

MOUNTAINVIEW ALTERNATIVE INCOME FUND
SUBSCRIPTION AGREEMENT

Item 1. INVESTOR INFORMATION

(the person identified in this Item 1 being hereinafter referred to as the "Investor")

<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Miss <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.	Name (including, for individuals: Surname	First Name	Middle Initial(s)
	Street Address	Apt.	City
	Telephone (Home)	E-mail Address	Social Insurance Number
		Province	Postal Code
		Birth Date	

Registration Instructions: (If there are no instructions below, Units of Mountainview Alternative Income Fund will be registered in the name of the Investor as set out above).

Name _____ Account Reference _____
 Address _____

Item 2. SUBSCRIPTION INFORMATION

Amount Invested: _____ \$

Item 3. ACCREDITED INVESTOR

If you are purchasing Units of Mountainview Alternative Income Fund pursuant to the Accredited Investor exemption as described in section 4(e)(ii) below, please indicate one of the following categories (a) to (v) under the definition for "accredited investor" in that section that is being relied upon by you: _____

Item 4. SIGNATURE OF INVESTOR

The Investor certifies that the Investor has read this Subscription Agreement and hereby offers to purchase Units of Mountainview Alternative Income Fund for the amount set out herein on the terms and conditions set out herein as of this _____ day of _____, 20____.

 Signature of Investor Signature of Witness Name of Witness

For Corporate Purchasers:

 Name of Corporation

By: _____
 Signature Name and Title of Authorized Officer (please print)

The foregoing offer is confirmed and accepted by Mountainview Asset Management Inc. on behalf of Mountainview Alternative Income Fund on the _____ day of _____, 20____.

MOUNTAINVIEW ASSET MANAGEMENT INC.

By: _____
 Signature Name and Title of Authorized Signatory (please print)

MOUNTAINVIEW ALTERNATIVE INCOME FUND

SUBSCRIPTION INSTRUCTIONS

For All Purchasers

1. After reviewing the terms and conditions of this Subscription Agreement, complete all portions, sign it and return it to Mountainview Asset Management Inc. at the address noted below and retain a photocopy for your records.
2. Attach payment as described in Section 7 below.

For Corporate Purchasers

3. Please provide the additional information requested on the cover page under Item 4. Signature of Investor.

For further information, please contact:

Mountainview Asset Management Inc.

3 Church Street, Suite 204

Toronto, ON

M5E 1M2

Telephone: (416) 203-2331

Website: www.mountainviewasset.com

E-mail: info@mountainviewasset.com

Reference is made to the declaration of trust (the “**Declaration of Trust**”) governing the Mountainview Alternative Income Fund (the “**Fund**”) dated April 11th, 2008 and the fund regulation dated April 11th, 2008 relating to the continuous offering (the “**Offering**”) of units of the Fund (the “**Units**”) to investors resident in each province and territory of Canada (the “**Offering Jurisdictions**”) pursuant to certain securities laws exemptions (the “**Securities Laws Exemptions**”).

1. **Offer to Purchase:** The Investor (who shall be deemed to include any person on behalf of whom the Investor subscribes for Units) hereby irrevocably offers to subscribe for and to Units of the Fund for an aggregate purchase price (inclusive of any applicable commissions) (the “**Purchase Price**”) set out in Item 2 on the cover page of this Subscription Agreement and on the terms and conditions contained in this Subscription Agreement. The Fund’s acceptance of this offer, as evidenced by the signature of an authorized officer of Mountainview Asset Management Inc. (the “**Manager**”) above, will constitute an irrevocable agreement (this “**Subscription Agreement**”) between the Investor and the Fund for the Investor to purchase from the Fund, and for the Fund to issue and sell to the Investor, such Units on such terms and conditions.

2. **Price of Units:** The Units will be issued under the Offering at a price equal to their net asset value per Unit determined in accordance with the Declaration of Trust on the Valuation Day next following the acceptance of this application by the Manager on behalf of the Fund or, if accepted prior to 4:00 p.m. (Toronto time) on a Valuation Day, on that Valuation Day. A “Valuation Day” is the last trading day of each week on which the Toronto Stock Exchange is open for business or such other days as the Manager may determine.

3. **Minimum Purchase:** The minimum initial purchase amount (a “**Minimum Purchase**”) for Units is CAD\$50,000, if the Investor qualifies as an accredited investor (“**Accredited Investor**”) under the Accredited Investor exemption described in Section 4(e)(ii) below. Investors should consult their financial advisors and refer to the representations, warranties and certifications contained in Section 4(e)(ii) below to determine whether they so qualify. The Minimum Purchase amount is **\$150,000** if the Investor qualifies under the minimum amount investment (“**Minimum Amount Investment**”) exemption described in section 4(e)(i) below. Where Units are to be held in a joint account, each joint accountholder must make the Minimum Purchase.

The Manager reserves the right to change at any time and from time to time the minimum amounts for initial and additional investments in the Fund.

4. **Representations, Warranties and Certifications of the Investor:** The Investor represents, warrants and certifies to the Fund and to the Manager that:

- (a) the Investor’s decision to execute and enter into this Subscription Agreement and to purchase the Units in the amount set out in Item 2 on the cover page of this Subscription Agreement has not been based upon any oral or written representation as to fact or otherwise made or purported to be made by or on behalf of the Fund, the Manager or any other person;
- (b) this Subscription Agreement has been duly executed and delivered by and on the Investor’s behalf and is legally binding upon and enforceable against the Investor in accordance with its terms, subject to the qualifications that (i) enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws of general application affecting the enforcement of creditors’ rights, and (ii) an order of specific performance and an injunction are discretionary remedies and, in particular, are not available when damages are considered an adequate remedy;
- (c) the Investor, and each beneficial purchaser for whom the Investor is purchasing, (i) is resident in the province or territory set out in Item 1 on the cover page of this Subscription Agreement and all actions taken by the Investor in connection with purchasing Units have occurred solely in such province or territory, and (ii) is not resident in any other jurisdiction for tax purposes;
- (d) if the Investor is purchasing the Units as principal, such purchase is for the Investor’s own account and not for the benefit of any other person or, if the Investor is not purchasing as principal, the Investor is purchasing as agent, portfolio manager or trustee pursuant to a statutory exemption or, in either case, pursuant to an exemption order permitting such purchase;

(e) the Investor is:

Minimum Amount Investment Exemption

- (i) purchasing the Units as principal pursuant to the Minimum Amount Investment exemption as defined in National Instrument 45-106 *Prospectus and Registration Exemptions* (“**NI 45-106**”), the Units being purchased have an acquisition cost to the Investor of not less than \$150,000 paid in cash at the time of purchase, and the Investor has not been created or used solely to purchase or hold the Units being purchased; **OR**

Accredited Investor Exemption

- (ii) purchasing the Units as principal and is an “accredited investor” as defined in NI 45-106 in one of the following categories:
- (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, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);
 - (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
 - (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly-owned entity of the Government of Canada or a jurisdiction 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 Montreal or an intermunicipal management board in Quebec;
 - (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;
 - (j) an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;
 - (k) an individual whose net income before taxes exceeded \$200,000 in each of the two (2) most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two (2) most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;
 - (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 statements, provided such person is not created or used solely to purchase or hold units;
 - (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 section 2.10 (*Minimum amount investment*), and 2.19 (*Additional investment in*

investment funds) 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 jurisdiction of Canada for which the regulator or, in Quebec, 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
 - (i) 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, and
 - (ii) in Ontario, is purchasing a security that is not a security of an investment fund;
- (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;
- (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;
- (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; or
- (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Quebec, the regulator as
 - (i) an accredited investor, or
 - (ii) an exempt purchaser in Alberta or British Columbia.

For the purposes of the above, the following definitions apply:

“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 jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

“EVCC” means an employee venture capital corporation that does not have a restricted constitution, and is registered under Part 2 of the *Employee Investment Act* (British Columbia), R.S.B.C. 1996 c.112, and whose business objective is making multiple investments;

“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;

“investment fund” means a mutual fund or a non-redeemable investment fund, and, for greater certainty in British Columbia, includes an EVCC and a VCC;

“non-redeemable investment fund” means an issuer whose primary purpose is to invest money provided by its securityholders, that does not invest, (i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund, or (ii) for the purpose of being

actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund, and that is not a mutual fund;

“**person**” includes an individual, a corporation, a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and an individual or other person in that person’s capacity as a trustee, executor, administrator or personal or other legal representative;

“**related liabilities**” means liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or liabilities that are secured by financial assets;

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

“**VCC**” means a venture capital corporation registered under Part 1 of the *Small Business Venture Capital Act* (British Columbia), R.S.B.C. 1996 c.429 whose business objective is making multiple investments.

For the purposes of these definitions:

- (i) an issuer is an affiliate of another issuer if:
 - (a) one of them is the subsidiary of the other, or
 - (b) each of them is controlled by the same person; and
- (ii) a person (first person) is considered to control another person (second person) if:
 - (a) 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,
 - (b) 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
 - (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

For the purposes of paragraph (l) of the “accredited investor” definition, an investor’s “net assets” are calculated by subtracting the investor’s total liabilities from the investor’s total assets. The value attributed to assets should reasonably reflect their estimated fair value.

5. **Acknowledgements of the Investor:** The Investor acknowledges and agrees that:

- (a) The Investor has not received an offering memorandum or any offering document relating to the Fund;
- (b) the representations, warranties and certifications contained in this Subscription Agreement are made by the Investor with the intent that they be relied upon by the Fund and the Manager in determining the Investor’s eligibility as a purchaser of Units and the Investor hereby agrees to indemnify the Fund and the Manager against all losses, claims, costs, expenses and damages or liabilities of any kind whatsoever, including, without restriction, taxes, interest and penalties which any of them may suffer or incur, caused or arising from reliance thereon and the Investor undertakes to notify the Fund and the Manager immediately at the address of the Manager of any change in the accuracy of any representation, warranty or certification;
- (c) participation in the Fund is subject to acceptance of this Subscription Agreement by the Manager on behalf of the Fund and to the cheque or bank draft representing payment of the Purchase Price being honoured upon presentation for payment;
- (d) the Investor is purchasing Units pursuant to an exemption from the prospectus requirements under applicable securities legislation and that, as a consequence, it is restricted from using most of the civil remedies available under such legislation, it may not receive information that would otherwise be required to be provided to it under such legislation, and that the Fund is not subject to certain obligations that would otherwise apply under such legislation;

- (e) transfer of the Investor's Units will be subject to compliance with applicable securities legislation and to the approval of the Manager;
- (f) the Investor's rights as an investor in the Fund are determined solely by the terms of the Declaration of Trust of the Fund, which rights may be changed without the Investor's consent in the manner set out in the Declaration of Trust; the terms upon which Units are purchased by the Investor are as set out in this Subscription Agreement;
- (g) no unitholder of the Fund or annuitant or beneficiary under a plan of which a unitholder of the Fund acts as trustee or carrier shall be subject to any liability whatsoever, in tort, contract or otherwise, to the Investor for, and no resort shall be had to his or her property for satisfaction of, any obligation, liability or claim arising out of or in connection with the obligations, affairs or assets of the Fund, the Manager or the trustee of the Fund (including, without limitation, the obligations and liabilities of the Fund to the Investor pursuant to the agreement resulting from the Manager's acceptance of this Subscription Agreement on behalf of the Fund), but rather the assets of the Fund exclusively are intended to be liable and subject to levy or execution for such satisfaction; and
- (h) this Subscription Agreement requires the Investor to provide certain personal information to the Fund. Such information is being collected by the Fund for purposes which include, without limitation, determining the Investor's eligibility to purchase the Units under applicable securities laws, and completing filings required by the Ontario Securities Commission (the "OSC") and other regulators, if applicable. The Investor's personal information may be disclosed by the Fund to securities regulatory authorities and any of the other parties involved in the administration of the Fund including legal counsel and other advisors. The personal information is being collected indirectly by the OSC under the authority granted to it in securities legislation for the purposes of the administration and enforcement of Ontario securities legislation. By executing this Subscription Agreement, the Investor hereby authorizes the indirect collection of the personal information by the OSC and is deemed to be consenting to the foregoing collection, use and disclosure of the Investor's personal information. The Investor also consents to the filing of copies or originals of any of the documents as may be required to be filed with any securities regulatory authority in connection with the transactions contemplated hereby. The Fund hereby notifies the Investor that the Administrative Assistant to the Director of Corporate Finance at the OSC can answer questions about the OSC's indirect collection of the Investor's personal information and can be contacted at (416) 593-8086, Suite 1903, Box 5520 Queen Street West, Toronto, Ontario M5H 3S8.

6. ***Covenants of the Investor:*** The Investor covenants and agrees that:

- (a) the representations, warranties and certifications contained in this Subscription Agreement will be true and correct on the date upon which the Units subscribed for hereunder are issued to the Investor in an amount not less than the Minimum Purchase as if made on such date and will survive the completion of the issuance of the Units; and
- (b) the representations, warranties and certifications contained in this Subscription Agreement will be true and correct on the date upon which the Investor subscribes for and purchases any additional Units (the "Additional Units") of the Fund as if such representations, warranties and certifications were made on and as of such date and, in addition, if the initial investment in Units was made pursuant to clause (i) of subsection (e) of Section 4 above, by subscribing for any Additional Units the Investor will also be deemed to be representing, warranting and certifying to the Fund and to the Manager that either the aggregate acquisition cost or the net asset value of the Units held by the Investor on the date of purchase of such Additional Units is not less than \$150,000.

7. ***Time and Place of Payment:*** Subject to acceptance by the Manager, on behalf of the Fund, of this Subscription Agreement, delivery and payment for Units shall be completed at the office of the Manager within five (5) business days after the Valuation Day on which the Manager receives and accepts this completed Subscription Agreement. If the Subscription Agreement is received after 4:00 p.m. (Toronto time) on a Valuation Day, delivery and payment for Units shall be completed within five (5) business days after the next Valuation Day.

Investors should deliver to the Manager a signed copy of this Subscription Agreement, together with a cheque or bank draft made payable to Mountainview Asset Management Inc. All Subscription Agreements will be subject to acceptance or rejection by the Manager on behalf of the Fund. If the Manager does not receive by the fifth (5th) business day following the relevant Valuation Day payment for the Units purchased, together with a fully and correctly completed Subscription Agreement (if not previously delivered), the Manager may redeem the Units so purchased. If the proceeds of redemption exceed the cost of the Units purchased, the Fund will retain the excess. However, if the proceeds of redemption are less than the cost of the Units purchased, the Investor or his or her dealer (if any) will be responsible for paying the difference to the Fund and any associated costs.

8. **Governing Law:** The agreement resulting from the Manager's acceptance of this Subscription Agreement on behalf of the Fund will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

9. **Time of the Essence:** Time is of the essence of the agreement resulting from the Manager's acceptance of this Subscription Agreement on behalf of the Fund.

10. **Interpretation:** Unless otherwise defined herein, all terms in this Subscription Agreement which are defined under applicable securities legislation of the province or territory in which the Investor resides have the respective meanings so ascribed to such terms by such applicable securities legislation.

11. **Language:** It is the express wish of the Investor that this Subscription Agreement and any related documentation be drawn up in English. Il est de la volonté expresse de l'investisseur que la présente Offre de Souscription, la Notice d'Offre et tous les documents s'y rattachant soient rédigés en anglais.