

SUBSCRIPTION FORM

Inv #:
eff:

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

I hereby subscribe at \$1.00 per Share for the number of Class "A" Redeemable Preferred Shares with a par value of \$1.00 per share of the Company set out below ("my Shares") which have been offered to me under the Company's current Offering Memorandum dated February 28, 2019, for the aggregate subscription price set out below ("the Subscription Price"), upon and subject to the terms and conditions of this Subscription including the attached General Terms.

No. of Shares Subscribed for: _____

Total Subscription Price: \$ _____

This is the Name in which my Shares must be registered and the name on the share certificates

In order to induce the Company to accept this Subscription and sell my Shares to me and in addition to the representations, warranties and covenants set out in the General Terms I acknowledge, represent, warrant and covenant to the Company (and if my Shares are being purchased by a partnership, each partner acknowledges, represents, warrants and covenants) as follows:

- a) if I am the Annuitant/Beneficiary under my Registered Retirement Savings Plan, Registered Retirement Investment Fund, Deferred Profit Sharing Plan or Tax-Free Savings Account Plan described below ("the Plan"), then I am the representative of the Plan with respect to my Shares and I hereby irrevocably authorize and direct the trustee of the Plan to subscribe for and purchase my Shares upon the terms and conditions of this Subscription and to tender the Total Subscription Price in full payment of the subscription price for my Shares and I hereby ratify and affirm the actions to be taken by the trustee of the Plan in furtherance of this Subscription;
- b) if I am the Annuitant under my Registered Retirement Savings Plan or Tax-Free Savings Account Plan then I am aware that it is my sole responsibility to ensure that the amount of Contributions are within the limits permitted under the Tax Act;
- c) if I am an individual, I have attained the age of majority and have the legal capacity and competence to execute this Subscription and to take all actions required under it;
- d) 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;
- e) I am not a "non-resident" of Canada within the meaning of the *Income Tax Act (Canada)*;
- f) I am not a "non-Canadian" within the meaning of the *Investment Canada Act*;
- g) I have received the Offering memorandum before subscribing for my Shares;
- h) by initialing beside the appropriate subparagraph I confirm that I am (and if my Shares are being purchased by a partnership, I confirm for each partner that the partner is)

Initial (1) resident in British Columbia and have received, read, understood and executed the Form 45-106F4 (Risk Acknowledgment) and BCI 32-517, attached as schedules to this Subscription or

Initial (2) resident in Alberta, Saskatchewan or Manitoba and have received, read, understood and executed the Form 45-106F4 (Risk Acknowledgment) and BCI 32-517, attached as schedules to this Subscription and am an "eligible investor" as defined in National Instrument 45-106F2 or the aggregate cost of my Shares being purchased under this Subscription is less than \$10,000

N/A

Initial

These are My Dividend Instructions:

By circling below I confirm my direction to be effective unless and until I otherwise direct the Company in writing that I want my dividends to be issued as to:

- (a) 100% A Preferred Shares at a price of \$1.00 per share (*reinvest dividends*)
- (b) 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)

~~_____
N/A
Description of the Plan~~

~~_____
Plan Identification or Account Number~~

INSTITUTION

~~_____
N/A
Name of Institution~~

~~_____
Address~~

~~_____
City, Province and Postal Code~~

~~_____
Telephone~~

~~_____
Facsimile~~

~~_____
Signature~~

~~_____
Name of Individual signing on behalf of Institution~~

~~_____
Position or Title~~

~~_____
N/A
Number of Partners (If Applicable)~~

~~_____
Address~~

~~_____
Jurisdiction of Formation~~

~~_____
Date of Formation~~

~~_____
Tax ID#~~

ACCEPTANCE

By its authorized signatory the Company accepts this Subscription on _____ and represents, warrants and covenants to the subscriber that the representations and warranties made by the Company are true and correct in all material respects as of this date and that the subscriber will have the benefit of and be entitled to rely on the representations and warranties by its authorized signatory.

Form 45-106F4

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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.
- The person selling me these securities is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me.
- 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.

Date

x

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 FINANCIAL SERVICES 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 FINANCIAL SERVICES LTD.** at its business address. Keep a copy of the notice for your records.

FIRST ISLAND FINANCIAL SERVICES LTD.

Suite #101, 727 Fisgard Street

Victoria, B.C. V8W 1R8

Tel: (250) 388-5441

Fax: (250) 361-9160

E-mail: first@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.

You will not receive advice.

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from a registered adviser or registered dealer. In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon to qualify as an eligible investor, you may be required to obtain that advice.

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, call your local securities regulatory authority.

- British Columbia Securities Commission:
telephone (604) 899-6500
website www.bcsc.bc.ca
- Alberta Securities Commission:
telephone (403) 297-6454
website www.albertasecurities.com

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

Appendix A to BCI 32-517

Risk Acknowledgement under BCI 32-517 *Exemption from Dealer Registration Requirement for Trades in Securities of Mortgage Investment Entities*

Name of Issuer: FIRST ISLAND MORTGAGE INVESTMENT CORP. SERIES IV LTD.

Name of Seller: First Island Financial Services Ltd.

I acknowledge that

- the person selling me these securities is not registered with a securities regulatory authority and is prohibited from telling me that this investment is suitable for me;
- the person selling me these securities does not act for me;
- this is a risky investment and I could lose all of my money;
- I am investing entirely at my own risk

Date

Signature of Purchaser

Print Name of Purchaser

Name of salesperson
acting on behalf of the seller

Sign two copies of this document. Keep one for your records.

National Instrument 45-106 *Prospectus and Registration Exemptions* may require you to sign an additional risk acknowledgement form.

If you want advice about the merits of this investment and whether these securities are a suitable investment for you, contact a registered adviser or dealer.