

Note: [05 May 2015] – The following 45-106F12 was made pursuant to local amendments in Ontario that came into effect on May 5, 2015 as described in CSA Staff Notice 11-330.

Form 45-106F12
Risk Acknowledgement Form for Family, Friend and
Business Associate Investors

WARNING!

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

SECTION 1 TO BE COMPLETED BY THE ISSUER

1. About your investment

Type of securities: <i>[Instruction: Include a short description, e.g., common shares.]</i>	Issuer:
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SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER

2. Risk acknowledgement

This investment is risky. Initial that you understand that:	Your initials
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Risk of loss – You could lose your entire investment of \$_. <i>[Instruction: Insert the total dollar amount of the investment.]</i>	
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Liquidity risk – You may not be able to sell your investment quickly – or at all.	
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Lack of information – You may receive little or no information about your investment. The information you receive may be limited to the information provided to you by the family member, friend or close business associate specified in section 3 of this form.	
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3. Family, friend or business associate status

You must meet one of the following criteria to be able to make this investment. Initial the statement that applies to you:	Your initials
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<p>A) You are:</p> <p>1) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a director of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> an executive officer of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a control person of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a founder of the issuer</p> <p>OR</p> <p>2) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> <p><input type="checkbox"/> a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p>	
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<p>B) You are a family member of _____ [Instruction: Insert the name of the person who is your relative either directly or through his or her spouse], who holds the following position at the issuer or an affiliate of the issuer: _____ .</p> <p>You are the _____ of that person or that person's spouse. [Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse.]</p>		
<p>C) You are a close personal friend of _____ [Instruction: Insert the name of your close personal friend], who holds the following position at the issuer or an affiliate of the issuer: _____ .</p> <p>You have known that person for _____ years.</p>		
<p>D) You are a close business associate of _____ [Instruction: Insert the name of your close business associate], who holds the following position at the issuer or an affiliate of the issuer: _____ .</p> <p>You have known that person for _____ years.</p>		
4. Your name and signature		
<p>By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form. You also confirm that you are eligible to make this investment because you are a family member, close personal friend or close business associate of the person identified in section 5 of this form.</p>		
First and last name (please print):		
Signature:		Date:
SECTIONS 5 TO BE COMPLETED BY PERSON WHO CLAIMS THE CLOSE PERSONAL RELATIONSHIP, IF APPLICABLE		
5. Contact person at the issuer or an affiliate of the issuer		
<p>[Instruction: To be completed by the director, executive officer, control person or founder with whom the purchaser has a close personal relationship indicated under sections 3B, C or D of this form.]</p> <p>By signing this form, you confirm that you have, or your spouse has, the following relationship with the purchaser: [check the box that applies]</p> <p><input type="checkbox"/> family relationship as set out in section 3B of this form</p> <p><input type="checkbox"/> close personal friendship as set out in section 3C of this form</p> <p><input type="checkbox"/> close business associate relationship as set out in section 3D of this form</p>		
First and last name of contact person (please print):		
Position with the issuer or affiliate of the issuer (director, executive officer, control person or founder):		
Telephone:		Email:
Signature:		Date:

SECTIONS 6 TO BE COMPLETED BY THE ISSUER

6. For more information about this investment

[Insert name of issuer]

[Insert address of issuer]

[Insert contact person name]

[Insert telephone number]

[Insert email address]

[Insert website address, if applicable]

For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.

Signature of executive officer of the issuer (other than the purchaser):

Date:

Form instructions:

1. *This form does not mandate the use of a specific font size or style but the font must be legible.*
2. *The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form .*
3. *The purchaser, an executive officer who is not the purchaser and, if applicable, the person who claims the close personal relationship to the purchaser must sign this form. Each of the purchaser, contact person at the issuer and the issuer must receive a copy of this form signed by the purchaser. The issuer is required to keep a copy of this form for 8 years after the distribution.*
4. *The detailed relationships required to purchase securities under this exemption are set out in section 2.5 of National Instrument 45-106 Prospectus and Registration Exemptions. For guidance on the meaning of “close personal friend” and “close business associate”, please refer to sections 2.7 and 2.8, respectively, of Companion Policy 45-106CP Prospectus and Registration Exemptions.*