

## SHARE SUBSCRIPTION AGREEMENT

(Residents of the Province of BC only)

### Subscriber Information

#### Personal Subscriber

Individual Name 1: (please insert full legal name)		S.I.N.
Individual Name 2: (if joint) (please insert full legal name)		S.I.N.
If joint <input checked="" type="checkbox"/> : with right of survivorship <input type="checkbox"/> or tenants in common <input type="checkbox"/>		

#### Corporate/ Non Personal Subscriber

Corporation/ Partnership/IPP/Family Trust/ other Name:	Tax ID#
--	---------

<b>Address:</b>					
<b>City:</b>	<b>Prov:</b>	<b>Pcode:</b>			
<b>Phone:</b>	<b>Fax:</b>	<b>E-Mail</b>			

*Complete the following information for RRSP/RRIF or Brokerage Account Purchases only*

Trustee Name:	A/C #:
Trustee Address:	Code:

### Subscription Information

✓ to indicate Fund being purchased

	Company	# of Shares	Price per Share	Subscription Amount	Dividends
✓	Bancorp Growth Mortgage Fund II Ltd. Class D		\$ 1.00		<input type="checkbox"/> Reinvest <input type="checkbox"/> Quarterly cash
	Bancorp Balanced Mortgage Fund II Ltd. Class D		\$ 1.00	\$	<input type="checkbox"/> Reinvest <input type="checkbox"/> Quarterly Cash
<input type="checkbox"/> Deposit cash dividends to my bank account. (Attach a cheque marked "void") .OR <input type="checkbox"/> Deposit cash dividends to my brokerage a/c : _____ Please note if the shares are owned by your RRSP/RRIF, all dividends will be sent to the plan trustee.					

I hereby subscribe for and agree to purchase, **OR** I am the Annuitant/Beneficiary under a Registered Retirement Plan, Registered Retirement Investment Fund or Deferred Profit Sharing Plan described above ("the Plan") and on behalf of the Plan hereby irrevocably authorize and direct the Trustee of the Plan to subscribe for and purchase on behalf of the Plan, upon the terms and conditions of this Subscription, Class D Shares (the "Shares") in the company designated by checking the left hand column above (the "Company"), which are offered under the Company's current Offering Memorandum ("the Offering Memorandum"), and I tender or direct the Trustee to tender the Subscription Amount noted above ("the Subscription Amount"), payable to the order of the applicable Company, in full payment for the Shares.

I acknowledge, represent and warrant to the Company (and if the Shares are being purchased by a partnership, each partner acknowledges, represents and warrants) or as the Annuitant/Beneficiary of the Plan and in support of this Subscription I acknowledge, represent and warrant to the Company as follows:

- (a) if I am an individual, I have attained the age of majority and have the legal capacity and competence to execute my Subscription and to take all actions required under it;
- (b) if the purchaser is a corporation, partnership or other legal entity, it has (and if the Shares are being purchased by a partnership, each partner has) the legal capacity and competence to execute this

Bancorp use only				
InvestorID		SharesID		Planner
Checked by		Batch #		CertDate

- 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;
- (c) I am not a "non-resident" of Canada within the meaning of the *Income Tax Act (Canada)*;
  - (d) I am not a "non-Canadian" within the meaning of the *Investment Canada Act*;
  - (e) I have received the Offering Memorandum before subscribing for the Shares;
  - (f) I am purchasing the Shares as principal for my own account and not for the benefit of any other person or I am deemed under National Instrument 45-106 ("NI 45-106") to be purchasing as principal;
  - (g) **I confirm that I am** (and if the Shares are being purchased by a partnership, I confirm for each partner that the partner is) **a resident of British Columbia** and, if I am not an individual, I am not a person created or used solely to purchase or hold securities in order to comply with an exemption from the prospectus requirements of applicable securities laws;
  - (h) I am aware that the Shares will be subject to a number of resale restrictions including a restriction on trading and that until the restriction on trading expires, I will not be able to trade the Shares unless I comply with an exemption from the prospectus and registration requirements under securities legislation. I am also aware that unless permitted under securities legislation, I cannot trade the Shares before the date that is 4 months and a day after the date the Company becomes a reporting issuer in any Canadian province or territory;
  - (i) for purchases in British Columbia, I confirm that I have been notified by the Company that:
    - (i) the Company will deliver certain personal information, including information regarding the name, address, telephone number, email address and amount subscribed for, to the securities regulatory authorities, including the British Columbia Securities Commission (the "BCSC");
    - (ii) the information is being collected indirectly by the securities regulatory authorities under authority granted to them in securities legislation;
    - (iii) the information is being collected for the purposes of the administration and enforcement of such securities legislation;
    - (iv) I may contact the Administrative Assistant to the Director of Corporate Finance at the BCSC at the 12th Floor, 701 West Georgia Street, Box 10142, Vancouver, British Columbia, V7Y 1L2 (604.899.6854) for information regarding the collection and use of this personal information by the BCSC;
  - (j) I am aware that, if required by applicable securities legislation, policy or order or by any securities commission or other regulatory authority, I may be asked to execute, deliver, file and otherwise assist the Company in filing such reports, undertakings and other documents with respect to the issue of the Shares as may be required.
  - (k) In addition, I am aware that the Company's Articles provide that the Board of Directors may by resolution prohibit the transfer of any Shares and that the Board of Directors will do so when needed to maintain the Company's status as a "mortgage investment corporation" under the Income Tax Act (Canada).
  - (l) I am familiar with the aims and objectives of the Company and has been informed of the nature of its activities as set out in the Offering Memorandum;
  - (m) I have been informed through the Offering Memorandum of the proposed use of the Subscription Amount; and
  - (n) Neither the Company nor any director, officer, employee, agent or other representative of the Company have advised, recommended or otherwise represented to me that the Shares are suitable to me, having regard to my investment needs and objectives, financial circumstances or risk tolerance.

I acknowledge that this subscription is subject to acceptance by the Company's Board of Directors and that upon acceptance my Subscription becomes a binding agreement between me and the Company. I acknowledge that the Company will not accept this subscription if I am a debtor of the Company or if the Company or any of its affiliates hold or have access to any of my assets (including by way of a mortgage interest against any of my assets).

I have read my purchaser's rights in the Offering Memorandum and understand that they will apply if there is a misrepresentation in the Offering Memorandum as defined in the Offering Memorandum.

I ask that upon payment in full that the Shares be allotted and issued as fully paid and that certificates representing the Shares be issued in the name of and delivered as noted on page 1. Notwithstanding the foregoing, both I and the Company acknowledge and agree that (i) any amount held by Bancorp Financial Services Inc. (the "Manager") on my behalf may be credited towards the payment owing hereunder, and/or (ii) amounts owing by the Manager to me may be offset against the payment owing hereunder.

Subject to the foregoing, I enclose an executed copy of the form attached hereto as Schedules "A" and "B", and my cheque for the Subscription Amount **payable to the Company** which may be negotiated subject to the Company agreeing as follows:

- (a) to hold the Subscription Amount in trust until midnight on the 2<sup>nd</sup> business day after I sign this Subscription;
- (b) to return all of the Subscription Amount to me if I exercise my right under section 2.9 of NI 45-106 or other applicable regulations to cancel my Subscription;
- (c) after midnight on the 2<sup>nd</sup> business day after I sign my Subscription and if I do not exercise the right to cancel my Subscription, and upon the issue of the Shares and delivery of the share certificate as I direct in my Subscription, to keep and use the Subscription Amount as set out in the Offering Memorandum.

By executing this Agreement, I irrevocably appoint the President, or failing that individual, the Secretary of the Company in office from time to time, as my attorney-in-fact to complete, amend, modify and file all forms to be filed with all regulatory authorities.

This Agreement may be executed in counterparts, each of which will be considered an original, and together will be considered one and the same document.

SIGNED, SEALED AND DELIVERED at )  
\_\_\_\_\_) )  
(City/town) )  
\_\_\_\_\_) )  
(Province ) )

Dated: \_\_\_\_\_

in the presence of:

X \_\_\_\_\_ )  
Witness Signature )  
\_\_\_\_\_) )  
Name of Witness )  
\_\_\_\_\_) )  
Address of Witness )  
\_\_\_\_\_) )  
Occupation of Witness )

X \_\_\_\_\_

X \_\_\_\_\_

c/s

\_\_\_\_\_  
Name and title if corporate signatory

Note: Witness not required if signed under corporate seal

## ACCEPTANCE

The Company accepts the foregoing subscription this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Per:

\_\_\_\_\_  
Authorized Signatory

**SCHEDULE A  
FORM 45-106F4**

**Risk Acknowledgement**

- I acknowledge that this is a risky investment:
- I am investing entirely at my own risk.
- No securities regulatory authority 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 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 will not be able to sell these securities for four months.
- I could lose all the money I invest.

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

**The Company** will pay \$\_\_\_\_\_ [amount of fee or commission] of this to

\_\_\_\_\_ [name of person or company selling the securities]  
as a fee or commission.

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Purchaser

\_\_\_\_\_  
Signature of Purchaser

\_\_\_\_\_  
Print name(s) of Purchaser(s)

**Sign 2 copies of this Document. Keep one for your records.**

W  
A  
R  
N  
I  
N  
G

**You have 2 business days to cancel your purchase**

To do so, send a notice to the applicable Company 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 the Company at the business address noted below. Keep a copy of the notice for your records.

#1420 – 1090 West Georgia Street  
Vancouver, B.C. V6E 3V7

Tel: 604 608-2717  
Fax: 604 609-7107

Email: [bancorp@bancorpfincanial.com](mailto:bancorp@bancorpfincanial.com)

**SCHEDULE B**  
**Appendix A to BCI 32-517**

**RISK ACKNOWLEDGEMENT UNDER BCI 32-517**  
**REGISTRATION EXEMPTION FOR TRADES IN SECURITIES OF**  
**MORTGAGE INVESTMENT ENTITIES**

Name of Issuer:            Bancorp Growth Mortgage Fund II Ltd.  
(check one)                Bancorp Balanced Mortgage Fund II Ltd.

Name of Seller: \_\_\_\_\_

**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 my money; and
- I am investing entirely at my own risk.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Purchaser

\_\_\_\_\_  
Print name of Purchaser

\_\_\_\_\_  
Name of salesperson acting on behalf of seller

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

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

## **You are buying "Exempt Market Securities"**

They are called *exempt market securities* because the issuer relies on exemptions from the prospectus exemption under available securities laws. As such, the issuer is not required to provide you with a prospectus-level disclosure document, is not subject to certain continuous disclosure requirements under applicable securities laws, and certain statutory remedies will be unavailable to you.

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 investment dealer. Contact the Investment Dealers Association of Canada (website at [www.ida.ca](http://www.ida.ca)) for a list of registered investment dealers in your area.

## **The securities you are buying are not listed or registered**

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 securities you are buying have not been registered under the United States *Securities Act of 1933*, as amended, or the securities laws of any state of the United States and may not be offered or sold in the United States unless registered under the *Securities Act of 1933* and the securities laws of all applicable states of the United States, or an exemption from such registration requirements is available.

## **The issuer of your securities is a Non-Reporting Issuer**

A *non-reporting issuer* is not subject to certain continuous disclosure obligations under applicable securities laws, and as such 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. No prospectus has been filed by the Company with any of securities commissions in connection with the issuance of the securities you are buying.

For more information on the *exempt market*, contact the British Columbia Securities Commission at (604) 899-6500, (outside the local area, call toll-free 1-800 373-6393), or visit its website at [www.bcsc.bc.ca](http://www.bcsc.bc.ca).