

## SUBSCRIPTION AGREEMENT - FOR USE WITH NON-DISCRETIONARY ACCOUNTS

*To be completed by registered dealers and advisers trading through FundSERV*

TO: The **Fund(s)** (see below)

AND TO: Canso Fund Management Ltd. (the “**Manager**”)  
100 York Blvd., Suite 550, Richmond Hill ON, L4B 1J8

The undersigned (the “**Subscriber**”) hereby irrevocably subscribes for that number of Series F units or Series A units (the “**Units**”) of the funds as set out below (each a “**Fund**”, and together the “**Funds**”) in the amount indicated below on the terms and conditions set out in the offering memorandum of the Funds dated November 30, 2016, as it may be amended from time to time (the “**Offering Memorandum**”).

(Please check the applicable box and initial.)

\_\_\_\_\_ Is the Subscriber a registrant under Canadian securities law?  
Yes No

By submitting this Subscription Agreement, the Subscriber acknowledges having received and read the Offering Memorandum and that the Manager is rely on the representations and warranties set forth below.

### Subscription:

(Please fill in the appropriate boxes and insert amounts to be invested.)

<b>Fund Name:</b>	<b>Series:</b>	<b>Amount:</b>
Canso Corporate Value Fund	<input type="checkbox"/> Series F (CFM111F)	\$
	<input type="checkbox"/> Series A (CFM111A)	\$
Canso Corporate Bond Fund	<input type="checkbox"/> <input type="checkbox"/> Series F (CFM124F)	\$
	<input type="checkbox"/> Series A (CFM124A)	\$
Canso Canadian Bond Fund	<input type="checkbox"/> <input type="checkbox"/> Series F (CFM174F)	\$
	<input type="checkbox"/> Series A (CFM174A)	\$
Canso Short Term and Floating Rate Income Fund	<input type="checkbox"/> Series F (CFM134F)	\$
	<input type="checkbox"/> Series A (CFM134A)	\$
<b>TOTAL INVESTED</b>		<b>\$</b>

### Delivery Instructions:

Fax this entire, completed document to Convexus Managed Services at 866-873-1163 or by e-mail to <a href="mailto:clientservices@convexus.com">clientservices@convexus.com</a> .
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## Prospectus Exemption

The Subscriber acknowledges that, if this subscription is accepted, Units will be distributed to the Subscriber pursuant to a regulatory exemption from statutory requirements that would otherwise require the applicable Fund to deliver to the Subscriber a prospectus that complies with statutory requirements. In doing so, the applicable Fund will be relying on the following representations and certifications by the Subscriber:

**The Subscriber hereby represents and certifies** that the Subscriber is acting for his, her or its own account and is purchasing Units as principal (or is deemed by National Instrument 45-106 - *Prospectus Exemptions* to be acting as principal) for investment purposes only and not with a view to resale and is one of the following (**please check the appropriate box**):

### Accredited Investor

- a resident of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island or Newfoundland and Labrador who meets the definition of “accredited investor” and has completed the **Certificate of Accredited Investor** attached as Schedule “A” and **the Risk Acknowledgement Form** attached as Schedule “B” (if an individual described in paragraphs (j), (k) or (l) of the definition of “accredited investor”); or

### \$150,000 minimum investment (only if the Subscriber is not an individual)

- a person, other than an individual, that is a resident of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island or Newfoundland and Labrador and is purchasing Units with an aggregate cost to the Subscriber of not less than \$150,000 payable in cash at the time of the distribution of Units and has not been formed, created, established or incorporated for the purpose of permitting the purchase of the Units without a prospectus; or

### Subsequent top-up investment

- a resident of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island or Newfoundland and Labrador and is purchasing Units with an aggregate acquisition cost of less than \$150,000, but initially purchased Units of the same series as principal for an acquisition cost of not less than \$150,000 paid in cash at the time of purchase, and at the date of this subscription owns Units with a net asset value or aggregate acquisition cost of not less than \$150,000; or

### Other

- has the benefit of the following exemption (specify nature and source of exemption):

## Subscriber’s Agent

For a Subscriber purchasing the Units through another registered dealer, or adviser who has full discretionary authority (the “**Subscriber’s Agent**”), it is the Subscriber’s Agent’s responsibility to fulfill all relevant “know-your-client” obligations and to assess whether the Units are a suitable investment for the Subscriber. The Subscriber’s Agent is also responsible for all identification and investor information collection obligations under any anti-money laundering and anti-terrorist financing legislation and compliance with the due diligence obligations for the purposes of U.S Foreign Account Tax Compliance Act (FATCA) or to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standard (CRS). The Subscriber acknowledges that the Subscriber’s Agent is acting as dealer of record for the Subscriber and that the Subscriber’s Agent and the Subscriber must complete Schedule “C”.

## **General**

The Subscriber acknowledges the information contained in the Offering Memorandum including and in particular those investment considerations described therein under the heading “Risk Factors”. Terms denoted herein with initial capital letters and not otherwise defined have the meanings given in the Offering Memorandum and in the amended and restated master declaration of trust governing the affairs of the Funds dated as of November 30, 2016, as it may be amended from time to time (the “**Declaration of Trust**”), unless the context otherwise requires.

## **Irrevocable**

The Subscriber acknowledges that this subscription is subject to the acceptance, in whole or in part, by the Manager in its sole discretion and to certain other conditions set forth in the Offering Memorandum. The Subscriber agrees that this subscription is given for valuable consideration and shall not be withdrawn or revoked by the Subscriber. This subscription and the subscription proceeds shall be returned without interest or deduction to the Subscriber at the address indicated below if this subscription is not accepted. If the subscription is accepted only in part, a cheque representing the portion of the amount the Subscriber delivered with the subscription form for the Units which is not accepted will be promptly delivered or mailed to the Subscriber without interest or deduction.

## **Payment**

Where the purchase order is submitted by a registered dealer over an electronic trading and settlement service, the dealer must provide full payment of the purchase price of the Units subscribed for and the supporting documents (original or electronic copy) for the purchase to the Manager (or its appointee) by the close of the third business day after the Valuation Date determined as the date of purchase, or the subscription for the Units will be reversed and any shortfall resulting from the reversal will be an expense of the Subscriber and may be deducted from the purchase price tendered before returning it to the Subscriber.

## **Representations and Warranties**

The Subscriber covenants, represents, acknowledges and warrants to and in favour of the applicable Fund and the Manager as follows:

- (i) The Subscriber has such knowledge and experience in financial and business affairs as to be capable of evaluation the merits and risks of an investment in the Fund and is able to bear the economic risk of loss of such investment;
- (ii) if an individual, the Subscriber has attained the age of majority and has the legal capacity and competence to execute this subscription and to take all actions required pursuant hereto;
- (iii) if not an individual, the Subscriber has good right, full power and absolute authority to execute this subscription and to take all necessary actions, and all necessary approvals have been given to authorize it to execute this subscription;
- (iv) this subscription, when accepted, will constitute a legal, valid, binding and enforceable contract of the Subscriber, enforceable against the Subscriber in accordance with its terms;
- (v) the entering into of this subscription and the transactions contemplated hereby will not result in the violation of any terms or provisions of any law applicable to, or the constating documents of, the Subscriber or of any agreement, written or oral, to which the Subscriber may be a party or by which he, she or it is or may be bound;
- (vi) the Subscriber is a resident of, or is otherwise subject to the securities laws of, a Canadian jurisdiction set out under name and address of the Subscriber below and is not purchasing the Units for the account or benefit of any person in any jurisdiction other than such jurisdiction;
- (vii) the Subscriber has no knowledge of a “material fact” or “material change” (as those terms are defined in applicable securities legislation) in the affairs of the Fund that has not been generally disclosed to the public, save knowledge of this particular transaction;

- (viii) the Subscriber is aware that there are securities and tax laws applicable to the holding and disposition of the Units and has been given the opportunity to seek advice in respect of such laws and is not relying upon information from the Fund, the Manager, or, where applicable, their officers, directors, employees or agents;
- (ix) the Subscriber acknowledges that no prospectus has been filed with any securities commission or other regulatory body in connection with the issuance of the Units, such issuance is exempted from prospectus requirements of applicable securities legislation; and
  - a) the Subscriber is restricted from using the civil remedies available,
  - b) the Subscriber may not receive information that would otherwise be required to be provided, and
  - c) the Fund is relieved from certain obligations that would otherwise apply,under certain applicable securities legislation which would otherwise be available if the Units were sold pursuant to a prospectus;
- (x) the Subscriber has received, reviewed, and fully understands the Offering Memorandum and has had the opportunity to ask and have answered any and all questions which the Subscriber wished with respect to the business and affairs of the Fund, the Units and the subscription hereby made;
- (xi) the Subscriber is aware of the characteristics of the Units, of the nature and extent of personal liability and of the risks associated with an investment in the Units;
- (xii) the Subscriber shall not knowingly transfer his, her or its Units in whole or in part to a person without the approval of the Manager and will do so only in accordance with applicable securities laws;
- (xiii) the Subscriber understands that (1) there is no right to demand any distribution from the Fund, other than by redemption of Units pursuant to the terms and procedures and subject to the restrictions described in the Offering Memorandum; (2) it is not anticipated that there will be any public market for the Units; and (3) it may not be possible to sell or dispose of Units;
- (xiv) 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 the Subscriber undertakes to notify immediately the Fund at the address set forth above of any change in any representation, warranty or other information relating to the Subscriber set forth in this Subscription Agreement.

### **Subsequent Subscriptions**

The Subscriber acknowledges and agrees that these representations, warranties, certifications, acknowledgments and covenants contained in this Subscription Agreement and given by the Subscriber to and in favour of the applicable Fund and the Manager shall survive the completion of the purchase and sale of the Units and any additional purchases of Units by the Subscriber and are deemed to be repeated and reconfirmed as at the date of any additional subscription for Units made by the Subscriber (a “top-up”) or reinvestment of distributions made by the applicable Fund, unless a new subscription agreement is executed at the time of the subsequent purchase.

### **Purchasing as Agent**

If a person is executing this Subscription Agreement as agent (including, for greater certainty, a dealing representative, a portfolio manager or comparable adviser) on behalf of the Subscriber (the “**principal**”), such person must provide evidence of such person’s authority satisfactory to the Manager and hereby separately represents and warrants to the Manager that (i) such person is duly authorized to execute and deliver this Subscription Agreement and all other necessary documentation in connection with such purchase on behalf of such principal, to agree to the terms and conditions contained herein and therein and to make the representations, certifications, acknowledgments and covenants made herein and therein, (ii) this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid and binding agreement enforceable against, such principal, and (iii) it acknowledges that the Manager is required by law to disclose to certain regulatory and taxation authorities the identity of and certain information regarding the principal and has provided all the information concerning the principal as required by this Subscription Agreement and will provide any such further information as may hereafter be required. Such agent agrees to indemnify each applicable Fund

and the Manager against all losses, claims, costs, expenses and damages or liabilities which it may suffer or incur arising from the reliance by the applicable Fund or the Manager, as the case may be, on such representation and warranty.

### **Joint Accounts**

If the Subscriber is a joint holder, then each joint holder must sign a copy of this Subscription Agreement and provide appropriate proof of identification. Each joint holder hereby confirms that the Units are to be held by each Subscriber as joint tenants and not as tenants in common and the Manager is hereby authorized to take orders from either Subscriber alone. Unless both Subscriber's instruct us differently, (i) allocations for tax purposes will be made to each of the Subscriber's in equal amounts, and (ii) distributions of profit and capital (including the payment of redemption proceeds) will be made and paid to the order of all joint holders (if paid by cheque) or to the account from which wire payment for the subscription for Units was received. Please see the signature block below.

### **Fees**

The Subscriber acknowledges that the each applicable Fund pays management fees to the Manager in accordance with the fee schedule set out in the Offering Memorandum of the Funds.

In addition to the management fees, there may be brokerage charges imbedded in the purchase and sale of securities held within the applicable Fund. There are no brokerage charges imposed by the Manager for the purchase or sale of units of the applicable Fund.

### **Financial Reports**

The Subscriber acknowledges that it is entitled to receive annual and interim financial statements and may receive other information about the applicable Fund from the Manager. If requested by the Subscriber, the Manager shall provide the Subscriber within 30 days of the end of each calendar quarter with a summary of the holdings in the applicable Fund and a summary of transactions during that quarter.

### **Indemnities**

The Subscriber agrees to indemnify and hold harmless each applicable Fund and the Manager and its affiliates against any and all losses, liabilities, claims, damages and expenses whatsoever (including, without limitation, any and all expenses reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claims whatsoever) arising out of or based upon any breach or failure by the Subscriber to comply with any representation, warranty, covenant or agreement made by the Subscriber herein or in any other document furnished by the Subscriber to any of the foregoing indemnified persons in connection with this transaction or attributable to the application of the *Income Tax Act (Canada)* or any similar provision of any statute of a province or territory of Canada imposing an income tax to any amounts payable by the applicable Fund to the Subscriber.

The Subscriber agrees to indemnify and hold harmless each applicable Fund and the Manager and its affiliates against all losses, claims, costs, expenses and damages or liabilities which it may suffer or incur or cause arising from the reliance on the representations, certifications and covenants of the Subscriber by the applicable Fund or the Manager. Any signatory signing on behalf of the Subscriber as agent or otherwise represents and warrants that such signatory has authority to bind the Subscriber and agrees to indemnify each applicable Fund and the Manager against all losses, claims, costs, expenses and damages or liabilities which it may suffer or incur or cause arising from the reliance on such representation and warranty.

This section shall survive termination and/or expiry of this Subscription Agreement.

### **Electronic Delivery of Documents**

The Subscriber hereby consents to the electronic delivery of any document that the Manager or applicable Fund may elect to deliver to the Subscriber, including annual and interim financial statements. The Subscriber instructs that such documents may be delivered to the email address listed below. The Subscriber acknowledges that it may

change this electronic delivery instruction and request to receive a paper copy of any document delivered electronically, at no cost, or may change the e-mail address to which the documents are delivered, by contacting the Manager as provided above. The Subscriber confirms its understanding that it will be provided with a paper copy of any documents delivered electronically if electronic delivery fails.

### **Arbitration**

Any dispute, claim, question or disagreement between the parties to this agreement (the “Parties”) arising out of or relating to this agreement shall be finally settled by arbitration. Either Party may initiate arbitration within a reasonable time after any such dispute, controversy or claim has arisen, by delivering a written demand for arbitration on the other Party. The arbitration shall be conducted by a single arbitrator in accordance with the *Arbitration Act* (Ontario). The arbitration shall take place in Toronto, Ontario, and shall be conducted in English. The arbitrator shall be appointed jointly by agreement of the Parties, failing which an arbitrator shall be appointed by ADR Chambers Inc., Toronto.

The Parties agree that any and all appeals of any award of the Arbitrator shall be to a single Judge of the Superior Court of Justice of Ontario and that neither Party will have any other rights of appeal. The Parties further agree that any appeal must be commenced within 10 days following upon release of the award appealed from by serving a Notice of Appeal in writing on the opposite Party. The Order of the Judge of the Superior Court of Justice on appeal shall be final and binding with no further rights of appeal.

This section shall survive termination and/or expiry of this Subscription Agreement.

### **Anti-Money Laundering and Anti-Terrorist Financing Legislation**

In order to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and applicable regulations (PCMLTFA), the Manager, and the registered dealers who distribute Units of the applicable Fund, may require certain information and/or documentation as well as proof of identity, source of funds, intended use of the account, beneficial ownership information, if account is used by third party, and whether any control persons of an entity is an insider, as applicable, from the Subscriber from time to time and the Subscriber hereby agrees to provide all such information.

The Subscriber acknowledges that if, as a result of any information or other matter which comes to the attention of the Manager, or if it has reason to believe that a Subscriber is engaged in money laundering, it is required to report such information or other matter to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and such report shall not be treated as a breach of any restriction upon the disclosure of information imposed by Canadian law or otherwise.

The Subscriber represents that neither (i) he or she, (ii) any director, officer, beneficial owner, or signing authorities of it (unless the entity is exempted), (iii) a family member of such individual (i.e. their spouse or common-law partner, their child, their mother or father, the mother or father of their spouse or common-law partner, or a child of their mother or father such as a sibling), or (iv) a close associate for personal or business reasons, is a “Politically Exposed Foreign Person”, “Politically Exposed Domestic Person”, or “Head of an International Organization”, as defined under the PCMLTFA. The Subscriber agrees to immediately notify the Manager if the status of any such person or entity changes at any point in time.

### **Foreign Tax Reporting**

In accordance with the Intergovernmental Agreement between Canada and the United States for the enhanced exchange of tax information under the Canada-U.S. Tax Convention (the IGA) and related Canadian legislation and guidance, and as required under FATCA, the Fund, the Manager and/or registered dealers are required to report certain information with respect to Subscribers who are U.S. residents and U.S. citizens (including U.S. citizens who are residents or citizens of Canada), and certain other “U.S. Persons” as defined under the IGA, to the Canada Revenue Agency (CRA). The CRA is then expected to exchange the information with the U.S. Internal Revenue Service (IRS) pursuant to the provisions of the IGA. In addition, to meet the objectives of the CRS, the Fund, the Manager and/or the registered dealers are required under Canadian legislation to identify and

report to the CRA details and certain financial information relating to unitholders in the Fund who are residents in a country outside of Canada and the U.S. which has adopted the CRS. It is expected that the CRA will then provide that information to the tax authorities of the relevant jurisdiction that has adopted the CRS.

In order for the Manager and the Fund to comply with their obligations under the IGA and CRS, the Subscriber must complete the appropriate Declaration of Tax Residence Form for the purposes of Part XVIII [FATCA] and Part XIX [CRS] of the *Income Tax Act (Canada)* and will provide updated Forms upon reasonable request by the Manager, unless Schedule “C” has been completed by the Subscriber and the Subscriber has agreed to discharge such obligation. The Subscriber must immediately notify the Manager if any information on its forms changes.

The Subscriber acknowledges that if the Manager is required to report information to the CRA in connection with the Subscriber’s investment in the Fund, such report shall not be treated as a breach of any restriction upon the disclosure of information that may be imposed by Canadian law or otherwise.

**Further Documentation Required**

The Subscriber agrees to execute and deliver all documentation as may be required from time to time by applicable securities legislation or by the applicable Fund, as the case may be, to permit the purchase of the Units on the terms herein set forth and the Subscriber will deliver such releases or any other documents for income tax purposes, if any, as from time to time may be required by the Manager.

**Confidentiality and Privacy**

The Subscriber agrees that the investment portfolio and trading procedures of the applicable Fund is proprietary to the Fund(s) and all information relating to such investment portfolio and trading procedures shall be kept confidential by the Subscriber and will not be disclosed to third parties (excluding the Subscriber’s professional advisers) without the written consent of the Manager.

By signing this Subscription Agreement, the Subscriber consents to the collection, use and disclosure of his or her personal information in accordance with the Canso Privacy Policy attached as Schedule “D”.

**Governing Law and Language**

The agreement and all ancillary documents will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. In this Subscription Agreement all references to dollar amounts and “\$” are to Canadian dollars.

It is the express wish of the Subscriber that this Subscription Agreement, and any related documentation be drawn up in English. Il est de la volonté expresse du souscripteur que la présente entente et tous les documents s’y rattachant soient rédigés en anglais.

This agreement is not transferable or assignable by the Subscriber.

**You may not change any part of this Subscription Agreement without the consent of the Manager.**

Dated at \_\_\_\_\_ in the Province of \_\_\_\_\_, Canada, this  
(city) (province)

\_\_\_\_\_ day of \_\_\_\_\_,  
(day) (month) (year)

**If Subscriber is an Individual:**

\_\_\_\_\_  
Name of Subscriber

\_\_\_\_\_  
Social Insurance No

\_\_\_\_\_  
Address (No P.O. Box Number)

\_\_\_\_\_  
City, Province, Postal Code

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Signature of Subscriber

**(The Subscriber's signature must be witnessed by a person who is not a minor nor the spouse or child of the Subscriber)**

**Witness**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

**If Subscriber is a joint account holder:**

\_\_\_\_\_  
Name of Joint Subscriber

\_\_\_\_\_  
Social Insurance No. of Joint Subscriber

\_\_\_\_\_  
Address (No P.O. Box Number)

\_\_\_\_\_  
City, Province, Postal Code

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Signature of Joint Subscriber

**(The Joint Subscriber's signature must be witnessed by a person who is not a minor nor the spouse or child of the Joint Subscriber)**

**Witness**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

**If Subscriber is a Corporation, Trust or Partnership:**

\_\_\_\_\_  
Name of Subscriber

\_\_\_\_\_  
Business/Trust Identification Number

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Address (No P.O. Box Number)

\_\_\_\_\_  
City, Province, Postal Code

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Email Address



**SCHEDULE “A”  
CERTIFICATE OF ACCREDITED INVESTOR**

**[To be completed and initialled by Subscriber if you checked the “Accredited Investor” box on page 2]**

**TO: Canso Fund Management Ltd. (the “Manager”)**

In connection with the purchase by the **Subscriber** of units of the Fund(s) indicated in the attached subscription agreement (the “**Fund(s)**”), the Subscriber certifies for the benefit of the Fund(s) and the Manager that the Subscriber is (and will at the time of acceptance of this Subscription and any additional subscriptions be) an accredited investor (an “**Accredited Investor**”) within the meaning of National Instrument 45-106 – Prospectus Exemptions (the “**Instrument**”) or Section 73.3 of the *Securities Act* (Ontario) in the category indicated below:

**Please initial the box beside the appropriate category in this Schedule A. Terms in bold are defined at the end of this Schedule A.**

- (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 under the securities legislation of a **jurisdiction** as a representative of a person referred to in paragraph (d),
- (e.1) an **individual** formerly registered under the securities legislation of a jurisdiction of Canada, other than an **individual** formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador),
- (f) the Government of Canada or a **jurisdiction**, or any crown corporation, agency or wholly owned entity of the Government of Canada or a **jurisdiction**,
- (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,

If initialled, complete a separate Risk Acknowledgment Form

- (j) an **individual** who, either alone or with a **spouse**, beneficially owns, **financial assets** having an aggregate realizable value that before taxes, but net of any **related liabilities**, exceeds \$1,000,000,
- (j.1) an **individual** who beneficially owns **financial assets** having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000,

If initialled, complete a separate Risk Acknowledgment Form

- (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,

If initialled, complete a separate Risk Acknowledgment Form

- (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 statement,

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,
- (n) (ii) a **person** that acquires or acquired securities with an aggregate value of not less than \$150,000 under certain minimum purchase or additional investment exemptions specified in sections 2.10 or 2.19 or  
(iii) a **person** described in paragraph (i) or (ii) that acquires or acquired securities under the investment fund reinvestment exemption specified in section 2.18
- (o) an **investment fund** that distributes or has distributed securities under a prospectus in a **jurisdiction** 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** 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,
- (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. ***If you checked (r), please indicate the full name of the individual eligibility adviser/adviser and associated firm whom you obtained advice from:***

**Name of individual eligibility adviser/adviser:** \_\_\_\_\_ **Name of the firm:** \_\_\_\_\_

(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. *If you checked (t), please provide the name and category of accredited investor (by reference to the applicable letter above) of each owner:*

Name of owner of interests:	Category:
_____	_____
_____	_____
_____	_____

*[Attach sheet if more than 3 owners]*

(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,

(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, or

(w) a trust established by an accredited investor for the benefit of the accredited investor's family members if which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse. *If you checked (w), please provide the name and category of accredited investor (by reference to the applicable letter above) of each of:*

Accredited Investor:	Name:	Category:
<b>Individual who established trust:</b>	_____	_____
<b>Trustee:</b>	_____	_____
<b>Trustee:</b>	_____	_____
<b>Trustee:</b>	_____	_____

*[Attach sheet if more than 3 trustees]*

## **Defined Terms:**

Certain terms used above are specifically defined by applicable securities legislation, regulation or rules, as follows:

**“Canadian financial institution”** means:

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
- (b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a province or territory of Canada to carry on business in Canada or a province or territory of Canada;

**“company”** means any corporation, incorporated association, incorporated syndicate or other incorporated organization;

**“director”** means:

- (a) a member of the board of directors of a company or an individual who performs similar functions for a company, and
- (b) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

**“eligibility adviser”** means:

- (a) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the province or territory of a purchaser and authorized to give advice with respect to the type of security being distributed, and
- (b) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a province or territory of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a province or territory of Canada provided that the lawyer or public accountant must not
  - a. have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and
  - b. have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

**“financial assets”** means cash, securities, or a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

**“foreign jurisdiction”** means a country other than Canada or a political subdivision of a country other than Canada;

**“fully managed account”** means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction;

“**individual**” means a natural person, but does not include a partnership, unincorporated association, unincorporated organization, trust or a natural person in his or her capacity as trustee, executor, administrator or other legal personal representative;

“**net assets**” means all of the Subscriber's assets minus all of his, her or its liabilities;

“**person**” includes:

- (i) an individual,
- (ii) a corporation,
- (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
- (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;

“**related liabilities**” means:

- (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
- (ii) liabilities that are secured by financial assets;

“**Schedule III bank**” means an authorized foreign bank named in Schedule III of the Bank Act (Canada);

“**spouse**” means, an individual who,

- (i) is married to another individual and is not living separate and apart within the meaning of the Divorce Act (Canada), from the other individual,
- (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
- (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta);

“**subsidiary**” means an issuer that is **controlled** directly or indirectly by another issuer and includes a subsidiary of that subsidiary;

“**Control**” means a person (first person) is considered to control another person (second person) if:

- (i) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation,
- (ii) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or
- (iii) the second person is a limited partnership and the general partner of the limited partnership is the first person.

## SCHEDULE "B"

### Risk Acknowledgement Form (Form 45-106F9)

**[To be completed by an individual described in paragraphs (j), (k), or (l) of the definition of "accredited investor".]**

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

SECTION 1 TO BE COMPLETED BY CANSO FUND MANAGEMENT LTD.	
1. About your investment	
Type of securities: pooled fund units	Issuer: the Fund or Funds being invested in, as shown on the first page of this Subscription Agreement. The manager of the Funds is Canso Fund Management Ltd.
Purchased from: Canso Fund Management Ltd.	

SECTIONS 2 TO 4 TO BE COMPLETED BY 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 \$_____. [This is the total amount shown on the first page of this Agreement]	
<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">http://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>
• 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 tax return.)	
• 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.	
• Either alone or with your spouse, you own more than \$1 million in cash or securities, after subtracting any debt related to the cash or securities.	
• 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.)	

4. Your name and signature
By signing this form, you confirm you have read the form and you understand the risks of making this investment as identified in this form. The information in sections 1, 5 and 6 must be completed before the Subscriber completes and

signs this risk acknowledgement form.	
First and last name (please print):	
Signature:	Date:
<b>SECTION 5 TO BE COMPLETED BY THE SALESPERSON</b>	
<b>5. Salesperson information</b>	
<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 or selling security holder, a registrant or a person who is exempt from the registration requirement.]</i>	
First and last name of salesperson (please print):	
Telephone:	Email:
Name of firm (if registered):	
<b>SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER</b>	
<b>6. For more information about this investment</b>	
Name of fund:	Any of Canso Corporate Value Fund, Canso Corporate Bond Fund, Canso Canadian Bond Fund or Canso Short Term and Floating Rate Income Fund, as specified on the first page of this Subscription Agreement.
Investment Fund Manager:	Canso Fund Management Ltd. 100 York Blvd., Suite 550 Richmond Hill, ON L4B 1J8 Telephone: 905 881 8853 Email: clientservice@cansofunds.com
<b>For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at <a href="http://www.securities-administrators.ca">http://www.securities-administrators.ca</a>.</b>	

**SCHEDULE “C”**  
**CERTIFICATE OF SUBSCRIBER’S AGENT**

By submitting this completed Subscription Agreement to the Manager, the Subscriber’s Agent hereby acknowledges and confirms that it has fulfilled all relevant “know-your-client” and suitability obligations that it owes to the Subscriber and all identification and investor information collection obligations under anti-money laundering and anti-terrorist financing legislation. The Subscriber’s Agent also agrees to provide any information requested by the Manager to assist it in discharging its obligations under such laws. Specifically, the Subscriber’s Agent represents that:

- (i) the Subscriber’s Agent is duly authorized to execute and deliver this subscription and all other necessary documentation in connection with the purchase, to agree to the terms and conditions contained herein and therein and to make the representations, certifications, acknowledgements and covenants made herein and therein, and this subscription has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid and binding agreement enforceable against, the Subscriber’s Agent;
- (ii) it has delivered a copy of the Offering Memorandum to the Subscriber;
- (iii) if the Subscriber has completed Schedule “A” and Schedule “B” (as applicable), it has taken appropriate steps to ensure that the Subscriber is an accredited investor;
- (iv) it does not keep anonymous accounts or accounts in obviously fictitious names;
- (v) it has identified, verified and recorded the identity of the Subscriber as required by anti-money laundering and anti-terrorist financing legislation in Canada;
- (vi) in the event that it is unable to verify the identity of the underlying Subscriber, it will inform the Manager as soon as it is reasonably practicable, if permitted by law;
- (vii) it has verified the Subscriber’s source of funds to the best of its knowledge and it is not aware and has no reason to suspect that such funds have been derived from any illegal activities;
- (viii) it will maintain all necessary records on transactions for the Subscriber and it will keep records on client identification, account files and business correspondence relating to the Subscriber for at least seven (7) years after the Subscriber’s account is closed; and
- (ix) it will provide supporting documentation to the Manager on file relating to the Subscriber if requested by the Manager.

Furthermore, the Subscriber’s Agent also represents and warrants that it is a Reporting Canadian Financial Institution, and will comply with all necessary due diligence obligations, under the Foreign Account Tax Compliance Act (FATCA) of the United States and the Intergovernmental Agreement (IGA) in effect between the United States and Canada and the Organization for Economic Co-operation and Development Common Reporting Standard (CRS) with respect to each Subscriber as a client, will advise the Manager if the Subscriber is a U.S. Person for the purposes of FATCA (or a reportable person/account holder under CRS) and will provide to the Manager information regarding the Subscriber as the Manager may reasonably request from time to time.

Subscriber’s  
 GIIN: \_\_\_\_\_

\_\_\_\_\_  
 Dealer Name and FundSERV Dealer Code

\_\_\_\_\_  
 Signature of Subscriber’s Agent

\_\_\_\_\_  
 Name of Dealing Representative and Rep Number

Date: \_\_\_\_\_

The Subscriber hereby acknowledges that the Subscriber’s Agent may receive a trailing commission in respect of the Units purchased by the Subscriber.

The Subscriber agrees to provide information to the Manager as it may request from time to time for the purpose of complying with applicable securities laws, anti-money laundering and anti-terrorist financing legislation, FATCA, and CRS, even though the Manager may be relying on the Subscriber’s Agent to collect such information at first instance. The Subscriber hereby authorizes the Manager to rely on and accept instructions from the Subscriber’s Agent on the Subscriber’s behalf in connection with subsequent purchases, redemptions and transfers of Units and agrees to indemnify each applicable Fund and the Manager against all losses, claims, costs, expenses and damages or liabilities which it may suffer or incur arising from the reliance of the Manager on any improper instructions provided by the Subscriber’s Agent.

\_\_\_\_\_  
 Signature of Subscriber



## **SCHEDULE “D” PRIVACY POLICY**

Canso Investment Counsel Ltd. is committed to safeguarding the personal information entrusted to us by our clients. We manage our clients’ personal information in accordance with all applicable laws of the jurisdictions in which we conduct our business. This policy outlines the principles and practices we follow in protecting personal information.

This policy applies to Canso Investment Counsel Ltd. and its affiliates Canso Fund Management Ltd. and Lysander Funds Limited (collectively “**we**” or “**Canso**”).

A copy of this policy is provided to any client upon request.

Personal information means information about an identifiable individual. This includes an individual’s name, home address and phone number, age, sex, marital or family status, an identifying number, financial information, educational history, etc.

### **Collection of Personal Information:**

Personal information is collected from you or from your adviser, if you have bought our Fund(s) through an adviser. Also, we may generate personal information, including transaction information, when we service your account.

### **Use of Personal Information:**

We collect and maintain your personal information in order to give you the best possible service and allow us to establish your identity, protect us from error and fraud, comply with the law and assess your eligibility in our products.

We may also use your information for general research in an effort to enhance our service and product offerings.

### **Disclosure of Personal Information:**

We may disclose your personal information to third parties, when necessary, and to our affiliates in connection with the services we provide related to your holding of Units of the Fund(s), including:

- (a) financial service providers, such as banks and others used to finance or facilitate transactions by, or operations of, the Funds;
- (b) other service providers to our Funds, such as accounting, legal, or tax preparation services; and
- (c) taxation and regulatory authorities and agencies.

If we make arrangements for your custodial account to be set up with National Bank Independent Network (NBIN), we may collect the required personal information from you and share such information with NBIN.

We may also disclose personal information in order to comply with legal requirements, such as government tax reporting requirements.

We may disclose your information to a third party without your consent if we have reason to believe that disclosing this information is necessary to identify, contact or bring legal action against someone who may be causing injury to or interference with (either intentionally or unintentionally) our rights or property, the rights or property of our Funds, or other investors in the Funds.

We may also disclose your information in connection with a corporate re-organization, a merger or an amalgamation with another entity, or a sale of all or a substantial portion of our assets. In this case, we would ensure that the information disclosed continues to be used only for the purposes permitted by this Privacy Policy and by the entity acquiring the information.

### **Foreign Tax Required Disclosure**

We may disclose your information without your consent to the Canada Revenue Agency (“**CRA**”) where we have reason to believe that disclosing this information is necessary to comply with our legal obligations under the U.S. Foreign Account Tax Compliance Act (“**FATCA**”) and the Organization for Economic Co-operation and Development Common Reporting Standard (“**CRS**”).

In such a case, we would disclose only that information required under Canadian legislation or otherwise.

### **Storage of Personal Information**

Your personal information is maintained on our networks or on the networks of our service providers accessible at Lysander Funds Limited and/or Convexus Managed Services Inc., 135 Commerce Valley Dr. E, Floor 2 Thornhill, Ontario, L3T 7T4. Your information may also be stored on a secure off-site storage facility.

All information collected will be kept in a secure environment and will be subject to restricted access by the Canso Investment Counsel Ltd.’s employees and partners.

We may keep information about you in our records for as long as is needed for the purposes described above even if you cease to be a client.

You should be aware that the Funds are required to file with the securities regulatory authorities a report setting out the client’s name and address, the Units of the Fund(s) issued, the date of issuance and the purchase price of Units of the Fund(s) issued to the client. Such information is collected indirectly by the regulators under the authority granted to them in securities legislation, for the purposes of the administration and enforcement of the securities legislation in each province. The title of the public official in each local jurisdiction who can answer questions regarding the indirect collection of personal information is as follows:

#### **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  
Public official contact regarding indirect collection of information: FOIP Coordinator

#### **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: FOI-privacy@bcsc.bc.ca  
Public official contact regarding indirect collection of information: FOI Inquiries

#### **The Manitoba Securities Commission**

500 – 400 St. Mary Avenue

Winnipeg, Manitoba R3C 4K5  
Telephone: (204) 945-2561  
Toll free in Manitoba 1-800-655-5244  
Facsimile: (204) 945-0330  
Public official contact regarding indirect collection of information: Director

**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@fcnbc.ca  
Public official contact regarding indirect collection of information: Chief Executive Officer and Privacy Officer

**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  
Public official contact regarding indirect collection of information: Superintendent of Securities

**Government of the Northwest Territories  
Office of the Superintendent of Securities**

P.O. Box 1320  
Yellowknife, Northwest Territories X1A 2L9  
Telephone: (867) 767-9305  
Facsimile: (867) 873-0243  
Public official contact regarding indirect collection of information: Superintendent of Securities

**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  
Public official contact regarding indirect collection of information: Executive Director

**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

Public official contact regarding indirect collection of information: Superintendent of Securities

**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](mailto:exemptmarketfilings@osc.gov.on.ca)

Public official contact regarding indirect collection of information: Inquiries Officer

**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

Public official contact regarding indirect collection of information: Superintendent of Securities

**Autorité des marchés financiers**

800, rue du Square - Victoria, 22e 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](mailto:financementdessocietes@lautorite.qc.ca) (For corporate finance issuers);

[fonds\\_dinvestissement@lautorite.qc.ca](mailto:fonds_dinvestissement@lautorite.qc.ca) (For investment fund issuers)

Public official contact regarding indirect collection of information: Corporate Secretary

**Financial and Consumer Affairs Authority of Saskatchewan**

Suite 601 - 1919 Saskatchewan Drive

Regina, Saskatchewan S4P 4H2

Telephone: (306) 787-5842

Facsimile: (306) 787-5899

Public official contact regarding indirect collection of information: Director

**Office of the Superintendent of Securities**

**Government of Yukon**

**Department of Community Services**

307 Black Street, 1<sup>st</sup> Floor

P.O. Box 2703, C-6

Whitehorse, Yukon Y1A 2C6

Telephone: 867-667-5466

Facsimile: (867)393-6251

Email: [securities@gov.yk.ca](mailto:securities@gov.yk.ca)

Public official contact regarding indirect collection of information: Superintendent of Securities

**Access to your information:**

Clients of Canso have a right of access to their own personal information in a record that is in our custody or under our control, subject to some exceptions. For example, we will not provide information that would reveal personal information about another individual.

If we refuse a request in whole or in part, we will provide the reasons for the refusal. In some cases where exceptions to access apply, we may withhold that information and provide the client with the remainder of the record.

**Withdrawal of Consent:**

Subject to legal and contractual requirements, you can refuse to consent to our collection, use or disclosure of information about you, or you may withdraw your consent to our further collection, use or disclosure of information at any time in the future by giving us reasonable notice. Such notice should be provided in writing to the Compliance Officer of the Manager.

Please note that your ability to participate in the Funds may be impacted should you withdraw your consent to the collection, use and disclosure of your personal information as outlined above.

**ACCEPTANCE**

This subscription is accepted by the Manager on behalf of the relevant Fund(s) on:	_____
	Date

**Canso Fund Management Ltd.**

The Manager of the Canso Funds

By: \_\_\_\_\_

Title: \_\_\_\_\_