



5. Representations and Warranties of the Subscriber. The Subscriber represents, warrants and covenants to the Issuer, and acknowledges that the Issuer is relying thereon, as at the date of this Subscription Agreement and at the Closing Date, that:
- a. the Subscriber is resident in Ontario;
  - b. the Subscriber is aware of the characteristics of the Shares, the risks relating to an investment therein and agrees that the Subscriber must bear the economic risk of his or her investment in the Shares. The Subscriber understands that he or she will not be able to resell the Shares until expiry of the applicable hold period under applicable securities laws in Canada except in accordance with limited exemptions and compliance with other requirements of applicable law, and the Subscriber (and not the Issuer) is responsible for compliance with applicable resale restrictions or hold periods and will comply with all relevant securities laws in connection with any resale of the Shares;
  - c. if the Subscriber is not an individual, the Subscriber has not been created solely or primarily to use exemptions from the registration and prospectus exemptions under applicable securities laws and has a pre-existing purpose other than to use such exemptions;
  - d. if the Subscriber is a corporation, partnership, unincorporated association or other entity, the Subscriber has the legal capacity and competence to execute this Subscription Agreement and to take all actions required pursuant hereto;
  - e. if an individual, the Subscriber has attained the age of majority and is legally competent to execute this Subscription Agreement and to take all actions required pursuant hereto;
  - f. the Subscription Agreement has been duly and validly authorized, executed and delivered by, and upon acceptance by the Issuer constitutes a legal, valid, binding and enforceable obligation of, the Subscriber;
  - g. other than the Offering Memorandum, the Subscriber has not received and has not been provided with documents that may be construed as an “offering memorandum” under applicable securities laws in Canada and that the decision to sign the Subscription Agreement and purchase the Shares has not been based upon any verbal or written representation as to fact or otherwise made by or on behalf of the Issuer except as set forth in the Offering Memorandum. The Subscriber further acknowledges and agrees that the Subscriber has read and understood the Offering Memorandum and has had an opportunity to ask and have answered questions with respect to the Issuer and the proposed use of proceeds and the subscription hereby made;
  - h. no person has made any written or oral representation to the Subscriber that any person will re-sell or re-purchase the Shares, or refund any of the purchase price of the Shares, or that the Shares will be listed on any exchange or quoted on any quotation and trade reporting system, or that application has been or will be made

to list any such security on any exchange or quote the security on any quotation and trade reporting system, and no person has given any undertaking to the Subscriber relating to the future value or price of the Shares;

- i. the Subscriber agrees that it is solely responsible for obtaining such legal, tax and other advice as the Subscriber considers appropriate in connection with the execution, delivery and performance of the Subscription Agreement and the transactions contemplated hereunder, and regarding the purchase and resale of the Shares under applicable securities law;
  - j. the Subscriber is purchasing the Shares with the benefit of the prospectus exemption provided by Section 2.3 of National Instrument 45-106 Prospectus and Registration Exemptions (“**NI 45-106**”) (that is, such Subscriber is purchasing as principal and is an “accredited investor” within the meaning of Section 1.1 of NI 45-106), or by Section 2.10 of National Instrument 45-106 Prospectus and Registration Exemptions (“**NI 45-106**”) (that is, such Subscriber is purchasing as principal and for the minimum amount investment of \$150,000); and is either purchasing the Shares as principal for its own account, or is deemed to be purchasing the Shares as principal for its own account in accordance with applicable securities laws; and
  - k. if the Subscriber is an “accredited investor” in reliance on paragraph (m) of the definition of “accredited investor” in section 1.1 of NI 45-106, the Subscriber was not created or used solely to purchase or hold securities as an accredited investor under that paragraph (m).
6. Subscriber Certificate. The Subscriber must complete and return to the Issuer at the same time as this Subscription Agreement the Subscriber Certificate attached hereto as Schedule A, which Subscriber Certificate is incorporated into and forms a part of this Subscription Agreement, and the Subscriber covenants that the Subscriber Certificate has been completed by the Subscriber and is accurate in all respects.
  7. Dividend Reinvestment Plan. If the Subscriber wishes to participate in the Dividend Reinvestment Plan operated by the Issuer, the Subscriber must complete and return the Enrolment Form for Dividend Reinvestment Plan attached hereto as Schedule B.
  8. Further Assurances. The Subscriber agrees to execute and deliver, at the request of the Issuer, all such further questionnaires, documents, instruments, deeds and assurances and to carry out such acts and things as may be necessary or desirable for the purpose of giving effect to, perfecting or better evidencing any of the matters contemplated herein, or complying with the requirements of any securities regulator.

9. Enurement. This Subscription Agreement will be binding upon the Subscriber and the successors, assigns, or legal representatives of the Subscriber.
10. Execution by Counterparts. This Subscription Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document, and may be delivered by facsimile transmission or email attachment. All counterparts will be construed together and will constitute one and the same agreement.

This Subscription Agreement is governed by the laws of the Province of Ontario.

Dated at \_\_\_\_\_, Ontario this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Print name of Subscriber: \_\_\_\_\_

By: \_\_\_\_\_  
(signature)

Print name of Signatory  
(if different from Subscriber): \_\_\_\_\_

Social Insurance Number: \_\_\_\_\_

Full Address (residential if applicable): \_\_\_\_\_

Telephone and Email Address: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

*For Completion by the Issuer:*

This subscription is accepted at London, Ontario by the Issuer and the Issuer hereby acknowledges receipt of the Total Subscription Price of \$\_\_\_\_\_ for \_\_\_\_\_ Shares this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**THE SOLIDITY GROUP MORTGAGE  
INVESTMENT CORPORATION**

Per: \_\_\_\_\_  
Authorized Signing Officer

**SCHEDULE A**  
**SUBSCRIBER CERTIFICATE**

**TO: THE SOLIDITY GROUP MORTGAGE INVESTMENT CORPORATION**  
**(the “Issuer”)**

Reference is made to the Subscription Agreement executed by the undersigned (referred to herein as the “**Subscriber**”) dated as of the date hereof (the “**Subscription Agreement**”). Upon execution of this Subscriber Certificate by the Subscriber, this Subscriber Certificate shall be incorporated into and form a part of the Subscription Agreement. Terms not otherwise defined herein have the meanings attributed to them in the Subscription Agreement and in National Instrument 45-106 Prospectus and Registration Exemptions (“**NI 45-106**”). Reference should be made directly to NI 45-106 and related securities regulations by Subscriber for defined terms and otherwise to ensure accuracy.

In connection with the purchase of Class A Shares in the capital of the Issuer (the “**Shares**”) by the Subscriber, the Subscriber represents, warrants and covenants and certifies to the Issuer and acknowledges that the Issuer is relying thereon that:

A. The Subscriber is:

*(Please check the appropriate box disclosing your category of accredited investor):*

- (a) a corporation and acquiring Shares at an acquisition cost of not less than \$150,000 to be paid in cash on the Closing Date, or
- (b) and will be at the Closing Date, an “accredited investor” as such term is defined in NI 45-106, and falls within the categories set out in below.

B. If the Subscriber checked that it is an “accredited investor” as such term is defined in NI 45-106, it falls within the following categories:

*(Please check the appropriate box disclosing your category of accredited investor):*

- (a) a Canadian financial institution, or a Schedule III bank,
- (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada),
- (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,
- (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer,
- (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d),

- (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada,
- (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;
- (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government,
- (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada,
- (j) an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000,
- (k) an individual whose net income before taxes exceeded \$200,000 in each of the 2 most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the 2 most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year,
- (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000,
- (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements, and such person has not been created or used solely to purchase or hold securities as an accredited investor,
- (n) an investment fund that distributes or has distributed its securities only to
  - (i) a person that is or was an accredited investor at the time of the distribution,
  - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 of NI 45-106 (minimum amount investment), and 2.19 of NI 45-106 (additional investment in investment fund), or
  - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 of NI 45-106 (investment fund reinvestment),
- (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt,

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

### C. Personal Information Authorization

By executing this Subscription Agreement, the Subscriber hereby consents to the collection, use and disclosure of the personal information provided herein and other personal information provided by the Subscriber or collected by the Issuer as reasonably necessary in connection with the Subscriber's subscription for the Shares (collectively, "personal information") as follows: (a) the Issuer may use personal information and disclose personal information to intermediaries such as the Issuer's legal counsel for the purposes of determining the Subscriber's eligibility to invest in the Shares and for managing and administering the Subscriber's investment in the Shares; (b) if the Subscriber purchased securities through a registered dealer, the Issuer may disclose and collect such personal information relating to the Subscriber's holding of the Shares to and from the dealer; (c) the Issuer may use the Subscriber's social insurance number for income reporting purposes in accordance with applicable law; (d) the Issuer, its agents and advisors, may each

collect, use and disclose personal information for the purposes of meeting legal, regulatory, self-regulatory, security and audit requirements (including any applicable tax, securities, money laundering or anti-terrorism legislation, rules or regulations) and as otherwise permitted or required by law, which disclosures may include disclosures to tax, securities or other regulatory or self-regulatory authorities in Canada and/or in foreign jurisdictions, if applicable, in connection with the regulatory oversight mandate of such authorities; (e) the Issuer and its agents and advisors may use personal information and disclose personal information to parties connected with the proposed or actual transfer, sale, assignment, merger or amalgamation of the Issuer or its business or assets or similar transactions, for the purpose of permitting such parties to evaluate and/or proceed with and complete such transaction.

As the Subscriber is resident in and subject to the applicable securities legislation of Ontario, the Subscriber acknowledges: (i) the delivery to the Ontario Securities Commission of the Subscriber's full name, residential address and telephone number, the number and type of securities purchased by the Subscriber, the total purchase price, the exemption relied on, and the date of distribution, (ii) that such information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in securities legislation, (iii) that such information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and (iv) that the Administrative Support Clerk, at the Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8, telephone (416) 593-3684, can be contacted to answer questions about the Ontario Securities Commission's indirect collection of such information. The Subscriber hereby authorizes the indirect collection of such information by the Ontario Securities Commission.

Dated at \_\_\_\_\_, Ontario this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Print name of Subscriber: \_\_\_\_\_

By: \_\_\_\_\_  
(signature)

Print name of Signatory  
(if different from Subscriber): \_\_\_\_\_

Title (if Subscriber not an individual): \_\_\_\_\_

Address (residential if applicable): \_\_\_\_\_

Telephone: \_\_\_\_\_

**SCHEDULE B**

**ENROLMENT FORM FOR DIVIDEND REINVESTMENT PLAN**

**TO: THE SOLIDITY GROUP MORTGAGE INVESTMENT CORPORATION  
(the “Corporation”)**

By signing this form, the undersigned requests enrolment in the Corporation’s Dividend Reinvestment Plan to have all dividends on Class A Shares registered in the name of the undersigned reinvested in additional Class A Shares in the capital of the Corporation. The undersigned acknowledges having received and reviewed a copy of the Corporation’s offering memorandum dated November 22, 2012, and in particular, Item 7, regarding the Dividend Reinvestment Plan and agrees that participation in the Plan will be subject to the disclosure regarding same set out in the said offering memorandum. The undersigned also acknowledges that this authorization to enroll Class A Shares will remain in effect until the undersigned notifies the Corporation otherwise in writing in accordance with the applicable provisions of the said offering memorandum.

Dated at \_\_\_\_\_, Ontario this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Print name of Shareholder: \_\_\_\_\_

By: \_\_\_\_\_  
(signature)

Print name of Signatory  
(if different from Shareholder): \_\_\_\_\_

Title (if Subscriber not an individual): \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

*Instructions for completing and returning this form:*

Please print clearly. When a subscriber or registered shareholder has completed this enrolment form, it should be returned to the Corporation at the following address:

THE SOLIDITY GROUP MORTGAGE INVESTMENT CORPORATION  
Suite 109, 1 Commissioners Road East,  
London, ON N6C 5Z3

**FORM 45-106F9**

**FORM FOR INDIVIDUAL ACCREDITED INVESTORS**

<p><b>WARNING!</b></p> <p><b>This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.</b></p>
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**SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER**

<b>1. About your investment</b>	
Type of securities: <i>[Instruction: Include a short description, CLASS A SHARES</i>	Issuer: <b>THE SOLIDITY GROUP MORTGAGE INVESTMENT CORPORATION</b>
Purchased from: <i>[Instruction: Indicate whether securities are purchased from the issuer or a selling security holder.]</i>	

**SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER**

**2. Risk acknowledgement**

This investment is risky. Initial that you understand that:	<b>Your Initials</b>
<b>Risk of loss</b> - You could lose your entire investment of \$_____. <i>[Instruction: Insert the total dollar amount of the Investment.]</i>	
<b>Liquidity risk</b> - You may not be able to sell your investment quickly - or at all.	
<b>Lack of information</b> - You may receive little or no information about your investment.	
<b>Lack of advice</b> - You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to <a href="http://www.aretheyregistered.ca">www.aretheyregistered.ca</a> .	

**3. Accredited Investor Status**

You must meet at least <b>one</b> 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 salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.	<b>Your Initials</b>
<ul style="list-style-type: none"> <li>• 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.)</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.)</li> </ul>	

**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**

**5. Salesperson information**

*[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 or selling security holder, a registrant or a person who is exempt from the registration requirement.]*

First and last name of salesperson (please print):

Telephone:

Email:

Name of firm (if registered):

**SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER**

**6. For more information about this investment**

For investment in a non-investment fund

THE SOLIDITY GROUP MORTGAGE INVESTMENT CORPORATION  
109 – 1 Commissioners Road East  
London, ON N6C 6B6  
Bill Handsaeme, President  
519-649-0492  
[billhandsaeme@rogers.com](mailto:billhandsaeme@rogers.com)  
[www.soliditygroup.ca](http://www.soliditygroup.ca)

**For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at [www.securities-administrators.ca](http://www.securities-administrators.ca).**