

**SUBSCRIPTION AGREEMENT**  
**HGC ARBITRAGE FUND TRUST**

TO: HGC Arbitrage Fund Trust (the “Fund”)  
AND TO: HGC Investment Management Inc. (the “Manager”)  
366 Adelaide Street West, Unit 601  
Toronto, Ontario  
M5V 1R9

The undersigned (the “Subscriber”) hereby irrevocably subscribes for units of the Fund (the “Units”) as set forth below at a price per Unit as described in the offering memorandum of the Fund dated as of April 8, 2016 relating to the offering of the Units (the “Offering Memorandum”). The Subscriber acknowledges that unless the Manager specifically designates otherwise, the Subscriber will be issued Series A Units. **By submitting this subscription, the Subscriber (i) acknowledges having received and read the Offering Memorandum, (ii) acknowledges that the Fund and the Manager are relying on the representations and warranties set out below, and (iii) hereby consents to the Fund investing in HGC Arbitrage Fund LP, a connected issuer.**

**INSTRUCTIONS FOR COMPLETION**

All Subscribers must complete **page S-5** and **page S-6**, as well as **Schedule “A”, Schedule “B”, and Schedule “D”**.

All Subscribers that are “**accredited investors**” must complete **Schedule “C” or Schedule “C-1”**.

Since the Subscriber is purchasing the Units through another registered dealer (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. If the Subscriber is not investing in the Fund through and on the advice of a registered dealer, please contact the Manager to receive the proper subscription form.

The Manager’s Privacy Policy is attached as **Schedule “E”**.

**JOINT ACCOUNT HOLDERS:** Each account holder must complete **page S-5** and **page S-6** and, if applicable, **Schedule “C” or “C-1” and Schedule “D”**.

**General**

Unless otherwise defined or the context otherwise requires, all capitalized terms used in this subscription agreement and the Schedules hereto (the “**Subscription Agreement**”) have the meanings given in the Offering Memorandum and in the trust agreement governing the affairs of the Fund dated as of April 8, 2016, as it may be further amended from time to time (the “**Trust Agreement**”).

The Subscriber represents that he, she or it has tendered through his, her or its dealer the amount set forth on page S-6 below representing the purchase price of the Units subscribed for. No Units shall be issued to the Subscriber until the Fund has received the subscription proceeds and this Subscription Agreement duly completed.

The Subscriber acknowledges that participation in the Fund is subject to the acceptance of this subscription by the Manager and to certain other conditions set forth in the Offering Memorandum and Trust Agreement. The Subscriber agrees that this subscription is given for valuable consideration and shall not be withdrawn or revoked by the Subscriber. The acceptance of this subscription shall be effective upon the written acceptance by the Manager and the deposit of the Subscriber’s payment into any of the Fund’s accounts. **The Subscriber shall be bound by the terms of the Trust Agreement upon acceptance of this Subscription Agreement.** This Subscription Agreement 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 this subscription is accepted only in part, that portion of the subscription price for the Units which is not accepted will be promptly returned to the Subscriber without interest or penalty. Subscription funds received prior to a Subscription Date will be kept in a segregated account (without interest or deduction) in trust for the Subscriber pending acceptance of this Subscription Agreement.

**PLEASE KEEP A COPY OF THIS SUBSCRIPTION FOR YOUR RECORDS.** Once you have received confirmation of the issuance of Units subscribed for, the Manager will be deemed to have delivered to you their acceptance of this Subscription Agreement. A fully executed copy of this Subscription Agreement will be kept by the Manager and will be available upon request.

***General Representations and Warranties***

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

- (1) the Subscriber has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of an investment in the Fund and is able to bear the economic risk of loss of such investment;
- (2) if the Subscriber is or becomes a “non-resident” or a partnership other than a “Canadian partnership” within the meaning of the *Income Tax Act* (Canada), the Subscriber will immediately notify the Manager in writing of such status;
- (3) if the Subscriber is or becomes a “financial institution” within the meaning of Section 142.2 of the *Income Tax Act* (Canada), the Subscriber will immediately notify the Manager in writing of such status;
- (4) if an individual, the Subscriber has attained the age of majority and has the legal capacity and competence to execute this Subscription Agreement and to take all actions required pursuant hereto;
- (5) if not an individual, the Subscriber has good right, full power and absolute authority to execute this Subscription Agreement and to take all necessary actions, and all necessary approvals have been given to authorize it to execute this Subscription Agreement;
- (6) this Subscription Agreement, when accepted, will constitute a legal, valid, binding and enforceable contract of the Subscriber, enforceable against the Subscriber in accordance with its terms;
- (7) the entering into of this Subscription Agreement 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;
- (8) the Subscriber is a resident of, or is otherwise subject to the securities laws of, the jurisdiction set out under “Name and Address of Subscriber” below and is not purchasing the Units for the account or benefit of any person in any jurisdiction other than such jurisdiction;
- (9) 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;
- (10) 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 solely upon information from the Fund, the Manager, or, where applicable, their officers, directors, employees or agents;
- (11) 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 the 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;
- (12) the Subscriber has received, reviewed and fully understands the Trust Agreement and 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;
- (13) specifically, 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;

- (14) 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;
- (15) the investment portfolio and trading procedures of the Fund are proprietary to the Fund and the Manager 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; and
- (16) the Subscriber will execute and deliver all documentation and provide all such further information as may be required by applicable securities legislation, anti-money laundering legislation and domestic and foreign tax legislation, 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.

**The representations, warranties, certifications, covenants and acknowledgments of the Subscriber contained in this Subscription Agreement shall survive the completion of the purchase and sale of the Units and any subsequent purchase of Units by the Subscriber unless a new subscription agreement is executed at the time of the subsequent purchase, and the Subscriber undertakes to notify the Manager immediately 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.**

The Subscriber acknowledges that having a non-qualified Unitholder could have negative tax or other consequences to the Fund. Any Unitholder whose status changes such that the representation in paragraph (2) or (3) ceases to be true shall disclose such status to the Manager when such status changes and the Manager may require any such Unitholder at any time to redeem all or some of such Unitholder's Units. Any Unitholder who becomes a non-resident, a partnership other than a "Canadian partnership" or a financial institution hereby agrees that it shall be deemed to have, immediately prior to the date on which it becomes a non-resident, a partnership other than a "Canadian partnership" or a financial institution, redeemed some or all of such Unitholder's Units to the extent necessary to result in non-residents or financial institutions owning in the aggregate Units having a Net Asset Value that is less than one-half of the Net Asset Value of all of the Units, and shall be entitled to receive from the Fund as redemption proceeds an amount equal to the lesser of the Net Asset Value of such redeemed Units as at the date on which it is deemed to have redeemed such Units and the Net Asset Value of such Units as at the date the Manager learns that such Unitholder is a non-resident, a partnership other than a "Canadian partnership" or a financial institution, less all such deductions as provided in the Declaration of Trust as if such Unitholder voluntarily redeemed its Units.

***Purchasing as Bare Trustee or Agent***

If a person is executing this Subscription Agreement as bare trustee or 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, (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; and (iv) for the purpose of assisting the Manager in filing with the applicable securities regulator its consolidated Monthly Report under section 83.11 of the *Criminal Code* (Canada), section 7 of the *Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism* (UN SupTerror), section 5.1 of the *United Nations Al-Qaida and Taliban Regulations* (UN Al-Qaida), section 11 of the *Regulations Implementing the United Nations Resolution on Iran* (UN Iran), section 11 of the *Regulations Implementing the United Nations Resolution on the Democratic People's Republic of Korea* (UN NKorea) and all such other similar applicable regulations, the principal is not a "Designated Person" for the purposes of such regulations, and the bare trustee or agent will immediately advise the Manager if there is a change in such status. Such bare trustee or agent agrees to indemnify each of the 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 Fund or the Manager, as the case may be, on the above representations and warranties.

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

In connection with Canadian legislation aimed at the prevention of money laundering and terrorism financing, the Subscriber has provided to his, her or its dealer all information and documentation required under applicable anti-money laundering and anti-terrorist financing legislation. The Subscriber acknowledges that the Manager may require a copy of some or all of such information and documentation, and/or additional information and documentation from time to time, in order for the Manager to discharge all of its obligations under such legislation.

The Subscriber acknowledges that if, as a result of any information or other matter which comes to the Manager's attention, any director, officer or employee of the Manager, or its professional advisers, knows or suspects that an investor is engaged in money laundering, such person 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.

### ***Consent to Electronic Delivery of Documents and other Email Communications***

The Subscriber acknowledges that it is entitled to receive annual and interim financial statements and may receive other information about the Fund from the Manager. By completing **Schedule "A"**, the Subscriber is consenting to the receipt of financial information and other reports electronically. **Furthermore, by signing this Subscription Agreement, the Subscriber also consents to receiving updates, promotional emails and other commercial electronic messages from the Manager** unless the Subscriber withdraws consent by checking the box in Schedule "A" or otherwise notifies the Manager.

### ***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 the U.S. Foreign Account Tax Compliance Act ("**FATCA**"), the Manager is required to report on behalf of the Fund 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 will then exchange the information with the U.S. Internal Revenue Service ("**IRS**") pursuant to the provisions of the IGA.

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.

### ***Privacy Policy***

Attached as **Schedule "E"** hereto is a copy of the Manager's Privacy Policy. By signing this Subscription Agreement, the Subscriber consents to the collection, use and disclosure of his or her personal information in accordance with such policy.

### ***Indemnity***

The Subscriber agrees to indemnify each of the 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 the representations, warranties, certifications and covenants of the Subscriber by the Fund or the Manager, as the case may be, or the breach of any of them by the Subscriber. 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 of the 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.

### ***Governing Law and Language***

This Subscription Agreement and all ancillary documents shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. By the Subscriber's execution of this Subscription Agreement, the Subscriber irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario. The Subscriber has required that this Subscription Agreement and all related documents including any offering memorandum or supplement thereto be in the English language. Le souscripteur a exigé que cette convention de souscription ainsi que tout autre document ou avis afférent incluant toute notice d'offre et supplément à cette notice d'offre soient rédigés en langue anglaise.

**Prospectus Exemptions**

The Subscriber acknowledges that, if this Subscription Agreement is accepted, Units will be distributed to the Subscriber pursuant to a regulatory exemption from statutory requirements that would otherwise require the Fund to deliver to the Subscriber a prospectus that complies with statutory requirements. In doing so, the Fund will be relying on the following representations and certification 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 Ontario, Alberta, British Columbia, Manitoba or Québec that meets the definition of “accredited investor” and has completed the Certificate of Accredited Investor attached as Schedule “C” or Form For Certain Individual Accredited Investors attached as Schedule “C-1” **[please complete Schedule “C” or Schedule “C-1”]**; or

**\$150,000 minimum investment**

a person (other than an individual) that is a resident of Ontario, British Columbia, Manitoba or Québec and is purchasing Units with an aggregate cost to the Subscriber of not less than \$150,000 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 by non-Accredited Investor**

a resident of Ontario, British Columbia, Manitoba or Québec that is purchasing Units with an aggregate acquisition cost of less than \$150,000, but already purchased Units of the same class or 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):



**Is the Subscriber acting on behalf of or on the instructions of a third party?**  Yes  No

**If Yes**, provide the following information regarding the third party:

Name:	_____	Relationship with Subscriber:	_____
Principal business/ occupation:	_____	Address:	_____
Date of birth:	_____	Incorporation no./jurisdiction	_____

This agreement is not transferable or assignable by the Subscriber except with the consent of the Manager or by operation of law. This agreement may be signed in counterparts. Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
 (day) (month) (year)

<b>X</b> _____ <b>Subscriber's Signature</b>	Amount Subscribed for: \$ _____  Series of Units: _____
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<b>Name and Address of Subscriber:</b>	
_____ Print Name – (Full Legal Name) (Affix seal if a corporation)	Telephone Number: _____
_____ Address (No P.O. Box Number)	Fax Number: _____
_____ City, Province, Postal Code	Email Address: _____

<b>If Subscriber is not an Individual:</b>	
Type of Entity: _____	Business Identification Number: _____
_____ Name and Position of Signatory (if applicable)	Trust Identification Number: _____
Date of Incorporation or Formation: _____	

<b>If Subscriber is an Individual:</b>  By what given name are you commonly known?  _____  Date of Birth: _____  Place of Birth: _____  Citizenship: _____  S.I.N.: _____  Employer's Name and Address: _____  _____	<p style="background-color: yellow;"><b><i>If Subscriber is an individual, his or her signature must be witnessed by a person who is neither a minor or the spouse or child of the Subscriber):</i></b></p> _____ <b>Witness</b>  _____ Signature  _____ Witness Name  _____ Witness Address
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<p style="background-color: yellow;"><b>Joint Accounts:</b> Name of Co-Subscriber: _____</p>	You hereby confirm that the Units are to be held by each of you as joint tenants and not as tenants in common and we are hereby authorized to take orders from either of you alone. Unless you both instruct us differently, (i) allocations for tax purposes will be made to each of you 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 account holders (if paid by cheque) or to the account from which wire payment for the subscription for Units was received.
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**SCHEDULE "A"**

**CONSENT TO ELECTRONIC DELIVERY OF DOCUMENTS**

**TO:** HGC Investment Management Inc. (the "**Manager**")

I have read and understand this "Consent to Electronic Delivery of Documents" and consent to the electronic delivery of the documents listed below that the Manager elects to deliver to me electronically, all in accordance with my instructions below.

1. The following documents will be delivered electronically pursuant to this consent:
  - a. Trade confirmations in respect of purchase of units of HGC Arbitrage Fund Trust (the "**Fund**") where the Manager acts as exempt market dealer for the trade;
  - b. Unaudited interim financial statements for the Fund;
  - c. Audited annual financial statements for the Fund;
  - d. Unaudited financial information about the Fund's Net Asset Value per Unit ; and
  - e. Such other reports or investment commentary as the Manager may choose to provide.
2. All documents delivered electronically will be delivered by email to the address listed on page S-6.
3. I acknowledge that I may receive from the Manager a paper copy of any documents delivered electronically at no cost if I contact the Manager by telephone, regular mail or electronic mail at:

HGC Investment Management Inc.  
366 Adelaide Street West, Unit 601  
Toronto, Ontario  
M5V 1R9  
Attention: David Heden  
Telephone: 647-776-2191  
Email: dheden@hgcinvest.com

4. I understand that I will be provided with a paper copy of any documents delivered electronically if electronic delivery fails.
5. I understand that my consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if I have provided an electronic mail address), at any time by notifying the Manager of such revised or revoked consent by telephone, regular mail or electronic mail at the contact information listed in #3 above.
6. I understand that I am not required to consent to electronic delivery of the above documents.
7. It is my express wish that the documents to be delivered under this consent be drawn up in English. Je confirme ma volonté expresse que les documents à remettre conformément au présent formulaire de consentement soient rédigés en anglais.

**In addition to the above, I understand that as a result of my investment in the Fund, I will receive email correspondence from the Manager (or from the Fund's administrator or other service provider on behalf of the Manager) from time to time, including investment reports, promotional emails and other commercial electronic messages, even after I am no longer invested in the Fund. I also understand that I may withdraw my consent to receiving such communications unrelated to my investment in the Fund by contacting the Manager at the address above.**

	<b>Yes</b>	<b>No</b>
I wish to receive email copies of the documents referred to in paragraph 1 above:	<input type="checkbox"/>	<input type="checkbox"/>
I consent to receiving reports, promotional emails and other commercial electronic messages from the Manager or from other service providers on behalf of the Manager:	<input type="checkbox"/>	<input type="checkbox"/>

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

Signature of  
Co- Subscriber: \_\_\_\_\_  
(if applicable)

**SCHEDULE "B"**

**CERTIFICATE OF SUBSCRIBER'S AGENT**

**[To be completed if the Subscriber (and co-Subscriber, if applicable) is a client of another registered dealer or another adviser with full discretionary authority (the "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) it has delivered a copy of the Offering Memorandum to the Subscriber;
- (ii) if the Subscriber has completed Schedule "C" or Schedule "C-1", it has taken appropriate steps to ensure that the Subscriber is an accredited investor;
- (iii) it does not keep anonymous accounts or accounts in obviously fictitious names;
- (iv) it has identified, verified and recorded the identity of the Subscriber as required by anti-money laundering and anti-terrorist financing legislation in Canada;
- (v) 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;
- (vi) 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;
- (vii) 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
- (viii) it will provide supporting documentation to the Manager on file relating to the Subscriber if requested by the Manager.

Furthermore, if the Subscriber's Agent checks the following box "Yes", 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 FATCA and the IGA (as defined on page S-4) with respect to the Subscriber as a client, will advise the Manager if the Subscriber is a U.S. Person for the purposes of FATCA and will provide to the Manager information regarding the Subscriber as the Manager may reasonably request from time to time.

Yes the Subscriber's Agent will comply (no need to complete CRS Declaration.)       No (the Subscriber must complete CRS Declaration)

Agent's GIIN: \_\_\_\_\_

\_\_\_\_\_  
Name of Subscriber's Agent and Dealer Number

**X**

\_\_\_\_\_  
Signature of Subscriber's Agent

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

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

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 and AML even though the Manager may be relying on 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 of the 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.

**X**

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

**X**

\_\_\_\_\_  
Signature of Co-Subscriber (if applicable)



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

**[To be completed and initialled by Subscriber if you checked the “Accredited Investor” box on page S-5 unless Subscriber is an individual that is an accredited investor solely by virtue of being referred to in paragraphs (j), (k) and/or (l) below.]**

TO: HGC Investment Management Inc. (the “**Manager**”)

In connection with the purchase by the undersigned purchaser (the “**Subscriber**”) of units of HGC Arbitrage Fund Trust, the Subscriber (or the signatory on behalf of the Subscriber) certifies for the benefit of the Fund and the Manager that the Subscriber is a resident of, or the purchase and sale of securities to the Subscriber is otherwise subject to the securities legislation of, Ontario, Alberta, British Columbia, Manitoba or Québec and the Subscriber is (and will at the time of acceptance of this Subscription Agreement and any additional subscriptions be) an accredited investor within the meaning of National Instrument 45-106 – *Prospectus Exemptions* (“**NI 45-106**”) or Section 73.3 of the *Securities Act* (Ontario) in the category indicated below:

**PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY AND INITIAL:**

- \_\_\_\_\_ (a) a Canadian bank, loan corporation, trust company, insurance company or other Canadian financial institution (as defined in NI 45-106), 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 province or territory of Canada as an adviser or dealer,
- \_\_\_\_\_ (e) an individual registered under the securities legislation of a province or territory of Canada as a representative of a person referred to in paragraph (d),
- \_\_\_\_\_ (e.1) an individual formerly registered under the securities legislation of a province or territory 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 province or territory of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a province or territory of Canada,
- \_\_\_\_\_ (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 the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a province or territory of Canada,
- Please complete Sched “C-1”**  \_\_\_\_\_ (j) an individual who, either alone or with a spouse, beneficially owns financial assets (as defined below), 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,
- Please complete Sched “C-1”** (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year,
- Please complete Sched “C-1”** (l) an individual who, either alone or with a spouse, has net assets (as defined below) 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 statements, and that was not formed for the sole purpose of making a representation to this effect in order to qualify as an accredited investor,

- \_\_\_\_\_ (n) 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,
  - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [*Minimum amount investment*] or 2.19 [*Additional investment in investment funds*] of NI 45-106 or equivalent exemptions under applicable securities legislation as specified in Section 8.2 of NI 45-106, or
  - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [*Investment fund reinvestment*] of NI 45-106,
- \_\_\_\_\_ (o) an investment fund that distributes or has distributed securities under a prospectus in a province or territory of Canada 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 province or territory 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 province or territory 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 province or territory of the registered charity to give advice on the securities being traded,
- \_\_\_\_\_ (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, ***Please indicate the name and category of accredited investor (by reference to the applicable letter above or below ) of each owner of interests:***

<u>Name of Owner of Interests:</u>	<u>Category:</u>
_____	_____
_____	_____

***[attach sheet if more than 3 – if (w) applies to an owner, provide information below]***

- \_\_\_\_\_ (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 of 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 indicate the name and category of accredited investor (by reference to the applicable letter above) of each of:***

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

***[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:

- (i) 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
- (ii) 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:

- (i) a member of the board of directors of a company or an individual who performs similar functions for a company, and
- (ii) 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:

- (i) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and
- (ii) 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;

**“executive officer”** means, for an issuer, an individual who is:

- (i) a chair, vice-chair or president;
- (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production; or
- (iii) performing a policy-making function in respect of the issuer;

**“financial assets”** means (i) cash, (ii) securities and (iii) contracts of insurance, deposits and evidences of deposit that are not securities for the purposes of securities legislation (the value of the Subscriber's personal residence or other real estate is not included in the calculation of financial assets);

**“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 syndicate, 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**

A person (first person) is considered to control another person (second person) if

- (i) the first person beneficially owns or directly or indirectly 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 “C-1”**

**FORM FOR CERTAIN INDIVIDUAL ACCREDITED INVESTORS**

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

*[To be completed by Subscriber and his or her salesperson if Subscriber is an individual that is an accredited investor solely by virtue of being referred to in paragraphs (j), (k) and/or (l) of Schedule “C”.]*

<b>SECTION 1</b>	
<b>1. About your investment</b>	
Type of securities: <i>Trust Units</i>	Issuer: <i>HGC Arbitrage Fund Trust</i>
Purchased from Issuer: Yes	
<b>SECTIONS 2 TO 4 TO BE COMPLETED BY THE SUBSCRIBER</b>	
<b>2. Risk acknowledgement</b>	
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 \$_____. <i>[Insert amount appearing at the top of page S-6.]</i>	
<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. <i>[Note: please read the Offering Memorandum of the Fund delivered with this Subscription Agreement and note the section entitled “Unitholder Reporting”.]</i>	
<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. <i>[Note: The Manager will only accept a subscription from the Subscriber if the salesperson identified in section 5 below is a dealing representative of the Manager or of another registered dealer.]</i> To check whether the salesperson is registered, go to <a href="http://www.aretheyregistered.ca">www.aretheyregistered.ca</a> .	
<b>3. Accredited investor status</b>	
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 income 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 and securities, after subtracting any debt related to the cash and 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.)	

<b>4. Your name and signature</b>	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form. <i>[Note: The information in sections 1, 5 and 6 must be completed before the Subscriber completes and signs the form.]</i>	
First and last name (please print):	
Signature: <b>X</b>	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 Manager, 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, please contact:</b>	
HGC Investment Management Inc. 366 Adelaide Street West, Unit 601 Toronto, Ontario M5V 1R9 Attention: David Heden Tel. No: 647-776-2191 Email: <a href="mailto:dheden@hgcinvest.com">dheden@hgcinvest.com</a>	
<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">www.securities-administrators.ca</a>.</b>	

**SCHEDULE “D”**  
**POLITICALLY EXPOSED PERSON / HEAD OF INTERNATIONAL ORGANIZATION**  
**DETERMINATION**

*[To be completed and signed by the Subscriber (if an individual) if the Subscriber is purchasing Units directly from the Manager.]*

**TO:** HGC Investment Management Inc.

**a) Foreign Politically Exposed Person Determination**

Are you a foreign politically exposed person\* (FPEP), or are you a family member\* or a close associate\* (for personal or business reasons) of a FPEP?  Yes  No

If yes, please provide details: \_\_\_\_\_

**b) Domestic Politically Exposed Person Determination**

Are you a domestic politically exposed person\* (DPEP), or are you a family member\* or a close associate\* (for personal or business reasons) of a DPEP?  Yes  No

If yes, please provide details: \_\_\_\_\_

**c) Head of International Organization**

Are you a head of an international organization\* (HOI), or are you a family member\* or a close associate\* (for personal or business reasons) of a HOI?  Yes  No

If yes, please provide details: \_\_\_\_\_

**\* DEFINITIONS**

“**close associate**” can be an individual who is closely connected to a politically exposed person (“**PEP**”) or head of an international organization (“**HIO**”) for personal or business reasons. Some examples of a close association for personal or business reasons include a person who is: a) business partners with, or who beneficially owns or controls a business with, a PEP or HIO, b) in a romantic relationship with a PEP or HIO, such as a boyfriend, girlfriend or mistress, c) involved in financial transactions with a PEP or a HIO, d) a prominent member of the same political party or union as a PEP or HIO, e) serving as a member of the same board as a PEP or HIO; or closely carrying out charitable works with a PEP or HIO.

“**domestic politically exposed person**” means an individual that holds, or has held within the last five years, one of the following offices or positions in or on behalf of the Canadian federal government, a Canadian provincial government or a Canadian municipal government:

- A Governor General, lieutenant governor or head of government;
- A member of the Senate or House of Commons or member of a legislature;
- A deputy minister (or equivalent rank);
- An ambassador or an ambassador’s attaché or counsellor;
- A military officer (with rank of general or above);
- A president of a corporation that is wholly owned directly by Her Majesty in right of Canada or a province;
- A head of a government agency;
- A judge of an appellate court in a province, the Federal Court of Appeal or the Supreme Court of Canada;
- A leader or president of a political party represented in a legislature; or
- A mayor (the classification of mayor captures the head of a city, town, village, or rural or metropolitan municipality, regardless of the size or population).

“**family member**” means a mother, father, child, brother, sister, half-brother, half-sister, spouse or common-law partner, spouse or common-law partner’s mother or father.

“**foreign politically exposed person**” means an individual that holds, or has held, one of the following offices or positions in or on behalf of a foreign country:

- A head of state or government;
- A member of the executive council of government or a member of a legislature;
- A deputy minister (or equivalent rank);
- An ambassador or an ambassador’s attaché or counsellor;
- A military officer (with rank of general or above);
- A president of a state-owned company or bank;
- A head of a government agency;
- A judge of a supreme court, constitutional court or other court of last resort; or
- A leader or president of a political party represented in a legislature.

“**head of an international organization**” is a person who is either (a) the head of an international organization established by the governments of states or (b) the head of an institution established by an international organization. This would be the person who leads that organization, for example a president or CEO.

“**international organization**” is an organization set up by the governments of more than one country. An organization established by means of a formally signed agreement between the governments of more than one country would be considered an “international organization”. Whether the organization is captured within the definition depends upon how it has been established, between governments of states, not where it operates. An international organization may operate only in Canada or only in one foreign country.



**SCHEDULE “E”**  
**PRIVACY POLICY**

**HGC INVESTMENT MANAGEMENT INC.**

The privacy of our investors is very important to us. Set forth below are our policies with respect to personal information of subscribers, investors and former investors that we collect, use and disclose. In connection with the offering and sale of units (the “Units”) of HGC Arbitrage Fund Trust (the “Fund”), we collect and maintain personal information about subscribers. We collect their personal information to enable us to provide them with services in connection with their investment in the Fund, to meet legal and regulatory requirements and for any other purpose to which they may consent in the future. Their personal information is collected from the following sources:

- subscription agreements or other forms that they submit to us;
- their transactions with us and our affiliates; and
- meetings and telephone conversations with them.

Unless a subscriber otherwise advises, by providing us with their personal information they have consented to our collection, use and disclosure of their information as provided herein. We collect and maintain their personal information in order to give them the best possible service and allow us to establish their identity, protect us from error and fraud, comply with the law and assess their eligibility in our products.

We may disclose their personal information to third parties, when necessary, and to our affiliates in connection with the services we provide related to their subscription for Units of the Fund, including:

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

We seek to carefully safeguard their private information and, to that end, restrict access to personal information about them to those employees and other persons who need to know the information to enable us to provide services to them. Each employee of HGC Investment Management Inc. is responsible for ensuring the confidentiality of all personal information they may access.

Investors’ personal information is maintained on our networks or on the networks of our service providers and are accessible at 366 Adelaide Street West, Suite 601, Toronto, Ontario M5V 1R9. Personal information may also be stored on a secure off-site storage facility. An investor may access their personal information to verify its accuracy, to withdraw their consent to any of the foregoing collections, uses and/or disclosures being made of their personal information and may update their information by contacting HGC Investment Management Inc. at the following number: 647-776-2189. Please note that an investor’s ability to participate in the Fund may be impacted should they withdraw their consent to the collection, use and disclosure of their personal information as outlined above.

**Investors should be aware that the Fund is required to file with the Ontario Securities Commission and with each other relevant Canadian securities regulatory authority a report setting out the Subscriber’s name and address, the class and series of Units issued, the date of issuance and the purchase price of Units issued to the Subscriber. Such information is collected indirectly by such regulatory authorities under the authority granted to them in securities legislation, for the purposes of the administration and enforcement of their governing securities legislation. By submitting this subscription, the Subscriber authorizes such indirect collection of the information by each such regulatory authority. The following official in Ontario can answer questions about the Ontario Securities Commission’s indirect collection of the information:**

**Administrative Support Clerk  
Suite 1903, Box 55, 20 Queen Street West  
Toronto, Ontario M5H 3S8  
Telephone: (416) 593-3684  
Facsimile: (416) 593-8122**

*[To be completed by Manager]*

**ACCEPTANCE**

This subscription is accepted on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
(day) month (year)

**HGC INVESTMENT MANAGEMENT INC.,**  
in its own capacity and as Manager on behalf of  
**HGC ARBITRAGE FUND TRUST**

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

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

<b>(Manager Only)</b>	
Subscriber Name:	_____
Co- Subscriber Name:	_____
Subscription Amount: \$	_____
Subscription Date:	_____
Series of Unit:	_____
Price Per Unit: \$	_____
Number of Units Issued:	_____
Exemption:	_____

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