

SUBSCRIPTION AGREEMENT

FOR PREFERRED SHARES

TO: **MANDATE NATIONAL MORTGAGE CORPORATION** (the "Corporation")

I hereby subscribe for and agree to purchase **OR** I am the Annuitant/Beneficiary under a Registered Retirement Plan, Registered Retirement Investment Fund, Tax Free Savings Account or Deferred Profit Sharing Plan described below (the "Plan") and on behalf of the Plan hereby irrevocably authorize and direct the Trustee of the Plan to subscribe for and purchase on behalf of the Plan, upon the terms and conditions of this Subscription, _____ Preferred shares ("Preferred Shares") at a price of \$10.00 per Preferred Share for an aggregate consideration of \$ _____ (the "Subscription Amount"), on the terms and conditions set out in this subscription agreement (the "Subscription Agreement") and in the Offering Memorandum of the Corporation dated March 1, 2010, as the same may be amended from time to time (the "Offering Memorandum"), and I tender or direct the Trustee to tender the Subscription Amount payable to the order of the Corporation, in full payment for the Preferred Shares.

By initialling beside the appropriate subparagraph I confirm that I am (and if the Preferred Shares are being purchased by a partnership, I confirm for each partner that the partner is) as indicated below:

_____ I am resident in British Columbia, and have received a copy of the Offering Memorandum.
Initial

OR

_____ I am resident in Alberta and have received a copy of the Offering Memorandum. I am an "eligible investor" as defined in National Instrument 45-106 and have made the appropriate indications on Schedule B and Schedule C (if I am an "eligible investor" due to my status as an "accredited investor") or the aggregate cost of my Preferred Shares being purchased is less than \$10,000.
Initial

AND

_____ I have received, read, understood and executed the Risk Acknowledgement form attached as a Schedule "A" to this Subscription.
Initial

AND

_____ I acknowledge the Corporation requires six (6) months written notice in order for me to redeem all or part of my shareholdings.
Initial

I enclose my cheque for the Subscription Amount payable to the Corporation which may be negotiated subject to the Corporation agreeing as follows:

- (a) to hold the Subscription Amount in trust until midnight on the 2nd business day after I sign this Subscription;
- (b) to return all of the Subscription Amount to me if I exercise my right under section 2.9 (8) of National Instrument 45-106 or other applicable regulations to cancel my subscription;

- (c) after midnight on the 2nd business day after I sign my Subscription and if I do not exercise the right to cancel my Subscription, and upon the issue of the Preferred Shares and delivery of the share certificate as I direct in my Subscription, to keep and use the Subscription Amount as set out in the Offering Memorandum.

I acknowledge that this subscription is subject to acceptance by the Corporation's Board of Directors and that upon acceptance by the Corporation my Subscription becomes a binding agreement between me and the Corporation. I ask that, upon acceptance and payment in full for the Preferred Shares, that the Preferred Shares be allotted and issued as fully paid and that certificates representing the Preferred Shares be issued in the name of and delivered as noted on pages 3, 4 or 5.

By executing this Agreement, I irrevocably appoint the President, or failing that individual, the Secretary of the Corporation in office from time to time, as my attorney-in-fact to complete, amend, modify and file all forms to be filed with all regulatory authorities.

With respect to dividends, I authorize and direct the Corporation as follows: **(initial the preferred alternative)**

_____ to reinvest all dividends from the Preferred Shares in additional Preferred Shares, at the price at which the Preferred Shares are offered for sale by the Corporation as at the date of declaration of such dividends. Dividends will be paid and re-invested quarterly;

_____ Attached is the duly executed New Shareholders Dividend Reinvestment Plan Authorization Form;

or

_____ to pay all dividends from the Preferred Shares to me in cash;

which authority and direction will remain in effect as long as I hold the Preferred Shares, unless revoked or altered by me in a written notice to the Corporation.

Note: If Preferred Shares are held in an RRSP/RRIF/DPSP/TFSA etc. dividends will be sent to the Trustee.

Signed sealed and delivered at _____ in the Province of _____

On this _____ day of _____, 20_____.

RRSP, RRIF, TFSA or DPSP SUBSCRIBER

_____)	X _____ ●
_____)	Signature of Annuitant/Beneficiary
_____)	_____
Signature of Witness: _____)	Full Legal Name of Annuitant/Beneficiary
_____)	_____
Name of Witness _____)	Address of Annuitant/Beneficiary
_____)	_____
Address of Witness: _____)	Telephone No. of Annuitant/Beneficiary
_____)	_____
_____)	Occupation Social Insurance Number
_____)	_____
_____)	Description of the Plan (print "RRSP, RRIF or
_____)	DPSP" as applicable)
_____)	_____
_____)	Plan Identification or Account Number

The Trustee of the Plan

Upon payment in full, the Plan's Preferred Shares are to be allotted and issued as fully paid and the certificates representing the Plan's Preferred Shares are to be issued in the name of and delivered as follows:

Please indicate exactly how preferred shares are to be registered including account number if required

Address of Trustee where the share certificates are to be returned

Name of Trustee _____	X _____
	Authorized signature of Trustee

CORPORATION PARTNERSHIP OR OTHER LEGAL ENTITY SUBSCRIBER

Name of Entity

Number of Partners (If Applicable)

Address

Address

City, Province and Postal Code

Jurisdiction of Formation

Telephone

Date of Formation

Facsimile

Tax ID#

X _____ ●

Signature

Name (Typed or Printed) of Individual
Signing on behalf of Entity

Position or Title

1. **Offering and Subscription**

The Preferred Shares being subscribed for hereunder form part of a larger offering (the "Offering") of up to 500,000 Preferred Shares at a purchase price of \$10.00 per Preferred Share, for aggregate gross proceeds of up to \$5,000,000. By executing this Subscription Agreement, the Subscriber irrevocably offers to purchase from the Corporation, as one of such purchasers under the Offering, that number of Preferred Shares set forth on the first page hereof at the Subscription Price, subject to the terms and conditions set out herein.

2. **Delivery of Documents and Funds**

The Subscriber hereby delivers to the Corporation at Suite 505 – 1195 West Broadway, Vancouver, B. C. V6H 3X5:

- (a) a completed and executed copy of this Subscription Agreement including:
 - (i) an executed Form 45-106F4 attached as Schedule "A" to the Subscription Agreement, and
 - (ii) an executed Schedule "B" and Schedule "C" (if applicable) if the Subscriber is from Alberta and subscribing in excess of \$10,000; and
- (b) a wire transfer, certified cheque or bank draft for the Purchase Price made payable to the Corporation.

The Subscriber and each beneficial purchaser, if any, for whom it is acting as agent, acknowledges and agrees that such documents, when executed and delivered, will form part of and will be incorporated into this Subscription Agreement with the same effect as if each constituted a representation and warranty or covenant of the Subscriber or the beneficial purchaser, as the case may be, hereunder in favour of the Corporation and agrees that such representations, warranties and covenants will be true and correct both as of the execution of this subscription and as of the Closing and will survive the purchase of the Preferred Shares hereunder and will continue in full force and effect notwithstanding any subsequent disposition of the Preferred Shares. The Subscriber and each such beneficial purchaser consents to the filing of any such documents as may be required to be filed with any securities regulatory authority in connection with the transactions contemplated hereby.

3. **Closing**

The Corporation contemplates multiple closings of this offering (the "Closing(s)") which Closings will take place on such dates as may be determined by the Corporation. Within ten business days of each Closing, the Corporation will deliver a fully signed copy of this Agreement together with an original, or a certified copy, of the certificate(s) representing the Preferred Shares registered as specified on the execution page hereof.

4. **Representations, Warranties and Covenants by Subscriber**

The Subscriber represents, warrants and covenants to the Corporation (and acknowledges that the Corporation is relying thereon) that:

- (a) it has been advised and is fully aware that:
 - (i) the Preferred Shares offered hereunder have not been qualified for distribution in Canada by the filing of a prospectus with any securities commission or other securities regulatory authority;
 - (ii) the Preferred Shares are being offered hereunder in reliance upon exemptions from the prospectus and registration requirements set out in National Instrument 45-106;

- (iii) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Preferred Shares;
 - (iv) there is no government or other insurance covering the Preferred Shares;
 - (v) there are risks associated with the purchase of the Preferred Shares;
 - (vi) the Preferred Shares are not listed on any stock exchange and that they may never be listed;
 - (vii) the Preferred Shares will be subject to a number of resale restrictions and that unless permitted under securities legislation, the Subscriber cannot sell the Preferred Shares before the date that is four (4) months and a day after the date of distribution;
 - (viii) it is entitled to certain rescission rights as described in the Offering Memorandum;
 - (ix) the Corporation's Articles provide that the Board of Directors may by resolution prohibit the transfer of any Preferred Shares when needed to maintain the Corporation's status as mortgage investment corporations under the Income Tax Act (Canada); and
 - (x) the certificate representing the Preferred Shares, will be endorsed by a legend stating that the Preferred Shares will be subject to restrictions on resale in accordance with applicable securities legislation and will be endorsed by a legend containing restrictions set out in the Corporation's constating documents;
- (b) if an individual, the Subscriber has attained the age of majority and has the legal capacity and competence to enter into and deliver this Subscription Agreement and to perform his or her obligations hereunder;
- (c) it and any beneficial purchaser for whom it is acting are resident in British Columbia or Alberta and:
- (i) is not a resident of any other jurisdiction nor is it purchasing the Subscriber's Preferred Shares for the account or benefit of a resident of any other jurisdiction;
 - (ii) was not offered the Preferred Shares in another jurisdiction in Canada or the United States;
 - (iii) did not execute or deliver this Subscription Agreement in another jurisdiction;
 - (iv) is not a U.S. Person (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended (the "1933 Act") and the Preferred Shares are not being acquired by it for or on behalf of or for the account and or benefit of a U.S. Person and it undertakes and agrees that it will not offer or sell the Preferred Shares in the United States unless such securities are registered under the 1933 Act and the securities laws of all applicable states of the United States or an exemption from such registration requirements is available; and
 - (v) will not resell the Preferred Shares, except in accordance with the provisions of applicable securities legislation, regulations, rules, policies and orders and stock exchange rules.

- (vi) it is purchasing the Preferred Shares as a principal for its own account, not for the benefit of any other person, and not with a view to the resale or distribution of all or any of the Preferred Shares
- (d) it has received the Offering Memorandum and has read and understood the contents, is familiar with the aims and objectives of the Corporation, has been informed of the nature of its activities and has been informed through the Offering Memorandum of the proposed use of the Subscription Amount;
- (e) it has not relied upon any documents, representation, warranties or other information in assessing this investment except the Offering Memorandum and the information contained therein;
- (f) the Subscriber or beneficial purchaser, as the case may be, has not received nor does the Subscriber expect to receive any financial assistance from the Corporation directly or indirectly, in respect of the Subscriber's purchase of the Preferred Shares;
- (g) the Subscriber or beneficial purchaser, as the case may be, acknowledges that the Corporation is a reporting issuer in the Provinces of British Columbia and Alberta and is a SEDAR filer. The Subscriber or beneficial purchaser further acknowledges that the certificates representing the Preferred Shares shall bear a legend prohibiting their transfer and indicating a hold period prescribed by the Securities Legislation;
- (h) if required by Securities Legislation, the Subscriber will execute, deliver, file and otherwise assist the Corporation in filing, such reports, undertakings and other documents with respect to the issue of the Preferred Shares that the Corporation may reasonably require;
- (i) it or the beneficial purchaser, as the case may be, is not a non-resident of Canada or a "public corporation" or a corporation controlled by a "non-resident" or by a "public corporation" or by any combination thereof within the meaning of the Tax Act;
- (j) it or the beneficial purchaser, as the case may be, is not a "non-Canadian" within the meaning of the Investment Canada Act;
- (k) following the purchase of Preferred Shares by its pursuant to this Subscription Agreement, it and the Corporation will deal with each other at arm's length, within the meaning of the Tax Act and it will not be a Specified Shareholder of the Corporation;
- (l) the Subscriber has the legal capacity and competence to enter into and execute this Subscription Agreement and to take all actions required pursuant hereto and if the Subscriber is a corporation, it is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation and all necessary approvals by its directors, shareholders and other such approvals as may be required have been obtained to authorize execution of this Subscription Agreement on behalf of the Subscriber;
- (m) the entering into of this Subscription Agreement and the transactions contemplated hereby do not result in the violation of any of the terms and provisions of any law applicable to, or the constating documents of, the Subscriber or of any agreement, written or oral, to which the Subscriber may be a party or by which the Subscriber is or may be bound;
- (n) the Subscriber has duly executed this Subscription Agreement which constitutes a valid and binding agreement of the Subscriber enforceable against the Subscriber;
- (o) no person has made to the Subscriber any written or oral representation that:

- (i) any person will resell or repurchase any Preferred Shares;
 - (ii) any person will refund the purchase price of any Preferred Shares or as to the future price or value of any Preferred Shares;
- (p) the Subscriber understands:
- (i) the tax consequences of an investment in Preferred Shares and has obtained all tax advice deemed necessary from qualified independent tax advisors;
 - (ii) no federal or provincial authority has passed upon the adequacy or accuracy of the information set forth in the Offering Memorandum or made any representation or determination as to the fairness of the investment, or any recommendation or endorsement of the Preferred Shares as an investment; and
 - (iii) any Dealer through which it purchases Preferred Shares is not acting as agent for the Corporation and has no authority to make any representations on behalf of the Corporation;
- (q) the funds representing the Subscription which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purposes of the Proceeds of Crime (Money Laundering) Act (Canada) (the "PCMLA") and the Subscriber acknowledges that the Company may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of its knowledge (a) none of the subscription funds to be provided by the Subscriber (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber, and (b) it shall promptly notify the Corporation if the Subscriber discovers that any of such representations ceases to be true, and to provide the Corporation with appropriate information in connection therewith.

The Subscriber agrees that the above representations, warranties and covenants will be true and correct both as of the execution of the Subscription Agreement and as of the Closing(s) and will survive the completion of the issuance of the Preferred Shares.

5. Confidentiality and Privacy

The Subscriber further agrees that the Corporation may collect and use information concerning the Subscriber set out herein (the "Subscriber Information") for the following purposes:

- (a) to effect purchases of the Preferred Shares and to provide the Subscriber with ongoing service;
- (b) to administer the Subscriber's investment in the Preferred Shares including depositing distributions made by the Corporation directly into brokerage or bank accounts in the name of the Subscriber;
- (c) to determine the Subscriber's eligibility for investment in the Preferred Shares;
- (d) to deliver to regulatory authorities any personal information provided by the Subscriber respecting itself (and any beneficial purchaser) including such Subscriber's (or beneficial purchaser's) full name, residential address and telephone number, the amount of Preferred Shares purchased, the price of the Subscription, the exemption relied on by the Subscriber and the date of distribution, such information being collected indirectly by regulatory

authorities under the authority granted to in applicable securities laws for the purposes of the administration and enforcement of applicable securities laws and pursuant to the indirect collection of such information by regulatory authorities;

- (e) to meet the Corporation's ongoing legal and regulatory requirements including, without limiting the generality of the foregoing, disclosing Subscriber Information to regulators where such disclosure is required by law; and
- (f) to disclose Subscriber Information to CIBC Mellon Trust Company ("CIBC Mellon") registrar and transfer agent for the Preferred Shares, to assist CIBC Mellon in performing its duties as registrar and transfer agent.

The Corporation agrees that it will not use the Subscriber Information for any purpose except as set out above without the consent of the Subscriber. The Subscriber Information will be maintained at the offices of the Corporation at Suite 505 – 1195 West Broadway, Vancouver, B. C. V6H 3X5, and the offices of CIBC Mellon at Suite 1600 – 1066 West Hastings Street, Vancouver, British Columbia V6E3X1 and the Subscriber will have the right of access and rectification of the Subscriber Information at any time or from time to time during normal business hours.

The Corporation agrees that at the request of the Corporation, it will make such information about the Corporation's privacy policies and practices made known to the Subscriber. Such information can be obtained by contacting Mr. Alan E.R. Long at 604-731-2899.

6. Representations, Warranties and Covenants by the Corporation

The Corporation represents, warrants and covenants to the Subscriber that:

- (a) it is a duly incorporated and validly subsisting company under the laws of its jurisdiction of incorporation and has full corporate power and authority to enter into this Subscription Agreement and to carry out its obligation hereunder; and
- (b) it is currently a "mortgage investment corporation" within the meaning of subsection 130.1(6) of the Tax Act and it will use all reasonable commercial efforts to continue to so qualify at all times.

7. General

- (a) The representations, warranties and covenants of the Subscriber herein are made with the intent that they may be relied upon in determining the suitability of a purchaser of Preferred Shares and the Subscriber agrees to indemnify the Corporation against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur caused or arising from reliance thereon. The Subscriber undertakes to immediately notify the Corporation at Suite 505 – 1195 West Broadway, Vancouver, B. C. V6H 3X5, Attention: Alan E. R. Long, President, at facsimile: (604) 734-5546 or by e-mail at mandate@telus.net, of any change in any statement or other information relating to the Subscriber set forth herein which takes place prior to Closing;
- (b) All capitalized terms which are not otherwise defined in this Subscription Agreement have the meanings ascribed thereto in the Offering Memorandum;
- (c) The contract arising out of this Subscription Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. The Subscriber on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder irrevocably attorns to the jurisdiction of the courts in the Province of British Columbia with respect to matters arising out of this Subscription Agreement;

- (d) This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein;
- (e) The transfer, sale or other assignment of any rights by the Subscriber under this Subscription Agreement is permitted only with the consent of the Corporation;
- (f) Any demand, notice or other communication to be given in connection with this Subscription Agreement may be given in writing and either by personal delivery, by mail or transmittal by facsimile addressed to the parties hereto at their addresses set out on the cover page of the Subscription Agreement;
- (g) In this Subscription Agreement, words importing the singular number only include the plural and vice versa and words importing any gender include all genders and the word “including” or “includes” means “including or include” without limitation;
- (h) All dollar amounts referred to herein are in Canadian dollars.
- (i) Time will be of the essence hereof; and
- (j) All references to currency in this Subscription Agreement are to lawful money of Canada unless expressly stated otherwise, and all amounts to be paid or calculated pursuant to this Subscription Agreement are to be paid or calculated in lawful money of Canada, unless expressly stated otherwise.

8. **Notice**

Any notice or other communication to be given hereunder shall, in the case of notice to be given to the Corporation, be addressed to:

Mandate National Mortgage Corporation
505 – 1195 West Broadway,
Vancouver, B. C. V6H 3X5

Attention: Alan E. R. Long, President

Facsimile No.: (604) 734-5546

9. **Facsimile and Counterparts**

The parties agree that a facsimile copy of this Subscription Agreement executed by all parties hereto in counterpart or otherwise will be deemed to be a valid and binding Subscription Agreement and accepted as an original Subscription Agreement until such time as each of the parties has an originally executed Subscription Agreement in its possession. This Subscription Agreement may be executed in any number of counterparts with the same effect as if all the parties to this Subscription Agreement had signed the same document and all counterparts will be construed together and constitute one and the same instrument.

10. **Effective Date**

This Subscription Agreement is intended to and will take effect on the date the Subscription Agreement was accepted by the Corporation above, notwithstanding the actual date of execution or delivery by the Subscriber.

ACCEPTANCE

THE CORPORATION accepts the foregoing subscription

on this _____ day of _____, 20_____.

Per: (Authorized Signatory)

MANDATE NATIONAL MORTGAGE CORPORATION
NEW SHAREHOLDER DIVIDEND REINVESTMENT PLAN
AUTHORIZATION FORM

(COMPLETE THIS FORM ONLY IF YOU HAVE NOT ALREADY
ELECTED TO RECEIVE DIVIDENDS IN ADDITIONAL SHARES)

PLEASE READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

I wish to participate in the New Shareholder Dividend Reinvestment Plan (the "New Plan") of Mandate National Mortgage Corporation (the "Corporation") and I hereby authorize the Corporation and CIBC Mellon Trust Company (the "Agent") to deal with all future dividends declared in respect of all the Shares of the Corporation now or subsequently registered in my name in the manner which is set out below.

I acknowledge that I have received the New Plan Circular and I agree to be bound by the provisions of the New Plan as therein set out.

I elect to reinvest all cash dividends in the purchase of new Shares of the Corporation and hereby authorize the Corporation to forward to CIBC Mellon Trust Company all such dividends and direct CIBC Mellon Trust Company to reinvest such dividends in the purchase of new Shares of the Corporation in accordance with the provisions of the New Plan.

I am not a United States citizen or resident and the Shares held in my name are not held for the benefit of any United States citizen or resident.

Dated at _____ on the ____ day of _____, 20____

Return to:

CIBC Mellon Trust Company
Dividend Reinvestment Department
P.O. Box 7010
Adelaide St. Postal Station
Toronto, Ontario
M5C 2W9

Please print name(s) exactly as shown on share certificate(s):

Signature of Shareholder(s)

Name of Shareholder(s)

Address of Shareholder(s)

Account Number

Telephone Number

SCHEDULE A

FORM 45-106F4

WARNING

Risk Acknowledgement

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities regulatory authority has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in the future. Mandate Management Corporation will pay \$_____ [amount of commission] of this to _____ [Name of person selling the securities] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Please sign 2 copies of this document. *The purchaser and the issuer must each receive a signed original.*

You have 2 business days to cancel your purchase

To do so, send a notice to Mandate National Mortgage Corporation stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to Alan E.R. Long at Mandate National Mortgage Corporation at its business address. Keep a copy of the notice for your records.

Issuer Name and Address:

Mandate National Mortgage Corporation
Suite 505 – 1195 West Broadway
Vancouver, B.C. V6H 3X5

Attention: Alan E.R. Long

Fax: 604-734-5546

E-mail: mandatemortgage.com

You are buying *Exempt Market Securities*

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities commission.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are riskier than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

The securities you are buying are not listed.

The securities you are buying are not listed on any stock exchange and they may never be listed. You may never be able to sell these securities.

For more information on the *exempt market*, call your local securities regulatory authority:

British Columbia Securities Commission
Suite 900, 701 West Georgia Street
PO Box 10142, Pacific Centre
Vancouver, B.C.
V7L 1L2
Telephone: (604) 899-6500
Fax: (604) 899-6506
Web Page: www.bcsc.bc.ca

Alberta Securities Commission
4th Floor-300 5th Avenue, S.W.
Calgary, Alberta
V2P 3C4
Telephone: (403) 297-6454
Fax: (403) 297-6156
Web Page: www.albertasecurities.com

**SCHEDULE “B”
ELIGIBLE INVESTOR FORM
(TO BE COMPLETED BY PURCHASERS RESIDENT IN ALBERTA)**

The Purchaser represents and warrants that the Purchaser and, if applicable, each person for whose account it is purchasing the Securities, satisfies one or more of the categories of Eligible Investor (as that term is defined in National Instrument 45-106) indicated below.

PLEASE INDICATE EACH CATEGORY OF ELIGIBLE INVESTOR THAT YOU, THE PURCHASER, AND IF APPLICABLE, EACH PERSON FOR WHOSE ACCOUNT YOU ARE PURCHASING SECURITIES, SATISFY, BY PLACING AN “X” BESIDE THE APPROPRIATE CATEGORY BELOW.

- _____ (a) a person whose net assets, alone or with a spouse, in the case of an individual, exceed \$400,000;
- _____ (b) a person whose net income before taxes exceeded \$75,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year;
- _____ (c) a person whose net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year;
- _____ (d) a person of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the directors are eligible investors;
- _____ (e) a general partnership of which all of the partners are eligible investors;
- _____ (f) a limited partnership of which the majority of the general partners are eligible investors;
- _____ (g) a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are eligible investors;
- _____ (h) an accredited investor (as that term is defined in National Instrument 45-106);**
- _____ (i) a director, executive officer or control person of the Company, or of an affiliate of the Company;
- _____ (j) a spouse, parent, grandparent, brother, sister or child of a director, executive officer or control person of the Company, or of an affiliate of the Company;
- _____ (k) a parent, grandparent, brother, sister or child of the spouse of a director, executive officer or control person of the Company, or of an affiliate of the Company;
- _____ (l) a founder of the Company or a spouse, parent, grandparent, brother, sister or child of a founder of the Company;
- _____ (m) a parent, grandparent, brother, sister or child of the spouse of a founder of the Company;
- _____ (o) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in any of paragraphs (i) to (o) above;
- _____ (p) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in any of paragraphs (i) to (o) above; or
- _____ (q) a person that has obtained advice regarding the suitability of the investment in the Securities and, if the person is resident in a jurisdiction of Canada, that advice has been obtained from a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of the Purchaser and authorized to give advice with respect to the Securities.

**** If a subscriber is an eligible investor due to its status as an accredited investor please also complete Schedule C.**

For the purposes of this certificate, the following definitions apply:

“director” means

- (a) a member of the board of directors of a company or an individual who performs similar functions for a company, and
- (b) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

“eligibility adviser” means a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed;

“executive officer” means, for an issuer, an individual who is

- (a) a chair, vice-chair or president,
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
- (c) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
- (d) performing a policy-making function in respect of the issuer;

“founder” means, in respect of an issuer, a person who,

- (a) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
- (b) at the time of the trade is actively involved in the business of the issuer;

“jurisdiction” or **“jurisdiction of Canada”** means a province or territory of Canada except when used in the term foreign jurisdiction;

“person” includes

- (a) an individual,
- (b) a corporation,
- (c) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
- (d) an individual or other person in that person’s capacity as a trustee, executor, administrator or personal or other legal representative;

“securities legislation” means the applicable securities legislation of a jurisdiction of Canada.

“spouse” means, an individual who,

- (a) is married to another individual and is not living separate and apart within the meaning of the Divorce Act (Canada), from the other individual,
- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or

- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the Adult Interdependent Relationships Act (Alberta);

“**subsidiary**” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

For the purpose hereof, an issuer is an **affiliate** of another issuer if

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same person.

For the purpose hereof, a person (first person) is considered to control another person (second person) if

- (a) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation,
- (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or
- (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representation and warranty is true and accurate as of the date of this certificate and will be true and accurate as of the date of the purchase of the Preferred Shares as set forth in the attached Subscription Agreement. If any such representation or warranty shall not be true and accurate prior to date, the undersigned shall give immediate written notice of such fact to the Corporation.

Dated: _____

Signed: _____

Witness (If Subscriber is an Individual)

Print Name of Subscriber

Print Name of Witness

If Subscriber is a Corporation,
Print Name and Title of
Authorized Signing Officer

SCHEDULE “C”
ACCREDITED INVESTOR CERTIFICATE
(TO BE COMPLETED BY PURCASERS RESIDENT IN ALBERTA THAT ARE
ELIGIBLE INVESTORS DUE TO THEIR STATUS AS ACCREDITED INVESTORS)

TO: MANDATE NATIONAL MORTGAGE CORPORATION

The Purchaser represents and warrants that it has read the following definitions of an “accredited investor” as defined in National Instrument 45-106 and certifies that it is: (a) purchasing the Preferred Shares as principal for its own account and not for the benefit of another, or is deemed to be purchasing the Preferred Shares as principal pursuant to applicable securities laws, and is an accredited investor as indicated below **(check one or more)** or, (b) purchasing the Preferred Shares as agent or trustee for a beneficial purchaser, each such beneficial purchaser is purchasing as principal for its own account and not for the benefit of another and each such beneficial purchaser is an accredited investor as indicated below

(check one or more)

- (a) a Canadian financial institution, or a Schedule III Bank;
- (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
- (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser 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));
- (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
- (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
- (g) a municipality, public board or commission in Canada and a metropolitan community, school board, or an inter municipal management board in Quebec;
- (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
- (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;
- (j) 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 Cdn. \$1,000,000;
- (k) an individual whose net income before taxes exceeded Cdn. \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded Cdn. \$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;
- (l) an individual who, either alone or with a spouse, has net assets of at least Cdn. \$5,000,000;
- (m) a person, other than an individual or investment fund, that has net assets of at least Cdn. \$5,000,000 as shown on its most recently prepared financial statement;
- (n) an investment fund that distributes or has distributed its securities only to (i) a person that is or was an accredited investor at the time of distribution, (ii) a person that acquires or acquired securities pursuant to the Minimum Amount Investment exemption and the Additional Investment in Investment Funds exemption, or (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities pursuant to the Investment Fund Reinvestment exception;
- (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Quebec, the securities regulatory authority, has issued a receipt;

- (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;
- (q) a person acting on behalf of a fully managed account managed by that person, if that person (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and (ii) in Ontario, is purchasing a security that is not a security of an investment fund;
- (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
- (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) and paragraph (i) in form and function;
- (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons or companies that are accredited investors;
- (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser; or
- (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Quebec, the regulator as (i) and accredited investor, or (ii) an except purchaser in Alberta or British Columbia.

For the purposes of this certificate:

- (a) A trust company or trust corporation described in paragraph (p) above, other than a trust company or trust corporation registered under the laws of Prince Edward Island that is not registered or authorized under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in another jurisdiction of Canada, is deemed to be purchasing as principal; and
- (b) A person described in paragraph (q) above is deemed to be purchasing as principal.

For the purposes of this certificate, the following definitions apply:

“Additional Investment in Investment Funds exemption” refers to the following exemption:

- (a) The dealer registration requirement does not apply in respect of a trade by an investment fund in a security of its own issue to a security holder of the issuer if
 - (i) the security holder initially acquired securities of the investment fund as principal for an acquisition cost of not less than Cdn. \$15,000 paid in cash at the time of the trade,
 - (ii) the subsequent trade is for a security of the same class or series as the initial trade, and
 - (iii) the security holder, as at the date of the subsequent trade, holds securities of the investment fund that have an acquisition cost of not less than Cdn. \$150,000, or a net asset value of not less than \$150,000.
- (b) The prospectus requirement does not apply to a distribution of a security in the circumstances referred to in subsection (a).

“bank” means a bank in Schedule I or II of the *Bank Act* (Canada);

“Canadian financial institution” means

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central credit society for which an order has been made under Section 473 (1) of that Act, or
- (b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada.

“director” means

- (a) a member of the board of directors of a company or an individual who performs similar functions for a company, and
- (b) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

“eligibility adviser” means a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed;

“executive officer” means for an issuer, an individual who is

- (a) a chair, vice-chair or president,
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
- (c) an officer of the issuer or any of its subsidiaries and who performs a policy making function in respect of the issuer, or
- (d) performing a policy making function in respect of the issuer;

“financial assets” means cash, securities or a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

“foreign jurisdiction” means a country other than Canada or a political subdivision of a country other than Canada;

“founder” means, in respect of an issuer, a person who,

- (a) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
- (b) at the time of the trade is actively involved in the business of the issuer;

“fully managed account” means an account of a client for which a person makes the investment decision if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction;

“investment fund” means a mutual fund or a non-redeemable investment fund, and, for greater certainty in British Columbia, includes an

- (a) an employee venture capital corporation that does not have a restricted constitution, and is registered under Part 2 of the *Employee Investment Act*, R.S.B.C. 1996 c. 112, and whose business objective is making multiple investments, and
- (b) a venture capital corporation registered under Part 1 of the *Small Business Venture Capital Act*, R.S.B.C. 1996 c. 429, whose business objective is making multiple investments;

“Investment Fund Reinvestment exemption” refers to the following exemption:

- (a) Subject to subsections (c), (d) and (e) of this definition, the dealer registration requirement does not apply in respect of the following trades by an investment fund to a security holder of the investment fund if the trades are permitted by a plan of the investment fund:
 - (i) a trade in a security of the investment fund’s own issue if dividends or distributions out of earnings, surplus, capital or other sources payable in respect of (ii) the investments fund’s securities are applied to the purchase of the security that is of the same class or series as the securities to which the dividends or distributions out of earnings, surplus, capital or other sources are attributable, and
 - (ii) subject to subsection (b), a trade in a security of the investment fund’s own issue if the security holder makes optional case payments to purchase the security of the investment fund that is of the same class or series of securities described in paragraph (i) that trade on a marketplace.

- b) The aggregate number of securities issued under the optional cash payment referred to in subsection (a) (ii) must not exceed, in any financial year of the investment fund during which the trade takes place, 2% of the issued and outstanding securities of the class to which the plan relates as at the beginning of the financial year.
- (c) A plan that permits the trades described in subsection (a) must be available to every security holder in Canada to which the dividend or distribution is available.
- (d) No sales charge is payable on a trade described in subsection (a).
- (e) The most recent prospectus of the investment fund, if any, must set out (i) details of any deferred or contingent sales charge or redemption fee that is payable at the time of the redemption of the security (ii) any right that the security holder has to make an election to receive cash instead of securities on the payment of a dividend or making of a distribution by the investment fund, and (iii) instructions on how the right referred to in paragraph (ii) can be exercised.
- (f) The prospectus requirement does not apply to a distribution of a security in the circumstances referred to in subsection (a);

“jurisdiction” or **“jurisdiction of Canada”** means a province or territory of Canada except when used in the term foreign jurisdiction;

“local jurisdiction” means, in a national instrument or multilateral instrument adopted or made by a Canadian securities regulatory authority, the jurisdiction in which the Canadian securities regulatory authority is situated;

“Minimum Amount Investment exception” refers to the following exception:

- (a) The dealer registration requirement does not apply in respect of a trade in a security to a person if
 - (i) that person purchases as principal;
 - (ii) the security has an acquisition cost to the purchaser of not less than Cdn. \$150,000 paid in cash at the time of the trade; and
 - (iii) the trade is in a security of a single issuer.
- (b) The prospectus requirement does not apply to a distribution of a security in the circumstances referred to in subsection (a).
- (c) This exemption does not apply to a trade in a security to a person if that person is created or used solely to purchase or hold securities in reliance on this exemption from the dealer registration requirement or the prospectus requirement.

“mutual fund” includes an issuer of a security that entitles the holder to receive on demand, or within a specified period after demand, an amount computed by reference to the value of a proportionate interest in the whole or in a part of the net assets, including a separate fund or trust account, of the issuer of the security;

“non-redeemable investment fund” means an issuer

- (a) whose primary purpose is to invest money provided by its security holders,
- (b) that does not invest,
 - (i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund, or
 - (ii) for the purpose of being actively involved in the management of any issuer in which it invest, other than an issuer that is a mutual fund or a non-redeemable investment fund, and
- (c) that is not a mutual fund;

“person” includes

- (a) an individual,
- (b) a corporation,

- (c) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
- (d) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;

“**regulator**” means, for the local jurisdiction, the person referred to in Appendix D of National Instrument 14-101, opposite the name of the local jurisdiction,

“**related liabilities**” means

- (a) liabilities incurred or assumed for the purpose of financing the acquisition of ownership of financial assets, or
- (b) liabilities that are secured by financial assets;

“**Schedule III bank**” means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada); and

“**securities legislation**” means the applicable securities legislation of a jurisdiction of Canada,

“**spouse**” means, an individual who,

- (a) is married to another individual and is not living separate and apart within the meaning of the Divorce Act (Canada), from the other individual,
- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the Adult Interdependent Relationships Act (Alberta).

“**subsidiary**” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

For the purpose hereof, an issuer is an **affiliate** of another issuer if

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same person.

For the purpose hereof, a person (first person) is considered to control another person (second person) if

- (a) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation,
- (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interest of the partnership, or
- (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representation and warranty is true and accurate as of the date of this certificate and will be true and accurate as of the date of the purchase of the Preferred Shares as set forth in the attached Subscription Agreement. If any such representation or warranty shall not be true and accurate prior to date, the undersigned shall give immediate written notice of such fact to the Corporation.

Dated: _____

Signed: _____

Witness (If Subscriber is an Individual)

Print Name of Subscriber

Print Name of Witness

If Subscriber is a Corporation Print Name and Title
Of Authorized Signing Officer