



Subscription Agreement (U.S. Investors Only)

To: Romspen Mortgage Investment Fund (the "Issuer")

Recitals:

- A. Pursuant to the terms and conditions of an offering memorandum (the "**Offering Memorandum**") dated November 24, 2009, as may be amended, restated or updated from time to time, the Issuer is offering (the "**Unit Offering**") Class A units (the "**Units**") of the Issuer for subscription to individuals, corporations and other entities resident in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, and the United States of America.
- B. The undersigned subscriber (the "**Subscriber**") desires to acquire Units subject to and in accordance with the terms of this subscription agreement (the "**Agreement**").
- C. Unless otherwise stated in this Agreement, or as the context may otherwise require, capitalized terms used in this Agreement shall have the meaning ascribed to such terms in the Offering Memorandum.

In consideration of the premises and of the mutual covenants, agreements and conditions herein contained, it is hereby covenanted, agreed and declared as follows:

ARTICLE 1-SUBSCRIPTION FOR UNITS

1.1 **Subscription.** The Subscriber hereby irrevocably subscribes, effective the date set out on page 8 of this Agreement (the "**Subscription Date**") for the number of Units set out on page 7 of this Agreement at a subscription price of (CDN) \$10.00 per Unit and pays or confirms having paid to the Issuer the amount set out on page 7 of this Agreement in full payment of the aggregate subscription price (the "**Subscription Price**").

ARTICLE 2-REPRESENTATIONS AND WARRANTIES

2.1 **Representation as to Reliance.** The Subscriber has received the Offering Memorandum prior to subscribing. The Subscriber acknowledges that the Subscriber's decision to subscribe for the Units offered pursuant to the Offering Memorandum, a copy of which has been reviewed by the Subscriber, has been based exclusively on the information and disclosure contained in the Offering Memorandum and the undersigned is not relying on: (i) any representations, warranties or information whether written or oral (except as may be contained in the Offering Memorandum); or (ii) any document other than the Offering Memorandum in connection with the Subscriber's investment in Units pursuant to this Agreement. The Subscriber further acknowledges that the Issuer is relying on the representations and warranties

of the Subscriber contained in this Agreement in making its decision to accept the Subscriber's subscription pursuant to this Agreement.

2.2 General Representations and Warranties of the Subscriber. The Subscriber hereby represents, warrants, certifies and declares that:

- (a) the Subscriber understands that the Units have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the "**U.S. Securities Act**") or under securities laws of any one of the 50 states of the United States of America or the District of Columbia (such laws, the "**Blue Sky Laws**") and, accordingly, the Units are "restricted securities" within the meaning of Rule 144(a)(3) promulgated under the U.S. Securities Act;
- (b) the Subscriber understands that the Units may not be offered or sold in the United States without either: (i) registration under the U.S. Securities Act and applicable Blue Sky Laws, or (ii) compliance with requirements of an exemption from registration;
- (c) the Subscriber understands that the Issuer has not registered and will not register under the U.S. Investment Company Act of 1940, as amended, or pursuant to an exemption therefrom;
- (d) the Subscriber, if an individual, has his domicile and principal residence at the address shown below, and has no present intention of becoming a resident of any other state or jurisdiction; if a corporation, syndicate, trust, partnership, joint venture or other organization (an "**Entity**"), the Subscriber has its domicile, principal place of business, or principal office at the address shown below and has no present intention of relocating such domicile, principal place of business, or principal office to any other state or jurisdiction;
- (e) if the Subscriber is an individual, the Subscriber has attained the age of majority and has legal capacity and competence to execute this Agreement and such other forms as may be required under the securities laws of the jurisdiction of residence of the Subscriber to lawfully subscribe for Units and to take all actions required pursuant to this Agreement;
- (f) if the Subscriber is an Entity:
 - (i) the Entity has full power and authority to execute this Agreement and to take all actions required pursuant to this Agreement and has obtained all necessary approvals of directors, shareholders, partners, members, or otherwise with respect thereto;
 - (ii) the Entity was not created for the specific purpose of acquiring the Units, or if the Entity was created for such a purpose, then each beneficial owner of equity securities or equity interests is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D promulgated under the U.S. Securities Act ("**Regulation D**"); and
 - (iii) the Entity is duly created under the laws of its jurisdiction of creation;
- (g) the Subscriber is purchasing the Units as principal for the Subscriber's own account, for investment only and not with a view to the resale or distribution of all or any of the Units in contravention of any of the following: (i) the U.S. Securities Act, (ii) the United States *Securities Exchange Act of 1934*, as amended, (iii) any applicable Blue Sky Law, and (iv) and all applicable regulations, rules, rulings and orders promulgated pursuant to items (i) through (iii) of this Section 2.2(g);
- (h) the Subscriber knows the aims and objectives of the Issuer and has been advised of the nature of its activity;

- (i) the Subscriber has received and read a copy of the Offering Memorandum and this Agreement prior to subscribing for Units pursuant to this Agreement and acknowledges that the Offering Memorandum supersedes and replaces any information or disclosure the Subscriber may have received prior to the date of the Offering Memorandum;
- (j) the Subscriber is aware of the characteristics of the Units and the risks relating to an investment therein as well as of the fact that they cannot be sold or otherwise disposed of except: (i) in accordance with the provisions stipulated in the Offering Memorandum and in the Declaration of Trust, (ii) in accordance with limited exemptions under applicable securities legislation and regulatory policy until the expiry of the applicable restrictive period, and (iii) in compliance with the other requirements of applicable law;
- (k) the Subscriber acknowledges that he, she or it (as applicable) has been advised to consult with the Subscriber's own legal advisors as to the restrictions with respect to trading in the Units imposed by applicable securities law, and no representation has been made respecting applicable statutory hold periods or resale restrictions relating to such securities;
- (l) the Subscriber acknowledges that he, she or it (as applicable) has been independently advised as to the meanings of all terms contained herein relevant to the Subscriber for purposes of giving representations, warranties and covenants under this Agreement;
- (m) the Subscriber or, where it is not purchasing as principal, each beneficial purchaser, is able to bear the economic risk of loss of its investment, including the risk that he, she or it (as applicable) may lose the entire amount invested in the Units;
- (n) by reason of the Subscriber's business and financial experience, or the business and financial experience of such other persons the Subscriber may have retained to advise the Subscriber with respect to the Subscriber's investment in the Units (the name of such person or persons shall be indicated below on the signature page on the line marked "Name of Purchaser Representative, if any", and such person or persons must meet the provisions of Rule 501(h) of Regulation D), the Subscriber, together with such persons (if applicable), has such knowledge, sophistication and experience in business and financial matters that it is capable of evaluating the merits and risks of the prospective investment in the Units;
- (o) the Subscriber has not become aware of and the purchase of the Units is not made through or as the result of any general solicitation or general advertising (as those terms are used in Regulation D), including advertisements, articles, notices or other communications published in any newspaper, magazine or public media, radio, television or telecommunications, including electronic display or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising;
- (p) the Subscriber, or others for whom it is contracting hereunder, is solely responsible for obtaining such advice concerning the tax consequences of its investment in the Units and it is not relying on the Issuer for advice concerning such tax consequences; and
- (q) Subscriber is not an "employee benefit plan" or "pension plan" as such terms are defined in Subchapter I, Subtitle A, Section 1002 of the Employee Retirement Income Security Act of 1974, as amended (28 U.S.C. §1002).

The Subscriber acknowledges that the foregoing representations and warranties are made by it with the intent that they may be relied upon in determining its eligibility to subscribe for the Units

under relevant securities legislation and the Subscriber hereby agrees to indemnify the Issuer against all losses, claims, costs, expenses and damages and other liabilities which either of them may suffer or incur as the result of or arising from the reliance by the Issuer on any such representation or warranty. The Subscriber further agrees that, by accepting the Units on the Subscription Date, the Subscriber shall be representing and warranting that the foregoing representations and warranties are true as at the Subscription Date, with the same force and effect as if they had been made by the Subscriber on such date and will continue in full force and effect notwithstanding any subsequent disposition by the Subscriber of any of the Units.

ARTICLE 3-ACCREDITED INVESTOR

3.1 **Accredited Investor.** Subscriber hereby represents and warrants that it is an Accredited Investor that satisfies the criteria set forth in Rule 501(a)(1) of Regulation D as set forth more particularly on Schedule "A" attached hereto.

ARTICLE 4-GENERAL

4.1 **Acceptance by Issuer.** The Subscriber agrees that this subscription is subject to acceptance by the Issuer and to certain other conditions set forth in the Offering Memorandum. Upon acceptance, this Agreement shall be legally effective to create a valid and binding agreement between the Subscriber and the Issuer in accordance with the terms hereof and those of the Declaration of Trust.

4.2 **Declaration of Trust.** The Subscriber agrees to be bound and governed by all the terms and conditions contained in the Declaration of Trust, accepts the benefits contained therein, and ratifies, for all legal purposes, the Declaration of Trust.

4.3 **Return of Subscription if Not Accepted.** It is agreed that this Agreement and any monies and other documents delivered by the Subscriber pursuant hereto shall be returned to the Subscriber at the address indicated below if this Agreement is not accepted by the Issuer on or before the Subscription Date.

4.4 **Acknowledgement.** The Subscriber hereby acknowledges and agrees, and represents and warrants, as applicable, in favour of the Issuer that:

- (a) the Subscriber has received and reviewed and relied solely on the information contained in the Offering Memorandum in respect of the Subscriber's subscription for Units;
- (b) the Subscriber acknowledges that there are risks connected to the investment in the Units, as detailed in the Offering Memorandum; and
- (c) the Subscriber has been advised to seek professional advice in respect of the Subscriber's investment in the Units and has been afforded the opportunity to review the contracts material to the Subscriber's investment in the Units.

4.5 **Disposition in Compliance with Securities Legislation.** The Subscriber agrees that any disposition of any Units will be made in compliance with applicable securities legislation.

4.6 **Subscription Irrevocable.** The Subscriber hereby agrees that this subscription is irrevocable and that the representations, warranties and power of attorney set forth in this Agreement will survive the acceptance of this subscription.

4.7 **Headings and Articles.** Headings and articles used in this Agreement are for convenience of reference only and do not form a part of the text of this Agreement.

4.8 **Gender and Number.** All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require and the verb shall be construed and agreeing with the required word and/or pronoun.

4.9 **Governing Law.** This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of Ontario, excluding its conflicts of laws rules, and the federal laws of Canada applicable therein.

4.10 **Further Assurances.** The parties shall do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each party shall provide such further documents or instruments required by any other party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether prior to or following the acceptance hereof.

4.11 **Severance.** In the event that any Article or Section hereof is held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder of the provisions hereof, but such part shall be fully severable, and this Agreement shall be construed and enforced as if such invalid or unenforceable part had never been inserted herein and the parties do hereby agree that they would have signed this Agreement without such invalid or unenforceable part included herein.

4.12 **Counterparts and Facsimile.** This Agreement may be executed in counterparts, each of which together shall constitute one and the same instrument. This Agreement may be executed by facsimile with originally executed documents to follow by courier forthwith thereafter and shall be as binding as if originally executed.

4.13 **Binding Effect.** This Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, successors, legal representatives and permitted assigns.

4.14 **No Waiver.** This Agreement (including the Schedules hereto) together with the Offering Memorandum and the Declaration of Trust, contain the complete and exclusive understanding of the parties with respect to the subject matter hereof. No waiver, alteration or modification of any of the provisions hereof will be binding unless in writing and signed by a representative of the party to be bound thereby.

4.15 **Privacy Notice and Authorizations.** The Subscriber acknowledges and consents to the fact that the Issuer is collecting the Subscriber's personal information (as that term is defined under applicable privacy legislation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental Canadian provincial or federal legislation or laws in effect from time to time) for the purpose of completing this Subscription Agreement. The Subscriber acknowledges and consents to the Issuer retaining such personal information for as long as permitted or required by law or business practices. The Subscriber further acknowledges and consents to the fact that the Issuer may be required by the securities laws of the applicable jurisdictions to provide regulatory authorities with any personal information provided by the Subscriber in this Subscription Agreement and that such information may also be provided to any of the other parties involved in the transactions contemplated in this Agreement, including

legal counsel, and may be included in the record books of the transactions contemplated in this Agreement. If the Subscriber is a resident of or otherwise subject to applicable securities laws of Ontario, the Subscriber acknowledges and agrees that it has been notified by the Issuer: (a) of the delivery to the Ontario Securities Commission (the "**OSC**") of the full name, residential address and telephone number of the Subscriber, the number and type of securities purchased, the total purchase price, the exemption relied upon and the date of distribution, (b) that this information is being collected indirectly by the OSC under the authority granted to it in applicable securities legislation, (c) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and (d) that any questions regarding the OSC's indirect collection of this information may be addressed to the:

Administrative Assistant to the Director of Corporate Finance
Ontario Securities Commission
Suite 1903, Box 55, 20 Queen Street West
Toronto, Ontario M5H 3S8
(416) 593-8086

4.16 **Limitation.** The parties acknowledge and agree that any obligations of the Issuer hereunder are not personally binding upon any trustee thereof, any registered or beneficial holder of units in the Issuer (a "**Unitholder**") or any annuitant under a plan of which a Unitholder acts as trustee or carrier, and resort shall not be had to, nor shall recourse or satisfaction be sought from, any of the foregoing or the private property of the foregoing, but the property of the Issuer only shall be bound by such obligations. Any obligation of the Issuer set out in this Agreement shall, to the extent necessary to give effect to such obligation, be deemed to constitute, subject to the provisions of the previous sentence, an obligation of the trustees of the Issuer in their capacity as trustees of the Issuer only.

(the remainder of this page is intentionally blank)

(Name of Subscriber - please print)

Number of Class A Units: _____

By: _____

(Authorized Signature)

(Please print name of individual whose signature appears above if different than the name of the subscriber printed above.)

(Subscriber's Address)

(Telephone Number)

(Fax Number)

(Social Security Number)

(Email Address)

Aggregate Subscription Price: \$ _____

Subscription Date: _____

Register the Unit certificate as set forth below:

(Name)

(Account reference, if applicable)

(Subscriber's Address)

Deliver the Unit certificate as set forth below:

(Name)

(Account reference, if applicable)

(Contact Name)

(Address)

(Telephone Number)

Name of Purchaser Representative, if any: _____

Acceptance: The Issuer hereby accepts the above subscription this ____ day of _____, _____.

Romspen Mortgage Investment Fund, by its duly authorized signing officer

Per: _____
Name: _____
Title: _____

SCHEDULE "A"

**Romspen Mortgage Investment Fund
Subscription Agreement**

Certificate Of Accredited Investor

TO: Romspen Mortgage Investment Fund (the "Issuer")

RE: Purchase of Class A Units of the Issuer (the "Units")

The undersigned (the "**Subscriber**") hereby represents, warrants and covenants (which representations, warranties and covenants shall survive the applicable Subscription Date) to the Issuer and acknowledges that the Issuer is relying thereon, that the Subscriber satisfies one or more of the categories of "accredited investor" indicated below (please place the Subscriber's initials on the appropriate line):

- _____ Category 1. A bank, as defined in Section 3(a) (2) of the United States *Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), whether acting in its individual or fiduciary capacity; or
- _____ Category 2. A savings and loan association or other institution as defined in Section 3(a) (5) (A) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
- _____ Category 3. A broker or dealer registered pursuant to Section 15 of the United States *Securities Exchange Act of 1934*; or
- _____ Category 4. An insurance company as defined in Section 2(13) of the U.S. Securities Act; or
- _____ Category 5. An investment company registered under the United States *Investment Company Act of 1940*, as amended (the "**U.S. Investment Company Act**"); or
- _____ Category 6. A business development company as defined in Section 2(a) (48) of the U.S. Investment Company Act; or
- _____ Category 7. A small business investment company licensed by the U.S. Small Business Administration under Section 301 (c) or (d) of the United States *Small Business Investment Act of 1958*, as amended; or
- _____ Category 8. A plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of US \$5,000,000; or
- _____ Category 9. An employee benefit plan within the meaning of the United States *Employee Retirement Income Security Act of 1974*, as amended ("**ERISA**") in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of US \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are accredited investors; or

- _____ Category 10. A private business development company as defined in Section 202(a)(22) of the United States *Investment Advisers Act of 1940*, as amended; or
- _____ Category 11. An organization described in Section 501(c)(3) of the United States *Internal Revenue Code*, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the Units, with total assets in excess of US \$5,000,000; or
- _____ Category 12. Any director, executive officer, or general partner of the Issuer, or any director, executive officer, or general partner of a general partner of the Issuer; or
- _____ Category 13. A natural person whose individual net worth, or joint net worth with that person's spouse, at the date hereof exceeds US \$1,000,000; or
- _____ Category 14. A natural person who had an individual income in excess of US\$200,000 in each of the two most recent years or joint income with that person's spouse in excess of US\$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or
- _____ Category 15. A trust, with total assets in excess of US\$5,000,000, not formed for the specific purpose of acquiring the Units, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) promulgated under the U.S. Securities Act; or
- _____ Category 16. Any entity in which all of the equity owners meet the requirements of at least one of the above categories.

Unless otherwise specified, capitalized terms used in this Schedule which are not defined herein shall have the meanings ascribed to them in a subscription agreement dated as of _____, __ 2010 between the Issuer and the Subscriber.

The foregoing representations, warranties and covenants are made by the Subscriber with the intent that they be relied upon in determining its suitability as a purchaser of Units.

(Signature of Subscriber)

(Name of Subscriber - please print)

(Capacity)