

This is the form required under section 135 of the Rules and, if applicable, by an order issued under section 59 of the Securities Act.

**FORM 20A (NIP)**

**Securities Act**

**Acknowledgment of Purchaser that is not an Individual**

1. \_\_\_\_\_ (the "Purchaser") has agreed to purchase from \_\_\_\_\_ (the "Issuer")  
\_\_\_\_\_ [Issuer]  
\_\_\_\_\_ (the "Securities") of the Issuer.  
[number and description of securities]
2. The Purchaser is purchasing the Securities as principal, or is a trust company, insurer or portfolio manager acting on behalf of fully managed accounts and is deemed to be purchasing as principal under section 55(1) of the British Columbia Securities Act (the "Act").
3. On closing of the agreement of purchase and sale, the Purchaser will be the beneficial owner of the Securities, except where the Purchaser is a trust company, insurer or portfolio manager acting on behalf of fully managed accounts under section 55(1) of the Act.
4. The Purchaser [**circle one**] has/has not received an offering memorandum describing the Issuer and the Securities.
5. The Purchaser acknowledges that:
  - (a) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Securities, **AND**
  - (b) there is no government or other insurance covering the Securities, **AND**
  - (c) the Purchaser may lose all of its investment, **AND**
  - (d) there are restrictions on the Purchaser's ability to resell the Securities and it is the responsibility of the Purchaser to find out what those restrictions are and to comply with them before selling the Securities, **AND**
  - (e) the Purchaser will not receive a prospectus that the Act would otherwise require be given to the Purchaser because the Issuer has advised the Purchaser that the Issuer is relying on a prospectus exemption, **AND**
  - (f) because the Purchaser is not purchasing the Securities under a prospectus, the Purchaser will not have the civil remedies that would otherwise be available to the Purchaser, **AND**

- (g) the Issuer has advised the Purchaser that the Issuer is using an exemption from the requirement to sell through a dealer registered under the Act, except purchases referred to in paragraph 6(b), and as a result the Purchaser does not have the benefit of any protection that might have been available to the Purchaser by having a dealer act on the Purchaser's behalf.

6. The Purchaser acknowledges that:

- (a) it is a "sophisticated purchaser" as described in paragraph 2 in the attached Appendix A **[circle the applicable subparagraph in paragraph 2 in Appendix A]; OR**
- (b) the Securities were purchased under section 128(c) (\$25,000 - registrant required) of the Rules and an authorized signatory of the Purchaser has spoken to a person **[Name of registered person: \_\_\_\_\_ (the "Registered Person")]** who has advised the authorized signatory that the Registered Person is registered to trade or advise in the Securities and that the purchase of the Securities is a suitable investment for the Purchaser; **OR**
- (c) the Purchaser is a corporation, all the voting securities of which are beneficially owned by one or more of:
  - (i) a close personal friend of a senior officer or director of the Issuer, or of an affiliate of the Issuer, **OR**
  - (ii) a senior officer or director of the Issuer, or of an affiliate of the Issuer, **OR**
  - (iii) a spouse, parent, brother, sister, or child of a senior officer or director of the Issuer, or of an affiliate of the Issuer.

7. If the Purchaser is referred to in paragraph 6(a), the Purchaser acknowledges that, on the basis of information about the Securities furnished by the Issuer, the Purchaser is able to evaluate the risks and merits of the Securities because: **[circle one]**

- (a) of the financial, business or investment experience of the Purchaser, **OR**
- (b) the Purchaser has received advice from a person **[Name of adviser: \_\_\_\_\_ (the "Adviser")]** who has advised the Purchaser that the Adviser is:

- (i) registered to advise, or exempted from the requirement to be registered to advise, in respect of the Securities, **AND**
- (ii) not an insider of, or in a special relationship with, the Issuer.

The statements made in this report are true.

DATED \_\_\_\_\_, 20\_\_ .

\_\_\_\_\_  
Signature of Authorized Signatory of Purchaser

\_\_\_\_\_  
Name and Office of Authorized Signatory of Purchaser

\_\_\_\_\_  
Name of Purchaser

\_\_\_\_\_  
Address of Purchaser

**Please turn to Appendix A, which is attached to and forms a part of this Form 20A (NIP).**

## APPENDIX A TO FORM 20A (NIP)

### [Circle the applicable subparagraph in paragraph 2.]

“Sophisticated purchaser” means a purchaser that, in connection with a distribution, gives an acknowledgment under section 135 of the Rules to the Issuer, where the Issuer does not believe, and has no reasonable grounds to believe, that the acknowledgment is false, acknowledging both that:

1. the purchaser is able, on the basis of information about the investment furnished by the Issuer, to evaluate the risks and merits of the prospective investment because of:
  - (a) the purchaser’s financial, business or investment experience, **OR**
  - (b) advice the purchaser receives from a person who is registered to advise, or is exempted from the requirement to be registered to advise, in respect of the security that is the subject of the trade (the "Security") and who is not an insider of, or in a special relationship with, the Issuer of the Security; **AND**
2. the purchaser is one of the following [**circle one**]:
  - (a) a person registered under the Securities Act, **OR**
  - (b) an individual who:
    - (i) has a net worth, or net worth jointly with the individual's spouse, at the date of the agreement of purchase and sale of the Security, of not less than \$400,000, **OR**
    - (ii) has had in each of the 2 most recent calendar years, and reasonably expects to have in the current calendar year:
      - A. annual net income before tax of not less than \$75,000, **OR**
      - B. annual net income before tax, jointly with the individual’s spouse, of not less than \$125,000; **OR**
  - (c) a corporation, partnership or trust that:
    - (i) has net assets of not less than \$400,000, **OR**
    - (ii) has had in each of the 2 most recent calendar years, and reasonably expects to have in the current calendar year, net income before tax of not less than \$125,000, **OR**
  - (d) a corporation in which all of the voting shares are beneficially owned by sophisticated purchasers or of which the majority of the directors are sophisticated purchasers, **OR**
  - (e) a general partnership in which all of the partners are sophisticated purchasers, **OR**

- (f) a limited partnership in which a majority of the general partners are sophisticated purchasers, **OR**
- (g) a trust in which all of the beneficiaries are sophisticated purchasers or the majority of the trustees are sophisticated purchasers.