

SUBSCRIPTION AGREEMENT

TO: Canguard Mortgage Investment Corporation (the “Issuer”)

The undersigned (the “**Subscriber**”), on its own behalf, and, if applicable, on behalf of those for whom the undersigned is contracting hereunder, hereby irrevocably subscribes for and agrees to purchase from the Issuer that number of Class A Preferred Shares of the Issuer (the “**Securities**”) to be issued for the aggregate consideration set out below (the “**Purchase Price**”), representing a price per Security of Canadian Dollars \$1.00, subject to the following terms and conditions set out in this Subscription Agreement (the “**Subscriber’s Securities**”).

THE OFFERING IS BEING MADE ONLY IN THE DESIGNATED PROVINCES AND ONLY THROUGH REGISTERED DEALERS.

<p>Subscriber’s Particulars</p> <p>_____</p> <p>(Investment Reference Number)</p> <p>_____</p> <p>(Name of Subscriber – please print)</p> <p>Signature: _____</p> <p>_____</p> <p>(Official Capacity(ies) or Title(s) – please print title(s) of individual(s) whose signature(s) appear(s) above if different in than the name of the subscriber printed above)</p> <p>_____</p> <p>(Name(s) – Please print name of individual(s) whose signature(s) appear(s) above if different than the name of the subscriber printed above)</p> <p>_____</p> <p>_____</p> <p>(Subscriber’s Address)</p> <p>_____</p> <p>(Telephone Number) _____ (E-Mail Address)</p>
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<p>Number of Securities: _____ X \$1.00</p>
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<p>Aggregate Subscription Price:</p>

<p>If the Subscriber is signing as trustee or agent for a beneficial purchaser and is not deemed to be purchasing as principal pursuant to NI 45-106 (as defined herein) by virtue of being either: (i) a trust company or trust corporation acting on behalf of a fully managed account managed by the trust company or trust corporation; or (ii) a person acting on behalf of a fully managed account managed by it, and in each case satisfying the criteria set forth in NI 45-106 or Section 73.3 of the <i>Securities Act</i> (Ontario), complete the following and ensure that the applicable Schedules are completed in respect of such beneficial purchaser (“Disclosed Beneficial Subscriber”):</p> <p>_____</p> <p>(Name of Disclosed Beneficial Subscriber)</p> <p>_____</p> <p>(Disclosed Beneficial Subscriber’s Address)</p> <p>_____</p> <p>(Telephone Number) _____ (E-Mail Address)</p>

<p>Register the Securities as set forth below (if different than above):</p> <p>_____</p> <p>(Name)</p> <p>_____</p> <p>(Account reference, if applicable)</p> <p>_____</p> <p>_____</p> <p>(Address)</p>
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<p>Deliver the Securities as set forth below (if different than above):</p> <p>_____</p> <p>(Name)</p> <p>_____</p> <p>(Account reference, if applicable)</p> <p>_____</p> <p>(Contact Name)</p> <p>_____</p> <p>(Address)</p>

ACCEPTANCE: The Issuer hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement (including all applicable Schedules).

DATED this: _____.

Canguard Mortgage Investment Corporation

By: _____
Authorized Signatory

TERMS AND CONDITIONS OF SUBSCRIPTION

1. **Subscription.** The Subscriber hereby tenders to the Issuer this Subscription Agreement which, upon acceptance by the Issuer, will constitute an irrevocable agreement of the Subscriber to purchase from the Issuer and of the Issuer to sell to the Subscriber the Subscriber's Securities, all on and subject to the terms and conditions set out in this Subscription Agreement. The Subscriber's Securities form part of a larger offering (the "**Offering**") as more fully detailed in the Offering Document.
2. **Definitions.** In this Subscription Agreement, unless the context otherwise requires:
 - (a) "**Accession Agreement**" means, if any, the accession agreement attached as an exhibit to the Shareholders Agreement whereby purchasers of securities of the Issuer may become parties to the Shareholders Agreement;
 - (b) "**Accredited Investor Schedule**" means, if the Subscriber is relying on its qualification as an "accredited investor" as that term is defined in NI 45-106 or Section 73.3 of the *Securities Act* (Ontario) in order to subscribe for the Securities under the Offering, the schedule provided to the Subscriber concurrently with this Subscription Agreement whereby the Subscriber must indicate that the Subscriber fits within one of the accredited investor exemption categories under applicable Securities Laws and the information contained therein is true and correct;
 - (c) "**affiliate**", "**associate**" and "**distribution**" have the respective meanings ascribed to them in applicable Securities Laws;
 - (d) "**Closing**" means the completion of the issue and sale by the Issuer and the purchase by the Subscriber of the Subscriber's Securities pursuant to the provisions of this Subscription Agreement;
 - (e) "**Closing Date**" has the meaning ascribed thereto in Section 4 hereof;
 - (f) "**Closing Time**" means 10:00 a.m. (Vancouver time) on the Closing Date or such other time as the Issuer and the Subscriber may agree pursuant to the provisions of this Subscription Agreement;
 - (g) "**Designated Provinces**" means each of the provinces of Canada other than Quebec;
 - (h) "**Disclosed Beneficial Subscriber**" has the meaning ascribed thereto on page 1 hereof;
 - (i) "**insider**" means:
 - (i) a director or officer of the Issuer;
 - (ii) a director or officer of a person or company that is itself an insider or subsidiary of the Issuer; or
 - (iii) a person that has beneficial ownership of and/or control or direction over, directly or indirectly, securities carrying more than 10% of the voting rights attached to all of the Issuer's outstanding voting securities;
 - (j) "**International Jurisdiction**" has the meaning ascribed thereto in Section 7(a)(v);
 - (k) "**International Subscriber**" means a subscriber that is a resident in or is otherwise subject to the securities laws of any jurisdiction other than Canada and the United States;
 - (l) "**International Subscriber Schedule**" means, if the Subscriber is an International Subscriber, the schedule provided to the Subscriber concurrently with this Subscription Agreement whereby the Subscriber makes additional representations, warranties and covenants to the Issuer;

- (m) “**Issuer**” means Canguard Mortgage Investment Corporation;
- (n) “**material**” means material in relation to the Issuer or, if applicable, material in relation to the Issuer and its subsidiaries on a consolidated basis;
- (o) “**NI 45-106**” means National Instrument 45-106 *Prospectus Exemptions* as such instrument is in effect at the Closing in the Designated Province in which the Subscriber resides;
- (p) “**NCI**” means non-certificated inventory;
- (q) “**Non-Reporting Issuer Schedule**” means the schedule provided to the Subscriber concurrently with this Subscription Agreement whereby the Subscriber makes additional representations, warranties and covenants to the Issuer in connection with the Issuer’s status as a non-Reporting Issuer (as defined in Securities Laws);
- (r) “**Offering Document**” means, in the case of a Subscriber acquiring the Securities pursuant to the Offering Memorandum Schedule, the Offering Memorandum, or in all other cases, the Term Sheet.
- (s) “**Offering Memorandum**” means, the current, unexpired confidential offering memorandum of the Issuer delivered to the Subscriber, together with all schedules thereto;
- (t) “**Offering Memorandum Schedule**” means, if an Offering Memorandum was prepared and the Subscriber is relying on its qualification under the “Offering Memorandum” prospectus exemption found in section 2.9 of NI 45-106 in order to subscribe for the Securities under the Offering, the schedule provided to the Subscriber concurrently with this Subscription Agreement whereby the Subscriber must indicate that the Subscriber meets the criteria for that prospectus exemption under applicable Securities Laws and that the information contained therein is true and correct;
- (u) “**PCMLTFA**” means the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada);
- (v) “**Personal Information**” means any information about a Subscriber disclosed by the Subscriber in this Subscription Agreement and the schedules thereto;
- (w) “**Purchase Price**” has the meaning ascribed thereto on page 1 hereof;
- (x) “**registrant**” means a person registered or required to be registered pursuant to the Securities Laws applicable to such person;
- (y) “**Subscriber**” means the person or persons or company named as Subscriber on page 1 hereof, and if more than one person is so named, means all of them jointly and severally;
- (z) “**Subscriber’s Securities**” has the meaning ascribed thereto on page 1 hereof;
- (aa) “**Subscription Agreement**” means this subscription agreement;
- (bb) “**Securities Commissions**” means, collectively, the applicable securities commissions or other securities regulatory authorities, as applicable, in each of the Designated Provinces;
- (cc) “**Securities Laws**” means, collectively, the applicable securities laws of each of the Designated Provinces and the regulations and rules made and forms prescribed thereunder together with all applicable and legally enforceable published policy statements, multilateral or national instruments, blanket orders, rulings and notices of the Securities Commissions;
- (dd) “**Securities**” means the Class A Preferred Shares of the Issuer;

- (ee) “**Term Sheet**” means the term sheet provided to the Subscriber that provides details in respect of the Offering;
- (ff) “**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (gg) “**U.S. Accredited Investor**” means an “accredited investor” as defined in Rule 501(a) of Regulation D under the U.S. Securities Act;
- (hh) “**U.S. Accredited Investor Schedule Means**” means, if the Subscriber is relying on its qualification as a U.S. Accredited Investor in order to subscribe for the Securities under the Offering, the schedule provided to the Subscriber concurrently with this Subscription Agreement whereby the Subscriber must indicate that the Subscriber fits within one of the categories of U.S. Accredited Investor and the information contained therein is true and correct;
- (ii) “**U.S. Person**” means a U.S. person as defined in Rule 902(k) of Regulation S under the U.S. Securities Act; and
- (jj) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended.

3. Delivery and Payment. The Subscriber agrees that the following shall be delivered to the Issuer, in the manner, and at such time, date and place, as the Issuer may advise:

- (a) a completed and duly signed copy of this Subscription Agreement including all applicable schedules relating to the prospectus exemption upon which the Subscriber is relying;
- (b) the Purchase Price; and
- (c) any other documents required by the Securities Laws or that the Issuer requests, including, if any, an Accession Agreement and/or a Voting Trust Agreement.

The Subscriber, and each Disclosed Beneficial Subscriber, if any, for whom it is acting as trustee or agent acknowledge and agree that such documents, when executed and delivered by the Subscriber, will form part of and will be incorporated into this Subscription Agreement with the same effect as if each constituted a representation and warranty or covenant of the Subscriber hereunder in favour of the Issuer. The Subscriber and each such Disclosed Beneficial Subscriber consent to the filing of such documents as may be required to be filed in connection with the transactions contemplated hereby.

4. Closing. The Closing shall occur on such date as may be determined by the Issuer in its sole discretion (the “**Closing Date**”) and at such time as may be determined by the Issuer in its sole discretion (the “**Closing Time**”). The Issuer may, at its discretion, elect to close the Offering in one or more closings, in which event the Issuer may agree with one or more purchasers (including the Subscriber to this Subscription Agreement) to complete delivery of the Securities to such purchaser(s) against payment therefor at any time on or prior to the Closing Date.

Except as otherwise indicated, all documents included in this Subscription Agreement or otherwise required pursuant to the provisions of such documents should be completed and executed in their entirety by the Subscriber. It is suggested that the Subscriber make and retain copies of the completed subscription and related documents.

Both parties to this Subscription Agreement acknowledge and agree that the Issuer’s counsel are acting as counsel to the Issuer, and not as counsel to the Subscriber or Disclosed Beneficial Subscriber, if any. The Subscriber (and any Disclosed Beneficial Subscriber) acknowledge and agree that the Issuer has (or have) given the Subscriber (and any Disclosed Beneficial Subscriber) the opportunity to seek, and are hereby recommending that the Subscriber (and any Disclosed Beneficial Subscriber) obtain, independent legal advice with respect to the subject matter of this Subscription Agreement and, further, the Subscriber (and any Disclosed Beneficial Subscriber)

hereby represent and warrant to the Issuer that the Subscriber (and any Disclosed Beneficial Subscriber) have sought independent legal advice or waive the opportunity to obtain such advice.

5. Conditions of Closing. The Subscriber acknowledges that the Issuer's obligation to sell the Securities to the Subscriber is subject to, among other things, the following conditions:

- (a) the Subscriber or Disclosed Beneficial Subscriber, if any, for whom the Subscriber is acting as trustee or agent executes and returns to the Issuer all documents required by applicable "**Securities Laws**" for delivery on behalf of the Subscriber or Disclosed Beneficial Subscriber, if any, for whom the Subscriber is acting as trustee or agent including, without limitation, all applicable schedules attached hereto on or before the Closing Time;
- (b) the issue and sale and delivery of the Subscriber's Securities are exempt from the requirements to file a prospectus (as defined under applicable Securities Laws) or any similar document under applicable Securities Laws and other applicable securities laws relating to the sale of the Subscriber's Securities, or that the Issuer has received such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus; and
- (c) the representations and warranties set out herein, including in the schedules hereto, of the Subscriber are true and correct as at the Closing Time.

The Subscriber acknowledges and agrees that as the sale of the Subscriber's Securities will not be qualified by a prospectus, such sale is subject to the condition that the Subscriber (or, if applicable, any others for whom the Subscriber is contracting hereunder) sign and return to the Issuer all relevant documentation required by the Securities Laws.

The Subscriber acknowledges and agrees that the Issuer may be required to provide to the Securities Commissions a list setting out the identities of the beneficial subscribers of the Securities. Notwithstanding that the Subscriber may be purchasing Securities as an agent on behalf of an undisclosed beneficial subscriber (if permissible under the relevant Securities Laws), the Subscriber agrees to provide, on request, particulars as to the identity of such undisclosed beneficial subscriber as may be required by the Issuer in order to comply with the foregoing and Securities Laws.

6. Acceptance or Rejection. The Issuer will have the right, in its sole discretion, to accept or reject this Subscription Agreement in whole or in part at any time at or prior to the Closing Time. The Issuer will be deemed to have accepted this Subscription Agreement upon its execution of the acceptance form at page 2 of this Subscription Agreement.

7. Subscriber's Representations and Warranties.

- (a) **Representations and Warranties for All Subscribers.** The Subscriber represents and warrants to the Issuer as follows and acknowledges that the Issuer are relying on such representations and warranties in connection with the transactions contemplated in this Subscription Agreement:
 - (i) **Authorization and Effectiveness.**
 - A. *Individuals.* If the Subscriber is an individual, he or she is of the full age of majority and has all requisite legal capacity and competence to execute and deliver this Subscription Agreement, to subscribe for the Subscriber's Securities and to observe and perform his or her covenants and obligations hereunder;
 - B. *Corporations.* If the Subscriber is a corporation, the Subscriber is duly incorporated and is a valid and existing corporation, has the necessary corporate capacity and authority to execute and deliver this Subscription Agreement, to subscribe for the

Subscriber's Securities and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate action in respect thereof;

- C. *Other Entities.* If the Subscriber is a partnership, syndicate or other form of unincorporated organization, the Subscriber has the necessary legal capacity and authority to execute and deliver this Subscription Agreement, to subscribe for the Subscriber's Securities and to observe and perform its covenants and obligations hereunder and has obtained all necessary approvals in respect thereof;
- D. *All Subscribers.* In any case, upon acceptance by the Issuer, this Subscription Agreement will constitute a legal, valid and binding agreement of the Subscriber enforceable against the Subscriber in accordance with its terms and will not result in a violation of or create a state of facts which, after notice, lapse of time or both, would constitute a default or breach of any of the Subscriber's constating documents, by-laws or authorizing resolutions (if applicable), any agreement to which the Subscriber is a party or by which it is bound or any law applicable to the Subscriber or any judgment, decree, order, statute, rule or regulation applicable to the Subscriber;
- (ii) *Residence.* The Subscriber (and any Disclosed Beneficial Subscriber) has been offered the Subscriber's Securities in, and is a resident of, the jurisdiction referred to under **Name and Address of Subscriber and Details of Beneficial Subscriber**, respectively, set out on page 1 hereof, and intends that the securities laws of that jurisdiction do and shall govern the subscription of the Subscriber or any Disclosed Beneficial Subscriber for whom it is contracting hereunder and that such addresses were not created and are not used solely for the purpose of acquiring the Subscriber's Securities;
- (iii) *Offers in Canada.* If the Subscriber is resident in Canada, the Subscriber has properly completed, executed and delivered to the Issuer the certificate(s) (dated as of the date hereof) applicable to the Subscriber, as described in Sections 7(a)(iii)(A), (B), (C), and (D) immediately below (and any applicable appendix attached thereto) indicating that the Subscriber fits within one of the enumerated prospectus exemption categories under applicable Securities Laws and the information contained therein is true and correct:
- A. *Accredited Investors.* If the Subscriber is relying on its qualification as an "accredited investor" as that term is defined in NI 45-106 or Section 73.3 of the *Securities Act* (Ontario) in order to subscribe for the Securities under the Offering, the Accredited Investor Schedule (and any applicable appendix attached thereto) provided to the Subscriber; and
- B. *Offering Memorandum.* If the Subscriber is relying on its qualification under the "Offering Memorandum" prospectus exemption found in NI 45-106 in order to subscribe for the Securities under the Offering, the Offering Memorandum Schedule (and any applicable appendix attached thereto) provided to the Subscriber.
- (iv) *Offers in the United States.* If the Subscriber is resident in the United States, it is eligible to purchase the Securities pursuant to an exemption from the registration requirements of the U.S. Securities Act, and if applicable, the Subscriber has properly completed, executed and delivered to the Issuer (dated as of the date hereof) the U.S. Accredited Investor Schedule (and any applicable appendix thereto) provided to the subscriber, indicating that the Subscriber is a U.S. Accredited Investor and the information therein is true and correct. Further, the Subscriber:
- A. acknowledges that none of the Securities have been, nor will they be, registered under the U.S. Securities Act or the securities laws of any state, and such securities may not be offered or sold, directly or indirectly, in the United States except pursuant to

registration or unless an exemption from the registration requirements under the U.S. Securities Act and applicable state securities laws is available;

- B. agrees not to offer or sell the Securities in the United States unless registered under the U.S. Securities Act or pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws; and
- C. acknowledges and understands that the Issuer has no present intention of filing a registration statement under the U.S. Securities Act in respect of the Securities;

With the exception of U.S. Accredited Investors who have properly completed, executed and delivered to the Issuer (dated as of the date hereof) the U.S. Accredited Investor Schedule (and any applicable appendix thereto) and who have made the representations, warranties and covenants contained therein, the Subscriber: (i) is not purchasing the Subscriber's Securities on behalf of or for the benefit of a person in the United States and (ii) at the time the purchase order originated was outside the United States, and did not execute or deliver this Subscription Agreement or related documents in the United States;

- (v) Offers in International Jurisdictions. If the Subscriber is a resident in or otherwise subject to the securities laws of any jurisdiction other than Canada and the United States (an "**International Jurisdiction**"), it is eligible to purchase the Securities pursuant to an exemption from the prospectus and/or registration requirements of the International Jurisdiction, the Subscriber has properly completed, executed and delivered to the Issuer (dated as of the date hereof) the International Subscriber Schedule and the information therein is true and correct. Further, the Subscriber represents and warrants that:
 - A. the Subscriber is knowledgeable of, or has been independently advised as to, the applicable securities laws of the International Jurisdiction which would apply to this Subscription Agreement, if any;
 - B. the Subscriber is purchasing the Subscriber's Securities pursuant to exemptions from the prospectus and registration requirements under the applicable securities laws of that International Jurisdiction or, if such is not applicable, the Subscriber is permitted to purchase the Subscriber's Securities under the applicable securities laws of the International Jurisdiction without the need to rely on an exemption;
 - C. the applicable securities laws do not require the Issuer to file a prospectus or similar document or to register the Securities or to make any filings or seek any approvals of any kind whatsoever from any regulatory authority of any kind whatsoever in the International Jurisdiction; and
 - D. the delivery of this Subscription Agreement, the acceptance of it by the Issuer and the issuance of the Securities to the Subscriber complies with all applicable laws of the Subscriber's jurisdiction of residence or domicile and all other applicable laws and will not cause the Issuer to become subject to or comply with any disclosure, prospectus or reporting requirements under any such applicable laws;
- (vi) Purchasing as Principal. Unless Section 7(a)(ix) below applies, the Subscriber is purchasing the Subscriber's Securities as principal (as defined in all applicable Securities Laws) for its own account, and not for the benefit of any other person;
- (vii) Purchasing for Investment Only. Unless Section 7(a)(ix) below applies, the Subscriber is purchasing the Subscriber's Securities for investment only and not with a view to resale or distribution of all or any of the Subscriber's Securities;

- (viii) No Syndication. Unless Section 7(a)(ix) below applies, the Subscriber was not created solely to purchase or hold securities as an accredited investor as that term is defined in NI 45-106 or the *Securities Act* (Ontario);
- (ix) Purchasing as Agent or Trustee. If the Subscriber is acting for a Disclosed Beneficial Subscriber, the Subscriber is duly authorized to execute and deliver this Agreement and all other documentation in connection with the subscription on behalf of the Disclosed Beneficial Subscriber. This Agreement has been duly authorized, executed and delivered by or on behalf of such Disclosed Beneficial Subscriber and constitutes a legal, valid and binding agreement of such Disclosed Beneficial Subscriber enforceable against him, her or it in accordance with its terms;
- (x) Broker. Other than the Designated Dealer, and soliciting dealer group members, if any, there is no person acting or purporting to act in connection with the transactions contemplated herein who is entitled to any brokerage or finder's fee and if any person establishes a claim that any fee or other compensation is payable in connection with this subscription for the Securities, the Subscriber covenants to indemnify and hold harmless the Issuer with respect thereto and with respect to all costs reasonably incurred in the defence thereof;
- (xi) Illegal Use of Funds. The funds being used to purchase the Subscriber's Securities which hereunder will not, to its knowledge, represent proceeds of crime for the purposes of the PCMLTFA and the Subscriber acknowledges that the Issuer 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. To the best of its knowledge (i) none of the subscription funds to be provided by the Subscriber (A) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada or any other jurisdiction, or (B) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (ii) the Subscriber shall promptly notify the Issuer if the Subscriber discovers that any of such representations cease to be true, and to provide the Issuer with appropriate information in connection therewith;
- (xii) Resale Restrictions. The Subscriber (and any Disclosed Beneficial Subscriber) have consulted its (or their) own legal advisors with respect to trading in the Subscriber's Securities and the resale restrictions imposed by the Securities Laws of the province or territory in which the Subscriber (and any Disclosed Beneficial Subscriber) resides and other applicable securities laws, and acknowledge that (other than as expressly provided in this Subscription Agreement or in the Offering Document) 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 (and any Disclosed Beneficial Subscriber) to resell such securities, and that the Subscriber (and any Disclosed Beneficial Subscriber) hereunder is solely responsible to obtain definitive legal advice with respect to these restrictions and the Subscriber (and any Disclosed Beneficial Subscriber) is solely responsible and the Issuer shall be in no way responsible for compliance with applicable resale restrictions and the Subscriber is aware that it (and any Disclosed Beneficial Subscriber) may not be able to resell such securities except in accordance with limited exemptions under the Securities Laws and other applicable securities laws;
- (xiii) Trust or Unincorporated Organization. If the Subscriber (or any Disclosed Beneficial Subscriber) is a corporation or a partnership, syndicate, trust, association, or any other form of unincorporated organization or organized group of persons, the Subscriber or such Disclosed Beneficial Subscriber was not created or being used solely to permit purchases of or to hold securities without a prospectus in reliance on a prospectus exemption;
- (xiv) Offering Document. The Subscriber, on its own behalf and (if applicable) on behalf of others for whom it is contracting hereunder, acknowledges and agrees that:

- A. it has read and fully understands the Offering Document and has had an opportunity to ask and have answered questions with respect to the Issuer and the sale of the Securities;
 - B. it has consulted to the extent it deems appropriate with the Subscriber's own advisors as to the financial, tax, legal and related matters concerning an investment in the Securities and on that basis the Subscriber believes that an investment in the Securities is suitable and appropriate for the Subscriber;
 - C. other than the Offering Document, the Subscriber has not requested access to and does not need to receive any other information concerning the Issuer;
- (xv) Investment Suitability. The Subscriber (and any Disclosed Beneficial Subscriber) has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of the investment hereunder in the Subscriber's Securities and is able to bear the economic risk of total loss of such investment;
 - (xvi) Absence of Prospectus or Similar Document. The Subscriber (and any Disclosed Beneficial Subscriber) has not received, nor has it requested and does not have any need to receive, any prospectus or any other document describing the business and affairs of the Issuer (other than this Subscription Agreement and, if provided, the Offering Document or an investor presentation of the Issuer), nor has any other document been prepared for delivery to, or review by, prospective purchasers in order to assist them in making an investment decision in respect of the Securities;
 - (xvii) Not a "Control Person". The Subscriber (and any Disclosed Beneficial Subscriber) is not and will not become a "control person" of the Issuer by virtue of the purchase of the Subscriber's Securities under this Subscription Agreement and does not act or intend to act in concert with any other person to form a control group in respect of the Issuer;
 - (xviii) Compliance with Resale Restrictions. The Subscriber (and any Disclosed Beneficial Subscriber) fully understands the restrictions on resale of the Securities and will not resell the Securities except in accordance with the provisions of applicable Securities Laws;
 - (xix) Other Documents. The Subscriber (and any Disclosed Beneficial Subscriber) will execute and deliver any other documents required by applicable Securities Laws to permit the purchase of the Subscriber's Securities on the terms herein set forth which the Issuer may request from time to time;
 - (xx) Personal Information. The Subscriber acknowledges that this Subscription Agreement requires the Subscriber to provide certain Personal Information to the Issuer. Such information is being collected and will be used by the Issuer for the purposes of completing the offering of Securities pursuant to this Subscription Agreement, which includes, without limitation, determining the Subscriber's eligibility to purchase the Subscriber's Securities under applicable Securities Laws, preparing and registering certificates representing the Subscriber's Securities and completing filings required by the Securities Commissions. The Subscriber agrees that the Subscriber's Personal Information may be disclosed by the Issuer to: (i) stock exchanges and applicable securities regulatory authorities; (ii) the Issuer's registrar and transfer agent; and (iii) any of the other parties involved in the offering of Securities, including legal counsel, and may be included in record books in connection with offering of Securities.
 - (xxi) Eligibility. The Subscriber (and any Disclosed Beneficial Subscriber) is eligible to purchase the Securities pursuant to an exemption from the prospectus and registration requirements of securities laws. If required, the Subscriber has completed and delivered to the Issuer the

applicable schedule provided to it evidencing the Subscriber's (and any Disclosed Beneficial Subscriber's) status under securities laws and confirms the truth and accuracy of all statements made in such certificate as of the date of this Subscription Agreement and as of the Closing Time;

- (xxii) Arm's Length. The Subscriber (and any Disclosed Beneficial Subscriber) is at arm's-length, within the meaning of Securities Laws, with the Issuer;
- (xxiii) No Financial Assistance. The Subscriber (and any Disclosed Beneficial Subscriber) has not received, nor does it expect to receive any financial assistance from the Issuer, directly or indirectly, in respect of the Subscribers' purchase of Securities;
- (xxiv) Certain Representations. No person has made any oral or written representations to the Subscriber: (i) that any person will resell or repurchase the Subscriber's Securities; (ii) that any person will refund the Purchase Price of the Subscriber's Securities; or (iii) as to the future value or price of any of the Securities; and
- (xxv) Non-Reporting Issuer Schedule. The Subscriber has properly completed, executed and delivered to the Issuer (dated as of the date hereof) the Non-Reporting Issuer Schedule provided to the Subscriber, has made the representations, warranties and covenants contained therein and the information contained therein is true and correct.

The Subscriber acknowledges and agrees that the foregoing representations and warranties are made by it with the intention that they may be relied upon by the Issuer in determining the Subscriber's eligibility or (if applicable) the eligibility of others on whose behalf it is contracting hereunder to purchase the Subscriber's Securities under Securities Laws. The Subscriber further agrees that by accepting delivery of the Subscriber's Securities on the Closing Date, it shall be representing and warranting that the foregoing representations and warranties are true and correct 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 shall survive the purchase by the Subscriber of the Subscriber's Securities and shall continue in full force and effect notwithstanding any subsequent disposition by the Subscriber of the Securities. The Subscriber undertakes to notify the Issuer immediately of any change in any representation, warranty or other information relating to the Subscriber (and any Disclosed Beneficial Subscriber) set out in this Subscription Agreement which takes place prior to the Closing Time.

8. Subscriber's Acknowledgements. The Subscriber acknowledges and agrees that:

- (a) **AN INVESTMENT IN THE SECURITIES IS NOT WITHOUT RISK AND THE PURCHASER (AND ANY DISCLOSED BENEFICIAL PURCHASER) MAY LOSE HIS, HER OR ITS ENTIRE INVESTMENT;**
- (b) **THE SECURITIES CANNOT BE ACQUIRED DIRECTLY BY THE SUBSCRIBER. THE SUBSCRIBER'S SUBSCRIPTION MUST BE FACILITATED THROUGH A REGISTERED DEALER;**
- (c) no agency, governmental authority, regulatory body, stock exchange or other entity has made any finding or determination as to the merit for investment of, nor have any such agencies or governmental authorities made any recommendation or endorsement with respect to the Subscriber's Securities or the offering thereof;
- (d) there is no government or other insurance covering the Subscriber's Securities;
- (e) there are risks associated with the purchase of the Subscriber's Securities;
- (f) the purchase of the Subscriber's Securities has not been or will not be (as applicable) made through, or as a result of, and the distribution of the Subscriber's Securities is not being accompanied by, a general

solicitation or advertisement including articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;

- (g) no prospectus or similar document has been filed by the Issuer with a Securities Commission or other securities regulatory authority in any province or territory of Canada, or any other jurisdiction in or outside of Canada in connection with the issuance of the Subscriber's Securities, and such issuances are exempt from the prospectus requirements otherwise applicable under the provisions of Securities Laws and, as a result, in connection with its purchase of the Subscriber's Securities hereunder, as applicable:
 - (i) the Subscriber is restricted from using most of the protections, rights and remedies available under Securities Laws including, without limitation, statutory rights of rescission or damages;
 - (ii) the Subscriber will not receive information that may otherwise be required to be provided to the Subscriber under applicable Securities Laws or contained in a prospectus prepared in accordance with applicable Securities Laws; and
 - (iii) the Issuer is relieved from certain obligations that would otherwise apply under such applicable Securities Laws;
- (h) the Subscriber's Securities are being offered for sale only on a private placement basis;
- (i) except as otherwise provided, all costs and expenses incurred by the Subscriber (including any fees and disbursements of legal counsel retained by the Subscriber) relating to the purchase of the Subscriber's Securities shall be borne solely by the Subscriber;
- (j) the Subscriber's Securities will be subject to certain resale restrictions under the Securities Laws and the Subscriber agrees to comply with such restrictions. The Subscriber also acknowledges that:
 - (i) it has been advised to consult its own legal advisors with respect to applicable resale restrictions and that it is solely responsible (and the Issuer shall be in no way responsible) for complying with such restrictions;
 - (ii) for the purposes of complying with the Securities Laws and Multilateral Instrument 45-102 – *Resale of Securities*, the Subscriber understands and acknowledges that upon the issuance of the Subscriber's Securities, certificates representing the Subscriber's Securities, if any, shall bear a legend substantially in the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF: (I) [THE DISTRIBUTION DATE], AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY”
- (k) at the discretion of the Issuer, the Securities may be represented by non-certificated inventory (“NCI”) uncertificated securities. If the Issuer or the Designated Dealer, as applicable, elects to proceed in this manner, Subscribers will not receive physical certificates representing their ownership;
- (l) in the event the Securities are represented by NCI uncertificated securities, registration of interests in and transfers of the Securities may be made only through electronic records, and if so made, the ability of the Subscriber to pledge the Securities or otherwise take action with respect to the Subscriber's interest in the Securities may be limited due to the lack of a physical certificate;
- (m) the Subscriber (and any Disclosed Beneficial Subscriber) is solely responsible for obtaining such legal advice and tax advice it considers appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement and the completion of the transactions contemplated hereby; and

- (n) the Issuer may complete additional financings in the future in order to develop the business of the Issuer and fund its ongoing development, and such future financings may have a dilutive effect on current security holders of the Issuer, including the Subscriber but there is no assurance that such financing will be available, on reasonable terms or at all, and if not available, the Issuer may be unable to fund its ongoing development.

9. Further Acknowledgements of the Subscriber. The Subscriber (on its own behalf and, if applicable, on behalf of any Disclosed Beneficial Subscriber) hereby: (a) acknowledges that it has been notified by the Issuer of the delivery to the Securities Commissions of: (i) the full name, residential address, telephone number and email address of the Subscriber; (ii) the date of distribution, number of securities purchased and total purchase price; and (iii) the exemption relied on (including if applicable, the name and position of the director, executive officer, control person or founder with whom the Subscriber claimed a relationship and whether the Subscriber is a director, officer, promoter or insider of the Issuer or a registrant); (b) acknowledges that this information is being collected by the Securities Commissions under the authority granted in securities legislation, that this information is being collected for the purposes of the administration and enforcement of the securities legislation of the local jurisdiction; (c) acknowledges that it has been notified by the Issuer of the title, business address and business telephone number of the public official in the local jurisdiction, as set out in this form; and (d) authorizes the indirect collection of the information by the Securities Commissions.

Should the Subscriber have any questions or concerns with respect to the foregoing, the contact information of the public official in the local jurisdiction who can answer such questions or address such concerns about the Securities Commissions' indirect collection of personal information is provided below:

<p>Alberta Securities Commission Suite 600, 250 – 5th Street SW Calgary, Alberta T2P 0R4 Telephone: 403 297-6454 Toll free in Canada: 1 877 355-0585 Facsimile: 403 297-2082</p>	<p>Government of Nunavut Department of Justice Legal Registries Division P.O. Box 1000, Station 570 1st Floor, Brown Building Iqaluit, Nunavut X0A 0H0 Telephone: 867 975-6590 Facsimile: 867 975-6594</p>
<p>British Columbia Securities Commission P.O. Box 10142, Pacific Centre 701 West Georgia Street Vancouver, British Columbia V7Y 1L2 Inquiries: 604 899-6854 Toll free in Canada: 1 800 373-6393 Facsimile: 604 899-6581 Email: inquiries@bcsc.bc.ca</p>	<p>Ontario Securities Commission 20 Queen Street West, 22nd Floor Toronto, Ontario M5H 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</p>
<p>The Manitoba Securities Commission 500 – 400 St. Mary Avenue Winnipeg, Manitoba R3C 4K5 Telephone: 204 945-2548 Toll free in Manitoba: 1 800 655-5244 Facsimile: 204 945-0330</p>	<p>Prince Edward Island Securities Office 95 Rochford Street, 4th Floor Shaw Building P.O. Box 2000 Charlottetown, Prince Edward Island C1A 7N8 Telephone: 902 368-4569 Facsimile: 902 368-5283</p>
<p>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</p>	<p>Autorité des marchés financiers 800, Square Victoria, 22^e étage C.P. 246, Tour de la Bourse Montréal, Québec H4Z 1G3 Telephone: 514 395-0337 or 1 877 525-0337 Facsimile: 514 873-6155 (For filing purposes only) Facsimile: 514 864-6381 (For privacy requests only) Email: financementdessocietes@lautorite.qc.ca</p>

<p>Government of Newfoundland and Labrador Financial Services Regulation Division P.O. Box 8700 Confederation Building 2nd Floor, West Block Prince Philip Drive St. John's, Newfoundland and Labrador A1B 4J6 Attention: Director of Securities Telephone: 709 729-4189 Facsimile: 709 729-6187</p>	<p>Financial and Consumer Affairs Authority of Saskatchewan Suite 601 - 1919 Saskatchewan Drive Regina, Saskatchewan S4P 4H2 Telephone: 306 787-5879 Facsimile: 306 787-5899</p>
<p>Government of the Northwest Territories Office of the Superintendent of Securities P.O. Box 1320 Yellowknife, Northwest Territories X1A 2L9 Attention: Deputy Superintendent, Legal & Enforcement Telephone: 867 920-8984 Facsimile: 867 873-0243</p>	<p>Government of Yukon Department of Community Services Law Centre, 3rd Floor 2130 Second Avenue Whitehorse, Yukon Y1A 5H6 Telephone: 867 667-5314 Facsimile: 867 393-6251</p>
<p>Nova Scotia Securities Commission Suite 400, 5251 Duke Street Duke Tower P.O. Box 458 Halifax, Nova Scotia B3J 2P8 Telephone: 902 424-7768 Facsimile: 902 424-4625</p>	

10. Power of Attorney. The Subscriber (and any Disclosed Beneficial Subscriber) irrevocably constitutes and appoints any registered dealer representing such Subscriber (the “**Designated Dealer**”) as the true and lawful attorney of the Subscriber (and any Disclosed Beneficial Subscriber). As the attorney of the Subscriber (and any Disclosed Beneficial Subscriber), the Designated Dealer has the power to act for and in the name of Subscriber (and any Disclosed Beneficial Subscriber), with full power of substitution, to execute and deliver such documents, instruments or agreements and do all acts and things necessary to effect the following:

- (a) to represent the Subscriber (and any Disclosed Beneficial Subscriber) at the Closing for the purposes of all closing matters and deliveries of documents and certificates representing the Securities and payment of funds; and
- (b) to extend any time periods and modify or waive any conditions that are set forth in this Subscription Agreement in the manner and to the extent that it, in its absolute discretion, deems appropriate, provided that the extensions, modifications or waivers do not materially affect the Subscriber’s obligations under this Subscription Agreement; and
- (c) without limiting the generality of the foregoing, to exercise or not to exercise, as it determines in its sole discretion, the rights of termination in any agency agreement entered into by the Designated Dealer with the Issuer.

This power of attorney is irrevocable, is coupled with an interest and has been given for valuable consideration, the receipt and adequacy of which is acknowledged. This power of attorney and other rights and privileges granted under this Section will survive any legal or mental incapacity, dissolution, bankruptcy or death of the Subscriber (and any Disclosed Beneficial Subscriber). This power of attorney extends to the heirs, executors, administrators, other legal representatives and successors, transferees and assigns of the Subscriber (and any Disclosed Beneficial Subscriber). Any person dealing with the Designated Dealer may conclusively presume and rely upon the fact that any document, instrument or agreement executed by the Designated Dealer pursuant to this power of attorney is authorized and binding on the Subscriber (and any Disclosed Beneficial Subscriber) without further inquiry. The Subscriber (and any Disclosed Beneficial Subscriber) agrees to be bound by any representations or actions made or taken by the Designated Dealer pursuant to this power of attorney and waives any and all defences that may be available to contest, negate or disaffirm any action of the Designated Dealer taken in good faith under this power of attorney.

11. Indemnity. The Subscriber agrees to indemnify and hold harmless the Issuer and the Designated Dealer and, as applicable, its (or their) respective directors, officers, trustees, employees, Designated Dealers, advisers and securityholders from and against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all fees, costs and expenses whatsoever reasonably incurred in investigating, preparing or defending against any claim, lawsuit, administrative proceeding or investigation, whether commenced or threatened) arising out of or based upon any representation or warranty of the Subscriber contained herein or in any document furnished by the Subscriber to the Issuer or, as applicable, the Designated Dealer in connection herewith being untrue in any material respect or any breach or failure by the Subscriber to comply with any covenant or agreement made by the Subscriber herein or in any document furnished by the Subscriber to the Issuer or, as applicable, the Designated Dealer in connection herewith.

12. Modification. Subject to the terms hereof, neither this Subscription Agreement nor any provision hereof shall be modified, changed, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, change, discharge or termination is sought.

13. Assignment. The terms and provisions of this Subscription Agreement shall be binding upon and enure to the benefit of the Subscriber, the Issuer and their respective successors and assigns; provided that this Subscription Agreement shall not be assignable by any party without the prior written consent of the other parties. For greater certainty this Subscription Agreement may only be transferred or assigned by the Subscriber subject to compliance with applicable laws (including, without limitation, applicable Securities Laws).

14. Miscellaneous and Counterparts. All representations, warranties, agreements and covenants made or deemed to be made by the Subscriber, and (if applicable) others for whom it is contracting hereunder, herein will survive the execution and delivery, and acceptance, of this Subscription Agreement and the Closing. This Subscription Agreement may be executed in any number of counterparts, each of which when delivered, either in original, facsimile form, or other electronic means shall be deemed to be an original and all of which together shall constitute one and the same document.

15. Governing Law. This Subscription Agreement shall be governed by and construed in accordance with the laws of the Province of #IssuerProvince# and the federal laws of Canada applicable therein. The Subscriber hereby irrevocably attorns to the jurisdiction of the courts of the Province of #IssuerProvince# with respect to any matters arising out of this Subscription Agreement.

16. Facsimile Subscriptions. The Issuer shall be entitled to rely on delivery by facsimile machine or other electronic means of an executed copy of this Subscription Agreement, including the completed schedules hereto, and acceptance by the Issuer of such facsimile or electronic copy shall be legally effective to create a valid and binding agreement between the Subscriber and the Issuer in accordance with the terms hereof.

17. Entire Agreement. This Subscription Agreement, including the schedules hereto, contains the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein. This Subscription Agreement may be amended or modified in any respect by written instrument only.

18. Language. It is the express wish of the parties to this Subscription Agreement that this Subscription 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.*

19. Time of Essence. Time shall be of the essence of this Subscription Agreement.

20. Currency. All dollar amounts referred to in this Subscription Agreement are in Canadian dollars.

[End of Subscription Agreement]

FORM 45-106F4
Risk Acknowledgement

WARNING!

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

1. Risks and other information The issuer must delete any rows required to be deleted The purchaser must initial each statement to confirm understanding	Your Initials
Risk of loss – You could lose your entire investment of \$ _____	
No approval – No securities regulatory authority or regulator has evaluated or approved the merits of these securities or the disclosure in the offering memorandum.	
Liquidity risk – You will not be able to sell these securities except in very limited circumstances. You may never be able to sell these securities.	
Repurchase – You have a right to require the issuer to repurchase the securities, but there are limitations on this right.	
You are buying Exempt Market Securities They are called <i>exempt market securities</i> because the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections). <i>Exempt market securities</i> are more risky than other securities.	
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.	
The issuer of your securities is a non-reporting issuer A <i>non-reporting issuer</i> 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, contact your local securities regulator. You can find contact information at www.securities-administrators.ca .	

Total investment – You are investing \$ _____ in total; this includes any amount you are obliged to pay in future. Canguard Mortgage Investment will pay \$0.00 of this to Laura Lang as a fee or commission.	
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 (print):	
Signature:	Date:
<i>[Instruction: Sign 2 copies of this document. Keep one copy for your records.]</i>	

2. Salesperson information Below information must be completed by the salesperson	
<i>[Instruction: 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, a registrant or a person who is exempt from the registration requirement.]</i>	
First and last name of salesperson (print):	
Telephone:	Email:
Name of firm:	

3. Additional information The issuer must complete the required information in this section before giving the form to the purchaser	
You have 2 business days to cancel your purchase	
To do so, send a notice to [name of issuer] stating that you want to cancel your purchase. You must send the notice before midnight on the 2 nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to [name of issuer] at its business address. Keep a copy of the notice for your records.	
Issuer Name and Address: Canguard Mortgage Investment Corporation Fax: _____ Email: info@canguard.ca	
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.	