

SUBSCRIPTION AGREEMENT

TO: FIRST ISLAND MORTGAGE INVESTMENT CORPORATION – SERIES IV LTD. (the “Company”)

AND TO: FIRST ISLAND MORTGAGE INVESTMENTS LTD. (the “Dealer”)

The undersigned subscriber (the “Investor”) hereby subscribes for the number of Class “A” Redeemable Preferred Shares with a par value of \$1.00 per share of the Company set out below (the “Shares”) at a subscription price of \$1.00 per Share. These Shares are being offered to the undersigned under the Company’s current Offering Memorandum dated February 28, 2020, for the aggregate subscription price set out below (the “Aggregate Subscription Price”), upon and subject to the terms and conditions set out herein and in the provided the “General Terms”, together with the provided Risk Acknowledgement Form 45-106F4.

No. of Shares subscribed for: _____

Aggregate Subscription Price: \$ _____

This is the Name in which the Shares must be registered

In order to induce the Company to accept this Subscription Agreement and sell the Shares to the Investor, and in addition to the representations, warranties and covenants set out in the provided “General Terms”, the Investor acknowledges, represents and warrants to, and covenants with, the Company and the Dealer (and if the Shares are being purchased by a partnership, each partner acknowledges, represents, warrants and covenants), and acknowledges that the Company and the Dealer and their respective counsel are relying on such representations, warranties and covenants, as follows as at the date of execution of this Subscription Agreement and as at the completion of the purchase and sale of the Shares (the “Closing”):

- a) if the Investor is the annuitant/beneficiary under a Registered Retirement Savings Plan, Registered Retirement Investment Fund, Deferred Profit Sharing Plan or Tax-Free Savings Account Plan described below (the “Plan”), then the Investor is the representative of the Plan with respect to the Shares and the Investor hereby irrevocably authorizes and directs the trustee of the Plan to subscribe for and purchase the Shares upon the terms and conditions of this Subscription and to tender the Aggregate Subscription Price in full payment of the subscription price for the Shares and the Investor hereby ratifies and affirms the actions to be taken by the trustee of the Plan in furtherance of the subscription for the Shares hereunder;
- b) if the Investor is the annuitant under a Registered Retirement Savings Plan or Tax-Free Savings Account Plan then the Investor is aware that it is the Investor’s sole responsibility to ensure that the amount of contributions are within the limits permitted under the *Income Tax Act* (Canada);
- c) the Investor is not a “non-resident” of Canada within the meaning of the *Income Tax Act* (Canada);
- d) the Investor is not a “non-Canadian” within the meaning of the *Investment Canada Act* (Canada);
- e) if I am individual, I have attained the age of majority and have the legal capacity and competence to execute this Subscription Agreement and to take all actions required under it;
- f) if I am a corporation, partnership or other legal entity, I have (and if my Shares are being purchased by a partnership, each partner has) the legal capacity and competence to execute this Subscription and to take all actions and all necessary approvals by directors, shareholders and members, or otherwise, have been given to authorize the execution and delivery of this Subscription;
- g) the Investor has received and carefully reviewed the Offering Memorandum before subscribing for the Shares; and
- h) by initialing beside the subparagraph below, the Investor confirm that the Investor is (and if the Shares are being purchased by a partnership, the Investor confirms for each partner that the partner is)

resident in British Columbia and have received, read, understood and executed
the Risk Acknowledgement Form 45-106F4

Initial

These are My Dividend Instructions:

By checking the box below, the Investor confirms their direction that they want their dividends to be issued as follows, unless and until they otherwise direct the Company in writing:

- 100% A Preferred Shares at a price of \$1.00 per share (*reinvest dividends*)
- 100% Cash (*by direct deposit to investor’s bank account – details on file*)

(see reverse for signatures)

INDIVIDUAL(S)

in the presence of

Signature of Witness

Name of Witness

Occupation of Witness

Address of Witness

x

Signature of First Subscriber

Full Legal Name of First Subscriber

Address of First Subscriber

Telephone No. of First Subscriber

Email of First Subscriber

Social Insurance Number (to be used on T5)

Signature of Second Subscriber

Full Legal Name of Second Subscriber

Address of Second Subscriber

Telephone No. of Second Subscriber

Social Insurance Number (will not appear on T5)

INSTITUTION

Name of Institution

Address

City, Province and Postal Code

Description of the Plan

Plan Identification or Account Number

ACCEPTANCE

By its authorized signatory the Company accepts this Subscription on _____, 202__.

FIRST ISLAND MORTGAGE INVESTMENT CORPORATION – SERIES IV LTD.

Authorized Signatory

Form 45-106F4

WARNING

Risk Acknowledgement

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- The securities are redeemable, but I may only be able to redeem them in limited circumstances.
- I could lose all the money I invest.

I am investing \$ _____ in total; this includes any amount I am obliged to pay in future.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

_____ x _____
Date Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

You have 2 business days to cancel your purchase

To do so, send a notice to **FIRST ISLAND MORTGAGE INVESTMENTS LTD.** stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd 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 **FIRST ISLAND MORTGAGE INVESTMENTS LTD.** at its business address. Keep a copy of the notice for your records.

FIRST ISLAND MORTGAGE INVESTMENTS LTD.

c/o Claudia Schindel, Dealing Representative
Suite #101, 727 Fisgard Street
Victoria, B.C. V8W 1R8
Tel: (250) 388-5441
Fax: (250) 361-9160
E-mail: investments@firstisland.com

You are buying Exempt Market Securities.

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

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

You will receive an offering memorandum.

Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

The securities you are buying are not listed.

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer.

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

For more information on the exempt market contact:

- British Columbia Securities Commission:
telephone (604) 899-6500
website www.bcsc.bc.ca

The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.