
Name of Subscriber

Date of Subscription

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY STATE SECURITIES LAWS, AND MAY NOT BE OFFERED AND SOLD, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR BY OR TO OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON (AS DEFINED IN REGULATION S PROMULGATED UNDER THE U.S. SECURITIES ACT) WITHOUT REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

Proof Capital Alternative Growth Fund

SUBSCRIPTION AGREEMENT FOR UNITS OF THE FUND

REQUIREMENTS TO SUBSCRIBE – *Subscribers please note that to fulfill this subscription properly you must: (a) read this document carefully and acquire independent legal and investment advice as this document constitutes a binding legal document; (b) complete and sign the sections applying to all subscribers (as indicated below and on page 2); and (c) complete and sign the sections pertaining to your jurisdiction (as indicated below and on page 2).*

A. All Subscribers:

Complete and sign the Face Page. If you are purchasing Units within a corporation, please provide your corporate tax number.

B. Canadian Subscribers

- a) If the Subscriber is purchasing Units under the Accredited Investor exemption provided for by Section 2.3 [*Accredited Investor*] of National Instrument 45-106 ("NI 45-106"), complete and sign the Accredited Investor Certificate attached as Appendix I, and if applicable, the Accredited Investor Risk Acknowledgement attached as Appendix II.
- b) If the Subscriber is purchasing Units under the Canadian Offering Memorandum exemption provided for by Section 2.9 [*Offering Memorandum*] of NI 45-106, complete and sign the Offering Memorandum Risk Acknowledgement attached as Appendix III, and if the Subscriber is resident in Alberta, New Brunswick, Nova Scotia, Ontario, Québec or Saskatchewan, Schedule A and Schedule B to Appendix III.
- c) If the Subscriber is purchasing Units under the Offering Memorandum exemption provided for by Section 2.9 [*Offering Memorandum*] of NI 45-106 and is resident in a jurisdiction other than British Columbia or Newfoundland and Labrador, complete and sign the Eligible Investor Status Certificate attached as Appendix IV and the Eligible Investor Representation Letter attached as Schedule A to Appendix IV.

C. Non-U.S. and Non-Canadian Subscribers

Complete and sign the Accredited Investor Certificate attached as Appendix I, and if applicable, the Accredited Investor Risk Acknowledgement attached as Appendix II and the Offshore Investor Certificate appended as Appendix V.

D. United States Subscribers

For U.S. Persons or those subscribing for the account or benefit of a U.S. Person or a person in the United States (as such terms are defined in Regulation S under the U.S. Securities Act), complete and sign the Accredited Investor Certificate attached as Appendix I, and if applicable, the Accredited Investor Risk Acknowledgement attached as Appendix II and the U.S. Accredited Investor Certificate appended as Appendix VI.

Table of Contents

Subscriber is required to complete and sign colored sections corresponding to his/her/its jurisdiction (as indicated on page 1).

Subscriber Information	3
Method of Payment.....	5
Terms and Conditions	6
Article 1 Interpretation (including definitions)	6
Article 2 Appendices.....	7
Article 3 Subscription and Description of the Units	8
Article 4 Closing	8
Article 5 Indemnity	9
Article 6 Representations and Warranties of the Fund	9
Article 7 Acknowledgements, representations, warranties and covenants of the Subscriber	10
Article 8 Survival of Representations, Warranties, and Covenants	18
Article 9 Collection of Personal Information.....	18
Article 10 Miscellaneous	19
Appendix “I” Accredited Investor Certificate.....	21
Appendix “II” Accredited Investor Risk Acknowledgement.....	26
Appendix “III” Offering Memorandum Risk Acknowledgement	28
Appendix “IV” Eligible Investor Status Certificate.....	33
Appendix “V” Offshore Investor Certificate (Non-US and Non-Canadian).....	35
Appendix “VI” U.S. Accredited Investor Certificate.....	36
Appendix “VII” Contact Information for the Canadian Securities Regulators.....	38
Appendix “VIII” U.S. Regulatory and ERISA Considerations.....	39
Appendix “IX” U.S. Federal Income Tax Considerations	42
Appendix “X” Certain Canadian Federal Income Tax Considerations for Non-Canadian Holders	45

SUBSCRIBER INFORMATION

TO: PROOF CAPITAL ALTERNATIVE GROWTH FUND (the “Fund”)
3017 7th Street SW

Calgary, AB T2T 2X6

AND TO: QWEST INVESTMENT FUND MANAGEMENT LTD. (the “Manager”)

Bentall Four, Box 49256, Suite 732, 1055 Dunsmuir Street

Vancouver, BC V7X 1L2

The undersigned (the “Subscriber”) hereby irrevocably subscribes for and agrees to purchase from the Fund that number of units of the Fund (“Units”) set out below for the aggregate subscription price set out below (the “Subscription Amount”). The Subscriber agrees to be bound by the terms and conditions set forth in the attached *Terms and Conditions of Subscription for Fund Units of the Proof Capital Alternative Growth Fund* (which together with this *Face Page* and the attached *Schedules*, constitute the “Subscription Agreement”). The Subscriber further agrees, without limitation, that the Fund and the Manager may rely upon the Subscriber’s representations, warranties and covenants contained in such documents. This subscription is irrevocable and subject to acceptance or rejection by the Manager on behalf of the Fund, in whole or in part.

<u>Information about Subscriber</u>	<u>Information about Subscription</u>
Subscriber’s full legal name	Class of Units: _____ FundSERV Code: _____
Subscriber’s street address	(1) Subscription Amount: \$ _____
Subscriber’s city, Province/State and postal/ZIP code	(2) Front-end Sales Commission: \$ _____
Subscriber’s telephone number	(3) Dealer Fee: \$ _____
Subscriber’s e-mail address (required for submission)	(*) Net Subscription Amount: \$ _____
Subscriber’s SIN or BN (as applicable)	(*) = (1) – (2) – (3)
Subscriber’s Signature	<u>Insider Status</u>
Signatory’s name and title (if applicable)	Subscriber is either (check appropriate box): <input type="checkbox"/> An insider of the Fund; or <input type="checkbox"/> not an insider of the Fund
Date:	<i>An “insider” includes a director, senior officer or 10% Unitholder of the Fund or its subsidiaries or insiders (including the Manager)</i>
<u>Distribution Instructions</u>	<u>Registrant Status</u>
Check appropriate box: <input type="checkbox"/> Receive 100% additional Units; or <input type="checkbox"/> Receive 100% cash	The Investor is either (check appropriate box): <input type="checkbox"/> registered pursuant to National Instrument 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i> ; or <input type="checkbox"/> not registered pursuant to National Instrument 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i>
<u>Registration and Delivery Instructions</u> (if using Custodian or Trustee)	
_____ Name (of Custodian or Trustee)	_____ Legal Registration (at Custodian or Trustee)
_____ Street address (of Custodian or Trustee)	_____ Contact Name (at Custodian or Trustee)
_____ City, Province and postal code (of Custodian or Trustee)	_____ Contact Phone Number (at Custodian or Trustee)

(Office Use Only)

ACCEPTANCE: The Manager hereby accepts this Subscription Agreement on behalf of the Fund.

ACCEPTED and AGREED to this _____ day of _____, 20____.

QWEST INVESTMENT FUND MANAGEMENT LTD.⁽¹⁾

Per: _____

(1) *Qwest Investment Fund Management Ltd. provides investment fund management services to the Fund.*

THE UNDERSIGNED MUST DELIVER TO THE FUND THE FOLLOWING:

- (a) a duly completed and executed copy of this Subscription Agreement; and
- (b) if the Subscriber is a Canadian Person:
 - i. If the Subscriber is purchasing Units under the Accredited Investor exemption provided for by Section 2.3 - *Accredited Investor* of NI 45-106 (the “**Accredited Investor Exemption**”), a duly completed and executed copy of Appendix I – *Accredited Investor Certificate*; and
 - ii. if the Subscriber is purchasing Units under the Accredited Investor Exemption and is an individual (other than an individual who beneficially owns Financial Assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C\$5,000,000), then a duly completed and executed copy of Appendix II – *Accredited Investor Risk Acknowledgement*; OR
 - iii. if the Subscriber is purchasing Units under the Offering Memorandum exemption provided for by Section 2.9 - *Offering Memorandum* of NI 45-106 (the “**Offering Memorandum Exemption**”), a duly completed and executed copy of Appendix III – *Offering Memorandum Risk Acknowledgement*, and if the Subscriber is resident in Alberta, New Brunswick, Nova Scotia, Ontario, Québec or Saskatchewan, Schedule A – *Classification of Investors Under the Offering Memorandum Exemption* and Schedule B – *Investment Limits for Investors Under the Offering Memorandum Exemption* to Appendix III; and
 - iv. if the Subscriber is purchasing Units under the Offering Memorandum Exemption and is resident in a jurisdiction other than British Columbia or Newfoundland and Labrador, a duly completed and executed copy of Appendix IV – *Eligible Investor Status Certificate* and Schedule A – *Eligible Investor Representation Letter* to Appendix IV; or
- (c) if the Subscriber is neither a Canadian Person nor a U.S. Person:
 - i. a duly completed and executed copy of Appendix V – *Offshore Investor Certificate*; and
 - ii. a duly completed and executed copy of Appendix I – *Accredited Investor Certificate* and if the Subscriber is an individual (other than an individual who beneficially owns Financial Assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C\$5,000,000), then a duly completed and executed copy of Appendix II – *Accredited Investor Risk Acknowledgement*; or
- (d) if the Subscriber is a U.S. Person:
 - i. a duly completed and executed copy of Appendix VI – *U.S. Accredited Investor Certificate*; and
 - ii. a duly completed and executed copy of Appendix I – *Accredited Investor Certificate* and if the Subscriber is an individual (other than an individual who beneficially owns Financial Assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C\$5,000,000), then a duly completed and executed copy of Appendix II – *Accredited Investor Risk Acknowledgement*.

METHOD OF PAYMENT – WIRE TRANSFER, BANK DRAFT OR CHEQUE**Method 1: Wire Transfer Instructions**

Currency to be Delivered:	Canadian Dollars (CAD)
Bank:	Royal Bank of Canada
Bank Address:	339 8th Ave SW, Calgary, AB T2P 1C4
Bank Code:	003
Swift Code:	ROYCCAT2
CC Code	000300009
Transit:	00009
Account Name:	Qwest Investment Fund Management Ltd.
Account Address:	732-1055 Dunsmuir Street, Vancouver, BC V7X 1L2
Account #:	1072974

Method 2: Bank Draft or Cheque

Payable to:	Qwest Investment Fund Management Ltd.
Memo Line:	Proof Capital Alternative Growth Fund
Mailing Address:	SGGG Investment Fund Services Inc. 121 King Street West, Suite 300 Toronto, Ontario M5H 3T9 Attention: Trust Banking C/O: Fanny Silva

CONNECTED AND RELATED ISSUERS

Qwest Investment Fund Management Ltd. is the Manager of the Fund, and when the Manager also acting as an exempt market dealer in selling securities of the Fund, the Fund may be considered a “connected” or “related” issuer of the Manager, within the meaning of applicable securities legislation.

Securities regulatory authorities and regulators, among others, have expressed concerns that, when a registered dealer trades in, or a registered adviser that advises on, securities of an issuer to which it is “connected” or “related”, conflicts of interest may arise. As a result, Canadian securities laws require registered securities dealers and advisers, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are “connected” or “related”, to do so only in accordance with particular disclosure and other rules. These rules require dealers and advisers, prior to trading with or advising their clients, to inform them of the relevant relationships and connections with the issuer of the securities.

For more information on how the Fund addresses conflicts of interest, please refer to the Fund’s Offering Memorandum.

TERMS AND CONDITIONS
SUBSCRIPTION FOR UNITS OF PROOF CAPITAL ALTERNATIVE GROWTH FUND

ARTICLE 1
INTERPRETATION

- 1.1 **Definitions.** Whenever used in this Subscription Agreement, unless there is something in the subject matter or context inconsistent therewith, the following words and phrases will have the respective meanings ascribed to them as follows:
- (a) “**Accredited Investor Exemption**” means the prospectus exemption provided for by Section 2.3 - *Accredited Investor* of NI 45-106 or section 73.3(1) of the *Securities Act* (Ontario), as applicable.
 - (b) “**Business Day**” means a week day that is not a holiday in the Province of British Columbia.
 - (c) “**Canadian Person**” means (a) a resident of Canada within the meaning of the *Income Tax Act* (Canada); (b) a person that was located in Canada at the time it was offered the Units or executed this Subscription Agreement; or (c) a person that will be located in Canada at the time of the Closing.
 - (d) “**Class**” means a class of Units.
 - (e) “**Closing**” will have the meaning ascribed to such term in Section 4.1.
 - (f) “**Closing Date**” will have the meaning ascribed to such term in Section 4.1.
 - (g) “**Closing Time**” means 10:00 am (Calgary time) on a Closing Date.
 - (h) “**Eligible Investor**” will have the meaning ascribed to such term in NI 45-106.
 - (i) “**Face Page**” means the face page of this Subscription Agreement.
 - (j) “**Fund Units**” or “**Units**” means a unit of the Proof Capital Alternative Growth Fund, issuable in one or more series.
 - (k) “**Fund**” means Proof Capital Alternative Growth Fund, a unit investment trust established pursuant to the laws of the Province of Ontario, and includes any successor fund to or of the Fund.
 - (l) “**High-Water Mark**” means the greater of: (a) the highest net asset value of a Class on any Performance Valuation Date; or (b) the net asset value of a Class on the date when units of that Class were first issued.
 - (m) “**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions*, as amended from time to time.
 - (n) “**Offering Memorandum**” means the offering memorandum with respect to the Fund.
 - (o) “**Offering Memorandum Exemption**” means the prospectus exemption provided for by Section 2.9 [*Offering Memorandum*] of NI 45-106.
 - (p) “**Performance Valuation Date**” means the last Business Day of each calendar quarter.
 - (q) “**person**” means any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning.
 - (r) “**Promoter**” or “**Proof**” means Proof Capital Inc. The Promoter has taken the initiative in organizing the Fund and accordingly may be considered to be a “promoter” of the Fund within the meaning of the Securities Laws.
 - (s) “**Regulation D**” means Regulation D under the U.S. Securities Act.
 - (t) “**Regulation S**” means Regulation S under the U.S. Securities Act.
 - (u) “**SEC**” means the United States Securities and Exchange Commission.
 - (v) “**Securities Laws**” means the securities legislation and regulations of, and the instruments, policies, rules, orders, codes, notices and published interpretation notes of the applicable securities regulatory authority or applicable securities regulatory authorities of, the applicable jurisdiction or jurisdictions.

- (w) “**Securities Regulators**” means the securities regulatory authorities, regulators or securities commissions in any of the Provinces or Territories of Canada.
- (x) “**Subscriber**” or “**you**” means the subscriber for the Units as set out on the Face Page.
- (y) “**Subscription Agreement**” has the meaning given to that term on the Face Page.
- (z) “**Subscription Amount**” has the meaning given to that term on the Face Page.
- (aa) “**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.
- (bb) “**U.S. Accredited Investor**” means an “accredited investor” as that term is defined in Rule 501(a) of Regulation D.
- (cc) “**U.S. Person**” means a U.S. Person as that term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act.
- (dd) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended.
- (ee) “**U.S. Subscriber**” means: (i) any person purchasing the Units in the United States; (ii) any U.S. Person; (iii) any person purchasing the Units on behalf of, or for the account or benefit of, any person in the United States or any U.S. Person; (iv) any person that receives or received an offer for the Units while in the United States; or (v) any person that is in the United States at the time the buy order was made or the Subscription Agreement was executed; provided, however, that a U.S. Subscriber shall not include any discretionary or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by dealer or other professional fiduciary organized, incorporated or resident in the United States.
- 1.2 **Gender and Number.** Words importing the singular number only will include the plural and vice versa, words importing the masculine gender will include the feminine gender and words importing persons will include firms and corporations and vice versa.
- 1.3 **Reference to Statutes.** Any reference in this Subscription Agreement to any statute shall be deemed to be a reference to such statute as amended or re-enacted from time to time.
- 1.4 **Currency.** Unless otherwise provided, all amounts payable pursuant hereto shall be payable in lawful money of Canada.
- 1.5 **Non-Business Day.** If any day on which any dividend is payable or by which any other action is required to be taken hereunder is not a Business Day, then such dividend shall be payable or such other action shall be required to be taken on the next succeeding day that is a Business Day.
- 1.6 **Herein, hereto, etc.** The words “herein”, “hereto” “hereof” and similar words refer, unless the context clearly indicates the contrary, to the whole of this Subscription Agreement and not to any particular section, clause or paragraph thereof.
- 1.7 **Subdivisions, Headings and Table of Contents.** The division of this Subscription Agreement into Articles, Sections, Schedules Appendices and other subdivisions and the inclusion of headings are for convenience of reference only and will not affect the construction or interpretation of this Subscription Agreement. The headings in this Subscription Agreement are not intended to be full or precise descriptions of the text to which they refer. Unless something in the subject matter or context is inconsistent therewith, references herein to an Article, Section, Subsection, paragraph, clause, Appendix or Schedule are to the applicable article, section, subsection, paragraph, clause, appendix or schedule of this Subscription Agreement.

ARTICLE 2 APPENDICES

- 2.1 **Description of Appendices and Schedules.** The following Appendices and Schedules are attached to and incorporated into this Subscription Agreement by reference and deemed to be a part hereof:

Appendix I	Accredited Investor Certificate
Appendix II	Accredited Investor Risk Acknowledgement
Appendix III	Offering Memorandum Risk Acknowledgement
Schedule A	Classification of Investors Under the Offering Memorandum Exemption
Schedule B	Investment Limits for Investors Under the Offering Memorandum Exemption
Appendix IV	Eligible Investor Status Certificate
Schedule A	Eligible Investor Representation Letter

Appendix V	Offshore Investor Certificate
Appendix VI	U.S. Accredited Investor Certificate
Appendix VII	Contact Information for the Canadian Securities Regulators
Appendix VIII	U.S. Regulatory and ERISA Considerations
Appendix IX	U.S. Federal Income Tax Considerations
Appendix X	Certain Canadian Federal Income Tax Considerations for Non-Canadian Holders

ARTICLE 3 SUBSCRIPTION AND DESCRIPTION OF THE UNITS

- 3.1 **Terms of the Offering.** The Fund is offering for sale up to an unlimited amount Units on a private placement basis to eligible investors in Canada and elsewhere where such offering and sale is exempt from any prospectus or registration requirement.
- 3.2 **Subscription for Units.** The Subscriber acknowledges that the Units being subscribed for hereunder form part of a larger offering of securities of the Fund. The Subscriber hereby confirms its irrevocable subscription for and offer to purchase the Units from the Fund, on and subject to the terms and conditions set out in this Subscription Agreement, for the Subscription Amount.
- 3.3 **Acceptance and Rejection of Subscription by the Fund.** The Subscriber acknowledges and agrees that the Manager reserves the right, in its absolute discretion, to accept or reject this Subscription Agreement, in whole or in part, for any reason and at any time prior to the Closing Time. If this Subscription Agreement is rejected in whole, any cheques or other forms of payment delivered to the Manager representing the Subscription Amount will be promptly returned to the Subscriber without interest or deduction.

ARTICLE 4 CLOSING

- 4.1 **Closing.** The Fund Units are offered on a continuous basis with closings (each a “**Closing**”) generally occurring on each Business Day of every month, with settlement expected to occur on or about 2 Business Days from the closing date, or on such other dates as the Manager may determine (the date of each Closing being a “**Closing Date**”).
- 4.2 **Conditions of Closing.** The Subscriber acknowledges and agrees that the obligations of the Fund hereunder are conditional on the accuracy and truth of the representations and warranties of the Subscriber contained in this Subscription Agreement as of the date of this Subscription Agreement, and as of the Closing Time as if made at and as of the Closing Time, and the fulfillment of the following conditions as soon as possible:
- (a) the Subscriber has delivered the following documents to the Manager:
- (i) a signed copy of this Subscription Agreement; and
 - (ii) a certified cheque, bank draft or wire transfer, payable to Proof Capital Alternative Growth Fund in the amount of the Subscription Amount (not applicable to FundSERV trades); and
 - (iii) if the Subscriber is a Canadian Person:
 - (A) if the Subscriber is purchasing Units under the Accredited Investor Exemption, a duly completed and executed copy of Appendix I – *Accredited Investor Certificate*; and
 - (B) if the Subscriber is purchasing Units under the Accredited Investor Exemption and is an individual (other than an individual who beneficially owns Financial Assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C\$5,000,000), then a duly completed and executed copy of Appendix II – *Accredited Investor Risk Acknowledgement*; OR
 - (C) if the Subscriber is purchasing Units under the Offering Memorandum Exemption, a duly completed and executed copy of Appendix III – *Offering Memorandum Risk Acknowledgement*, and if the Subscriber is resident in Alberta, New Brunswick, Nova Scotia, Ontario, Québec or Saskatchewan, Schedule A – *Classification of Investors Under the Offering Memorandum Exemption* and Schedule B – *Investment Limits for Investors Under the Offering Memorandum Exemption* to Appendix III; and
 - (D) if the Subscriber is purchasing Units under the Offering Memorandum Exemption and is resident in a jurisdiction other than British Columbia or Newfoundland and Labrador, a duly completed and executed copy

of Appendix IV – *Eligible Investor Status Certificate* and Schedule A – *Eligible Investor Representation Letter* to Appendix IV; or

- (iv) if the Subscriber is neither a Canadian Person nor a U.S. Person:
 - (A) a duly completed and executed copy of Appendix V – *Offshore Investor Certificate* and a duly completed and executed copy of Appendix I – *Accredited Investor Certificate* and if the Subscriber is an individual (other than an individual who beneficially owns Financial Assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C\$5,000,000), then a duly completed and executed copy of Appendix II – *Accredited Investor Risk Acknowledgement*; or
- (v) if the Subscriber is a U.S. Person:
 - (A) a duly completed and executed copy of Appendix VI – *U.S. Accredited Investor Certificate* and a duly completed and executed copy of Appendix I – *Accredited Investor Certificate* and if the Subscriber is an individual (other than an individual who beneficially owns Financial Assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C\$5,000,000), then a duly completed and executed copy of Appendix II – *Accredited Investor Risk Acknowledgement*.
- (b) if the Subscriber is purchasing the Units through an investment dealer or an exempt market dealer that is registered with FundSERV, the Subscriber has paid the Subscription Amount via FundSERV using the FundSERV codes listed on the Face Page;
- (c) if the Subscriber is purchasing the Units through an exempt market dealer that is not registered with FundSERV, or is purchasing the Units directly from the Fund, the Subscriber has delivered a cheque or bank draft to the order of “Proof Capital Alternative Growth Fund” in an amount equal to the Subscription Amount;
- (d) the representations and warranties of the Subscriber in this Subscription Agreement were accurate on the date the Subscriber signed this Subscription Agreement and are accurate at the Closing;
- (e) the Subscriber has performed those of its obligations under this Subscription Agreement that it is required to perform prior to the Closing;
- (f) the offer, sale and issuance of the Units being exempt from the prospectus and, if applicable, registration requirements of applicable Securities Laws as well as the securities laws in the United States or of the Subscriber’s jurisdiction of residence; and
- (g) the Manager has accepted this Subscription Agreement.

ARTICLE 5 INDEMNITY

- 5.1 **Indemnification.** The Subscriber shall indemnify the Fund, the Manager, and the directors, officers, employees, consultants, agents, advisors and other representatives of the Manager against any losses and liabilities (including legal fees and expenses), whether or not the losses and liabilities involve a third-party claim, that arise, directly or indirectly, from any inaccurate statement of fact made by the Subscriber in this Subscription Agreement, or the failure of the Subscriber to perform any of the obligations that it is required to perform under this Subscription Agreement. The Subscriber undertakes to immediately notify the Fund of any change in any statement or other information relating to the Subscriber set forth herein or in any Appendix and Schedule hereto completed and delivered to the Fund by or on behalf of the Subscriber, as the case may be, that takes place prior to the Closing Date.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES OF THE FUND AND ACKNOWLEDGEMENT OF THE SUBSCRIBER

- 6.1 **Representations and Warranties of the Fund.** The Fund represents and warrants to the Subscriber that:
- (a) the Fund is an unit investment trust established under the laws of the Province of Ontario;
 - (b) the Fund has all necessary power and authority to enter into, deliver and carry out its obligations under this Subscription Agreement and to issue the Units to the Subscriber;
 - (c) the Fund has complied, or will comply, with all applicable corporate and securities laws and regulations in connection with the offer, sale and issuance of the Units; and

- (d) this Subscription Agreement when accepted has been duly authorized by all necessary corporate action on the part of the Fund and, subject to acceptance by the Fund, constitutes a valid obligation of the Fund legally binding upon it and enforceable in accordance with its terms subject, however, to the customary limitations with respect to bankruptcy or other laws affecting creditors' rights generally and to the availability of equitable remedies.

ARTICLE 7

ACKNOWLEDGEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE SUBSCRIBER

7.1 Acknowledgments, Representations, Warranties and Covenants of the Subscriber. The Subscriber hereby represents and warrants to the Fund and the Manager, and will be deemed to have so represented and warranted again at the Closing, as follows and acknowledges that the Fund and the Manager are relying on such representations and warranties in connection with the transactions contemplated herein:

- (a) The Subscriber is resident, its mind and management is primarily located, or its business is primarily administered from and its operations are primarily conducted, in the jurisdiction specified on the Face Page.
- (b) If the Subscriber is an individual, then he or she is not less than 18 years of age and has not been found to be a person of unsound mind under any law or by any court of competent jurisdiction, and if the Subscriber is not an individual, then it is duly incorporated, continued, or formed, as the case may be, and is in good standing, under the laws of its jurisdiction of incorporation, continuance, or formation.
- (c) If the Subscriber is an individual, then the Subscriber has the capacity, and if the Subscriber is not an individual, then the Subscriber has the power and authority, to sign this Subscription Agreement.
- (d) After the Subscriber signs this Subscription Agreement, this Subscription Agreement will be binding on, and enforceable against, the Subscriber in accordance with its terms, except as such enforceability may be affected by laws affecting the enforcement of creditors' rights generally, and the availability of equitable remedies may be limited by equitable principles of general applicability.
- (e) The signing, delivery, and performance of this Subscription Agreement by the Subscriber do not, and will not, violate any law or order to which the Subscriber is subject or by which it is bound, or the terms of any agreement, commitment or arrangement to which it is a party.
- (f) The Subscriber understands that the Manager is entering into this Subscription Agreement solely in its capacity as Manager on behalf of the Fund and not in any other capacity and the obligations of the Fund hereunder shall not be directly binding upon the Manager, and that resort shall not be had to, nor shall recourse be sought from, the Manager in respect of any indebtedness, obligation or liability of the Fund arising hereunder or arising in connection herewith or from the matters to which this Subscription Agreement relates, if any, including, without limitation, claims based on negligence or otherwise tortious behaviour, and recourse shall be limited to, and satisfied only out of, the assets of the Fund.
- (g) The Subscriber is purchasing the Units as principal.
- (h) If the Subscriber is relying upon the Accredited Investor Exemption, is a Canadian Person resident in or otherwise subject to the laws of a province or territory other than Ontario, then the Subscriber:
 - (i) is an "accredited investor" as such term is defined in section 1.1 of NI 45-106;
 - (ii) has delivered a signed copy of a duly completed and executed copy of Appendix I – *Accredited Investor Certificate*;
 - (iii) if the Subscriber is an individual (other than an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C\$5,000,000), then a duly completed and executed copy of Appendix II – *Accredited Investor Risk Acknowledgement*; and
 - (iv) if not an individual, was not created, and is not being used, solely to purchase or hold the Units as an "accredited investor" described in paragraph (m) of the definition of "accredited investor" in section 1.1 of NI 45-106.
- (i) If the Subscriber is relying upon the Accredited Investor Exemption, is a Canadian Person resident in or otherwise subject to the laws of Ontario, then the Subscriber:

- (i) is an “accredited investor” as such term is defined in subsection 73.3(1) of the *Securities Act* (Ontario);
 - (ii) has delivered a signed copy of a duly completed and executed copy of Appendix I – *Accredited Investor Certificate*;
 - (iii) if the Subscriber is an individual (other than an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C\$5,000,000), then a duly completed and executed copy of Appendix II – *Accredited Investor Risk Acknowledgment*; and
 - (iv) if not an individual, was not created, and is not being used, solely to purchase or hold the Units as an “accredited investor” described in paragraph (m) of the definition of “accredited investor” in section 1.1 of NI 45-106.
- (j) If the Subscriber is relying upon the Offering Memorandum Exemption and is a Canadian Person resident in or otherwise subject to the laws of British Columbia or Newfoundland and Labrador, then the Subscriber has delivered a duly completed and executed copy of Appendix III – *Offering Memorandum Risk Acknowledgment*;
- (k) If the Subscriber is relying upon the Offering Memorandum Exemption and is a Canadian Person resident in or otherwise subject to the laws of Manitoba, Northwest Territories, Nunavut, Prince Edward Island or Yukon then:
- (i) in the case of a Subscriber that is not an Eligible Investor then:
 - (A) the acquisition cost of the Units shall not exceed \$10,000; and
 - (B) the Subscriber has delivered a duly completed and executed copy of Appendix III – *Offering Memorandum Risk Acknowledgment*.
 - (ii) in the case of a Subscriber that is an Eligible Investor the Subscriber has delivered duly completed and executed copies of:
 - (A) Appendix III – *Offering Memorandum Risk Acknowledgment*; and
 - (B) Appendix IV – *Eligible Investor Status Certificate* and Schedule A – *Eligible Investor Representation Letter* thereto.
- (l) If the Subscriber is relying upon the Offering Memorandum Exemption and is a Canadian Person resident in or otherwise subject to the laws of Alberta, New Brunswick, Nova Scotia, Ontario, Quebec or Saskatchewan then:
- (i) if the Subscriber is an individual, the acquisition cost of all securities acquired upon reliance on the Offering Memorandum Exemption by the Subscriber in the preceding twelve (12) months shall not exceed the following amounts:
 - (A) in the case of a Subscriber that is not an Eligible Investor, \$10,000;
 - (B) in the case of a Subscriber that is an Eligible Investor, \$30,000; or
 - (C) in the case of a Subscriber that is an Eligible Investor and that received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable, \$100,000;
 - (ii) if the Subscriber is an Eligible Investor, the Subscriber has delivered a duly completed and executed copy of Appendix IV – *Eligible Investor Status Certificate* and Schedule A – *Eligible Investor Representation Letter* to Appendix IV;
 - (iii) the Subscriber has delivered a duly completed and executed copy of Appendix III – *Offering Memorandum Risk Acknowledgment*; and
 - (iv) if the Subscriber is an individual, the Subscriber has delivered duly completed and executed copies of Schedule A – *Classification of Investors Under the Offering Memorandum Exemption* and Schedule B – *Investment Limits for Investors Under the Offering Memorandum Exemption* to Appendix III.
- (m) If the Subscriber is a U.S. Person or purchasing the Units for the account or benefit of a U.S. Person or a person in the United States:
- (i) the Subscriber is an “accredited investor” as defined in Rule 501(a) of Regulation D under the U.S. Securities Act; and

- (ii) the Subscriber has delivered a duly completed and executed copy of Appendix VI – *U.S. Accredited Investor Certificate* and a duly completed and executed copy of Appendix I – *Accredited Investor Certificate* and if the Subscriber is an individual (other than an individual who beneficially owns Financial Assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C\$5,000,000), then a duly completed and executed copy of Appendix II – *Accredited Investor Risk Acknowledgement*.
- (n) If the Subscriber is a resident of, or otherwise subject to, the securities laws of a jurisdiction other than Canada or the United States:
- (i) the Subscriber has delivered a duly completed and executed copy of Appendix V – *Offshore Investor Certificate* and a duly completed and executed copy of Appendix I – *Accredited Investor Certificate* and if the Subscriber is an individual (other than an individual who beneficially owns Financial Assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C\$5,000,000), then a duly completed and executed copy of Appendix II – *Accredited Investor Risk Acknowledgement*;
 - (ii) the Subscriber is knowledgeable of, or has been independently advised as to, the applicable laws, including securities laws of the Subscriber’s jurisdiction of residence that would apply to this Subscription Agreement, if there are any;
 - (iii) the Subscriber is purchasing the Units pursuant to exemptions from any substantive or procedural requirements under the applicable laws, including securities laws of the Subscriber’s jurisdiction of residence or, if such is not applicable, the Subscriber is permitted to purchase the Units under the applicable securities laws of the Subscriber’s jurisdiction of residence without the need to comply with any substantive or procedural requirements of any kind whatsoever in the Subscriber’s jurisdiction of residence;
 - (iv) the Subscriber will, if requested by the Manager and/or the Fund, deliver to the Manager and/or the Fund a certificate or opinion of local counsel from the Subscriber’s jurisdiction of residence which will confirm the matters referred to in this Section 1.7(n) to the satisfaction of the Fund and/or the Manager, acting reasonably;
 - (v) the Subscriber confirms that the applicable securities laws of the Subscriber’s jurisdiction do not require the Fund or the Manager to make any filings or seek any approvals of any nature whatsoever from any governmental authority, regulatory authority or stock exchange of any kind whatsoever in the Subscriber’s jurisdiction in connection with the issue and sale or resale of the Units;
 - (vi) the Subscriber confirms that the purchase of the Units by the Subscriber does not trigger:
 - (A) an obligation to prepare and file a registration statement, prospectus or similar document, or any other report with respect to such purchase in the Subscriber’s jurisdiction; or
 - (B) continuous disclosure reporting obligations of the Fund or the Manager in the Subscriber’s jurisdiction;
- (o) The Subscriber acknowledges that:
- (i) no securities commission, agency, governmental authority, regulatory body, stock exchange or similar authority has reviewed or passed on the merits of the Units nor have any such agencies or authorities made any recommendations or endorsement with respect to the Units;
 - (ii) there is no government or other insurance covering the Units;
 - (iii) there are risks associated with the purchase of the Units;
 - (iv) there are restrictions on the Subscriber’s ability to resell the Units and it is the responsibility of the Subscriber finds out what these restrictions are and to comply with those restrictions before selling the Units; and
 - (v) the Fund has advised the Subscriber that the Fund is relying on an exemption from the requirement to provide the Subscriber with a prospectus under the Securities Laws and, as a consequence of acquiring the Units pursuant to such exemption certain protections, rights and remedies provided by the Securities Laws, including statutory rights of rescission and certain statutory remedies against an issuer, underwriters, auditors, directors and officers that are available to investors who acquire securities offered by a prospectus, will not be available to the Subscriber, the common law may not provide the Subscriber with an adequate remedy in the event that they suffer investment losses in connection with securities acquired in a private placement.

- (p) The Subscriber has received a copy of the Offering Memorandum. Except for the Offering Memorandum, the Subscriber:
- (i) has not requested or received any prospectus, offering memorandum, or other disclosure document that describes or purports to describe the business of the Fund that was prepared for delivery to, and review by, the Subscriber in order to assist the Subscriber to make an investment decision about the Units; and
 - (ii) is not aware of any advertising in any form to solicit purchasers of the Units.
- (q) The Subscriber has relied solely upon the Offering Memorandum and this Subscription Agreement to make an investment decision about the Units, and not upon any verbal or written representation made by or on behalf of the Fund. The Subscriber understands that the Fund makes no representation or warranty as to the accuracy of any publicly available information.
- (r) The Subscriber has the requisite knowledge and experience in financial and business matters for properly evaluating the risks of an investment in the Fund and has sought all such counsel as the Subscriber has considered advisable.
- (s) The Subscriber has the requisite knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Units and the Subscriber is able to bear the economic risk of a total loss of the Subscriber's investment in the Units. The Subscriber understands that an investment in the Units is a speculative investment and that there is no guarantee of success of the plans of the Fund's management and that the Subscriber may lose his/her/its entire investment.
- (t) If the Subscriber, or any person for whom it is acting, is not a person resident in Canada, the subscription for the Units by the Subscriber, or any person for whom it is acting, does not contravene any of the applicable securities laws in the jurisdiction in which the Subscriber or such other person resides and does not give rise to any obligation of the Fund to prepare and file a prospectus or similar document or to register the Units or to be registered with or to file any report or notice with any governmental or regulatory authority.
- (u) The Subscriber knows of no reason (and is sufficiently knowledgeable to determine the same or has sought legal advice) why the delivery of this Subscription Agreement, the acceptance of it by the Manager and the issuance of the Units to the Subscriber will not comply with all laws applicable to the Subscriber and the Subscriber has no reason to believe that the Subscriber's subscription hereby will cause the Manager and/or the Fund to become subject to or required to comply with any disclosure, prospectus or reporting requirements or to be subject to any civil or regulatory review or proceeding. In addition, the Subscriber will comply with all applicable securities laws and will assist the Manager and the Fund in all reasonable manners to comply with all applicable securities laws.
- (v) If required by the Manager, the Fund or by Securities Laws, the Subscriber will execute, deliver and file or assist the Fund and/or the Manager in filing such reports, undertakings and other documents with respect to the issue of the Units as may be required by any securities commission, stock exchange or other regulatory authority.
- (w) The Subscriber has been advised to consult his/her/its own legal advisors with respect to the execution, delivery and performance by him/her/it of this Subscription Agreement and the transactions contemplated by this Subscription Agreement, including but not limited to, trading in the Units and with respect to the resale restrictions imposed by the Securities Laws and other applicable securities laws, and acknowledges that no representation has been made respecting the applicable hold periods imposed by the Securities Laws or other resale restrictions applicable to such securities which restrict the ability of the Subscriber (or others for whom it is contracting hereunder) to resell such securities, that the Subscriber (or others for whom it is contracting hereunder) is solely responsible to find out what these restrictions are and the Subscriber is solely responsible (and neither the Fund nor its agents are in any way responsible) for compliance with applicable resale restrictions and the Subscriber is aware that it may not be able to resell such securities except in accordance with limited exemptions under the Securities Laws and other applicable securities laws.
- (x) No person has made any written or oral representations:
- (i) that the Units will be listed or quoted, or that an application has been or will be made to list or quote the Units, on any stock exchange or quotation and trade reporting system;
 - (ii) that, after the Closing, any person will resell or repurchase the Units;
 - (iii) that any person will refund the Subscription Amount; or

- (iv) as to the future market price or value of the Units.
- (y) The Subscriber is not identified on any list established under section 83.05(1) of the *Criminal Code* (Canada), or in any regulation promulgated under the *United Nations Act* (Canada), relating to anti-terrorism financing.
- (z) The Subscriber represents and warrants to the Fund that the funds representing the Subscription Amount in respect of the Units which will be advanced by the Subscriber to the Manager or Fund hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the “PCMLTFA”) or the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (United States) (commonly referred to as the “USA PATRIOT Act”) or similar legislation and you acknowledge that the Fund 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 PCMLTFA, USA PATRIOT Act or similar legislation. To the best of the Subscriber’s knowledge: (A) none of the subscription funds provided by the Subscriber (i) have been or will be derived from or related to any activity that is deemed criminal under the laws 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) the Subscriber will promptly notify the Fund and Manager if the Subscriber discovers that any of such representations cease to be true, and to provide the Fund and Manager with appropriate information in connection therewith.
- (aa) The Subscriber acknowledges and understands that the Organisation for Economic Co-operation and Development has established the *Financial Action Task Force* (“FATF”) as an inter-governmental body whose purpose is the development and promotion of policies, both at national and international levels, to combat money laundering and terrorist financing, as a policy making body the FATF makes recommendations to governments concerning the engagement in transactions with and the provision of financial services to certain foreign countries, territories, entities and individuals and the list of non-cooperative countries and territories (“NCCTs”). None of: (i) the Subscriber; (ii) any person controlling or controlled by the Subscriber; (iii) if the Subscriber is a publicly held entity, any person having a beneficial interest in the Subscriber; or (iv) any person for whom the Subscriber is acting as agent or nominee in connection with this investment; is a resident of a country or territory named on an FATF NCCT list, nor is a person or entity engaged in activities prohibited under the FATF guidelines. None of: (i) the Subscriber; (ii) any person controlling or controlled by the Subscriber; (iii) if the Subscriber is a privately held entity, any person having a beneficial interest in the Subscriber; or (iv) any person for whom the Subscriber is acting as agent or nominee in connection with this investment; is a Senior Foreign Political Figure, or any Immediate Family Member of a Senior Foreign Political Figure or Close Associate of a Senior Foreign Political Figure (as such terms are defined in the policies of FATF).
- (bb) If the Subscriber is an entity, (i) it was not formed for the purpose of investing in the Fund, (ii) it does not invest more than 40% of its total assets in the Fund, (iii) each of its beneficial owners participates in investments made by the Subscriber in proportion to its interest in the Investor and, accordingly, its beneficial owners cannot opt in or out of investments made by the Subscriber, and (iv) its beneficial owners did not and will not contribute additional capital (other than previously committed capital) for the purpose of purchasing the Units.

7.2 Acknowledgements of the Subscriber. The Subscriber acknowledges and agrees as follows:

- (a) If the Subscriber is acting as agent for a principal, and the Subscriber is not a trust corporation or trust company described in paragraph (p), or a registered adviser described in paragraph (q), of the definition of “accredited investor” in section 1.1 of NI 45-106 that is purchasing the Units on behalf of an account fully managed by it, then unless the context requires otherwise, any acknowledgement, representation, warranty, or covenant of the Subscriber in this Subscription Agreement will be deemed to also be an acknowledgement, representation, warranty, or covenant of the principal.
- (b) The Units shall have attached to them applicable legends setting out resale restrictions under applicable Securities Laws in substantially the following form and with the necessary information inserted:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION YOU CANNOT TRADE THE SECURITIES BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE DATE THE CORPORATION BECOMES A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY OF CANADA.”

The Subscriber acknowledges and understands that the Units may be evidenced by a non-certificated issue in the records of the Fund on Closing. If the Fund and the Manager elect to proceed in this manner, the Subscriber will not receive physical certificates representing their ownership. The Subscriber acknowledges that this Section shall constitute written notice of the legend restriction notation with respect to the Units for the purposes of Subsection 2.5(2) of National Instrument 45-102 – *Resale of Securities*. The Subscriber consents to the Fund making a notation in its records or giving instructions to any transfer agent in order to implement the restrictions on transfer set forth and described herein.

- (c) The Subscriber acknowledges that the Fund will pay a trailer fee in respect of Class A Units equal to 1.00% per annum of the net asset value of the Units sold by a registered dealer in respect of the Units, payable monthly in arrears. The amount of this fee will be deducted from distributions to holders of Class A Units. The Subscriber further acknowledges that the Manager is entitled to certain fees as set out below:
 - (i) Annual Fee

The Fund will pay to the Manager a fee equal to 1.0% of the net asset value of the Units, accrued daily and paid monthly in arrears, plus any applicable Federal or Provincial taxes.
 - (ii) Performance Fee

The Fund will pay to the Manager a performance fee equal to 15% of the amount by which the total return of the Units exceeds a 4% hurdle rate above the High-Water Mark. Performance Fees shall be accrued daily, and paid quarterly in arrears.
- (d) This is an offering made on a private basis without a prospectus and no federal, state, provincial or other agency has made any finding or determination as to the merits of the investment nor made any recommendation or endorsement of the Units and that:
 - (i) no prospectus or registration statement has been filed with any Securities Regulators in connection with this offering;
 - (ii) no securities commission, agency, governmental authority, regulatory body, stock exchange or other regulatory body has reviewed or passed on the merits of an investment in or endorsement of the Units;
 - (iii) the Subscriber may not receive information that would otherwise be required to be provided to the Subscriber under such securities legislation; and
 - (iv) in addition to releases contained in this Subscription Agreement, the Fund is relieved from certain obligations that would otherwise apply under applicable securities legislation.
- (e) The Fund is required to take measures to verify that the Subscriber is eligible to purchase the Units pursuant to exemptions from Securities Law and the Subscriber may be required to provide to the Fund additional information to confirm the Subscriber's status, including information that independently confirms the Subscriber's status as an accredited investor, such as provision of financial statements and tax returns.
- (f) A subscription of Units must be considered a high risk speculation and that no director, officer, founder, member, agent or employee of the Fund has made any representations with regard to the future value of the Units or any assets to be acquired or work to be done pursuant to his/her/its participation in the Fund.
- (g) The Fund may complete additional financings in the future, and such future financings may have a dilutive effect on current security holders of the Fund, including the Subscriber.
- (h) The Units have not been and will not be registered under the U.S. Securities Act, or any state securities laws, and the Units may not be offered or sold in the United States or to a U.S. person except in compliance with the requirements of an exemption from registration under the U.S. Securities Act and any applicable state securities laws.
- (i) The Subscriber's ability to transfer the Units is limited by, among other things, the Securities Laws. The Units will be subject to statutory resale restrictions under the Securities Laws and under other applicable securities laws, and the Subscriber covenants that it will not resell the Units except in compliance with such laws and the Subscriber acknowledges that it is solely responsible (and the Fund is not in any way responsible) for such compliance.
- (j) The Subscriber is aware that the Units are being offered on a "private placement" basis.

- (k) The Subscriber is aware that no market for the Units currently exists in the United States, that the Units are being offered in a transaction not involving a public offering within the United States within the meaning of the U.S. Securities Act, that the Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state, and that the Units may not be offered or sold, directly or indirectly, in the United States without registration under the U.S. Securities Act or compliance with the requirements of an exemption from registration and it acknowledges that the Fund has no present intention of filing a registration statement under the U.S. Securities Act in respect of any of its securities.
- (l) The Subscriber undertakes and agrees that it will not offer or sell any of the Units in the United States unless such securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States, or an exemption from such registration requirement is available to the Subscriber and the Subscriber has furnished an opinion of counsel of recognized standing in form and substance satisfactory to the Fund and/or the Manager to that effect.
- (m) If the Subscriber is a U.S. Person, or purchasing the Units for the account or benefit of a U.S. Person, or a person in the United States, then the Subscriber also acknowledges and understands that upon issuance thereof, and until such time as the same is no longer required under the applicable requirements of the U.S. Securities Act or applicable state securities laws or regulations, the certificates representing the Units or in substitution thereof will also be required to be stamped with the following legend (or substantially equivalent language) restricting transfer in the following manner in the United States:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES AGREES FOR THE BENEFIT OF THE FUND THAT SUCH SECURITIES MAY BE OFFERED, SOLD PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE FUND, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT, IF APPLICABLE, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE LAWS AND REGULATIONS GOVERNING THE OFFER AND SALE OF SECURITIES, AND IN THE CASE OF (C) OR (D), THE HOLDER HAS PRIOR TO SUCH SALE FURNISHED TO THE FUND AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE FUND”;

- (n) There is no government or other insurance covering the Units.
- (o) The Subscriber has been informed of the proposed use of proceeds of the distribution of the Units as set out in the Offering Memorandum, which use is subject to change at the discretion of the Fund.

7.3 U.S. Subscribers. If the Subscriber is a U.S. Subscriber, then:

- (a) The Subscriber understands and acknowledges that the Units have not been registered under the U.S. Securities Act or any state securities laws and that the sale of the Units contemplated hereby is being made to U.S. Accredited Investors in transactions not requiring registration under the U.S. Securities Act; accordingly the Units are “restricted securities” within the meaning Rule 144(a)(3) of the U.S. Securities Act. The Subscriber has read and understood Appendix VIII – *Certain U.S. Regulatory and ERISA Considerations*.
- (b) The Subscriber has no contract, undertaking, agreement or arrangement with any person to sell, transfer or pledge to such person, or anyone else, the Units, or any part thereof, or any interest therein, and the Subscriber has no present plans to enter into any such contract, undertaking, agreement or arrangement.
- (c) The Subscriber acknowledges that the Fund has not and will not file a registration statement under the U.S. Securities Act in respect of the Units, that the Subscriber has not been supplied with any of the information that would be found in a registration statement if the Units were registered under the U.S. Securities Act and that there will be substantial restrictions on the transferability of, and that it may not be possible to liquidate the Subscriber’s investment readily in, the Units.
- (d) The Subscriber is a U.S. Accredited Investor and acknowledges that the Subscriber is acquiring the Units as an investment for its own account or for the benefit or account of a U.S. Accredited Investor as to which it exercises sole

investment discretion and not with a view to any resale, distribution or other disposition of the Units in violation of the federal or state securities laws of the United States and the Subscriber certifies that the Subscriber is a resident in the jurisdiction set out on the Face Page, such address was not created and is not used solely for the purpose of acquiring the Units, and the Subscriber was solicited to acquire the Units and executed this Subscription Agreement in such jurisdiction.

- (e) The Subscriber understands and agrees that there may be material tax consequences to the Subscriber of an acquisition, holding or disposition of the Units. The Fund gives no opinion and makes no representation with respect to the tax consequences to the Fund under United States, state, local or foreign tax law of the Subscriber's acquisition, holding or disposition of such securities, and the Subscriber acknowledges that it is solely responsible for determining the tax consequences of its investment. The Subscriber has read and understood Appendix IX – *Certain U.S. Federal Income Tax Considerations for U.S. Investors and Appendix X – Certain Canadian Federal Income Tax Considerations for Non-Canadian Holders*.
- (f) The Subscriber understands that the Units may not be sold or transferred in the United States or to a U.S. Person or for the account or benefit of a U.S. Person or a person in the United States prior to a registration statement becoming effective unless an exemption is available from the registration requirements of the U.S. Securities Act and applicable state Securities Laws.
- (g) The Subscriber understands that if it decides to offer, sell, pledge or otherwise transfer the Units, such securities may be offered, sold or otherwise transferred only: (A) to the Fund; (B) outside the United States in accordance with Rule 904 of Regulation S, if available; (C) pursuant to the exemption from the registration requirements under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in accordance with applicable state securities laws, or (D) in a transaction that does not require registration under the U.S. Securities Act or any applicable state securities laws, and in the case of (C) or (D), the holder has prior to such sale furnished to the Fund an opinion of counsel or other evidence of exemption in form and substance reasonably satisfactory to the Fund.
- (h) The Subscriber has not purchased the Units as a result of any form of general solicitation or general advertising (as those terms are used in Regulation D), including, but not limited to, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, television or the internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.
- (i) The Subscriber has not been formed solely for the purpose of entering into the transactions described herein.
- (j) The Subscriber is not a “**Benefit Plan Investor**,” as defined under Section 3(42) of ERISA and any regulations promulgated thereunder, including each of (a) an “employee benefit plan” that is subject to the provisions of Title I of ERISA; (b) a “plan” that is not subject to the provisions of Title I of ERISA, but that is subject to the prohibited transaction provisions of Section 4975 of the Internal Revenue Code, such as individual retirement accounts and certain retirement plans for self-employed individuals; and (c) a pooled investment fund whose assets are treated as “plan assets” under Section 3(42) of ERISA and any regulations promulgated thereunder because “employee benefit plans” or “plans” hold 25% or more of any class of equity interest in such pooled investment fund. If the Subscriber becomes a Benefit Plan Investor, the Subscriber shall promptly disclose that to the Manager in writing and also the percentage of the Subscriber's equity interests held by Benefit Plan Investors. The Subscriber shall notify the Manager promptly in writing if there is any change in the percentage of the Subscriber's assets that are treated as “plan assets” for the purpose of Section 3(42) of ERISA and any regulations promulgated thereunder as set forth in the General Eligibility Representations section of this Subscription Agreement.
- (k) The Subscriber is not an “investment company” under the U.S. Investment Company Act of 1940 and does not rely solely on the exemption provided by section 3(c)(1) of that act, the exemption provided by section 3(c)(7) of that act, or both of those exemptions to avoid being an “investment company”.

7.4 Reliance on Representations, Warranties, Covenants and Acknowledgements. The Subscriber acknowledges and agrees that the representations, warranties, covenants and acknowledgements made by the Subscriber in this Subscription Agreement are made with the intention that they may be relied upon by the Manager and the Fund in determining the Subscriber's eligibility to purchase the Units under the Securities Laws or other applicable securities laws. The Subscriber further agrees that by accepting the Units, the Subscriber will be representing and warranting that such representations, warranties, acknowledgements and covenants are true as at the Closing Time with the same force and effect as if they had been made by the Subscriber at the Closing Time and that they will survive the purchase by the Subscriber of Units and will continue in full force and effect notwithstanding any subsequent disposition by the Subscriber of any of the Units.

ARTICLE 8
SURVIVAL OF REPRESENTATIONS, WARRANTIES, AND COVENANTS

- 8.1 **Survival of Representations, Warranties, and Covenants of the Fund.** The representations, warranties, acknowledgements and covenants of the Fund contained in this Subscription Agreement will survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Subscriber with respect thereto, will continue in full force and effect for the benefit of the Subscriber.
- 8.2 **Survival of Representations, Warranties and Covenants of the Subscriber.** The representations, warranties, acknowledgements and covenants of the Subscriber contained in this Subscription Agreement will survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Fund or the Manager with respect thereto, will continue in full force and effect for the benefit of the Fund and the Manager.

ARTICLE 9
COLLECTION OF PERSONAL INFORMATION

- 9.1 **Collection of Personal Information.** The Subscriber hereby acknowledges and understands that:
- (a) The information provided by the Subscriber on the Face Page identifying the name, address and telephone number of the Subscriber, whether the Subscriber is an “insider” of the Fund and/or a “registrant” as each term is defined under the Securities Laws, the number of Units being purchased hereunder and the Subscription Amount as well as the Closing Date and the exemption that the Subscriber is relying on in purchasing the Units will be disclosed to the Securities Regulators, and such information is being indirectly collected by such Securities Regulators under the authority granted under Securities Laws. This information is being collected for the purposes of the administration and enforcement of the Securities Laws and may be disclosed to the public by such Securities Regulators in accordance with securities legislation. Each Subscriber hereby authorizes the indirect collection and disclosure of such information by the applicable securities regulatory authorities in each of the jurisdictions in which the offering of Units is made. In the event the Subscriber has any questions with respect to the indirect collection of such information by the Securities Regulator, the Subscriber should contact the appropriate Securities Regulator at set out in Appendix VII – *Contact Information for the Canadian Securities Regulatory Authorities*.
- (b) The Subscriber acknowledges and consents to the fact that the Fund and/or the Manager is collecting the Subscriber’s personal information (as that term is defined under applicable privacy legislation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time), or that of each beneficial purchaser for whom it is contracting hereunder, for the purpose of completing this Subscription Agreement. The Subscriber acknowledges and consents to the Manager and/or the Fund retaining such personal information for as long as permitted or required by law or business practices. The Subscriber further acknowledges and consents to the fact that the Manager and/or the Fund may be required by the Securities Laws and the rules and policies of any stock exchange to provide regulatory authorities with any personal information provided by the Subscriber in this Subscription Agreement. In addition to the foregoing, the Subscriber agrees and acknowledges that the Manager and/or the Fund may use and disclose its personal information as follows:
- (i) for internal use with respect to managing the relationships between and contractual obligations of the Manager and/or the Fund and the Subscriber;
 - (ii) for use and disclosure for income tax related purposes, including without limitation, where required by law, disclosure to Canada Revenue Agency;
 - (iii) disclosure to stock exchanges, securities regulatory authorities and other regulatory bodies with jurisdiction with respect to listing applications, prospectus filings, reports of distributions or trades, and other similar regulatory filings;
 - (iv) disclosure to a governmental or other authority to which the disclosure is required by court order or subpoena compelling such disclosure and where there is no reasonable alternative to such disclosure;
 - (v) disclosure to professional advisers of the Manager and/or the Fund in connection with the performance of their professional services;
 - (vi) disclosure to any person where such disclosure is necessary for legitimate business reasons and is made with the Subscriber’s prior written consent;

- (vii) by including it in closing books relating to the offering contemplated hereby;
- (viii) disclosure to a court determining the rights of the parties under this Subscription Agreement; or
- (ix) for use and disclosure as otherwise required or permitted by law.

The contact information for the officer of the Fund who can answer questions about the collection of information by the Fund is as follows:

Name and Title:	Cameron Reid, Chief Investment Officer of the Promoter ¹
Issuer Name:	Proof Capital Alternative Growth Fund
Address:	3017 7th Street SW Calgary, AB T2T 2X6
Phone No.:	(403) 333-9821
E-mail:	cameron.reid@proofcapital.ca

ARTICLE 10 MISCELLANEOUS

- 10.1 **Further Assurances.** Each of the parties hereto upon the request of each of the other parties hereto, whether before or after the Closing Time, will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be necessary or desirable to complete the transactions contemplated herein.
- 10.2 **Notices.**
- (a) Any notice, direction or other instrument required or permitted to be given to any party hereto will be in writing and will be sufficiently given if delivered personally, or transmitted by facsimile tested prior to the transmission to such party, as follows:
 - (i) in the case of the Fund, to:

Name and Title:	Cameron Reid, Chief Investment Officer of the Promoter ²
Issuer Name:	Proof Capital Alternative Growth Fund
Address:	3017 7th Street SW Calgary, AB, T2T 2X6
Phone No.:	(403) 333-9821
E-mail:	cameron.reid@proofcapital.ca
 - (ii) in the case of the Subscriber, at the address specified on the Face Page.
 - (b) Such notice, direction or other instrument, if delivered personally, will be deemed to have been given and received on the day on which it was delivered, provided that if such day is not a Business Day then the notice, direction or other instrument will be deemed to have been given and received on the first Business Day next following such day and if transmitted by fax, will be deemed to have been given and received on the day of its transmission, provided that if such day is not a Business Day or if it is transmitted or received after the end of normal business hours then the notice, direction or other instrument will be deemed to have been given and received on the first Business Day following the day of such transmission.
 - (c) Any party hereto may change its address for service from time to time by notice given to each of the other parties hereto in accordance with the foregoing provisions.
- 10.3 **Time of the Essence.** Time will be of the essence of this Subscription Agreement and every part hereof.
- 10.4 **Costs and Expenses.** All costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Subscription Agreement and the transactions herein contemplated will be paid and borne by the party incurring such costs and expenses.

¹ Cameron Reid is also an Advising Representative (Portfolio Manager) of Qwest Investment Fund Management Ltd.

² Cameron Reid is also an Advising Representative (Portfolio Manager) of Qwest Investment Fund Management Ltd.

- 10.5 **Applicable Law.** This Subscription Agreement will be construed and enforced in accordance with, and the rights of the parties will be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Any and all disputes arising under this Subscription Agreement, whether as to interpretation, performance or otherwise, will be subject to the exclusive jurisdiction of the courts of the Province of British Columbia and each of the parties hereto hereby irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.
- 10.6 **Entire Agreement.** This Subscription Agreement, including any Schedules hereto, constitutes the entire agreement between the parties hereto with respect to the transactions contemplated herein and cancels and supersedes any prior understandings, agreements, negotiations and discussions between the parties. There are no representations, warranties, terms, conditions, undertakings or collateral agreements or understandings, express or implied, between the parties hereto other than those expressly set forth in this Subscription Agreement or in any such agreement, certificate, affidavit, statutory declaration or other document as set out in this Subscription Agreement. This Subscription Agreement may not be amended or modified in any respect except by written instrument executed by each of the parties hereto.
- 10.7 **Representation and conflict.** It is hereby acknowledged by each of the parties hereto that counsel to the Fund and the Manager acts solely for the Fund and the Manager, and that the Subscriber has obtained independent legal advice with respect to his/her/its review and execution of this Subscription Agreement. It is hereby further acknowledged and agreed by the parties hereto that such counsel, and certain or all of its partners or associates, from time to time, may have both an economic or securities interest in the Fund or its business and/or a position as a director, officer or similar relationship arising at the request of the Fund to act in such capacity while acting for the Fund as counsel. Any conflict or appearance of conflict is hereby waived and it is agreed that such does not give rise to a duty to the Subscriber and the Subscriber does not rely upon such solicitors for any purpose.
- 10.8 **Counterparts.** This Subscription Agreement may be executed in two or more counterparts, each of which will be deemed to be an original and all of which together will constitute one and the same Subscription Agreement. Counterparts may be delivered either in original, faxed or PDF/email attachments form and the parties adopt any signature received in such manner as original signatures of the parties.
- 10.9 **Assignment.** This Subscription Agreement may not be assigned by either party except with the prior written consent of the other parties hereto.
- 10.10 **Enurement.** This Subscription Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors (including any successor by reason of the amalgamation or merger of any party), administrators and permitted assigns.
- 10.11 **Beneficial Subscribers.** Whether or not explicitly stated in this Subscription Agreement, any acknowledgement, representation, warranty, covenant or agreement made by the Subscriber in this Subscription Agreement, including the Schedule hereto, will be treated as if made by the disclosed beneficial subscriber, if any.
- 10.12 **Language of Documents.** It is the express wish of the parties to this Agreement that the Agreement and all related documents be drafted in English. Les parties aux présentes conviennent et exigent que cette convention ainsi que tous les documents s'y rattachant soient rédigés en langue Anglais.

[END OF TERMS AND CONDITIONS FOR SUBSCRIPTION OF UNITS OF PROOF CAPITAL ALTERNATIVE GROWTH
FUND]

APPENDIX I**ACCREDITED INVESTOR CERTIFICATE**

TO: PROOF CAPITAL ALTERNATIVE GROWTH FUND (the “Fund”)
AND TO: QWEST INVESTMENT FUND MANAGEMENT LTD. (the “Manager”)

In connection with the purchase by the Subscriber units of the Fund (“Units”), the Subscriber represents, warrants and covenants (on its own behalf and, if applicable, on behalf of those for whom the Subscriber is contracting under the Subscription Agreement) and certifies to the Fund and the Manager (and acknowledges that the Fund, the Manager and their respective counsel are relying thereon) that Subscriber, is, as of the date hereof, and will be, as of the Closing Date, an “accredited investor”, as such term is defined in NI 45-106, by virtue of the fact that the Subscriber, falls within one or more of the following categories initialed below:

[Please place your initials beside all applicable categories.]

(a) _____	except in Ontario, a Canadian financial institution (defined below) or Schedule III bank (defined below), and in Ontario, a financial institution as described in paragraph 1, 2 or 3 of subsection 73.1 of the <i>Securities Act</i> (Ontario); or
(b) _____	except in Ontario, the Business Development Bank of Canada incorporated under the <i>Business Development Bank of Canada Act</i> (Canada) and in Ontario the Business Development Bank of Canada; or
(c) _____	except in Ontario, a subsidiary (defined below) 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 and in Ontario a subsidiary of any person or company referred to in paragraphs (a) or (b), if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary; or
(d) _____	except in Ontario, a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, and in Ontario, a person or company (as defined in the <i>Securities Act</i> (Ontario)) registered under the securities legislation of a province or territory of Canada as an adviser or dealer, except as otherwise prescribed by the regulations made under the <i>Securities Act</i> (Ontario); or
(e) _____	an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d); or
(e.1) _____	an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the <i>Securities Act</i> (Ontario) or the <i>Securities Act</i> (Newfoundland and Labrador); or
(f) _____	except in Ontario, 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 and in Ontario the Government of Canada, the government of a province or territory of Canada, or any Crown corporation, agency or wholly owned entity of the Government of Canada or of the government of a province or territory of Canada; or
(g) _____	except in Ontario, a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l’île de Montreal or an intermunicipal management board in Quebec and in Ontario a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l’Île de Montréal or an intermunicipal management board in Quebec; or
(h) _____	except in Ontario, any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government and in Ontario any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government; or
(i) _____	except in Ontario, 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 and in Ontario and in Ontario 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 province or territory of Canada; or
(j) _____	an individual who, either alone or with a spouse (as defined in NI 45-106), beneficially owns financial assets (as defined in NI 45-106) having an aggregate realizable value that before taxes, but net of any related liabilities (as defined in NI

	45-106), exceeds \$1,000,000; or [Instructions: If this category (j) is selected, Appendix II - Accredited Investor Risk Acknowledgement must be completed.]
(j.1) _____	an individual who beneficially owns financial assets (as defined in NI 45-106) having an aggregate realizable value that, before taxes but net of any related liabilities (as defined in NI 45-106), exceeds \$5,000,000; or
(k) _____	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 (as defined in NI 45-106) 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; or [Instructions: If this category (k) is selected, Appendix II - Accredited Investor Risk Acknowledgement must be completed.]
(l) _____	an individual who, either alone or with a spouse (defined below), has net assets of at least \$5,000,000; or [Instructions: If this category (l) is selected, Appendix II - Accredited Investor Risk Acknowledgement must be completed.]
(m) _____	a person, other than an individual or investment fund (as defined in securities legislation), that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements and was not created, or is used, solely to purchase or hold securities as an accredited investor; or [Note: Not available if the person was created, or is used, solely to purchase or hold securities as an accredited investor under this category.]
(n) _____	an investment fund (as defined in securities legislation) that distributes or has distributed its securities only to: (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in Sections 2.10 – [<i>Minimum Amount Investment</i>] and 2.19 – [<i>Additional Investment in Investment Funds</i>] of NI 45-106, or (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under Section 2.18 – [<i>Investment Fund Reinvestments</i>] of NI 45-106; or
(o) _____	an investment fund (as defined in securities legislation) 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; or
(p) _____	a trust company or trust corporation registered or authorized to carry on business under the <i>Trust and Loan Companies Act</i> (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; or [Note: A trust company or trust corporation described in this category (p) is deemed to be purchasing as principal (unless it is registered under the laws of Prince Edward Island and is not registered or authorized under the <i>Trust and Loan Companies Act</i> (Canada) or under comparable legislation in another jurisdiction of Canada.)]
(q) _____	a person acting on behalf of a fully managed account (as defined below) managed by that person, if that person 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; or [Note: A person described in this category (q) is deemed to be purchasing as principal]
(r) _____	a registered charity under the <i>Income Tax Act</i> (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; or
(s) _____	an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) through (d) or paragraph (i) in form and function; or
(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 that are accredited investors;
(u) _____	an investment fund (as defined in securities legislation) that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser;
(v) _____	a person that is recognized or designated by the securities regulatory authority or, except in Quebec, the regulator as an accredited investor; or

(w) _____	a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse.
-----------	---

Date: _____	
_____ Signature of individual (if Subscriber is an individual)	_____ Authorized signatory (if Subscriber is not an individual)
_____ Name of Subscriber (if Subscriber is an individual)	_____ Name and Title of authorized signatory (if Subscriber is not an individual)

DEFINED TERMS FOR APPENDIX I

1. “**Canadian financial institution**” means:
 - (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of the *Cooperative Credit Associations Act* (Canada); 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;

2. “**control person**” has the meaning ascribed to that term in securities legislation except in Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, the Northwest Territories and Nunavut where “control person” means any person that holds or is one of a combination of persons that hold:
 - (a) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer; or
 - (b) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of that issuer;

3. “**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;

4. “**eligibility adviser**” means:
 - (a) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed; and
 - (b) in Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
 - i. have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders or control persons; and
 - ii. have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

5. “**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; or
 - (c) performing a policy-making function in respect of the issuer;

6. “**financial assets**” means (i) cash, (ii) securities or (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation. These financial assets are generally liquid or relatively easy to liquidate. The value of a purchaser’s personal residence would not be included in a calculation of financial assets;

7. “**financial statements**” for the purposes of paragraph (m) of the “accredited investor” definition must be prepared in accordance with generally accepted accounting principles;

8. “**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 distribution or trade is actively involved in the business of the issuer;

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

10. “**investment fund**” has the meaning ascribed thereto in National Instrument 81-106 – *Investment Fund Continuous Disclosure*;

11. “**net assets**” means all of the purchaser’s total assets minus all of the purchaser’s total liabilities. Accordingly, for the purposes of the net asset test, the calculation of total assets would include the value of a purchaser’s personal residence and the calculation of total liabilities would include the amount of any liability (such as a mortgage) in respect of the purchaser’s personal residence. To calculate a purchaser’s net assets under the “accredited investor” definition, subtract the purchaser’s total liabilities from the purchaser’s total assets (including real estate). The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the distribution of the security;

12. **“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;
13. **“person”** in Ontario means an individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;
14. **“related liabilities”** means:
 - (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
 - (b) liabilities that are secured by financial assets;
15. **“Schedule III bank”** means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
16. **“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 (i) or (ii) immediately above or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
17. **“subsidiary”** means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

All monetary references are in Canadian Dollars

APPENDIX II**FORM 45-106F9 - INDIVIDUAL ACCREDITED INVESTOR RISK ACKNOWLEDGEMENT FORM****WARNING**

This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.

SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITYHOLDER (Office Use Only)	
1. About your investment	
Type of securities: Fund Units	Issuer: Proof Capital Alternative Growth Fund
Purchased from: _____	
SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER	
2. Risk acknowledgement – This investment is risky. Initial that you understand that:	Your initials
Risk of loss – You could lose your entire investment of \$ _____. [instruction: Insert the total dollar amount of the investment.]	
Liquidity risk – You may not be able to sell your investment quickly – or at all.	
Lack of information – You may receive little or no information about your investment.	
Lack of advice – You will not receive advice from the sales person about whether this investment is suitable for you unless the sales person is registered. The sales person is the person who meets with, or provides information to, you about making this investment. To check whether the sales person is registered, go to www.aretheyregistered.ca .	
3. Accredited investor status	
You must meet at least one of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of Accredited Investor. That person, or the sales person identified in section 5, can help you if you have questions about whether you meet these criteria.	Your initials
<ul style="list-style-type: none"> Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.) 	
<ul style="list-style-type: none"> Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year. 	
<ul style="list-style-type: none"> Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities. 	
<ul style="list-style-type: none"> Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.) 	
4. Your name and signature	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.	
First and last name (please print):	
Signature:	Date:

SECTION 5 TO BE COMPLETED BY THE SALESPERSON *(Office Use Only)***5. Sales person information**

The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.

First and last name of sales person (please print):

Telephone:

Email:

Name of firm (if registered):

SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER *(Office Use Only)***6. For more information about this investment**

Name: Proof Capital Alternative Growth Fund
Address: 3017 7th Street SW Calgary, AB T2T 2X6
Telephone: +1 (403) 333-9821
E-mail: info@proofcapital.ca
Website: www.proofcapital.ca

For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.

The purchaser must sign this form. Each of the purchaser and the issuer/selling security holder must receive a copy of this form by the signed purchaser. The issuer/selling security holder is required to keep a copy of this for 8 years after the distribution.

APPENDIX III**OFFERING MEMORANDUM RISK ACKNOWLEDGMENT FORM 45-106F4****TO BE COMPLETED BY ALL SUBSCRIBERS SUBSCRIBING PURSUANT TO THE OFFERING MEMORANDUM EXEMPTION**

RISK ACKNOWLEDGMENT		WARNING
<ul style="list-style-type: none"> • I acknowledge that this is a risky investment. • I am investing entirely at my own risk. • No securities regulatory authority or regulator 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 a very limited circumstances. I may never be able to sell these securities. • The securities are redeemable, but I may only be able to redeem them in limited circumstances. • I could lose all the money I invest. <p>I am investing \$ _____ [total consideration] in total; this includes any amount I am obliged to pay in the future.</p> <p>I acknowledge that this is a risky investment and that I could lose all the money I invest.</p> <p>_____</p> <p>Date Signature of Subscriber</p> <p>_____</p> <p>Print Name of Subscriber</p> <p>Sign two (2) copies of this document. Keep one (1) copy for your records.</p>		

You have two (2) business days to cancel your purchase

To do so, send a notice to Proof Capital Alternative Growth Fund stating that you want to cancel your purchase. You must send the notice before midnight on the second (2nd) business day after you sign the agreement to purchase the securities. You can send the notice by fax or deliver it in person to Proof Capital Alternative Growth Fund at its business address. Keep a copy of the notice for your records.

Cameron Reid, Chief Investment Officer of Proof Capital Inc.³
 Proof Capital Alternative Growth Fund
 3017 7th Street SW Calgary, AB T2T 2X6
 Phone No.: (403) 333-9821
 E-mail: cameron.reid@proofcapital.ca

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 protection), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky 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.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority or regulator. See Appendix VII.

³ Cameron Reid is also an Advising Representative (Portfolio Manager) of Qwest Investment Fund Management Ltd.

SCHEDULE A TO APPENDIX III**CLASSIFICATION OF INVESTORS UNDER THE OFFERING MEMORANDUM EXEMPTION**

Instructions: This schedule must be completed together with Appendix III – *Offering Memorandum Risk Acknowledgment* and Schedule B – *Investment Limits for Investors Under the Offering Memorandum Exemption* by individuals purchasing securities under the offering memorandum exemption in National Instrument 45-106 *Prospectus Exemptions* (“NI 45-106”) in Alberta, New Brunswick, Nova Scotia, Ontario, Quebec and Saskatchewan.

How you qualify to buy securities under the offering memorandum exemption		
Initial the statement under A, B, C or D containing the criteria that applies to you. (You may initial more than one statement.) If you initial a statement under B or C, you are not required to complete A.		
A. You are an eligible investor because:		Your initials
Eligible Investor	Your net income before taxes was more than \$75,000 in each of the 2 most recent calendar years, and you expect it to be more than \$75,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Your net income before taxes combined with your spouse’s was more than \$125,000 in each of the most 2 recent calendar years, and you expect your combined net income to be more than \$125,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Either alone or with your spouse, you have net assets worth more than \$400,000. (Your net assets are your total assets, including real estate, minus your total debt including any mortgage on your property.)	
B. You are an eligible investor, as a person described in section 2.3 – Accredited Investor of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the Securities Act (Ontario), because:		Your initials
Accredited Investor	Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in this calendar year. (You can find your net income tax before taxes on your personal income tax return.)	
	Your net income before taxes combined with your spouse’s was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.	
	Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.	
	Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)	

C. You are an eligible investor, as a person described in section 2.5 – Family, Friends and Business Associates of NI 45-106, because:		Your initials
Family, Friends and Business Associates	<p>You are <i>[check all applicable boxes]</i>:</p> <p>1. <input type="checkbox"/> a director of the issuer or an affiliate of the issuer <input type="checkbox"/> an executive officer of the issuer or an affiliate of the issuer <input type="checkbox"/> a control person of the issuer or an affiliate of the issuer <input type="checkbox"/> a founder of the issuer</p> <p>OR</p> <p>2. <input type="checkbox"/> a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> <p>OR</p> <p>3. <input type="checkbox"/> a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p>	
	<p>You are a family member of _____ <i>[Instruction: Insert the name of the person who is your relative either directly or through his or her spouse]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____</p> <p>You are the _____ of that person or that person's spouse. <i>[Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse.]</i></p>	
	<p>You are a close personal friend of _____ <i>[Instruction: Insert the name of your close personal friend]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____</p> <p>You have known that person for _____ years.</p>	
	<p>You are a close business associate of _____ <i>[Instruction: Insert the name of your close business associate]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____</p> <p>You have known that person for _____ years.</p>	
D. You are not an eligible investor.		Your initials
Not an Eligible Investor	<p>You acknowledge that you are not an eligible investor.</p>	

SCHEDULE B TO APPENDIX III**INVESTMENT LIMITS FOR INVESTORS UNDER THE OFFERING MEMORANDUM EXEMPTION**

Instructions: This schedule must be completed together with the Risk Acknowledgment Form and Schedule 1 by individuals purchasing securities under the offering memorandum exemption in subsection 2.9(2.1) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Quebec and Saskatchewan.

SECTION 1 TO BE COMPLETED BY THE SUBSCRIBER**1. Investment limits you are subject to when purchasing securities under the offering memorandum exemption**

You may be subject to annual investment limits that apply to all securities acquired under the offering memorandum exemption in a 12 month period, depending on the criteria under which you qualify as identified in Schedule 1. Initial the statement that applies to you.

A. You are an eligible investor.		Your initials
Eligible Investor	As an eligible investor that is an individual, you cannot invest more than \$30,000 in all offering memorandum exemption investments made in the previous 12 months, unless you have received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule, that your investment is suitable. Initial one of the following statements:	
	You confirm that, after taking into account your investment of \$ _____ today in this issuer, you have not exceeded your investment limit of \$30,000 in all offering memorandum exemption investments made in the previous 12 months.	
	You confirm that you received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule that the following investment is suitable. You confirm that, after taking into account your investment of \$ _____ today in this issuer, you have not exceeded your investment limit in all offering memorandum exemption investments made in the previous 12 months of \$100,000 .	
B. You are an eligible investor, as a person described in section 2.3 – Accredited investor of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the Securities Act (Ontario).		Your initials
Accredited Investor	You acknowledge that, by qualifying as an eligible investor as a person described in section 2.3 – Accredited Investor, you are not subject to investment limits.	
C. You are an eligible investor, as a person described in section 2.5 – Family, Friends and Business Associates of NI 45-106.		Your initials
Family, Friends and Business Associates	You acknowledge that, by qualifying as an eligible investor as a person described in section 2.5 – Family, Friends and Business Associates, you are not subject to investment limits.	

D. You are not an eligible investor.		Your initials
Not an Eligible Investor	<p>You acknowledge that you cannot invest more than \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p> <p>You confirm that, after taking into account your investment of \$ _____ today in this issuer, you have not exceeded your investment limit of \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p>	

SECTION 2 TO BE COMPLETED BY THE REGISTRANT	
2. Registrant information	
This section must only be completed if an investor has received advice from a portfolio manager, investment dealer or exempt market dealer concerning his or her investment.	
First and last name of registrant (please print):	
Registered as:	
Telephone:	Email:
Name of firm:	
Date:	

APPENDIX IV**ELIGIBLE INVESTOR STATUS CERTIFICATE****TO: PROOF CAPITAL ALTERNATIVE INCOME FUND (THE "FUND")****AND TO: QWEST INVESTMENT FUND MANAGEMENT LTD. (THE "MANAGER")**

In connection with the purchase by the undersigned or the disclosure principal, as the case may be (the "**Subscriber**") of Units (the "**Purchased Securities**") of the Fund the undersigned hereby represents, warrants, covenants to and certifies to the Fund, Manager and their respective legal counsel (on behalf of itself or on behalf of the disclosed principal, as the case may be) that:

1. the Subscriber:

- (a) is a resident of Manitoba, Northwest Territories, Nunavut, Prince Edward Island or Yukon, is subject to the Securities Laws of one of those jurisdictions and is purchasing more than \$10,000 of Units;
- (b) is a resident of Alberta, New Brunswick, Nova Scotia, Ontario, Quebec or Saskatchewan, is subject to the Securities Laws of one of those jurisdictions and if the Subscriber is an individual, the acquisition cost of all securities acquired upon reliance on Section 2.9 of NI 45-106 by the Subscriber in the preceding twelve (12) months shall not exceed the following amounts:
 - (i) \$30,000; or
 - (ii) \$100,000 if the Subscriber has received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable;
- (c) is an "**Eligible Investor**" within the meaning of National Instrument 45-106 *Prospectus Exemptions*, by virtue of satisfying the indicated criterion as set out in Appendix 1 to this certificate (**you must also initial Schedule A to this Certificate**);
- (d) if the Subscriber is a resident in Alberta, New Brunswick, Nova Scotia, Ontario, Quebec or Saskatchewan and is an individual, the Subscriber has reviewed any duly completed Schedule A and Schedule B to Appendix III – *Offering Memorandum Risk Acknowledgment* (**you must also complete Schedule A and Schedule B to Appendix III – *Offering Memorandum Risk Acknowledgment***);

2. the above representations, warranties and covenants will be true and correct both as of the execution of this certificate and as of the Closing Time of the purchase and sale of the Purchased Securities and will survive the completion of the issue of the Purchased Securities; and

3. the foregoing representations, warranties and covenants are made by the undersigned with the intent that they be relied upon in determining the suitability of the undersigned as a Subscriber of the Purchased Securities and the undersigned undertakes to immediately notify the Fund of any change in any statement or other information relating to the Subscriber set forth herein which takes place prior to the Closing Time of the purchase and sale of the Purchased Securities.

DATED at _____ in the Province of _____ this ____ day of _____, 202____.

Print Name of Subscriber

Authorized Signature

Name and Title (if applicable)

SCHEDULE A TO APPENDIX IV**ELIGIBLE INVESTOR REPRESENTATION LETTER**

[initial below the category or categories which describes you]

The Subscriber hereby confirms and certifies to the Fund that the Subscriber is an “Eligible Investor” being:

(a)	a person whose: [initial one or more]:
i.	_____ net assets, alone or net assets, alone or with a spouse, in the case of an individual, exceed \$400,000;
ii.	_____ net income before taxes exceeded \$75,000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year; or
iii.	_____ net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125,000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year;
(b)	_____ 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;
(c)	_____ a general partnership of which all of the partners are Eligible Investors;
(d)	_____ a limited partnership of which the majority of the general partners are Eligible Investors;
(e)	_____ a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are eligible investors;
(f)	_____ an accredited investor; or
(g)	_____ a person described in section 2.5 [<i>Family, friends and business associates</i>]; or
(h)	_____ in Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon, a person that has obtained advice regarding the suitability of the investment and, if the person is resident in a jurisdiction of Canada, that advice has been obtained from an eligibility adviser.

APPENDIX V**OFFSHORE INVESTOR CERTIFICATE (NON-U.S. AND NON-CANADIAN SUBSCRIBERS)**

Capitalized terms not specifically defined in this Form have the meaning ascribed to them in the Subscription Agreement.

TO: PROOF CAPITAL ALTERNATIVE GROWTH FUND (the “**Fund**”)
AND TO: QWEST INVESTMENT FUND MANAGEMENT LTD. (the “**Manager**”)

In connection with the purchase by the undersigned subscriber (the “**Subscriber**”) of units (“**Units**”) of Proof Capital Alternative Growth Fund (the “**Fund**”), the Subscriber on its own behalf and (if applicable) on behalf of others for whom it is acting hereunder, hereby represents, warrants, covenants and certifies to and with the Fund, the Manager and their respective counsel (and acknowledges that the Fund, the Manager and their respective counsel are relying thereon) that the undersigned is not a resident in the United States or Canada and is not a “U.S. Person” (as defined in Regulation S promulgated under the U.S. Securities Act), is not purchasing the Units for the account or benefit of a U.S. Person or a person in the United States (as defined in Regulation S) or a Canadian Person, and is otherwise subject to, the securities laws of a jurisdiction other than Canada or the United States, and:

- (a) the Subscriber is, and (if applicable) any other purchaser for whom it is acting hereunder, is:
- i. a purchaser that is recognized by the securities regulators in the jurisdiction in which it is, and (if applicable) any other purchaser for whom it is acting hereunder is resident or otherwise subject to the securities laws of such jurisdiction as an exempt purchaser and is purchasing the Units as principal for its, or (if applicable) each such other purchaser’s, own account, and not for the benefit of any other person, corporation, firm or other organization has a beneficial interest in the said securities being purchased, or purchasing the securities as agent or trustee for the principal disclosed on the cover page of this Subscription Agreement and each disclosed principal for whom the Subscriber is acting is purchasing as principal for its own account, and not a view to resale or distribution; or
 - ii. a purchaser which is purchasing the Units pursuant to an exemption from any prospectus or securities registration requirements available to the Fund, the Subscriber and any such other purchaser under applicable securities laws of their jurisdiction of residence or to which the Subscriber and any such other purchaser are otherwise subject to, and the Subscriber and any such other purchaser will deliver to the Fund such particulars of the exemption and their qualification thereunder as the Fund may reasonably request;
- (b) the purchase of the Units by the Subscriber, and (if applicable) each such other purchaser, does not contravene any of the applicable securities laws in such jurisdiction and does not trigger: (i) any obligation of the Fund or the Manager to prepare and file a prospectus, an offering memorandum or similar document; or (ii) any obligations of the Fund or the Manager to make any filings with or seek any approvals of any kind from any regulatory body in such jurisdiction or any other ongoing reporting requirements with respect to such purchase or otherwise; or (iii) any registration or other obligation on the part of the Fund or the Manager;
- (c) the Subscriber has read and understood Appendix X – *Certain Canadian Federal Income Tax Considerations for Non-Canadian Holders*;
- (d) the Subscriber is knowledgeable of, and has been independently advised as to, the securities laws of such jurisdiction as applicable to this Subscription Agreement; and
- (e) the Subscriber, and (if applicable) any other purchaser for whom it is acting hereunder, will not sell or otherwise dispose of any Units, except in accordance with the Securities Laws and any other applicable securities laws, and if the Subscriber sells or otherwise disposes of any Units to a person other than a resident of Canada, the Subscriber will obtain from such purchaser representations, warranties and covenants in the same form as provided in this Form and will comply with such other requirements as the Fund or the Manager may reasonably require.

Date: _____	_____
Signature of individual (if Subscriber is an individual)	Authorized signatory (if Subscriber is not an individual)
Please print:	
Name of Subscriber (if Subscriber is an individual)	Name and Title of authorized signatory (if Subscriber is not an individual)

APPENDIX VI**U.S. ACCREDITED INVESTOR CERTIFICATE**

TO: PROOF CAPITAL ALTERNATIVE GROWTH FUND (the “Fund”)
AND TO: QWEST INVESTMENT FUND MANAGEMENT LTD. (the “Manager”)

In connection with the purchase by the undersigned subscriber (the “**Subscriber**”) of units (“**Units**”) of the Fund, the Subscriber hereby represents, warrants, covenants and certifies that the undersigned (or any beneficial purchaser on whose behalf it is acting) is a U.S. Subscriber (as such term is defined in the Subscription Agreement to which this Certificate is attached), is an “Accredited Investor” as defined in Rule 501(a) of Regulation D under the U.S. Securities Act as a result of satisfying one or more of the following categories of Accredited Investor below to which the undersigned has affixed his or her initials:

_____	Category 1.	A bank, as defined in Section 3(a)(2) of the United States <i>Securities Act of 1933</i> (the “U.S. Securities Act”), whether acting in its individual or fiduciary capacity; or
_____	Category 2.	A savings and loan association or other institution as defined in Section 3(a)(5)(A) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
_____	Category 3.	A broker or dealer registered pursuant to Section 15 of the <i>Securities Exchange Act of 1934</i> ; or
_____	Category 4.	An insurance company as defined in Section 2(a)(13) of the U.S. Securities Act; or
_____	Category 5.	An investment company registered under the <i>Investment Company Act of 1940</i> ; or
_____	Category 6.	A business development company as defined in Section 2(a)(48) of the <i>Investment Company Act of 1940</i> ; or
_____	Category 7.	A small business investment company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the <i>Small Business Investment Act of 1958</i> ; or
_____	Category 8.	A plan established and maintained by a state, its political subdivision or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with assets in excess of US\$5,000,000; or
_____	Category 9.	An employee benefit plan within the meaning of the <i>Employee Retirement Income Security Act of 1974</i> in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment advisor, or an employee benefit plan with total assets in excess of US\$5,000,000 or, if a self-directed plan, the investment decisions are made solely by persons who are accredited investors; or
_____	Category 10.	A private business development company as defined in Section 202(a)(22) of the <i>Investment Advisors Act of 1940</i> ; or
_____	Category 11.	An organization described in Section 501(c)(3) of the <i>Internal Revenue Code</i> , a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the Purchased Securities, with total assets in excess of US\$5,000,000; or
_____	Category 12.	A director, executive officer or general partner of the Fund; or

_____	Category 13.	A natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of purchase, exceeds US\$1,000,000 (for the purposes of calculating net worth, (i) the person’s primary residence shall not be included as an asset; (ii) indebtedness that is secured by the person’s primary residence, up to the estimated fair market value of the primary residence at the time of this certification, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of this certification exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (iii) indebtedness that is secured by the person’s primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability); or
_____	Category 14.	A natural person who had an individual income in excess of US\$200,000 in each year of the two most recent years or joint income with that person’s spouse in excess of US\$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or
_____	Category 15.	A trust, with total assets in excess of US\$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in SEC Rule 506(b)(2)(ii); or
_____	Category 16.	An entity in which each of the equity owners meets the requirements of one of the above categories. <i>(if this is your applicable category, each equity owner of the entity must individually complete and submit to the Fund its own copy of this Certificate for U.S. Accredited Investors)</i>

Date: _____	_____
Signature of individual (if Subscriber is an individual)	Authorized signatory (if Subscriber is not an individual)
Please print: _____	_____
Name of Subscriber (if Subscriber is an individual)	Name and Title of authorized signatory (if Subscriber is not an individual)

APPENDIX VII**CONTACT INFORMATION FOR THE CANADIAN SECURITIES REGULATORS****Alberta Securities Commission**

Suite 600, 250 – 5th Street SW
 Calgary, Alberta T2P OR4
 Telephone: (403) 297-6454
 Toll free in Canada: 1-877-355-0585
 Facsimile: (403) 297-6156
 Email: inquiries@asc.ca

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
 701 West Georgia Street
 Vancouver, British Columbia V7Y 1L2
 Telephone: (604) 899-6500
 Toll free in Canada: 1-800-373-6393
 Facsimile: (604) 899-6506
 Email: inquiries@bcsc.bc.ca

The Manitoba Securities Commission

500 – 400 St. Mary Avenue
 Winnipeg, Manitoba R3C 4K5
 Telephone: (204) 945-2548
 Facsimile: (204) 945-0330
 Email: securities@gov.mb.ca

Financial and Consumer Services Commission (New Brunswick)

85 Charlotte Street, Suite 300
 Saint John, New Brunswick E2L 2J2
 Telephone: (506) 658-3060
 Toll free in Canada: 1-866-933-2222
 Facsimile: (506) 658-3059
 Email: info@fcnb.ca

Office of the Superintendent of Securities, Service Newfoundland and Labrador

P.O. Box 8700, Confederation Building
 2nd Floor, West Block, Prince Philip Drive
 St. John's, Newfoundland and Labrador A1B 416
 Attention: Director of Securities
 Telephone: (709) 729-4189
 Facsimile: (709) 729-6187

Nova Scotia Securities Commission

Suite 400, 5251 Duke Street
 P.O. Box 458
 Halifax, Nova Scotia B3J 1P3
 Telephone: (902) 424-7768
 Facsimile: (902) 424-4625

Ontario Securities Commission

20 Queen Street West, 22nd Floor
 Toronto, Ontario MSH 3S8
 Telephone: (416) 593-8314
 Toll free in Canada: 1-877-785-1555
 Facsimile: (416) 593-8122
 Email: exemptmarketfilings@osc.gov.on.ca
 Public official contact regarding indirect collection of information: Inquiries Officer

Autorité des marchés financiers

800, Square Victoria, 22e étage
 C.P. 246, Tour de la Bourse
 Montréal, Québec H4Z 1G3
 Telephone: (514) 395-0337
 Toll free in Canada: 1-877-525-0337
 Facsimile: (514) 873-3090
 Email: financementdessocietes@lautorite.gc.ca

**Office of the Superintendent of Securities, Consumer Corporate and Insurance Services Division
Office of the Attorney General**

Shaw Building
 95 Rochford Street, 4th Floor
 P.O. Box 2000
 Charlottetown, Prince Edward Island CIA 7N8
 Telephone: (902) 368-4569
 Facsimile: (902) 368-5283

Financial and Consumer Affairs Authority of Saskatchewan

Suite 601 – 1919 Saskatchewan Drive
 Regina, Saskatchewan S4P 4H2
 Telephone: (306) 787-5645
 Facsimile: (306) 787-5899

APPENDIX VIII

CERTAIN U.S. REGULATORY AND ERISA CONSIDERATIONS

U.S. Securities Act of 1933

The offering of Units is not registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) or any other securities laws, including U.S. state securities laws. The Units are offered in reliance upon the exemption from registration provided by section 4(a)(2) of the Securities Act and Regulation D promulgated under the Securities Act. Each prospective investor is required to represent, among other things, that it is an “accredited investor” within the meaning of Rule 501(a) of the Securities Act and that it is acquiring its interests for investment purposes only and not for resale or distribution.

U.S. Investment Company Act of 1940

The Fund expects to be exempt from the provisions of the U.S. Investment Company Act of 1940 (the “**Investment Company Act**”) under Section 3(c)(1) of the Investment Company Act, which excepts issuers that are not making and do not currently propose to make a public offering of their securities and the outstanding securities of which are owned by no more than 100 “beneficial owners” as defined in the Investment Company Act and the rules promulgated thereunder. Investors in the Fund with therefore not have the protections that they would have had the Fund been registered with the U.S. Securities and Exchange Commission (the “**SEC**”) as an investment company.

U.S. Investment Advisers Act of 1940

Each of the Manager and PAM believes that it qualifies for one or more exemptions from registering as an investment adviser with the SEC under the U.S. Investment Advisers Act of 1940 (the “**Advisers Act**”) or analogous U.S. state regulations. Accordingly, neither the Manager nor PAM is subject to certain restrictions contained in the Advisers Act and analogous state regulations. Investors in the Fund are not entitled to the benefits of the Advisers Act or analogous state regulations.

The Manager or PAM may register as an investment adviser with the SEC or state regulatory authorities if required to do so under rules and regulations promulgated by the SEC under the Advisers Act, or analogous state regulations. If the Manager or PAM registers, it may be required to devote time and other resources towards effecting and maintaining that registration that could otherwise be devoted to managing the Fund’s investment program.

U.S. Economic Sanctions

Each prospective investor is required to represent that it is not to subject to sanctions under any law, regulation, or order administered by the U.S. Office of Foreign Assets Control (“**OFAC**”) of the U.S. Department of the Treasury, including, without limitation, Subtitle B, Chapter V of Title 31 of the U.S. Code of Federal Regulations.

If a prospective investor or investor refuses to provide any information required for verification purposes, the Fund may refuse to accept a subscription or may cause the redemption of the Interests held by that person. The Fund and the Manager may require prospective investors and investors to provide additional information as is necessary in order to comply with any law, regulation or order administered by OFAC.

The Fund by written notice to any Investor, may redeem the Units held by that Investor if the Manager reasonably deems it necessary to do so in order to comply with any law, regulation or order administered by OFAC.

ERISA Considerations

The U.S. Employee Retirement Income Security Act of 1974 (“**ERISA**”), imposes certain requirements on employee benefit plans (as defined in section 3(3) of ERISA) subject to Title I of ERISA, and certain entities such as collective investment funds and separately managed accounts whose underlying assets include or are deemed to include the assets of those plans (collectively, “**ERISA Plans**”), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans, for example, are subject to ERISA’s general fiduciary duties, including the duties of investment prudence and diversification. In addition, ERISA requires the fiduciary of an ERISA Plan to maintain the indicia of ownership of the ERISA Plan’s assets within the jurisdiction of the U.S. district courts. The

prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the relevant facts and circumstances of the investment. The responsible fiduciary of each ERISA Plan must determine whether to invest in the Fund independently and without relying on any information provided by the Fund, the Manager, or any affiliates thereof as advice or a recommendation in connection with such determination.

Section 406 of ERISA and section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan and of other "plans" that are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, "**Plans**"), and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to non-deductible excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code, and the transaction might have to be rescinded. Each original or subsequent purchaser or transferee of a Unit that is or may become a Plan is responsible for determining the extent, if any, to which a Unit will constitute or otherwise result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code, and otherwise for determining compliance with ERISA and Section 4975 of the Code.

U.S. federal, state or local governmental plans, non-U.S. plans, and non-electing U.S. church plans, while not subject to the fiduciary responsibility provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to local, state or other federal laws that are substantially similar to (or wholly different than) the foregoing provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their counsel before purchasing a Unit.

The Plan Assets Regulation

The U.S. Department of Labor has promulgated a regulation, 29 C.F.R. Section 2510.3-101 (as modified by Section 3(42) of ERISA, the "**Plan Assets Regulation**"), describing what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of certain provisions of ERISA, including the fiduciary responsibility provisions of Title I of ERISA, and Section 4975 of the Code. Under the Plan Assets Regulation, if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established that the entity is an "operating company" or that equity participation in the entity by "benefit plan investors" (as defined below) is not "significant" (as described below). Each Unit is an "equity interest" in the Fund for purposes of the Plan Assets Regulation, and the Interests will not constitute "publicly offered securities" for purposes of the Plan Assets Regulation. In addition, the Fund will not be registered under the Investment Company Act.

The 25% Limit

Under the Plan Assets Regulation, and assuming no other exception applies, an entity's assets are deemed to include "plan assets" subject to ERISA or section 4975 of the Code on any date if, immediately after the most recent acquisition of any equity interest in the entity, 25% or more of the value of any class of equity interests in the entity is held by "benefit plan investors" (the "**25% Limit**"). For purposes of this determination, the value of equity interests held by a person (other than a benefit plan investor) that has discretionary authority or control with respect to the assets of the entity or that provides investment advice for a fee with respect to those assets (or any affiliate of such a person) is disregarded. The term "benefit plan investor" is defined in the Plan Assets Regulation as (a) any employee benefit plan (as defined in Section 3(3) of ERISA) that is subject to the provisions of Title I of ERISA, (b) any plan that is subject to section 4975 of the Code, and (c) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (to the extent of such plan's investment in the entity). Thus, while the assets of the Fund are not considered to be "plan assets" for purposes of ERISA so long as the 25% Limit is not exceeded, no assurance can be given that the 25% Limit will not be exceeded at all times. The Fund intends to rely on this aspect of the Plan Assets Regulation. To qualify for the 25% Limit exception, the Manager may limit the investment in the Fund by benefit plan investors, which in certain circumstances could have the result that (i) transfers of Units would be limited, and (ii) the Units of some investors would be subject to mandatory redemption.

If the Fund's assets are deemed to constitute "plan assets" under ERISA or section 4975 of the Code, certain of the transactions in which the Fund might normally engage could constitute a non-exempt "prohibited transaction" under ERISA or section 4975 of the Code. In those circumstances, the Manager, in its sole discretion, may void or undo any such prohibited transaction, and may require each Investor that is a "benefit plan investor" under the Plan Assets Regulation to withdraw from the Fund upon terms that the Manager considers appropriate. In addition, if the Fund's assets are deemed to include "plan assets," any person exercising authority or control over the

management or disposition of the Fund's assets would be deemed to be a fiduciary under ERISA with respect to "benefit plan investors" under the Plan Assets Regulation invested in the Fund and subject to the fiduciary duties described in Title I of ERISA, including, without limitation, the requirements of section 404(b) of ERISA (requiring that the indicia of ownership of plan assets generally be held within the jurisdiction of the U.S. district courts), which could severely restrict the investment strategy of the Fund.

Failure to satisfy the fiduciary standards of conduct and other applicable requirements of ERISA or section 4975 of the Code may result in the imposition of liability for damages, civil and, in certain instances, criminal penalties and may subject the fiduciary to equitable remedies. In addition, if an investment in the Fund constitutes a non-exempt prohibited transaction under the Code, any "disqualified person" within the meaning of section 4975 of the Code involved in the investment (excluding fiduciaries acting only in their fiduciary capacities) may be subject to the imposition of punitive excise taxes with respect to the amount involved.

A fiduciary of an ERISA Plan or other Plan that proposes to cause such entity to purchase a Unit should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and section 4975 of the Code to such an investment, and to independently confirm that the investment will not constitute or result in a non-exempt prohibited transaction or any other violation of ERISA.

The sale of a Unit to a Plan is in no respect a representation by the Fund, the Manager or any other person associated with the offering of Units that the investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that the investment is appropriate for Plans generally or any particular Plan.

None of the Fund, the Manager or its affiliates is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the offering or purchase of Units, and no information provided by the foregoing in connection with that offering or purchase should be viewed or relied upon as advice or a recommendation to invest in the Fund. The Manager has financial interests associated with the purchase of Units including the fees and other allocations and distributions they may receive from the Fund as a result of the purchase of Units by a Plan.

APPENDIX IX

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR U.S. INVESTORS

The following is a general summary of certain material U.S. federal income tax consequences to a U.S. Investor (defined below) relating to the purchase, ownership and disposition of units in the Fund (“**Units**”). This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), the regulations promulgated thereunder (“**Treasury Regulations**”), court decisions and published rulings of the U.S. Internal Revenue Service (the “**IRS**”) currently in effect and does not take into account the possible effect of future legislative or administrative changes or court decisions. The Fund does not intend to request any rulings from the IRS on the tax consequences described below, or on any other issues. The IRS or a court might reach a contrary conclusion with respect to the issues addressed herein if the matter were contested. Future legislative or administrative changes or court decisions may significantly change the conclusions expressed herein, and any such changes or decisions may have a retroactive effect with respect to the transactions contemplated herein. Potential investors are urged to consult their own tax advisors with respect to the tax consequences of an investment in the Fund.

This summary does not purport to address all material tax consequences of the purchase, ownership and disposition of Units and assumes that all investors hold their Units as a capital asset within the meaning of Section 1221 of the Code. Except as otherwise provided below, this summary does not take into account the specific circumstances of any particular investors who may be subject to special rules under the Code (such as banks, insurance companies, broker dealers, regulated investment companies, traders in securities that elect to mark to market, investors liable for alternative minimum tax, investors that hold Units as part of a straddle, hedge or conversion transaction or as part of a “synthetic security” or other integrated financial transaction, investors whose functional currency is not the U.S. dollar, and investors that hold Units through a partnership, limited liability company or other entity treated as a pass-through entity for U.S. federal income tax purposes). This summary does not address the treatment of investors under the laws of any U.S. state, local or non-U.S. taxing jurisdiction.

THE INCOME TAX LAWS APPLICABLE TO THE FUND AND TO INVESTORS THEREIN ARE EXTREMELY COMPLEX, AND THE FOLLOWING SUMMARY IS NOT EXHAUSTIVE AND DOES NOT CONSTITUTE TAX ADVICE. A PERSON CONSIDERING AN INVESTMENT IN THE FUND SHOULD CONSULT ITS TAX ADVISOR IN ORDER TO FULLY UNDERSTAND THE FEDERAL, STATE, LOCAL AND NON-U.S. INCOME TAX CONSEQUENCES OF AN INVESTMENT WITH RESPECT TO THE INVESTOR’S PARTICULAR SITUATION.

For purposes of this discussion (i) an “**Investor**” is any beneficial owner of Units and (ii) a “**U.S. Investor**” is any Investor that is: (w) a citizen or resident of the United States; (x) a corporation or other entity treated as a corporation for U.S. federal income tax purposes organized under the laws of the United States or any political subdivision thereof; (y) an estate the income of which is subject to U.S. federal income tax without regard to its source; or (z) a trust, if either: (A) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (B) it has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

If a partnership or other pass-through entity holds Units, the U.S. federal income tax treatment of a partner (or other owner) in that partnership (or other pass-through entity) will generally depend on the status of the partner (or other owner) and the activities of the partnership (or other pass-through entity). Accordingly, prospective Investors that are partnerships or other pass-through entities should consult their own tax advisors regarding the consequences of an investment in the Fund.

Tax Classification

Under the Code and Treasury Regulations, an entity organized under the laws of the Province of Ontario, other than a corporation or a company, is considered a “foreign eligible entity” the classification of which as a partnership or association taxable as a corporation is determined under the default entity classification rules set forth in Treasury Regulations Section 301.7701-3(b)(2) (the “**Default Classification Rules**”). Under the Default Classification Rules, a “foreign eligible entity” is classified as one of the following: (i) a partnership for U.S. federal income tax purposes if it has two or more members and at least one member does not have limited liability; (ii) an association taxable as a corporation for U.S. federal income tax purposes if all members have limited liability; and (iii) an entity disregarded as separate from its owner for U.S. federal income tax purposes if it has a single owner that does not have limited liability. The Fund has determined that, under the Default Classification Rules, it is likely to be classified as an association taxable as a corporation for U.S. federal income tax purposes. The Fund does not intend to file an entity classification election with the U.S. Internal Revenue

Service or seek any ruling from the Internal Revenue Service with respect to its classification. The remainder of this summary assumes that the Fund will be taxed as a corporation for U.S. federal income tax purposes.

U.S. Taxation of the Fund

Section 864(b)(2) of the Code, provides a safe harbor (the “**Safe Harbor**”), applicable to a non-U.S. corporation (other than a dealer in stocks or securities) that engages in the United States in trading stocks or securities (including contracts or options to buy or sell securities) for its own account pursuant to which that non-U.S. corporation will not be deemed to be engaged in a U.S. trade or business. The Safe Harbor also provides that a non-U.S. corporation (other than a dealer in commodities) that engages in the United States in trading commodities for its own account is not deemed to be engaged in a U.S. trade or business if “the commodities are of a kind customarily dealt in on an organized commodity exchange and if the transaction is of a kind customarily consummated at such place.” Pursuant to proposed regulations, a non-U.S. taxpayer (other than a dealer in stocks, securities or derivatives) that effects transactions in the United States in derivatives (including (a) derivatives based upon stocks, securities, and certain commodities, and (b) certain notional principal contracts based upon an interest rate, equity, or certain commodities and currencies) for its own account is not deemed to be engaged in a U.S. trade or business. Although the proposed regulations are not final, the IRS has indicated in the preamble to the proposed regulations that, for periods prior to the effective date of the proposed regulations, taxpayers may take any reasonable position with respect to the application of Section 864(b)(2) of the Code to transactions in derivatives, and that any position consistent with the proposed regulations will be considered a reasonable position.

The Manager intends to conduct the business of the Fund in a manner so as to generally satisfy the requirements of the Safe Harbor, or otherwise not constitute a U.S. trade or business, and believes that their transactions generally should qualify for the Safe Harbor or otherwise not constitute a U.S. trade or business. There can be no assurance, however, that the IRS will agree. To the extent, if any, that certain of the Fund’s activities were determined to constitute a U.S. trade or business, directly or indirectly (as a result of owning an interest in a partnership or a limited liability company doing business in the United States or otherwise) the portion of the Fund’s income that is effectively connected with such U.S. trade or business would be subject to U.S. income tax on a net basis at the regular graduated tax rates applicable to corporations, and an additional 30% U.S. “branch profits” tax (or 5% if the Fund qualifies for the benefits of the double tax treaty between the United States and Canada) to the extent not reinvested in the United States.

Even if the Fund’s securities trading activities do not constitute a U.S. trade or business, gains realized from the sale or disposition of stock or securities (other than debt instruments with no equity component) of U.S. real property holding corporations as defined in Section 897 of the Code (“**USRPHCs**”) generally will be subject to U.S. income tax on a net basis at the regular graduated tax rates applicable to corporations. However, a principal exception to this rule of taxation may apply if a USRPHC has a class of stock that is regularly traded on an established securities market and the Fund did not hold (and was not deemed to hold under certain attribution rules) more than 5% (or 10% in the case of a REIT) of the value of a regularly traded class of stock of that USRPHC at any time during the five-year period ending on the date of disposition.

U.S. Withholding Tax

In general, a non-U.S. corporation is subject to tax at a flat rate of 30% (or lower tax treaty rate, if applicable) on the gross amount of certain U.S. source income that is not effectively connected with a U.S. trade or business, which is generally payable through withholding. Income subject to such a flat tax rate is of a fixed or determinable annual or periodic nature, including dividends and certain interest income.

Certain types of income are specifically exempted from the 30% tax and thus withholding is not required on payments of such income to a non-U.S. corporation. For example, the 30% tax generally does not apply to U.S. source capital gains (whether long or short-term) or to interest paid to a non-U.S. corporation on its deposits with U.S. banks. The 30% tax also does not apply to interest that qualifies as portfolio interest. The term “portfolio interest” generally includes interest (including original issue discount) on an obligation in registered form with respect to which the person who would otherwise be required to deduct and withhold the 30% tax receives the required statement that the beneficial owner of the obligation is not a U.S. person within the meaning of the Code. However, interest will not qualify for the “portfolio interest” exemption, and generally will be subject to the 30% tax (unless reduced or eliminated under a tax treaty), if the interest is paid to a non-U.S. person by a corporation in which that non-U.S. person owns at least 10% of the total combined voting power, or by a partnership in which that non-U.S. person owns at least a 10% capital or profits interest.

If the Fund qualifies for the benefits of the double tax treaty between the United States and Canada, no U.S. withholding tax should be imposed on payments of U.S. source interest income to the Fund provided that the interest is not paid to the Fund in connection with a trade or business of the Fund in the United States. Dividends paid to the Fund from U.S. corporations (other than certain REITs in which the Fund holds more than 10% of the equity) should be subject to U.S. withholding tax at a maximum rate of 15% provided the other requirements of the tax treaty are satisfied.

Taxation of U.S. Investors (other than U.S. Tax-Exempt Investors)

The Fund is expected to be a “passive foreign investment company” (a “**PFIC**”) for U.S. federal income tax purposes if either (i) 75% or more of its gross income is passive income (generally investment income, including interest, dividends and certain capital gains) or (ii) 50% or more of the average value of its assets consist of assets that produce passive income (for this purpose, cash is a passive asset). Under the PFIC rules, U.S. Investors may be required to pay additional tax and interest in respect of distributions from, and gains attributable to the sale or other disposition of the Units unless the U.S. Investors elect to treat the Fund as a “qualified electing fund” (a “**QEF**”) and pay tax on an annual basis on their pro rata share of the Fund’s ordinary earnings and net capital gain. There are no assurances that the Fund will be able to timely provide U.S. Investors with the information necessary to make or maintain a QEF election.

Taxation of U.S. Tax-Exempt Investors

Income recognized by a U.S. Investor that is a tax-exempt organization is generally exempt from U.S. federal income tax except to the extent of the entity’s “unrelated business taxable income” (“**UBTI**”). Generally, UBTI does not include, among other items, dividends, interest, royalties, and gains from the sale of property that is neither inventory nor held for sale to customers in the ordinary course of business, and a U.S. Investor that is a tax-exempt organization investing in a non-U.S. corporation such as the Fund should not realize UBTI unless such U.S. Investor borrows money to acquire its Units. In addition, the rules regarding PFICs described above should not apply to a U.S. Investor that is a tax-exempt organization unless that U.S. Investor borrows money to acquire its Units. U.S. Investors that are tax-exempt organizations are urged to consult their own tax advisers concerning the U.S. tax consequences of an investment in the Fund.

Reporting Requirements

Certain U.S. Investors are required to file IRS Form 926, Return by U.S. Transferor of Property to a Foreign Corporation, and/or IRS Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, reporting transfers of cash or other property to the Fund, and information relating to the U.S. Investor and the Fund. In addition, certain U.S. Investors are required to file IRS Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts, with respect to its investment in the Fund. Substantial penalties may be imposed upon a U.S. Investor that fails to comply. In addition, individuals who own “specified foreign financial assets” with an aggregate value in excess of \$50,000 generally will be required to file an information report with respect to such assets with their U.S. tax returns. For this purpose, the term “specified foreign financial asset” is broadly defined and includes not only any financial accounts maintained by “foreign financial institutions” but may also include an interest in the Fund. U.S. Investors are urged to consult their own tax advisers regarding these requirements.

Reportable Transactions.

Treasury Regulations require that certain taxpayers participating, directly or indirectly, in a “reportable transaction” must disclose such participation to the IRS. The scope and application of these rules is not completely clear. An investment in the Fund may be considered participation in a “reportable transaction” to certain investors if, for example, the Fund recognizes certain significant losses in the future (potentially including losses recognized by Fund investments) and the Fund does not otherwise meet certain applicable exemptions. If an investment in the Fund constitutes participation in a “reportable transaction,” the Fund and certain Investors may be required to file IRS Form 8886 with the IRS, attaching it to their U.S. federal income tax returns, thereby disclosing certain information relating to the Fund to the IRS. In addition, the Fund and its advisors may be required to maintain a list of unitholders and to furnish this list, as well as certain other information, to the IRS upon its written request. Prospective investors are urged to consult their own tax advisers regarding the applicability of these rules to their investment in the Fund.

THE TAX AND OTHER MATTERS DESCRIBED IN THIS MEMORANDUM DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO INVESTORS.

APPENDIX X

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS FOR NON-CANADIAN HOLDERS

The following summary describes, as of August 17, 2021 the principal Canadian federal income tax considerations generally applicable under the Income Tax Act (Canada) and the Income Tax Regulations (collectively, the Tax Act) to a purchaser who acquires as beneficial owner Units pursuant to this Subscription Agreement and who, at all relevant times, for purposes of the Tax Act :

- (a) is not, and is not deemed to be, resident in Canada;
- (b) deals at arm's length with the Fund, the Manger and the Promoter;
- (c) is not affiliated with the Fund, the Manager and the Promoter;
- (d) holds the Units as capital property;
- (e) does not use or hold, and is not deemed to use or hold, the Units in connection with carrying on a business in Canada; and
- (f) has not entered into, with respect to their Units a "derivative forward agreement" or a "synthetic disposition arrangement" each as defined in the Tax Act (a "**Non-Canadian Holder**").

This summary does not apply to a Non-Resident Holder that carries on, or is deemed to, carry on an insurance business in Canada and elsewhere or that is an "authorized foreign bank" (as defined in the Tax Act). Such subscribers should consult their own tax advisors.

This summary is based on current provisions of the Tax Act and an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or assessing practice whether by legislative, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is of a general nature only and is not, and is not intended to be, nor should it be construed as, legal or tax advice to any particular Non-Canadian Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective purchasers of Units should consult their own tax advisors having regard to their own particular circumstances.

Status of the Fund

This summary is based on the assumption that the Fund will qualify at all times as a "mutual fund trust" for purposes of the Tax Act and that the Fund will validly elect under the Tax Act to be a mutual fund trust from the date it was established. To qualify as a mutual fund trust, (i) the Fund must be a Canadian resident "unit trust" for purposes of the Tax Act; (ii) the only undertaking of the Fund must be the investing of its funds in property (other than real property or interests in real property or an immovable or a real right in an immovable); and (iii) the Fund must comply with certain minimum requirements respecting the ownership and dispersal of Fund Units. The Manager expects that the Fund will qualify as a mutual fund trust under the Tax Act at all material times, however, there can be no assurance that this will be the case. In the event the Fund does not qualify as a mutual fund trust under the Tax Act at all relevant times, the income tax consequences described in this item would, in some respects, be materially and adversely different.

This Summary assumes that the Fund Units will not be listed or traded on a stock exchange or other public market and on this basis assumes that the Fund will not be a "SIFT Trust" within the meaning of the Tax Act.

Distributions on Units

Any amount paid or credited by the Fund to a Non-Canadian Holder as income of or from the Fund (other than an amount that the Fund has designated in accordance with the Tax Act as a taxable capital gain), whether such amount is received in additional Units or cash generally will be subject to Canadian withholding tax at a rate of 25%, unless such rate is reduced under the provisions of an income tax treaty between Canada and the Non-Canadian Holder's jurisdiction of residence. For example, pursuant to the Convention Between Canada and the United States of America With Respect to Taxes on Income and on Capital, as amended (the "Treaty"), a Non-Canadian

Holder who is a resident of the United States and entitled to benefits under the Treaty will generally be entitled to have the rate of Canadian withholding tax reduced to 15% of the amount of any distribution that is paid or credited as income of or from the Fund. **The Fund will withhold such taxes as required by the Tax Act and remits such payments to the Canada Revenue Agency on behalf of the Non-Canadian Holder. Non-Canadian Holders should consult with their own tax advisors with regard to the availability of any applicable foreign tax credits in respect of any Canadian withholding taxes.**

Any amount paid or credited by the Fund to a Non-Canadian Holder that the Fund has validly designated in accordance with the Tax Act as a taxable capital gain generally will not be subject to Canadian withholding tax or otherwise be subject to tax under the Tax Act.

The Fund does not presently own any “taxable Canadian property”. However, if the Fund realizes a capital gain on the disposition of a taxable Canadian property and that gain is treated under the Tax Act and in accordance with a designation by the Fund as being distributed to a Non-Canadian Holder, there may be Canadian withholding tax at the rate of 25% (unless reduced by an applicable tax treaty) on both the taxable and non-taxable portions of the gain.

Any amount in excess of the income of the Fund that is paid or payable by the Fund to a Non-Canadian Holder (including the non-taxable portion of capital gains realized by the Fund) generally will not be subject to Canadian withholding tax. Where such excess amount is paid or becomes payable to a Non-Canadian Holder, otherwise than as proceeds of disposition or deemed disposition of Units or any part thereof, the amount generally will reduce the adjusted cost base of the Unit held by such Non-Canadian Holder. (However, the non-taxable portion of net realized capital gains of the Fund that is paid or payable to a Non-Canadian Holder will not reduce the adjusted cost base of the Units held by the Non-Canadian Holder.) If, as a result of such reduction, the adjusted cost base to the Non-Canadian Holder in any taxation year of Unit would otherwise be a negative amount, the Non-Canadian Holder will be deemed to realize a capital gain in such amount for that year from the disposition of Units. Such capital gain will not be subject to tax under the Tax Act, unless the Units represent “taxable Canadian property” to such Non-Canadian Holder. The Non-Canadian Holder’s adjusted cost base in respect of Units will, immediately after the realization of such capital gain, be zero.

Disposition of Units

A Non-Canadian Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition or deemed disposition of the Units (whether by way of sale, redemption, or capital distribution by the Fund in excess of the Non-Canadian Holder’s adjusted cost base), unless, at the time of disposition, the Units are, or are deemed to be, “taxable Canadian property” (as defined in the Tax Act) to the Non-Canadian Holder and the gain is not exempt from tax pursuant to the terms of an applicable income tax convention between Canada and the country in which the Non-Canadian Holder is resident.

Generally, the Units will not constitute taxable Canadian property to a Non-Canadian Holder at a particular time, unless at any particular time during the 60-month period that ends at that particular time:

- (i) at least 25% or more of the issued Units of Fund, of any class or series of the Fund, were owned by or belonged to one or any combination of:
 - (A) the Non-Canadian Holder;
 - (B) persons with whom the Non-Canadian Holder did not deal with at arm’s length (for the purposes of the Tax Act);
 - (C) partnerships in which the Non-Canadian Holder or a person described in (B) holds a membership interest directly or indirectly through one or more partnerships; and
- (ii) at such time more than 50% of the fair market value of the Units was derived directly or indirectly from one, or any combination of:
 - (A) real or immovable properties situated in Canada;
 - (B) “Canadian resource property” (as defined in the Tax Act);
 - (C) “timber resource property” (as defined in the Tax Act); and

- (D) options in respect of, or interests in, or for civil law rights in, property in any of the foregoing (whether or not such property exists).

Even if the Units are taxable Canadian property of a Non-Canadian Holder, such Non-Canadian Holder may be exempt from tax under the Tax Act on a capital gain realized on the disposition of Units by virtue of an applicable income tax convention between Canada and the country in which the Non-Canadian Holder is resident. In cases where a Non-Canadian Holder disposes, or is deemed to dispose, of a Unit that is, or is deemed to be, taxable Canadian property of that Non-Canadian Holder, and the Non-Canadian Holder is not entitled to an exemption from tax under the Tax Act pursuant to the terms of an applicable income tax convention between Canada and the country in which the Non-Canadian Holder is resident, the Non-Canadian Holder generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base to the Non-Canadian Holder of such Units immediately before the disposition or deemed disposition. One-half of any capital gain (a "taxable capital gain") realized by a Non-Canadian Holder in a taxation year will generally be included in the Non-Canadian Holder's income for the year. One-half of any capital loss (an "allowable capital loss") sustained by the Non-Canadian Holder on the disposition of a Fund Unit in a taxation year generally must be deducted by such Non-Canadian Holder against taxable capital gains for the year. Allowable capital losses in excess of taxable capital gains realized by the Non-Canadian Holder in a taxation year may be carried back up to three taxation years or forward indefinitely and deducted against net taxable capital gains in those other years, subject to the detailed provisions of the Tax Act. **Non-Canadian Holders whose Units may constitute taxable Canadian property should consult their own tax advisors.**

International Information Reporting

Generally, investors will be required to provide their dealer with information related to their tax residency or citizenship and, if applicable, a foreign tax identification number. If an investor does not provide the information or is identified as a U.S. citizen or a foreign (including U.S.) tax resident, additional details about the investor and their investment in the Fund will be reported to the Canada Revenue Agency, unless the investment is held within a registered plan. The Canada Revenue Agency will provide that information to the U.S. Internal Revenue Service (in the case of U.S. tax residents or citizens) or the relevant tax authority of any country that is a signatory of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information or that has otherwise agreed to a bilateral information exchange with Canada.