

Notice of participation in a hedge fund

Cf: VMD Compliance Handbook, chapter 2, article 5.11:

Investment Advisors are responsible for ensuring that their clients meet the minimum eligibility requirements of Accredited Investors prior to discussing any potential investment in a hedge fund with their client.

Please enter the required information in the table below for each of your clients who wish to participate in a private placement and forward it to the Mutual funds department of the Back Office services.

Issuer: _____

Number of participating clients: _____ **Number of participating PRO:** _____

Client's name	Client number	Date of purchase by the client	Number of shares	Purchase price	Total amount	Percentage of the portfolio	Admissibility criterion, as verified by the Advisor

Only investors that are considered as being « accredited » can purchase shares in an offering for which no prospectus was issued. The definition of Accredited Investors in this context is attached as page 2 of this form. For an investor to be considered as such, his profile must match at least one of the criteria listed in this definition.

*** Notes:**

Some criteria can be verified with form V201 or D201:

- 1- The criterion cited in clause "j" can be determined by the client's *approximate net liquid assets*, as entered on the most recent update to form V201 or D201.
- 2- The criterion cited in clause "k" can be determined by the client's *Annual revenue from all sources*, as entered on the most recent update to form V201 or D201.
- 3- The criteria cited in clauses "l" and "m" can be determined by the client's *Total net worth*, as entered on the most recent update to form V201 or D201.
- 4- Where the client qualifies with the consideration of the spouse's assets, the amount of those assets must be shown in the "Comments" section of section 12 of the Account Opening Form.

I certify that the admissibility criterion cited for each client corresponds to his or her current situation and that it can be verified on the most recent update to form V201 or D201 on file. I also certify that the suitability of this investment has been verified for this or these client(s).

Signature of the Investment advisor	date	Signature of the Manager	date
Name in print		Name in print	

Definition of accredited investor, as defined in National Instrument 45-106 respecting prospectus and registration exemptions

- 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 Montréal* or an intermunicipal management board in Québec;
- h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government,
- i) a pension fund that is regulated by 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 2 most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300 000 in each of the 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,
- n) an investment fund that distributes or has distributed its securities only to
 - i) a person that is or was an accredited investor at the time of the distribution,
- ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [Minimum amount investment], and 2.19 [Additional investment in investment funds], or
- iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [Investment fund reinvestment],
- o) 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,
- 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 Québec, the regulator as
 - i) an accredited investor, or
 - ii) an exempt purchaser in Alberta or British Columbia after this Instrument comes into force;