

- Complete This Form If You Are:**
- ***A British Columbia, Alberta or Ontario Subscriber; and***
 - ***An Accredited Investor***

APPENDIX III

ACCREDITED INVESTOR QUESTIONNAIRE

The undersigned, as a purchaser of units (the “Units”) of Capital Direct I Income Trust (the “Trust”), has represented to the Trust and Capital Direct Management Ltd. (the “Manager”) that the undersigned is an accredited investor, as defined in Section 1.1 of National Instrument 45-106, *Prospectus and Registration Exemptions* (“NI 45-106”), of the Canadian Securities Administrators. The undersigned has indicated below the categories which it, he or she satisfies to qualify as an accredited investor.

The undersigned understands that each of the Trust and the Manager is relying on this information in determining to sell securities to the undersigned in a manner exempt from the prospectus and registration requirements of applicable securities laws.

ACCREDITED INVESTOR STATUS

The undersigned represents and warrants that it, he or she is **[check each applicable item]**:

- (a) a Canadian financial institution (as defined under NI 45-106), or an authorized foreign bank listed in Schedule III of the *Bank Act* (Canada);
- (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 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;
- (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 and that has not been created or used solely to purchase or hold securities as an accredited investor as defined in this paragraph (m);
- (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 or 2.19 of NI 45-106, or;
 - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under Section 2.18 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 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) through (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.

For the purposes hereof, the following definitions are included for convenience:

“affiliate” means an issuer connected with another issuer because

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same person or corporation;

“beneficial ownership” includes

- (a) for the purposes of British Columbia law, a person beneficially owns securities that are beneficially owned by
 - (i) an issuer controlled by that person, or
 - (ii) an affiliate of that person or an affiliate of an issuer controlled by that person;
- (b) for the purposes of Alberta law, a person beneficially owns securities that are beneficially owned by
 - (i) a corporation controlled by that person or an affiliate of that corporation,
 - (ii) an affiliate of that person, or
 - (iii) through a trustee, legal representative, agent or other intermediary of that person;
- (c) for the purposes of Ontario law, a person beneficially owns securities that are beneficially owned by
 - (ii) a company controlled by the person or by an affiliate of such company, or
 - (iii) securities beneficially owned by its affiliates;

“Canadian financial institution” means

- (a) an association governed by the *Cooperative Credit Association 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 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;

“control” means 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 an 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;

“director” means

- (d) a member of the board of directors of a company or an individual who performs similar functions for a company;
- (e) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

“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;

“foreign jurisdiction” means a country other than Canada or a political subdivision of a country other than Canada;

“jurisdiction” means a province or territory of Canada except when used in the term foreign jurisdiction;

“local jurisdiction” means the jurisdiction in which the applicable securities regulatory authority is situate;

“mutual fund” includes an issuer of securities that entitles the holder to receive on demand, or within a specified period after demand, an amount computed by reference to the value of a proportionate interest in the whole or in a part of the net assets, including a separate fund or trust account, of the issuer of the securities;

“person” or “company” includes

- (a) an individual,
- (b) a corporation,
- (c) a partnership, trust, fund, and an association or other organized group of persons, and
- (d) for an individual or other person in that person’s capacity as a trustee, executor, administrator or personal other legal representative;

“regulator” means

- (a) the Executive Director, as defined under section 1 of the *Securities Act* (Alberta),
- (b) the Executive Director, as defined under section 1 of the *Securities Act* (British Columbia),
- (c) the Director, as defined under section 1 of the *Securities Act* (Ontario), and
- (d) such other person as is referred to in Appendix D of National Instrument 14-101 – Definitions;

“related liabilities” means

- (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, and
- (b) liabilities that are secured by financial assets;

“securities legislation” means securities legislation as such term is defined in National Instrument 14-101 – Definitions;

“securities regulatory authority” means

- (a) the British Columbia Securities Commission,
- (b) the Alberta Securities Commission,
- (c) the Ontario Securities Commission,
- (d) in respect of any local jurisdiction other than Alberta, British Columbia or Ontario, means the securities commission or other regulatory authority listed in Appendix C of National Instrument 14-101 – Definitions;

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

“voting security” means any security which:

- (a) is not a debt security, and
- (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing; and

“\$” means Canadian Dollars.

The foregoing representation, warranty and certificate is true and accurate as of the date of this certificate and will be true and accurate as of Closing. If any such representation, warranty or certificate shall not be true and accurate prior to Closing, the undersigned shall give immediate written notice of such fact to the Manager.

IN WITNESS WHEREOF, the undersigned has executed this Questionnaire as of the ____ day of _____, _____.

If a Corporation, Partnership or Other Entity:

If an Individual:

Name of Entity

Signature

Type of Entity

Print or Type Name

Signature of Person Signing

Print or Type Name and Title of Person Signing