

SUBSCRIPTION AGREEMENT

MALACHITE AGGRESSIVE PREFERRED FUND

TO: MALACHITE AGGRESSIVE PREFERRED FUND

A. SUBSCRIPTION

Client

The undersigned (the "Subscriber") hereby irrevocably subscribes for \$_____ of units (the "Units") of Malachite Aggressive Preferred Fund (the "Fund"). Units will be issued at the net asset value per Unit next determined after the receipt of the subscription price and this subscription is accepted as provided below.

Manager

The Subscriber agrees to pay the aggregate subscription price on or before such date determined by the Manager (as defined below) by:

- (a) delivery of a certified cheque or bank draft made payable to the order of the MALACHITE AGGRESSIVE PREFERRED FUND, and/or
- (b) the delivery and transfer of securities to the Fund, provided such securities accord with the investment objectives of the Fund. A schedule of any securities to be transferred is attached, as are transfer documents. The Subscriber hereby acknowledges that the value of the securities transferred will be determined on _____. The fee charged by the Manager for acceptance of these securities will be \$_____.

Client

Manager

The Subscriber acknowledges that participation in the Fund is subject to the acceptance of this subscription by the Manager of the Fund, Hymas Investment Management Inc. (the "Manager"). The Subscriber acknowledges and agrees that, upon acceptance of this subscription, the Subscriber will be bound by the terms and conditions set out in the Declaration of Trust dated March 19, 2001 and the Regulation thereunder establishing the Fund dated March 19, 2001, as amended from time to time (collectively, the "Declaration of Trust"). The subscription and any subscription monies, cheque or securities representing subscription monies shall be returned, without interest, to the undersigned at the address indicated below by such date determined by the Manager if this subscription is not accepted.

The Subscriber represents and warrants and acknowledges that:

- (a) the Subscriber has the capacity and competence or, if a corporation, has the necessary capacity and corporate authority, to execute this subscription;
- (b) the Subscriber is resident in the jurisdiction set out on the execution page hereof and such address is ordinary the residence or place of business of the Subscriber and the Subscriber was not offered the Units and did not execute this subscription agreement in any other jurisdiction;

- (c) the Subscriber is acquiring the Units as principal for the Subscriber's own account, to be held for investment purposes only and not for the benefit of any other person and not with a view to resale or distribution of any or all of the Units, and no person other than the Subscriber is authorized to give instructions to the Fund or the Manager concerning the Units;
- (d) if the Subscriber is a corporation or a syndicate, partnership, trust, investment club or other unincorporated organization, the Subscriber was not created, nor is it being used, solely to purchase or hold securities as an accredited investor described in paragraph (m) of the definition of such term in National Instrument 45-106 Prospectus and Registration Exemptions ("NI 45-106");
- (e) the Subscriber has not received or reviewed any material which appears or purports to describe the business and affairs of the Fund that has been prepared primarily for delivery to and review by the Subscriber so as to assist the Subscriber to make an investment decision relating to the Units;
- (f) the 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 Units and is able to bear the economic risk of loss of such investment;
- (g) the Subscriber has obtained such professional advice and made such independent investigation of this investment as the Subscriber deems appropriate in reaching the decision to invest;
- (h) the decision to enter into this subscription and to purchase the Units is based solely upon the Subscriber's own investigations and the Subscriber has not relied on any representations and warranties or information (oral or written) other than as set forth herein;
- (i) the Units have not been qualified by way of prospectus in any jurisdiction in Canada under Canadian securities legislation and, accordingly, the Subscriber is restricted from using certain civil remedies otherwise available, the Subscriber may not receive information that would otherwise be required to be provided, and the Fund is relieved from certain reporting and other obligations that would otherwise apply;
- (j) the Subscriber will not be able to resell the Units until expiry of the applicable hold period under applicable Canadian securities laws except in accordance with limited exemptions and compliance with other requirements of applicable law, and the Subscriber (and not the Fund or the Manager) is responsible for compliance with such applicable resale restrictions or hold periods and will comply with all relevant securities laws in connection with any resale of the Units, and

- (k) if the Subscriber is a resident of Ontario, (i) the Ontario Securities Commission will be notified of the Subscriber's full name, residential address and telephone number, the number and type of securities purchased, 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 purpose of the administration and enforcement of the securities legislation of Ontario and (iv) that the Administrative Assistant to the Director of Corporate Finance at the Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario, M5H 3S8, telephone (416) 593-8086, 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.

The representations, warranties, covenants and acknowledgments of the Subscriber contained in this Subscription Agreement shall survive the completion of the purchase and sale of the Units and shall apply to any subsequent purchase of Units by the Subscriber.

The Subscriber hereby acknowledges that **(please initial one)**:

_____ *Accredited Investor – Paragraph (j) of section 1.1 of NI 45-106:* I am an individual who, alone, or jointly with my spouse, beneficially own financial assets (cash, securities, insurance contracts, deposits or evidences of indebtedness that are not securities for purposes of securities legislation) having an aggregate realizable value that before taxes but net of any related liabilities exceeds **(please check the applicable box)**

\$1.0 million;

\$5.0 million;*

(and, specifically, the Subscriber acknowledges that for purposes of making this calculation, the Subscriber's personal residence or other real estate owned by the Subscriber and the value of any pension of which the Subscriber is a beneficiary is not a financial asset); or

_____ *Accredited Investor – Paragraph (k) of section 1.1 of NI 45-106:* I am an individual whose net income exceeded \$200,000 in each of the two most recent years, or whose joint net income with my spouse exceeded \$300,000 in each of those years and have, in either case, a reasonable expectation of exceeding the same net income level in the current year; or

_____ *Accredited Investor – Paragraph (m) of section 1.1 of NI 45-106:* It is a

company, limited partnership, limited liability partnership, trust or estate, other than a mutual fund or non-redeemable investment fund, that had net assets of at least (*please check the applicable box*)

\$5.0 million;

\$25.0 million;*

as shown on its most recently prepared financial statements dated _____ (copy attached); or

_____ *Accredited Investor – Paragraph (r) of section 1.1 of NI 45-106:* It is a registered charity under the *Income Tax Act* (Canada) that, in respect of the purchase of the Units, has obtained advice from an eligibility adviser (as defined in NI 45-106) or from an adviser registered under the securities legislation of the Canadian province or territory of the registered charity to give advice on the Units;* or

_____ *Accredited Investor – Paragraph (i) of section 1.1 of NI 45-106:* It is a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a provincial pension commission or similar regulatory authority of a province or territory of Canada;* or

_____ *Accredited Investor – Other.* The Subscriber is an accredited investor under paragraph _____ of section 1.1 of Ni 45-106; or

_____ *Minimum Purchase Exemption under Section 2.10 of NI 45-106:* The Units purchased have an aggregate acquisition cost of not less than \$150,000.

The Subscriber acknowledges that the representations, warranties and covenants made by the Subscriber in this Subscription Agreement are made with the intent that they may be relied upon by the Fund and the Manager and their respective counsel to, among other things, determine the Subscriber's eligibility to purchase the Units, including without limitation the availability of exemptions from the prospectus requirements of applicable Canadian securities laws in connection with the issuance of the Units to the Subscriber.

If the Subscriber is a permitted client, within the meaning of such term in NI 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations ("NI 31-103") [as indicated by the "*" above], the Subscriber hereby waives and releases the Manager from any obligation to conduct, pursuant to section 13.3(4) of NI 31-103, a suitability review with respect to your investment in the Funds.

B. FEES

The Subscriber understands and agrees that they will pay a management fee to the Manager in respect of their investment in Units of the Fund. The management fee will be calculated quarterly in arrears, commencing with the first calendar quarter following the acquisition of Units of the Fund by the Subscriber. Fees will be calculated in accordance with the following schedule, based on the average value of the Units of the Fund held by the Subscriber during the period measured:

On the first:	<u>\$500,000</u>	Rate charged:	<u>1% per annum</u>
On the next:	<u>\$500,000</u>	Rate charged:	<u>0.75% per annum</u>
On the balance:		Rate charged:	<u>0.5% per annum</u>

Fees are subject to GST or HST, depending upon the province in which the Subscriber resides. The Manager will provide the Subscriber with an invoice (the "Invoice") for the management fee as they are calculated.

The Subscriber shall pay the management fee as follows (**initial one**):

 (**initial here**) The Subscriber hereby authorizes the Manager to pay the management fee through redemption of Units of the Fund on the final valuation date of the period. Such redemptions shall not be subject to redemption fees. No further instructions to the Manager are required for such redemptions to be processed.

Manager

OR

 (**initial here**) The Subscriber shall pay the fees by cheque payable to the Manager upon receipt of the Invoice.

The Subscriber acknowledges that such management fees may not be deductible for tax purposes and that the redemption of Fund units to pay such management fees may have tax implications for the Subscriber.

The Subscriber further acknowledges a 1.0% redemption fee will be charged by the Fund on redemptions of Units of the Fund held for less than one year. Redemption fees will not be charged on Units purchased through the automatic reinvestment of distributions made by the Fund or on the redemption of Units to satisfy the management fee payable hereunder. In the event of partial redemption of Units, Units not liable for redemption fees will be considered to have been redeemed first.

In the event that redemptions by a Subscriber results in the Subscriber's investment in the Fund being less than the greater of (i) \$50,000 or (ii) the management fee accrued hereunder, the Manager may, and the Subscriber hereby authorizes the Manager to, (a) redeem the remaining Units in the Fund, and/or (b) deduct the management fees from the proceeds directed to the Subscriber.

C. DISTRIBUTIONS

Distributions by the Fund shall automatically be reinvested in additional Units of the Fund, unless the Subscriber provides alternate written instructions to the Manager prior to the close of business on the relevant valuation date. The Subscriber's current instructions regarding the disposition of distributions by the Fund are as follows (*please initial as appropriate*):

Capital Gains	_____ Re-invest	_____ Forward to Client
Dividend Income	_____ Re-invest	_____ Forward to Client
Interest Income	_____ Re-invest	_____ Forward to Client

These instructions may be changed prior to the close of business on any valuation date on which a distribution is expected.

D. ABOUT YOU – ACCOUNT HOLDER

Mr. Mrs. Miss Ms. Dr.

Are you married or living common law?

No Yes – *please complete the following:*

First Name Initial Last Name

Full Name of Spouse or Partner Occupation

Home Address

City Province Postal Code

Employer Type of Business

Home Phone Number E-Mail Address

What is your primary financial institution?
(Required)

Date of Birth (mm/dd/yyyy) Social Insurance No.

Bank Name

Mailing Address (if different than above)

Branch Address

Occupation Employer

Transit Number Account Number

Employer's Address Type of Business

Business Phone Number Citizenship*

Valid Identification/Citizenship Required – For all applicants – Provide me copy of one:

- | | | | |
|---|--|--|---------------------------------------|
| <input type="checkbox"/> Passport | <input type="checkbox"/> Provincial Health Insurance Card
(Restriction: Alberta or BC only) | <input type="checkbox"/> Confirmation of Permanent Residence
IMM5292 (issued prior to 1/1/2004) | <input type="checkbox"/> B.C. ID Card |
| <input type="checkbox"/> Drivers Licence | <input type="checkbox"/> Permanent Resident Card | <input type="checkbox"/> Canadian Forces ID Card | |
| <input type="checkbox"/> Canadian Citizenship Card | <input type="checkbox"/> Record of Landing
IMM1000 (issued prior to 1/1/2004) | <input type="checkbox"/> Certificate of Indian Status | |
| <input type="checkbox"/> Birth Certificate
(under age 21 only) | | <input type="checkbox"/> Alberta Photo ID Card | |

ID of Subscriber

Expiry Date (mm/dd/yyyy)

E. REGULATORY AND COMPLIANCE INFORMATION

Have you ever been licensed by the Ontario Securities Commission or another Canadian provincial securities commission:

- No
 Yes If yes, is the license currently in force? Yes or No

If you are a corporation, please list each person who is a beneficial owner of, or exercises control or direction over, more than 10% of the voting rights attached to all of the corporation's voting securities:

If you are a trust or partnership, please list each person who exercises control or direction over the trust or partnership:

Are you or your spouse considered to be an insider (as defined in a provincial Securities Act) of a publicly traded company: _____.

If "yes", state company: _____

(List companies in a separate schedule if more than one)

The Subscriber represents that to the best of his, her or its knowledge, based upon reasonable diligence and investigation, the amounts contributed by the Subscriber to the Fund (i) do not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) Act* (Canada), (ii) were not and are not directly or indirectly derived from activities that contravene Canadian or international anti-money laundering and anti-terrorist financing legislation and regulations, and (iii) neither the Subscriber nor, to the best of the Subscriber's knowledge and to the extent applicable, any person controlling the Subscriber or controlled by the Subscriber, or any person having beneficial ownership in the Subscriber, is a person involved with or a person disclosed as being connected with terrorist financing.

The Subscriber acknowledges that if, as a result of any information or other matter which comes to their attention, any director, officer or employee of the Manager knows or suspects that an investor is engaged in money laundering, such person is required to report such information or other matter to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and such report will not be treated as a breach of any restriction upon the disclosure of information imposed by Canadian law or otherwise. In order to enable it to perform the anti-money laundering checks in relation to the Unitholders as required by applicable law, the Manager may be required to disclose identification information in relation to such Subscriber to a third party service provider of web-based anti-money laundering identity verification and search applications, which applications are commonly used as a component of anti-money laundering compliance programs.

F. CLIENT PORTFOLIO OBJECTIVES

General:

Investment Objectives:

Growth Income Growth & Income

Risk Tolerance:

High Medium Low

Investment Experience:

Excellent Good Fair Nil

How many years have you been investing: _____ years

Do you have accounts with other investment firms: Yes No

If yes, what is the approximate value of your entire portfolio held at such other firms:
\$ _____ . How much of that is invested in fixed income securities:

_____.

If a Personal Account:

Income – Household (\$):

Income - Individual (\$)

- 0-25,000 25,000-50,000
- 50,000-100,000 100,000-200,000
- 200,000-300,000 over 300,000

Net Worth – Personal Unencumbered (Excluding Real Estate) (\$):

- 0-100,000 100-500,000
- 500-1,000,000 1,-2,000,000
- 2,-5,000,000 over 5,000,000

Net Worth – Real Estate (Net of Associated Liabilities) (\$):

- 0-250,000 250-500,000
- 500,000-1,000,000 over 1,000,000

If a Corporate Account:

Net Assets – Corporate Unencumbered (\$):

- 0-100,000 100-500,000
- 500-1,000,000 1,-2,000,000
- 2,000,000-5,000,000 over 5,000,000

G. GENERAL

This agreement and all ancillary documents shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. By the Subscriber’s execution of this Subscription Agreement, the Subscriber irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.

Dated this ____ day of _____, 201__.

(Witness) [*Required for an Individual*]

Signature of Subscriber

Name of Subscriber (please print)

Name and title of person signing (if not the subscriber)

Acceptance

This subscription is accepted by the Manager
of the Fund in the City of Toronto on the

_____ day of _____, 201__.

**HYMAS INVESTMENT MANAGEMENT
INC.**

By: _____