schedule "A";
  - (ii) is purchasing a sufficient number of Units such that the aggregate acquisition cost to the Subscriber for such Units is not less than \$150,000 paid in cash at the time of the subscription for such Units;
  - (iii) is (A) a founder of the Issuer, (B) an affiliate of a founder of the Issuer, (C) a spouse, parent, brother, sister, grandparent, grandchild or child of an executive officer, director or founder of the Issuer, or (D) a person that is a control person of the Issuer; or
  - (iv) the Subscriber initially acquired Units as principal for an acquisition cost of not less than \$150,000 paid in cash at the time of the trade and on the Subscription Date, the Subscriber holds Units that have an acquisition cost of not less than \$150,000 or a net asset value of not less than \$150,000;
- (m) if the Subscriber is a resident of British Columbia, Alberta, Manitoba, New Brunswick and Nova Scotia, or is otherwise subject to the securities laws of such jurisdiction, the Subscriber is purchasing as principal and:
  - (i) is an "accredited investor" as such term is defined in Section 1.1 of NI 45-106 and the Subscriber has completed and executed the "Accredited Investor" Certificate attached to this Agreement as Schedule "A";
  - (ii) is purchasing a sufficient number of Units such that the aggregate acquisition cost to the Subscriber for such Units is not less than \$150,000 paid in cash at the time of the subscription for such Units;
  - (iii) is (A) a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer, (B) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer, (C) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer, (D) a close personal friend of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer, (E) a close business associate of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer, (F) a founder of the Issuer or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the Issuer, (G) a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the Issuer, (H) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, person described in (A) to (G) above, or (I) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in (A) to (G) above; or

- (iv) the Subscriber initially acquired Units as principal for an acquisition cost of not less than \$150,000 paid in cash at the time of the trade and on the Subscription Date, the Subscriber holds Units that have an acquisition cost of not less than \$150,000 or a net asset value of not less than \$150,000;
- (n) if the Subscriber is a resident of Québec, or is otherwise subject to the securities laws of Québec, the Subscriber is purchasing as principal and:
- (i) is an "accredited investor" as such term is defined in Section 1.1 of *Regulation 45-106 respecting prospectus and registration exemptions* and the Subscriber has completed and executed the "Accredited Investor" Certificate attached to this Agreement as Schedule "A";
  - (ii) is purchasing a sufficient number of Units such that the aggregate acquisition cost to the Subscriber for such Units is not less than \$150,000 paid in cash at the time of the subscription for such Units;
  - (iii) is (A) a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer, (B) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer, (C) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer, (D) a close personal friend of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer, (E) a close business associate of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer, (F) a founder of the Issuer or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the Issuer, (G) a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the Issuer, (H) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, person described in (A) to (G) above, or (I) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in (A) to (G) above; or
  - (iv) the Subscriber initially acquired Units as principal for an acquisition cost of not less than \$150,000 paid in cash at the time of the trade and on the Subscription Date, the Subscriber holds Units that have an acquisition cost of not less than \$150,000 or a net asset value of not less than \$150,000; and
- (o) if the Subscriber is a resident of Saskatchewan, or is otherwise subject to the securities laws of Saskatchewan, the Subscriber is purchasing as principal and:
- (i) is an "accredited investor" as such term is defined in Section 1.1 of NI 45-106 and the Subscriber has completed and executed the "Accredited Investor" Certificate attached to this Agreement as Schedule "A";
  - (ii) is purchasing a sufficient number of Units such that the aggregate acquisition cost to the Subscriber for such Units is not less than \$150,000 paid in cash at the time of the subscription for such Units;
  - (iii) the Subscriber initially acquired Units as principal for an acquisition cost of not less than \$150,000 paid in cash at the time of the trade and on the

Subscription Date, the Subscriber holds Units that have an acquisition cost of not less than \$150,000 or a net asset value of not less than \$150,000.

### ARTICLE 3-RIGHTS OF ACTION

3.1 **Rights of Action for Damages or Rescission.** The Subscriber shall have the rights set forth in the Offering Memorandum under the heading "Rights of Action for Damages or Rescission" as if such rights were fully set forth in this Agreement and such rights are hereby incorporated by reference herein.

### ARTICLE 4-GENERAL

4.1 **Acceptance by Issuer.** The Subscriber agrees that this subscription is subject to acceptance by the Issuer and to certain other conditions set forth in the Offering Memorandum. Upon acceptance, this Agreement shall be legally effective to create a valid and binding agreement between the Subscriber and the Issuer in accordance with the terms hereof and those of the Declaration of Trust.

4.2 **Declaration of Trust.** The Subscriber agrees to be bound and governed by all the terms and conditions contained in the Declaration of Trust, accepts the benefits contained therein, and ratifies, for all legal purposes, the Declaration of Trust.

4.3 **Return of Subscription if Not Accepted.** It is agreed that this Agreement and any monies and other documents delivered by the Subscriber pursuant hereto shall be returned to the Subscriber at the address indicated below if this Agreement is not accepted by the Issuer on the next purchase date.

4.4 **Acknowledgement.** The Subscriber hereby acknowledges and agrees, and represents and warrants, as applicable, in favour of the Issuer that:

- (a) the Subscriber has received and reviewed and relied solely on the information contained in the Offering Memorandum in respect of the Subscriber's subscription for Units;
- (b) the Subscriber acknowledges that there are risks connected to the investment in the Units, as detailed in the Offering Memorandum; and
- (c) the Subscriber has been advised to seek professional advice in respect of the Subscriber's investment in the Units and has been afforded the opportunity to review the contracts material to the Subscriber's investment in the Units.

4.5 **Disposition in Compliance with Securities Legislation.** The Subscriber agrees that any disposition of any Units will be made in compliance with applicable securities legislation.

4.6 **Subscription Irrevocable.** The Subscriber hereby agrees that this subscription is irrevocable and that the representations, warranties and power of attorney set forth in this Agreement will survive the acceptance of this subscription.

4.7 **Headings and Articles.** Headings and articles used in this Agreement are for convenience of reference only and do not form a part of the text of this Agreement.

4.8 **Gender and Number.** All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require and the verb shall be construed and agreeing with the required word and/or pronoun.

4.9 **Governing Law.** This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of Ontario, excluding its conflicts of laws rules, and the federal laws of Canada applicable therein.

4.10 **Further Assurances.** The parties shall do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each party shall provide such further documents or instruments required by any other party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether prior to or following the acceptance hereof.

4.11 **Severance.** In the event that any Article or Section hereof is held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder of the provisions hereof, but such part shall be fully severable, and this Agreement shall be construed and enforced as if such invalid or unenforceable part had never been inserted herein and the parties do hereby agree that they would have signed this Agreement without such invalid or unenforceable part included herein.

4.12 **Counterparts and Facsimile.** This Agreement may be executed in counterparts, each of which together shall constitute one and the same instrument. This Agreement may be executed by facsimile with originally executed documents to follow by courier forthwith thereafter and shall be as binding as if originally executed.

4.13 **Binding Effect.** This Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, successors, legal representatives and permitted assigns.

4.14 **No Waiver.** This Agreement (including the Schedules hereto) together with the Offering Memorandum and the Declaration of Trust, contain the complete and exclusive understanding of the parties with respect to the subject matter hereof. No waiver, alteration or modification of any of the provisions hereof will be binding unless in writing and signed by a representative of the party to be bound thereby.

4.15 **Privacy Notice and Authorizations.** The Subscriber acknowledges that this Agreement requires the Subscriber to provide certain personal information to the Issuer. Such information is being collected by the Issuer for the purposes of completing the subscriptions contemplated in this Agreement, determining the Subscriber's eligibility to complete the subscription contemplated in this Agreement under applicable securities legislation and completing filings required under applicable securities legislation. The Subscriber's personal information, including name, address and telephone number, and any other information contained in this Agreement (or otherwise obtained in connection with the issuance of the Units) may be disclosed by the Issuer to:

- (a) securities regulatory authorities and taxation authorities; and
- (b) any of the other parties involved in the transactions contemplated in this Agreement, including legal counsel.

By executing this Agreement, the Subscriber is deemed to be consenting to the foregoing collection, use and disclosure of their personal information. The Subscriber acknowledges that the Ontario Securities Commission has authority to collect the personal information referred to

above and information relating to the Units subscribed for pursuant to this Agreement indirectly under authority granted to it in securities legislation for the purposes of the administration and enforcement of securities legislation in Ontario. The Subscriber is advised that he/she or it may contact:

Administrative Assistant to the Director of Corporate Finance of the Ontario  
Securities Commission  
Suite 1903, Box 55, 20 Queen Street West  
Toronto, Ontario M5H 3S8  
416-593-8086

for further information concerning the collection of personal information by the Ontario Securities Commission.

4.16 **Limitation.** The parties acknowledge and agree that any obligations of the Issuer hereunder are not personally binding upon any trustee thereof, any registered or beneficial holder of units in the Issuer (a "**Unitholder**") or any annuitant under a plan of which a Unitholder acts as trustee or carrier, and resort shall not be had to, nor shall recourse or satisfaction be sought from, any of the foregoing or the private property of the foregoing, but the property of the Issuer only shall be bound by such obligations. Any obligation of the Issuer set out in this Agreement shall, to the extent necessary to give effect to such obligation, be deemed to constitute, subject to the provisions of the previous sentence, an obligation of the trustees of the Issuer in their capacity as trustees of the Issuer only.

*[the remainder of this page is intentionally blank]*

\_\_\_\_\_

*(Name of Subscriber - please print)*

Number of Class A Units: \_\_\_\_\_

By: \_\_\_\_\_  
 (Authorized Signature)

\_\_\_\_\_

*(Please print name of individual whose signature appears above if different than the name of the subscriber printed above.)*

\_\_\_\_\_

*(Date)*

\_\_\_\_\_

*(SIN Number)*

\_\_\_\_\_

*(Telephone Number)*

\_\_\_\_\_

*(Fax Number)*

\_\_\_\_\_

*(Email Address)*

Aggregate Subscription Price: \$ \_\_\_\_\_

**Register the Unit certificate as set forth below:**

\_\_\_\_\_

*(Name)*

\_\_\_\_\_

*(Account reference, if applicable)*

\_\_\_\_\_

*(Subscriber's Address)*

\_\_\_\_\_

**Deliver the Unit certificate as set forth below:**

\_\_\_\_\_

*(Name)*

\_\_\_\_\_

*(Account reference, if applicable)*

\_\_\_\_\_

*(Contact Name)*

\_\_\_\_\_

*(Address)*

\_\_\_\_\_

*(Telephone Number)*

**Acceptance:** The Issuer hereby accepts the above subscription this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**Romspen Mortgage Investment Fund, by its duly authorized signing officer**

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**SCHEDULE "A"**

**Romspen Mortgage Investment Fund  
Subscription Agreement**

**Certificate of Subscriber as to  
"Accredited Investor" Status**

The undersigned subscriber (the "**Subscriber**") for units of Romspen Mortgage Investment Fund hereby certifies that the Subscriber is correctly and in all respects described by the category set forth below directly under which the Subscriber has signed.

***(Please sign below the category that describes you – ANY ONE CATEGORY IS SUFFICIENT)***

1. The Subscriber is an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000.

\_\_\_\_\_  
(Signature)

2. The Subscriber is an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year.

\_\_\_\_\_  
(Signature)

3. The Subscriber is a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown in its most recently prepared financial statements.

\_\_\_\_\_  
(Signature)

4. The Subscriber is a person registered under the securities legislation of a jurisdiction of Canada as an advisor or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador).

\_\_\_\_\_  
(Signature)

5. The Subscriber is an individual person registered or formerly registered under the securities legislation of jurisdiction of Canada as a representative of a person described in paragraph 4 above.

\_\_\_\_\_  
(Signature)

6. The Subscriber is a person in respect of which all of the owners of interests, direct or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors.

\_\_\_\_\_  
(Signature)

7. The Subscriber is otherwise an "accredited investor" pursuant to applicable securities laws. Specify:\_\_\_\_\_

\_\_\_\_\_  
(Signature)

8. The Subscriber is an individual who, either alone or with a spouse, has net assets of at least \$5,000,000.

\_\_\_\_\_  
(Signature)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.