



Prestigious Properties Checklist

Please Return Completed Subscription Documents to:

Prestigious Properties
Attn: Subscription Processing
912 – 743 Railway Avenue
Canmore AB T1W 1P2
(430) 678-3330

Name of Dealer: _____

Name of Dealer Representative: _____

Has this Subscription been Approved by your EMD? YES

Investor Name: _____

Subscription Amount: \$_____ (please ensure funds are available at Olympia Trust)

Please submit the Subscription Agreement completed in full as detailed below:

- Page 1: Subscriber Status (BC Residents Only)
- Page 2: Subscription Agreement for Bonds
- Page 9: Risk Acknowledgement (*for Prestigious*)
- Page 11: Risk Acknowledgement (*for Client*)
- Page 13: Representation Letter Eligible Investor Certificate (*AB, SK, MB Subscriber*)
- Page 14-18: Accredited Investor Certificate (ON)
- Page 19: Release of Claims Against Controlling Shareholder
- Page 20: Olympia Letter of Indemnity
- Page 21: Olympia Letter of Authorization
- Page 22: Prestigious Properties Letter of Authorization

Please return this checklist with your Subscription Agreement!

SUBSCRIPTION AGREEMENT FOR BONDS

FOR USE BY EXEMPT MARKET DEALERS AND REPRESENTATIVES

Please Make Sure That Your Subscription Includes:

1. A signed copy of each of the Subscription Agreement for Bonds;
2. A certified cheque, trust cheque or bank draft made payable as directed by the Corporation in an amount equal to the Aggregate Subscription Amount, or payment of the same amount in such other manner as is acceptable to the Corporation;
3. All Subscribers resident in British Columbia must complete the following table pursuant to the instructions below:

Insider Status
The Subscriber either [**check appropriate box**]:

is an "Insider" of the Corporation as defined in the *Securities Act* (British Columbia); or

is not an Insider of the Corporation

Registrant Status
The Subscriber either [**check appropriate box**]:

is a "Registrant" as defined in the *Securities Act* (British Columbia); or

is not a Registrant

4. A properly completed and duly executed copy of the appropriate investor qualification form(s):
 - (a) **if you are resident in Alberta, British Columbia, Manitoba or Saskatchewan**, you must submit two (2) completed and signed copies of the Risk Acknowledgment Form 45-106 F4 attached to the Subscription Agreement (one copy may be retained for your records);
 - (b) **if you are resident in Alberta, Manitoba, or Saskatchewan**, you must submit one (1) completed and signed copy of the Representation Letter – Eligible Investor attached to the Subscription Agreement;
 - (c) **if resident in Ontario and you are purchasing the Bonds as an "accredited investor" (as such term is defined by NI 45-106)**, two (2) copies of the Risk Acknowledgment Form 45-106 F4 attached to this Subscription Agreement (one copy may be retained for your records) and one (1) completed and signed copy of the Accredited Investor Certificate attached to the Subscription Agreement;
5. A signed copy of the Target Release attached to the Subscription Agreement.

PLEASE DELIVER YOUR SUBSCRIPTION TO:

PRESTIGIOUS PROPERTIES KINGS CASTLE RRSP V INC.
912, 743 Railway Avenue, Canmore, Alberta T1W 1P2

SUBSCRIPTION AGREEMENT FOR BONDS

TO: PRESTIGIOUS PROPERTIES KINGS CASTLE RRSP V INC. (the "Corporation")

The undersigned (hereinafter referred to as the "Subscriber") hereby irrevocably subscribes for and agrees to purchase the number and series of Bonds of the Corporation ("Bonds") set forth below for the subscription amount set forth below, representing a subscription price of Cdn. \$5,000 per Bond, upon and subject to the terms and conditions set forth in "Terms and Conditions of Subscription for Bonds of Prestigious Properties Kings Castle RRSP V Inc." attached hereto (the "Subscription Agreement"). **In addition to this face page, the Subscriber must also complete all applicable schedules attached hereto.**

(Full Legal Name of Subscriber – Please Print)

I have received and reviewed the Offering Memorandum

By: _____

(Authorized Signature) (Date of Execution)

(Official Capacity or Title – if the Subscriber is not an individual)

(Please print the name of the individual whose signature appears above if different than the name of the Subscriber printed above)

(Subscriber's Address)

(Subscriber's Address)

(Social Insurance Number)

(Telephone Number) (Date of Birth D/M/Y)

(Email Address)

By executing this Subscription, you are consenting (on your behalf and, if applicable, on behalf of the beneficial purchaser for whom you are contracting), to the collection, use and disclosure of personal information in the manner described in the Privacy Notice on page 5 of this Subscription.

Subscription Amount: \$ _____

Number of Bonds: _____

Series of Bonds: _____

If the Subscriber is signing as agent for a principal and is not a trust corporation or, in Alberta or British Columbia, a portfolio manager in any case, purchasing as a trustee or an agent for accounts fully managed by it, complete the following and ensure that the applicable schedules attached hereto are completed in respect of such principal:

(Name of Principal)

(Principal's Address)

(Principal's Telephone Number)

(Principal's Email Address)

Register the Bonds (if different from address above) as follows:

(Name)

(Account Reference, if applicable)

(Address)

Deliver the Bonds (if different from address given) as follows:

(Name)

(Account Reference, if applicable)

(Contact Name) (Telephone Number)

(Address)

Name of Dealer: _____

Name of Dealing Representative: _____

FOR OFFICE USE ONLY

ACCEPTANCE: The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement.

| | | |
|--|-------------|-------------------------|
| PRESTIGIOUS PROPERTIES KINGS CASTLE RRSP V INC. | Date: _____ | Certificate No. Issued: |
| Per: _____ | _____ | |

(This is the first page of an agreement comprised of 18 pages)

**TERMS AND CONDITIONS OF SUBSCRIPTION FOR BONDS
OF PRESTIGIOUS PROPERTIES KINGS CASTLE RRSP V INC.**

Definitions. In this Subscription Agreement:

- (a) "Aggregate Subscription Amount" means the aggregate dollar amount of the subscriptions under this Subscription Agreement;
- (b) "Bonds" means collectively, the Series 5 and Series 6 bonds of the Corporation being offered pursuant to the Offering;
- (c) "Closing Date" means the date on which Bonds are issued by the Corporation;
- (d) "Corporation" means Prestigious Properties Kings Castle RRSP V Inc., a corporation incorporated under the *Business Corporations Act* (Alberta);
- (e) "Offering" means the offering of the Corporation's Bonds pursuant to the Offering Memorandum; "Offering Memorandum" means the Offering Memorandum of the Corporation dated December 31, 2014.

Acknowledgements of the Subscriber. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that:

- (a) this subscription is subject to rejection or acceptance by the Corporation in whole or in part, and is effective only upon acceptance by the Corporation;
- (b) the Bonds subscribed for by the Subscriber hereunder form part of a larger issue and sale by the Corporation of up to 940 Bonds at a subscription price of \$5,000 per Bond (the "Offering");
- (c) where allowed by applicable securities legislation, the Corporation intends to pay compensation of up to 8% of the gross proceeds realized on the sale of Bonds under the Offering to any one of, or a combination of, the following parties: investment dealers, related and unrelated Exempt Market Dealers and/or their dealing representatives, parties related to the Corporation, employees and/or contractors of such parties, and officers and directors of the Corporation. The Kings Castle Limited Partnership (the "Partnership") will pay Prestigious Properties Kings Castle GP Inc., its General Partner, an administration fee equal to 1% of the gross proceeds from the sale Class A Limited Partnership Units issued by the Partnership including Class A LP Units issued to the Corporation. All commissions payable as aforesaid will be paid on the Corporation's behalf by the Partnership; and
- (d) **the Subscriber is responsible for obtaining such legal advice as it considers appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement.**

Representations, Warranties and Covenants of the Subscriber. By executing this Subscription Agreement, the Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) represents, warrants and covenants to the Corporation (and acknowledges that the Corporation and its counsel are relying thereon) that:

- (a) if the Subscriber is an individual, the Subscriber is of the full age of majority in the jurisdiction in which this Subscription Agreement is executed and is legally competent to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder;
- (b) if the Subscriber is not an individual, the Subscriber has the requisite power, authority, legal capacity and competence to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder, and all necessary approvals of its directors, partners, Shareholders, trustees or otherwise with respect to such matters have been given or obtained;
- (c) if the Subscriber is a body corporate, the Subscriber is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation;
- (d) this Subscription Agreement has been duly and validly authorized, executed and delivered by, and constitutes a legal, valid, binding and enforceable obligation of, the Subscriber;
- (e) if the Subscriber is acting as agent or trustee for a principal, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documents in connection with such subscription on behalf of such principal, and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid, binding and enforceable obligation of, such principal;
- (f) the execution, delivery and performance by the Subscriber of this Subscription Agreement and the completion of the transactions contemplated hereby do not and will not result in a violation of any law, regulation, order or ruling applicable to the Subscriber, and do not and will not constitute a breach of or default under any of the Subscriber's constating documents (if the Subscriber is not an individual) or any agreement to which the Subscriber is a party or by which it is bound;

- (g) the Subscriber confirms that the Subscriber (and, if the Subscriber is not purchasing as principal, each beneficial purchaser for whom the Subscriber is acting) is:
- (i) **resident in or otherwise subject to the applicable securities laws of British Columbia, Alberta, Saskatchewan, Manitoba or Ontario**, it is purchasing the Bonds as principal for its own account and not for the benefit of any other person and it has received or been provided with a copy of the Offering Memorandum **and has duly completed and executed two (2) copies of the Risk Acknowledgement Form 45-106 F4 (one copy for each of the Corporation and the Subscriber)**;
 - (ii) **if resident in Alberta, Saskatchewan or Manitoba, a duly completed and executed copy of the Representation Letter – Eligible Investor in the form attached hereto**;
 - (iii) **resident in or otherwise subject to the applicable securities laws of Ontario**, it is purchasing the Shares as principal for its own account and not for the benefit of any other person and is an "**accredited investor**", as such term is defined in National Instrument 45-106 - "Prospectus and Registration Exemptions" ("**NI 45-106**"), and has concurrently executed and delivered two (2) copies of the Risk Acknowledgement Form 45-106 F4 attached to this Subscription Agreement (one copy may be retained for your records) and an Accredited Investor Certificate attached to the Subscription Agreement.
- (h) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Bonds;
- (i) is capable of assessing the proposed investment in the Bonds as a result of the Subscriber's own experience or as a result of advice received from a person registered under applicable securities legislation; and
 - (ii) is able to bear the economic risk of loss of its investment in the Bonds;
- (i) the Subscriber understands that no securities commission, stock exchange, governmental agency, regulatory body or similar authority has made any finding or determination or expressed any opinion with respect to the merits of investing in the Bonds;
- (j) the Subscriber acknowledges that no prospectus has been filed by the Corporation with any securities commission or similar regulatory authority in any jurisdiction in connection with the issuance of the Bonds and the issuance is exempted from the prospectus requirements available under the provisions of applicable securities laws and as a result:
- (i) the Subscriber may be restricted from using some of the civil remedies otherwise available under applicable securities laws;
 - (ii) the Subscriber may not receive information that would otherwise be required to be provided to it under applicable securities laws; and
 - (iii) the Corporation is relieved from certain obligations that would otherwise apply under applicable securities laws;
 - (iv) the Subscriber confirms that neither the Corporation or any of its representative directors, employees, officers or affiliates, have made any representations (written or oral) to the Subscriber:
 - (v) regarding the future value of the Bonds;
 - (vi) that any person will resell or repurchase the Bonds;
 - (vii) that the Bonds will be listed on any stock exchange or traded on any market; or
 - (viii) that any person will refund the purchase price of the Bonds other than as provided in this Subscription Agreement;
- (k) the Subscriber confirms that it has been advised to consult its own legal and financial advisors with respect to the suitability of the Bonds as an investment for the Subscriber, the tax consequences of purchasing and dealing with the Bonds, and the resale restrictions and "hold periods" to which the Bonds are or may be subject under applicable securities legislation or stock exchange rules, and has not relied upon any statements made by or purporting to have been made on behalf of the Corporation with respect to such suitability, tax consequences, and resale restrictions;
- (l) except for the Subscriber's knowledge regarding its subscription for Bonds hereunder, the Subscriber has no knowledge of a "material fact" or a "material change" (as those terms are defined in the *Securities Act* (Alberta)) in the affairs of the Corporation that has not been generally disclosed;
- (m) the Subscriber is resident in the jurisdiction indicated on the face page of this Subscription Agreement as the "Subscriber's Address" and the purchase by and sale to the Subscriber of the Bonds, and any act, solicitation, conduct or negotiation directly or indirectly in furtherance of such purchase and sale (whether with or with respect to the Subscriber or any beneficial purchaser) has occurred only in such jurisdiction;

- (n) the Subscriber acknowledges that it and/or the Corporation may be required to provide applicable securities regulatory authorities or stock exchanges with information concerning the identities of the beneficial purchasers of the Bonds and the Subscriber agrees that, notwithstanding that the Subscriber may be purchasing the Bonds as agent for an undisclosed principal, the Subscriber will provide to the Corporation, on request, particulars as to the identity of such undisclosed principal as may be required by the Corporation in order to comply with the foregoing;
- (o) the Subscriber understands that it will not resell the Bonds except in accordance with limited exemptions available under applicable securities legislation, regulatory policy and stock exchange rules, and that the Subscriber is solely responsible for (and the Corporation is not in any way responsible for) the Subscriber's compliance with applicable resale restrictions;
- (p) the Subscriber acknowledges that it is aware that there is no market upon which the Bonds trade and there is no assurance that any of the Bonds will be listed and posted for trading on a stock exchange or dealer network in the future;
- (q) the Subscriber understands that the sale of the Bonds is conditional upon such sale being exempt from the requirements to file and obtain a receipt for a prospectus, and the requirement to sell securities through a registered dealer, or upon the issuance of such orders, consents or approvals as may be required to enable such sale to be made without complying with such requirements, and that as a consequence of acquiring the Bonds pursuant to such exemptions, certain protections, rights and remedies provided by applicable securities legislation, including statutory rights of rescission or damages in the event of a misrepresentation may not be available to the Subscriber in connection with the purchase and sale of the Bonds;
- (r) the Subscriber understands that any certificates representing the Bonds will bear a legend indicating that the resale of such securities is restricted;
- (s) the Subscriber is not a "U.S. Person" (as that term is defined by Regulation S under the U.S. Securities Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United States) and is not acquiring the Bonds for the account or benefit of a U.S. Person or a person in the United States;
- (t) the Bonds have not been Offered to the Subscriber in the United States, and the individuals making the order to purchase the Bonds and executing and delivering this Subscription Agreement on behalf of the Subscriber were not in the United States when the order was placed and this Subscription Agreement was executed and delivered;
- (u) the Subscriber undertakes and agrees that it will not Offer or sell any of the Bonds in the United States unless such securities are registered under the U.S. Securities Act and the Securities laws of all applicable states of the United States, or an exemption from such registration requirements is available;
- (v) the Subscriber acknowledges that, in addition to any other requirements under applicable securities legislation to which a disposition of any of the Bonds by the Subscriber may be subject, the Subscriber may, depending on the nature of the disposition, be required to file a report of exempt trade within ten (10) days of a disposition by the Subscriber of the Bonds;
- (w) if required by applicable securities legislation, regulations, rules, policies or orders or by any securities commission, stock exchange or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Corporation in filing, such reports, undertakings and other documents with respect to the issue of the Bonds;
- (x) except as disclosed in writing to the Corporation, the Subscriber does not act jointly or in concert with any other person or company for the purposes of acquiring Securities of the Corporation;
- (y) the Subscriber is not a non-resident for the purposes of the *Income Tax Act* (Canada);
- (z) the Subscriber is not a "control person" of the Corporation, as that term is defined in the *Securities Act* (Alberta), will not become a "control person" of the Corporation by purchasing the number of Bonds subscribed for under this Subscription Agreement and does not intend to act jointly or in concert with any other person to form a control group in respect of the Corporation;
- (aa) the Subscriber has not relied upon any verbal or written representation as to fact or otherwise made by or on behalf of the Corporation except as expressly set forth herein or in the Offering Memorandum;
- (bb) the funds representing the Aggregate Subscription Amount which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purposes of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the "PCMLA") and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's

- subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of its knowledge:
- (i) none of the subscription funds to be provided by the Subscriber: (A) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction; or (B) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (ii) it shall promptly notify the Corporation if the Subscriber discovers that any of such representations ceases to be true, and to provide the Corporation with appropriate information in connection therewith;
- (cc) the Subscriber acknowledges that the Corporation may complete additional financings in the future in order to develop the proposed business of the Corporation and to fund its ongoing development. There is no assurance that such financing will be available and if available, on reasonable terms. Any such future financings may have a dilutive effect on current Shareholders, including the Subscriber; and
- (dd) **the Subscriber acknowledges that an investment in the Bonds is subject to a number of risk factors. In particular, the Subscriber acknowledges that the Corporation is not a reporting issuer in any province of Canada and, as such, the applicable hold period may never expire. Accordingly, there is currently no market for any of the Bonds and one may never develop. It may be difficult or even impossible for a Subscriber to sell any of the Bonds. Resale of such Bonds will require the availability of exemptions from the prospectus requirements of applicable Securities legislation, or the application for a discretionary order of the securities commission or similar regulatory authority in the subscriber's province of residence permitting the trade. The Subscriber covenants and agrees to comply with the relevant securities legislation, orders or policies concerning the purchase, holding of, and resale of the Bonds.**

Timeliness of Representations, etc. The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time (as defined herein), and will survive the completion of the distribution of the Bonds and any subsequent disposition by the Subscriber of any of the securities.

Indemnity. The Subscriber acknowledges that the Corporation and its counsel are relying upon the representations, warranties and covenants of the Subscriber set forth herein in determining the eligibility (from a Securities law perspective) of the Subscriber (or, if applicable, the eligibility of another on whose behalf the Subscriber is contracting hereunder to subscribe for Bonds) to purchase Bonds under the Offering, and hereby agrees to indemnify the Corporation and its directors, officers, employees, advisers, affiliates, Shareholders and agents (including their respective legal counsel) against all losses, claims, costs, expenses, damages or liabilities that they may suffer or incur as a result of or in connection with their reliance on such representations, warranties and covenants. The Subscriber undertakes to immediately notify the Corporation at 912, 743 Railway Avenue, Canmore, Alberta T1W 1P2 of any change in any statement or other information relating to the Subscriber set forth herein that occurs prior to the Closing Time.

Deliveries by Subscriber prior to Closing. The Subscriber agrees to deliver to the Corporation not later than 5:00 p.m. (Mountain Standard Time) on the day that is two business days before any Closing Date of which the Subscriber receives notice:

- (a) this duly completed and executed Subscription Agreement;
- (b) a certified cheque, trust cheque or bank draft made payable as directed by the Corporation in an amount equal to the Aggregate Subscription Amount, or payment of the same amount in such other manner as is acceptable to the Corporation;
- (c) properly completed and duly executed copies of the appropriate investor qualification form(s) as described on page 2 of this Subscription Agreement; and
- (d) such other documents as may be requested by the Corporation as contemplated by this Subscription Agreement.

Consent to Collection of Personal Information. If the Subscriber is an individual, the Subscriber acknowledges that the Subscriber has provided, in this Subscription Agreement, to the Corporation information (the "**Personal Information**") of a personal nature that may or may not be protected under applicable privacy legislation. This information is being collected, used and may be disclosed by the Corporation for the following purposes (the "**Purposes**"):

- (a) in order to complete the Offering;
- (b) to be kept in the corporate records of the Corporation, on its securities registers and security holders lists, maintained by the Corporation and/or the Corporation's transfer agent;
- (c) to be disclosed to securities/tax regulatory authorities or other government bodies as required and in accordance with applicable securities laws and tax laws;

- (d) as long as the Subscriber is a Shareholder of the Corporation, to be disclosed to other third parties held to an obligation of confidentiality to the Corporation such as its legal counsel, its accountants, transfer agent, Securities depository, or any other entity for: (i) the purpose of sending financial statements and other disclosure documentation required to be sent by law to the Shareholders of the Corporation, and/or (ii) in the context of a proposed merger, business combination, acquisition, takeover bid or such other major transaction involving the Corporation and such other third party; and
- (e) to enforce the obligations contemplated by this Subscription Agreement.
- (f) the Subscriber or the person subscribing for the Bonds on behalf of a disclosed beneficial purchaser hereby consents to the collection, use and disclosure by the Corporation of the Personal Information for the Purposes.

Certain securities commissions have been granted the authority to indirectly collect this personal information pursuant to securities legislation and this personal information is also being collected for the purpose of administration and enforcement of securities legislation. In Ontario, the Administrative Assistant to the Director of Corporate Finance, 19th floor, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8, Telephone (416) 593-8086, Facsimile: (416) 593-8252 is the public official who can answer questions about the indirect collection of personal information. The Subscriber's personal information may be disclosed by the Corporation or its counsel to: (a) stock exchanges, securities commissions or securities regulatory authorities; (b) the Corporation's registrar and transfer agent; (c) taxation authorities; (d) any of the other parties involved in the offering, including legal counsel. By executing this Subscription Agreement, the Subscriber is deemed to be authorizing and consenting to the foregoing collection (including the indirect collection of personal information), use and disclosure of the Subscriber's personal information as set forth above. The Subscriber also consents to the filing of copies or originals of any of the Subscriber's documents described in this Subscription Agreement as may be required to be filed with any stock exchange, securities commission or securities regulatory authority in connection with the transactions contemplated hereby.

Partial Acceptance or Rejection of Subscription. The Corporation may, in its absolute discretion, accept or reject the Subscriber's subscription for Bonds as set forth in this Subscription Agreement, in whole or in part, and the Corporation reserves the right to allot to the Subscriber less than the amount of Bonds subscribed for under this Subscription Agreement.

Notwithstanding the foregoing, the Subscriber acknowledges and agrees that the acceptance of this Subscription Agreement will be conditional upon among other things, the sale of the Bonds to the Subscriber being exempt from any prospectus and offering memorandum requirements of applicable securities laws. The Corporation will be deemed to have accepted this Subscription Agreement upon the delivery at Closing of the certificates representing the Bonds to the Subscriber or upon the direction of the Subscriber in accordance with the provisions hereof.

If this Subscription Agreement is rejected in whole, any certified cheque(s) or bank draft(s) delivered by the Subscriber to the Corporation on account of the Aggregate Subscription Amount for the Bonds subscribed for will be promptly returned to the Subscriber without interest. If this Subscription Agreement is accepted only in part, a cheque representing the amount by which the payment delivered by the Subscriber to the Corporation exceeds the subscription price of the number of Bonds sold to the Subscriber pursuant to a partial acceptance of this Subscription Agreement, will be promptly delivered to the Subscriber without interest.

Time and Place of Closing. The sale of the Bonds will be completed at the office the Corporation, in Canmore, Alberta at 10:00 a.m. (Mountain Standard Time) or such other time as the Corporation may determine (the "Closing Time") on the Closing Date. The Corporation reserves the right to close the Offering in multiple tranches, so that one or more closings may occur after the initial closing.

Subject to Regulatory Approval. The obligations of the parties hereunder are subject to all required regulatory approvals being obtained.

Representations and Warranties of the Corporation. The Corporation hereby represents and warrants to the Subscriber (and acknowledges that the Subscriber is relying thereon) that:

- (a) the Corporation has the full corporate right, power and authority to execute and deliver this Subscription Agreement and to issue the Bonds to the Subscriber;
- (b) the Corporation is duly incorporated and validly subsisting, and is qualified to carry on business in each jurisdiction in respect of which the carrying out of the activities contemplated hereby make such qualification necessary;
- (c) the Corporation has complied or will comply with all applicable corporate and securities laws in connection with the Offer and sale of the Bonds;
- (d) upon acceptance by the Corporation, this Subscription Agreement shall constitute a binding obligation of the Corporation enforceable in accordance with its terms subject to applicable

- bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally and to the general principles of equity including the fact that specific performance is available only in the discretion of the court; and
- (e) the execution, delivery and performance of this Subscription Agreement by the Corporation and the issue of the Bonds to the Subscriber pursuant hereto does not and will not constitute a breach of or default under the constating documents of the Corporation, or any law, regulation, order or ruling applicable to the Corporation, or any agreement to which the Corporation is a party or by which it is bound.

Conversion of Bonds by the Corporation. The Corporation shall have the option to convert the Bonds of a Subscriber and some or all accrued interest on such Bonds in accordance with the terms and conditions set out in item 5.2 of the Offering Memorandum and those terms and conditions are hereby incorporated by reference herein and shall be considered to be terms and conditions of this Agreement.

No Partnership. Nothing herein shall constitute or be construed to constitute a partnership of any kind whatsoever between the Subscriber and the Corporation.

Governing Law. The contract arising out of acceptance of this Subscription Agreement by the Corporation shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta.

Time of Essence. Time shall be of the essence of this Subscription Agreement.

Entire Agreement. This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof, and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.

Facsimile Copies. The Corporation shall be entitled to rely on delivery of a facsimile copy of executed subscriptions, and acceptance by the Corporation of such facsimile subscriptions shall be legally effective to create a valid and binding agreement between the Subscriber and the Corporation in accordance with the terms hereof.

Counterpart. This Subscription Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

Severability. The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.

Survival. The covenants, representations and warranties contained in this Subscription Agreement shall survive the closing of the transactions contemplated hereby, and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

Interpretation. The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof. In this Subscription Agreement, all references to money amounts are to Canadian dollars.

Amendment. Except as otherwise provided herein, this Subscription Agreement may only be amended by the parties hereto in writing.

Costs. The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the sale of the Bonds to the Subscriber shall be borne by the Subscriber.

Withdrawal. The Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder, agrees that this subscription is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder.

Assignment. Neither party may assign all or part of its interest in or to this Subscription Agreement without the consent of the other party in writing.

Language. The Subscriber acknowledges that it has consented to and requested that all documents evidencing or relating in any way to the sale of the Bonds be drawn up in the English language only. **Le souscripteur reconnaît par les présentes avoir consenti et exigé que tous les documents faisant foi ou se rapportant de quelque manière à la vente des bons de souscription spéciaux soient rédigés en anglais seulement.**

TO BE COMPLETED BY ALBERTA, BRITISH COLUMBIA, MANITOBA, SASKATCHEWAN AND ONTARIO RESIDENTS

RISK ACKNOWLEDGEMENT

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The Bonds offered pursuant to this Offering Memorandum are unsecured and are not insured against loss through the Canadian Deposit Insurance Corporation or any other insurance company or program.
- I will not be able to sell these securities except in very limited circumstances.
- I may never be able to sell these securities.
- I could lose all the money I invest.

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

Capitalized terms below are defined in the Offering Memorandum dated December 31, 2014.

Where allowed by applicable securities legislation, the Corporation intends to pay compensation of up to 8% of the gross proceeds realized on the sale of Bonds under the Offering to any one of, or a combination of, the following parties: investment dealers, related and unrelated Exempt Market Dealers and/or their dealing representatives, parties related to the Corporation, employees and/or contractors of such parties, and officers and directors of the Corporation. The Kings Castle Limited Partnership (the "Partnership") will pay Prestigious Properties Kings Castle GP Inc., its General Partner, an administration fee equal to 1% of the gross proceeds from the sale Class A LP Units issued by the Partnership including Class A LP Units issued to the Corporation. All commissions payable as aforesaid will be paid on the Corporation's behalf by the Partnership.

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

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

WARNING

You have 2 business days to cancel your purchase

To do so, send a notice to Prestigious Properties Kings Castle RRSP V Inc. 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 Prestigious Properties Kings Castle RRSP V Inc. at its business address. Keep a copy of the notice for your records.

Issuer Name: PRESTIGIOUS PROPERTIES KINGS CASTLE RRSP V INC.
Address: 912, 743 Railway Avenue
 Canmore, Alberta T1W 1P2
Phone: (403) 678-3330
Fax: (403) 770-8885
Email: investor@prestprop.com

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are more risky than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed.

You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, contact your local securities regulatory authority or regulator.

- If you live in British Columbia, 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.
- If you live in Alberta, contact the Alberta Securities Commission, in Calgary at (403) 297-6454 or visit its website at www.albertasecurities.com.
- If you live in Saskatchewan, contact the Financial and Consumer Affairs Authority at (306) 787-5645, or visit its website at www.sfsc.gov.sk.ca.
- If you live in Manitoba, contact the Manitoba Securities Commission at (204) 945-2548, or visit its website at www.msc.gov.mb.ca.
- If you live in Ontario, contact the Ontario Securities Commission at Telephone: (416) 593-3682, or visit its website at www.osc.gov.on.ca.

Instruction:

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

TO BE COMPLETED BY ALBERTA, BRITISH COLUMBIA, MANITOBA, SASKATCHEWAN AND ONTARIO RESIDENTS

RISK ACKNOWLEDGEMENT

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The Bonds offered pursuant to this Offering Memorandum are unsecured and are not insured against loss through the Canadian Deposit Insurance Corporation or any other insurance company or program.
- I will not be able to sell these securities except in very limited circumstances.
- I may never be able to sell these securities.
- I could lose all the money I invest.

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

Capitalized terms below are defined in the Offering Memorandum dated December 31, 2014.

Where allowed by applicable securities legislation, the Corporation intends to pay compensation of up to 8% of the gross proceeds realized on the sale of Bonds under the Offering to any one of, or a combination of, the following parties: investment dealers, related and unrelated Exempt Market Dealers and/or their dealing representatives, parties related to the Corporation, employees and/or contractors of such parties, and officers and directors of the Corporation. The Kings Castle Limited Partnership (the "Partnership") will pay Prestigious Properties Kings Castle GP Inc., its General Partner, an administration fee equal to 1% of the gross proceeds from the sale Class A LP Units issued by the Partnership including Class A LP Units issued to the Corporation. All commissions payable as aforesaid will be paid on the Corporation's behalf by the Partnership.

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

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

WARNING

You have 2 business days to cancel your purchase

To do so, send a notice to Prestigious Properties Kings Castle RRSP V Inc. 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 Prestigious Properties Kings Castle RRSP V Inc. at its business address. Keep a copy of the notice for your records.

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They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

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- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are more risky than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

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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.

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A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

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- If you live in British Columbia, 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.
- If you live in Alberta, contact the Alberta Securities Commission, in Calgary at (403) 297-6454 or visit its website at www.albertasecurities.com.
- If you live in Saskatchewan, contact the Financial and Consumer Affairs Authority at (306) 787-5645, or visit its website at www.sfsc.gov.sk.ca.
- If you live in Manitoba, contact the Manitoba Securities Commission at (204) 945-2548, or visit its website at www.msc.gov.mb.ca.
- If you live in Ontario, contact the Ontario Securities Commission at Telephone: (416) 593-3682, or visit its website at www.osc.gov.on.ca.

Instruction:

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

**OFFERING MEMORANDUM EXEMPTION
REPRESENTATION LETTER - 45-106 ELIGIBLE INVESTOR**

**TO BE COMPLETED BY ALBERTA, MANITOBA AND SASKATCHEWAN RESIDENTS
WHO ARE SUBSCRIBING FOR MORE THAN \$10,000 IN BONDS.**

The undersigned (the "Subscriber") hereby confirms and certifies to Prestigious Properties Kings Castle RRSP V Inc. that the Subscriber is purchasing the Bonds as principal, that the Subscriber is resident in the jurisdiction set out on the execution page hereof, and that the Subscriber is: **[check appropriate boxes]**

- an "eligible investor", being a person or company whose **[circle one or more]**
 - (i) net assets, alone or with a spouse, exceed CDN \$400,000,
 - (ii) net income before taxes exceeded CDN \$75,000 in each of the two most recent years and who reasonably expects to exceed that income level in the current year, or
 - (iii) net income before taxes combined with that of a spouse exceeded CDN \$125,000 in each of the two most recent years and who reasonably expects to exceed that income level in the current year,

- a person or company of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the directors are eligible investors,

- a general partnership in which all of the partners are eligible investors,

- a limited partnership in which the majority of the general partners are eligible investors,

- a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are eligible investors,

- an accredited investor (as defined in National Instrument 45-106),

- a person who is a family member, close personal friend or close business associate as described in Section 2.5 of National Instrument 45-106; or

- person or company that has obtained advice regarding the suitability of the investment and if the person or company is in a jurisdiction of Canada that advice has been obtained from an eligibility adviser (as defined in National Instrument 45-106).

EXECUTED by the Subscriber this ____ day of _____, 20__.

If a corporation, partnership or other entity:

If an individual:

Signature of Authorized Signatory

Signature

Name and Position of Signatory

Print Name

Name of Purchasing Entity

Jurisdiction of Residence

Jurisdiction of Residence

ACCREDITED INVESTOR CERTIFICATE

TO: Prestigious Properties Kings Castle RRSP V Inc. (the "Corporation")

In connection with the purchase of Bonds of the Corporation by the undersigned subscriber or, if applicable, the principal on whose behalf the undersigned is purchasing as agent (the "**Subscriber**" for the purposes of this Certificate the Subscriber hereby represents, warrants, covenants and certifies to the Corporation that:

1. The Subscriber is resident in the jurisdiction as set forth on the face page of this Subscription Agreement or is subject to the securities laws of such jurisdiction;
2. The Subscriber is purchasing the Units as principal for its own account;
3. The Subscriber is an "accredited investor" within the meaning of National Instrument 45-106 entitled "Prospectus and Registration Exemptions" by virtue of satisfying the indicated criterion as set out in Appendix "A" to this Certificate;
4. The Subscriber was not created or used solely to purchase or hold securities as an "accredited investor" as described in paragraph (XIII) of the attached Appendix "A" of this Certificate and
5. Upon execution of this Certificate by the Subscriber, this Certificate shall be incorporated into and form a part of the Subscription Agreement.

Dated: _____, 20__

Print name of Subscriber

By: _____
Signature

Print name of Signatory (if different from Subscriber)

Title

**IMPORTANT: PLEASE MARK THE CATEGORY OR CATEGORIES
IN APPENDIX A ON THE NEXT PAGE THAT DESCRIBES YOU**

APPENDIX "A"
For Accredited Investors

PLEASE MARK YOUR INITIALS BESIDE THE CATEGORY OF "ACCREDITED INVESTOR" TO WHICH YOU BELONG

Accredited Investor - (defined in National Instrument 45-106) means:

- _____ I. a Canadian financial institution, or an authorized foreign bank named in Schedule III of the *Bank Act* (Canada); or
- _____ II. the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- _____ III. a subsidiary of any person referred to in paragraphs (I) or (II), 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; or
- _____ IV. 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); or
- _____ V. 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 (IV); or
- _____ VI. 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; or
- _____ VII. 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; or
- _____ VIII. any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government; or
- _____ IX. 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; or
- _____ X. 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; or
- _____ XI. 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; or
(Note: if individual accredited investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under paragraph (XX) below, which must be initialed.)
- _____ XII. an individual who, either alone or with a spouse, has net assets of at least \$5,000,000; or
- _____ XIII. 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; or
- _____ XIV. an investment fund that distributes or has distributed its securities only to
 - (a) a person that is or was an accredited investor at the time of the distribution, or
 - (b) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 and 2.19 of National Instrument 45-106, or
 - (c) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 of National Instrument 45-106; or
- _____ XV. an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt; or
- _____ XVI. 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; or
- _____ XVII. a person acting on behalf of a fully managed account managed by that person, if that person
 - (a) 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
 - (b) in Ontario, is purchasing a security that is not a security of an investment fund; or

- _____ XVIII. 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; or
- _____ XIX. an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (I) to (IV) or paragraph (IX) in form and function; or
- _____ XX. 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 (as defined in National Instrument 45-106); or
(Note: if you are purchasing as an individual accredited investors paragraph (XI) above must be initialed rather than paragraph (XX))
- _____ XXI. 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
- _____ XXII. a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as
 - (a) an accredited investor, or
 - (b) an exempt purchaser in Alberta or British Columbia after September 14, 2005.

For the purposes hereof:

- (a) **"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 jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (b) **"control person"** has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds
 - (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (c) **"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;
- (d) **"eligibility adviser"** means
 - (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser 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 jurisdiction 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 jurisdiction of Canada provided that the lawyer or public accountant must not
 1. have a professional, business or personal relationship with the issuer, or any of its Directors, executive Officers, founders, or control persons, and
 2. 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;

- (e) **"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,
 - (iii) an Officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (f) **"financial assets"** means
 - (i) cash,
 - (ii) securities, or
 - (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
- (g) **"foreign jurisdiction"** means a country other than Canada or a political subdivision of a country other than Canada;
- (h) **"founder"** means, in respect of an issuer, a person who,
 - (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
 - (ii) at the time of the trade is actively involved in the business of the issuer;
- (i) **"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;
- (j) **"investment fund"** has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure*;
- (k) **"jurisdiction"** means a province or territory of Canada except when used in the term foreign jurisdiction;
- (l) **"local jurisdiction"** means the jurisdiction in which the Canadian securities regulatory authority is situate;
- (m) **"non-redeemable investment fund"** means an issuer,
 - (i) whose primary purpose is to invest money provided by its security holders;
 - (ii) that does not invest;
 1. 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
 2. 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
 - (iii) that is not a mutual fund;
- (n) **"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;
- (o) **"regulator"** means, for the local jurisdiction, the Executive Director as defined under securities legislation of the local jurisdiction;

- (p) **"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;
- (q) **"Schedule III bank"** means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (r) **"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) above, or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (s) **"subsidiary"** means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

All monetary references are in Canadian Dollars.

RELEASE OF ANY CLAIMS BY SUBSCRIBER AGAINST CONTROLLING SHAREHOLDER

TO: Target Capital Inc.

In consideration for Target Capital Inc. ("Target") continuing to act as the controlling shareholder of Prestigious Properties Kings Castle RRSP V Inc. (the "Corporation") and such other good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged and confirmed, the undersigned hereby agree as follows:

1. Prior to subscribing for Bonds of the Corporation (the "Securities"), the undersigned subscriber (the "Subscriber") acknowledges that it has received an offering memorandum from the Corporation (the "Offering Memorandum").
2. The Subscriber confirms that it has read the Offering Memorandum and understands the terms on which the Securities are being offered.
3. The Subscriber acknowledges and confirms that Target's assets and management are not in any way committed to the activities of the Corporation. Further, the Subscriber acknowledges that Target has not performed any due diligence on the Corporation, its assets or its management and does not encourage or discourage an investment in the Corporation.
4. The Subscriber hereby acknowledges that Target owes no fiduciary duty of care or any other duty to the Subscriber in connection with the Securities issued by the Corporation. Further, the Subscriber agrees that Target shall not be liable to the Subscriber for any costs, expenses, liabilities, losses or damages suffered or incurred by the Subscriber in connection with its investment in the Corporation, including any default by the Corporation in the payment of interest and/or repayment of the principal of the Securities issued by the Corporation.
5. The Subscriber hereby releases and forever discharges Target, together with its officers, directors, servants, employees, agents and other representatives from any and all actions, causes of action, claims, demands, or other liability of any nature or kind howsoever arising, including, without limitation, any and all claims, past or present, and which may arise in the future, in any way related to the Subscriber's investment in the Corporation or the acquisition of the Securities from the Corporation.
6. The Subscriber acknowledges and confirms that it was encouraged to seek independent legal advice before executing and delivering this release.
7. This release may be executed in several counterparts and by facsimile, each of which when so executed shall be deemed to be an original, and all such counterparts shall be deemed to be executed effective as of the day and year hereinafter written.

Dated as of the _____ day of _____, 20_____.

(Signature of Subscriber)

(Name of Subscriber - Please Print)

| | | |
|--|--|----------------|
| Issuer: | Prestigious Properties Kings Castle RRSP V Inc. | (the "Issuer") |
| Description of Security(ies) : | <input type="checkbox"/> 5% Bonds | |
| | <input type="checkbox"/> 6% Bonds | |
| Subscription Amount per Security: | \$ 5000 | |
| Number of Securities Being Subscribed For: | | |
| Total Subscription Amount: \$ | | |
| Remit subscription funds to: | Prestigious Properties Kings Castle RRSP V Inc. | |

In consideration of Olympia Trust Company ("Olympia") accepting the Securities noted above in the plan noted below, I hereby confirm that the Securities are a "qualified investment" and are not a "prohibited investment" as those terms are defined in the Income Tax Act (Canada) (the "Act"). I confirm that I have familiarized myself with the terms within this Letter of Indemnity as they are defined in the Act.

Advice: I acknowledge that I have sought and obtained independent financial, investment, tax, and legal advice and carried out such due diligence and made other such enquires to the extent that I deem necessary and appropriate in making this investment for my plan to determine the advisability of the acquisition in light of my personal circumstances.

| | |
|------------------|--|
| (initial) | I further acknowledge that it is my sole responsibility to evaluate all investments that I may elect to make in my plan from time to time and that Olympia, by accepting the Securities into my plan, accepts no responsibility for determining either the eligibility of the Securities as a "qualified investment" or the value of the Securities at this time or any time in the future. Furthermore, I acknowledge that I have neither sought nor obtained any advice from Olympia relative to the acquisition of these Securities and I also acknowledge that Olympia has neither undertaken any due diligence nor made any determination whatsoever as to the status of the Securities as a "qualified investment" or as a "prohibited investment". I agree to indemnify and save harmless Olympia and their respective officers, directors, and employees from and against all claims, demands, actions, suits, or other proceedings by whomsoever brought, and from all losses, costs, fines, levies, damages, expenses (including any legal fees and disbursements on a solicitor and client basis and any costs incurred in connection with the enforcement of this indemnity), taxes, penalties, and other liabilities whatsoever, directly or indirectly arising from or in connection with Olympia acting in accordance with this letter of indemnity and from my instructions to make this investment and hold the Securities in my plan. I also agree to indemnify and save harmless Olympia due to any misstatement or breach of representation, warranty, agreement or certification made herein. This indemnification shall survive the termination of or transfer out of the plan or its assets or the resignation or revocation of the trusteeship of the plan by Olympia. |
|------------------|--|

Fair Market Value: The subscription amount as indicated above is equal to the fair market value of the Securities.

Securities Laws: The acquisition complies with all applicable securities laws and regulations in Canada and the applicable Province/Territory in which I reside.

Annuitant Status: I deal at arm's length with the issuer for the purposes of the Act. I am not a "connected" or "specified" shareholder of the above issuer as defined by the Act. Consequently I do not own 10% or more of the issued shares of ANY class of the capital stock of the issuer. I undertake to immediately advise Olympia in writing if my status as a connected or specified shareholder or dealing with the issuer at arm's length changes.

Ongoing Obligation: I am solely responsible for determining the fair market value of the Securities and Olympia has no obligation to and does not intend to verify such value or independently monitor any changes thereto. I will provide at my expense, at any time as Olympia may require, such independent information or opinions as deemed necessary by Olympia with respect to both the fair market value of the Securities and the continued status of the Securities as "qualified investments" and as not being "prohibited investments". In the event that I fail to satisfy any of the requirements set forth above, Olympia is fully entitled to deem that the Securities are not "qualified investments", or are a "prohibited investment", and to effect whatever actions and reporting is, in Olympia's opinion, required for the purposes of applicable income tax legislation. I understand and agree that in such event, adverse tax consequences may be suffered and I confirm that I will assume full responsibility for such tax consequences.

| | | |
|------------------------------------|-------------|-------|
| X _____ | _____ | _____ |
| Annuitant or Holder Signature | Plan Number | Date |
| _____ | _____ | |
| Annuitant or Holder Name (Printed) | Plan Type | |

Client Name _____

Client Address (Street, City, Province, Postal Code) _____

By completing this form, I acknowledge and agree that I am authorizing another individual to obtain personal and financial information about me which information is currently held by Olympia Trust Company ("Olympia"). This Letter of Authorization shall apply to all of the plans I have with Olympia (the "Plans").

I hereby authorize Olympia to provide the following individual or corporation all requested personal and financial information relating to my Plans and further authorize Olympia to grant the following individual or corporation access to view my Plans via the secure Olympia website. By allowing website access, the individual or corporation will be able to view all of my past and current assets.

Dealing Representative _____ of _____
(Advisor Name) (Advisor Company Name)

Exempt Market Dealer _____
(Name of Exempt Market Dealer)

Investment Issuer _____ Prestigious Properties
(Name of Investment Issuer)

I permit Olympia Trust Company to terminate the above Investment Issuer Authorization upon completion of the investment purchase.
(Client Initial)

Mortgage Broker / Agent _____ of _____
(Broker / Agent Name) (Brokerage Name)

Other (please specify) _____

I acknowledge and agree that this Letter of Authorization will continue to be valid until I provide written instructions to Olympia to terminate or modify this Letter of Authorization.

Client Signature _____

Date _____

Olympia Use Only - Olympia Agent ID # _____

The personal information collected on this form will be used by Olympia to process your request for someone else to be authorized to obtain personal and financial information about you which information is currently held by Olympia. All personal information collected by Olympia is subject to our Privacy Policy, a copy of which is available for your review on our website (www.olympiatrust.com).

Date: _____

Prestigious Properties Group
912 – 743 Railway Avenue
Canmore AB T1W 1P2

LETTER OF AUTHORIZATION

I hereby authorize Prestigious Properties Group to provide the following individual with all requested information relating to my account;

Name of Authorized Individual (above)

I will provide written direction if I wish these instructions to be changed.

Name of Subscriber

Signature of Subscriber