

Dated **[SUBSCRIPTION DATE]**

CAP-IT ISSUER LIMITED

SUBSCRIPTION AGREEMENT
relating to the
CAP-IT CERTIFICATE SPECIFIED HEREIN

Contents

| | | |
|----|--------------------------------------------------|---|
| 1 | DEFINITIONS | 1 |
| 2 | SUBSCRIBER DETAILS | 1 |
| 3 | SUBSCRIPTION | 2 |
| 4 | START DATE | 2 |
| 5 | SUBSCRIPTION PRICE | 2 |
| 6 | SUBSCRIPTION PROCESS | 2 |
| 7 | ISSUE PRICE | 2 |
| 8 | BANK ACCOUNT INFORMATION | 3 |
| 9 | SUBSCRIBER DECLARATION | 3 |
| 10 | ANTI-MONEY LAUNDERING AND SIMILAR REQUIREMENTS | 6 |
| 11 | ADDITIONAL INFORMATION | 6 |
| 12 | REVOCAILITY | 6 |
| 13 | NOTICES | 6 |
| 14 | CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 | 7 |
| 15 | BINDING EFFECT OF AGREEMENT | 7 |
| 16 | COUNTERPARTS | 7 |
| 17 | NON-WAIVER | 7 |
| 18 | ENTIRE AGREEMENT | 7 |
| 19 | SEVERABILITY | 7 |
| 20 | GOVERNING LAW | 7 |
| 21 | JURISDICTION | 8 |
| 22 | SIGNATURE | 8 |
| | SCHEDULE 1 - FORM OF CONFIRMED CERTIFICATE TERMS | 9 |

This Subscription Agreement, reference **[SUBSCRIPTION ID]**, is made on **[SUBSCRIPTION DATE]** between:

- (1) Cap-It Issuer Limited, a company incorporated under the Laws of England, whose registered address is 6th Floor, 2 London Wall Place, London EC2Y 5AU (the "**Issuer**"), and
- (2) the Subscriber set out in Clause 2 below (the "**Subscriber**").

IT IS AGREED AS FOLLOWS:

The acceptance or non-acceptance of any subscription is solely at the discretion of the Issuer and no reasons need be given for the non-acceptance of any subscription.

In consideration of the Issuer's agreement to sell the applicable Cap-It Certificate to the Subscriber at the Issue Price and to permit the Subscriber to become a Certificate Holder upon the terms and conditions set forth herein, the Subscriber hereby agrees and represents as follows:

1 DEFINITIONS

Except as varied or otherwise specified in this Subscription Agreement, words and expressions used in this Subscription Agreement shall bear the same meaning as in the Deed Poll of the Issuer (the "**Deed Poll**") and the Terms and Conditions (the "**Conditions**") attached to the Deed Poll as Schedule 1, each of the Deed Poll and the Conditions as may be modified or supplemented from time to time. In addition, the following expressions have the specified meanings:

"**Subscription Expiry Date**" means five (5) full Business Days after whichever is the later of the date of this Subscription Agreement or any Supplemental Subscription Agreement.

"**Subscription Funds**" means the total amount of money paid by the Subscriber and received by the Issuer in respect of this Subscription Agreement.

"**Subscription Price**" means the maximum Issue Price of the applicable Cap-It Certificate. The Subscription Price may be subsequently increased by one or more Supplemental Subscription Agreements.

"**Supplemental Subscription Agreement**" means an agreement made by a Subscriber to amend this Subscription Agreement by increasing the Subscription Price.

"**Surplus Subscription Funds**" means the money to be returned to Subscriber after the issue of the applicable Cap-It Certificate. This is calculated as the difference between the Subscription Funds and the Issue Price of the Cap-It Certificate.

2 SUBSCRIBER DETAILS

Legal name of Subscriber: **[ENTITY NAME]**
Registered address: **[ENTITY ADDRESS]**
Business address (if different): **[ENTITY BUSINESS ADDRESS]**
Contact name: **[ENTITY CONTACT NAME]**
Contact email address (for Notices): **[ENTITY CONTACT EMAIL]**

3 SUBSCRIPTION

The Subscriber hereby irrevocably subscribes for and offers to purchase the Cap-It Certificate (the "**Certificate**") on the terms and conditions described herein and in the Indicative Certificate Terms attached hereto as Schedule 1.

4 START DATE

The Start Date of the Certificate cannot precede the Issue Date. If the Issue Date is later than the Start Date, then the Start Date will be adjusted by the Calculation Agent accordingly (usually the next business day after the Issue Date).

5 SUBSCRIPTION PRICE

The Subscription Price of the Certificate specified herein is £[SUBSCRIPTION PRICE]. The Subscriber is hereby requested to remit the Subscription Price to the Issuer's bank account, as detailed in Clause 8.2.

6 SUBSCRIPTION PROCESS

6.1 The Subscriber shall send the Subscription Price promptly and anyway within one (1) Business Day of the execution of this Subscription Agreement.

6.2 If the Subscriber fails to send the Subscription Price within one (1) Business Day or the Cap Investment Cost changes by an amount deemed significant by the Issuer, the Issuer may, at its sole discretion:

- (i) send one or more reminder notices to the Subscriber at the contact email address specified at Clause 2;
- (ii) invite the Subscriber to sign a Supplemental Subscription Agreement; or
- (iii) cancel this subscription and return the Subscription Funds to the Subscriber.

6.3 For the avoidance of doubt, should no Subscription Funds be sent before the Subscription Expiry Date, this subscription will be cancelled by the Issuer at no penalty to the Subscriber.

7 ISSUE PRICE

7.1 The Issue Price shall be applied solely by the Issuer to finance the Cap Investment Cost and payment of the Issuer Mark-up, as disclosed in the Confirmed Certificate Terms, and shall be no higher than the Subscription Price.

7.2 If the Certificate is issued, the Issuer shall return the Surplus Subscription Funds (which may be £0) to the Subscriber's bank account as specified at Clause 8.1(v) within five (5) Business Days of the Issue Date, and at the risk of, the Subscriber, without deduction or interest.

7.3 Should the Certificate not be issued by the Subscription Expiry Date, then the subscription shall be cancelled at the sole discretion of the Issuer, in which case any Subscription Funds will be returned to, and at the risk of, the Subscriber, without deduction or interest.

8 BANK ACCOUNT INFORMATION

8.1 Subscriber's Bank Account Information: For the purposes of, but not limited to, anti-money laundering and similar requirements as detailed in Clause 10, the Subscriber expressly agrees and confirms that:

- (i) it has the account specified below in its name (the "**Subscriber's Bank Account**");
- (ii) the final Issue Price has been or will be remitted to the bank account of the Issuer detailed in Clause 8.2 from the Subscriber's Bank Account;
- (iii) any Payment Amounts or other sums due to the Subscriber as Certificate Holder are to be paid to the Subscriber's Bank Account; and
- (iv) the details of the Subscriber's Bank Account are as follows:

| | |
|-----------------|--------------------------------|
| Account name: | [SUBSCRIBER ACCOUNT NAME] |
| Sort code: | [SUBSCRIBER ACCOUNT SORT CODE] |
| Account number: | [SUBSCRIBER ACCOUNT NUMBER] |

8.2 Issuer's Bank Account Information: Payment of the Subscription Price shall be made by the Subscriber (as requested by the Issuer in Clause 5) with the payment reference [SUBSCRIPTION ID] and into the following account:

| | |
|--------------------|-----------------------|
| Account name: | Cap-It Issuer Limited |
| Sort code: | 23-05-80 |
| Account number: | 27667473 |
| Amount: | [SUBSCRIPTION PRICE] |
| Payment reference: | [SUBSCRIPTION ID] |

9 SUBSCRIBER DECLARATION

9.1 This Subscription Agreement is executed by the Subscriber or a duly authorised official (or officials) whose name and representative capacity is as stated below. By signing this Subscription Agreement, the Subscriber hereby acknowledges, represents, warrants and agrees with the Issuer, as follows:

- (i) The Subscriber undertakes to remit the Subscription Price as directed by the Issuer to its account set out in Clause 8.2.
- (ii) The Subscriber will notify the Issuer if any of the Subscriber Details provided in Clause 2 or the Subscriber's Bank Account information provided in Clause 8.1 changes for the purposes of later receipt of any Payment Amounts or other sums that might become due to it as the Certificate Holder.
- (iii) The Subscriber recognises that the Cap Rate of the Cap Investment is lower than the Cap Rate of the Certificate.
- (iv) The Subscriber confirms that they have read a copy of each of the Key Information Document, Risk Statement, FAQs, Deed Poll, including the Conditions and Form of Confirmed Certificate Terms, and other relevant material contained on the Website (capit.co.uk) (together, the "**Issuer Material**") and that this subscription is based solely on that information. The Subscriber further confirms that it is a Person to which the Certificate may be offered or sold.

- (v) The Subscriber having read and reviewed the Issuer Material, has had the opportunity to ask questions and receive answers concerning the Issuer and the terms and conditions of Cap-it Certificates and to obtain such additional information as the Subscriber considers necessary to verify the accuracy of the Issuer Material and evaluate appropriately its purchase of the Certificate.
- (vi) The Subscriber is purchasing the Certificate for its own account and not with a view to or resale, transfer, distribution or other disposition thereof in whole or in part.
- (vii) The Subscriber (either alone or together with any advisers retained by it in connection with evaluating the merits and risks of purchasing the Certificate) has such knowledge, experience, and sophistication in investment, financial, and business matters that it is capable of evaluating the merits and risks of purchasing the Certificate.
- (viii) The Subscriber confirms that it is not relying on any communication (written or oral) of the Issuer, Cap-It Financial Limited or any of the Issuer's agents or any of their respective affiliates as investment advice or as a recommendation to acquire the Certificate. It is understood that none of the Issuer Material and explanations related thereto or otherwise shall be considered investment advice or a recommendation to purchase the Certificate, and that none of the Issuer, Cap-It Financial Limited or any of the Issuer's agents or any of their respective affiliates is acting or has acted as an advisor to the Subscriber in deciding to purchase the Certificate.
- (ix) The Subscriber expressly understands and acknowledges that:
 - (a) its purchase of the Certificate will result in the entire Issue Price paid by the Subscriber being applied solely by the Issuer to finance the Cap Investment Cost and the Issuer Mark-up;
 - (b) accordingly, there will be no repayment of the Issue Price paid by a Subscriber for the Certificate on its Maturity Date; and
 - (c) the Certificate is non-transferable and that no market for the Certificate exists or will develop.
- (x) The Subscriber is able to bear the economic risk of its purchase of the Certificate and can afford the complete loss of the Issue Price paid by it. In connection with its purchase, the Subscriber meets all suitability standards imposed on it by applicable Law.
- (xi) The Subscriber understands and acknowledges that any or all Underlying Counterparties may default on their payment obligations under the Cap Investments and that such defaults will reduce the amount of Proceeds, if any, that may become payable to the Subscriber under the terms of the Certificate it holds associated with the relevant Cap Investment.
- (xii) The Subscriber also expressly agrees that:
 - (a) Cap-It Certificates are obligations of the Issuer only;
 - (b) the Subscriber has no proprietary or other direct interest in the Issuer's rights under or in respect of any Cap Investment;
 - (c) the Subscriber will have no entitlement or standing in relation to the Cap Investment or direct recourse to the Underlying Counterparty; and

- (d) the Issuer shall not be required to take proceedings to enforce payment in respect of any Cap Investment unless it has been indemnified, pre-funded and/or secured by the Subscriber to the satisfaction of the Issuer at its sole discretion.
- (xiii) If the Subscriber is not a natural person, the Subscriber is duly organised, validly existing and in good standing under the Laws of its jurisdiction of organisation and the execution, delivery and performance by it of this Subscription Agreement is within its powers, has been duly authorised by all necessary corporate or other action on its behalf (and the person signing this Subscription Agreement on behalf of such entity has been duly authorised by such entity to do so), requires no action by or in respect of, or filing with, any Government Authority (except as disclosed in writing to the Issuer and which has been obtained or fully complied with) and does not and will not contravene, or constitute a default under, any provision of applicable Law or of its certificate of incorporation or other comparable organisational documents or any agreements, judgment, injunction, order, decree or other instrument to which the Subscriber is a party or by which the Subscriber or any of the Subscriber's properties or assets is bound. This Subscription Agreement constitutes the Subscriber's valid and binding agreement and is enforceable against the Subscriber in accordance with its terms.
- (xiv) The Subscriber acknowledges and agrees that the Certificate may not be issued until such time as the Issuer has received and is satisfied with all the information and documentation requested to verify the Subscriber's identity. The Subscriber consents to the Issuer and its service providers processing the Subscriber's personal data, as defined under all Laws applicable to their personal data.
- (xv) The Subscriber acknowledges that the Issuer will rely upon the truth and accuracy of the representations, acknowledgments and agreements of the Subscriber provided herein and of any information provided by the Subscriber pursuant hereto or in connection herewith.
- (xvi) The Subscriber acknowledges that any amount that might become payable to it as a Certificate Holder by the Issuer will be paid within five (5) Business Days of the receipt of the relevant Proceeds from the Underlying Counterparty by the Issuer.

10 ANTI-MONEY LAUNDERING AND SIMILAR REQUIREMENTS

The Subscriber acknowledges that measures aimed at the prevention of money laundering may require verification of its identity and/or the source of the Issue Price. In particular, the Subscriber acknowledges that measures under anti-money laundering and associated legislation are aimed toward the prevention and detection of money laundering and the financing of terrorism and require the Issuer to verify the Subscriber's identity, and the Subscriber hereby agrees to provide the Issuer and its agents with all information and/or documentation required in this regard, which the Issuer and such agents may also use for any corresponding obligations of the Issuer.

11 ADDITIONAL INFORMATION

The Issuer or its agents may request from the Subscriber such additional information and/or documentation to enable the Issuer to determine the Issuer's compliance with applicable regulatory requirements, including in relation to and prior to the payment of any Payment Amount or Early Redemption Amount and the Subscriber shall provide to the Issuer from time to time such information and/or the documentation as the Issuer may reasonably request.

12 REVOCABILITY

This Subscription Agreement may not be withdrawn or revoked by the Subscriber in whole or in part without the consent of the Issuer.

13 NOTICES

- 13.1 Any notices, consents, requests, demands, offers and other communication required or permitted to be given pursuant to this Subscription Agreement shall be in writing and shall be deemed to have been duly given, made or served if emailed or posted to the relevant address provided in this Subscription Agreement and (i) in the case of an email sent to the email address of the addressee, upon transmission to that email address, provided no delivery failure reply, auto-reply or bounce back email is received from that addressee, or (ii) in the case of a posted letter, (unless any relevant part of the postal service is affected by industrial action) on the seventh day after posting; or (iii) when personally delivered to the party entitled thereto at the address of the addressee.
- 13.2 Any notices, consents, requests, demands, offers and other communication received or deemed to be received in accordance with Clause 13.1 on a day which is not a Business Day, or after 5pm on any Business Day, shall be deemed to be received on the next following Business Day.
- 13.3 The Issuer or the Subscriber may change its address by giving written notice to the other party.

14 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Save as expressly provided in this Subscription Agreement, a person who is not a party to this Subscription Agreement has no right under the Contract (Rights of Third Parties) Act 1999 to enforce any term of this Subscription Agreement.

15 BINDING EFFECT OF AGREEMENT

Except as otherwise provided herein, this Subscription Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, successors, trustees and legal representatives. If the Subscriber is more than one Person, the obligation of the Subscriber shall be joint and several and the agreements, representations, warranties, and acknowledgments contained herein shall be deemed to be made by and be binding upon each such Person and such Person's heirs, executors, administrators, successors, trustees and legal representatives.

16 COUNTERPARTS

This Subscription Agreement may be executed in multiple counterpart copies, each of which shall be considered an original and all of which constitute one and the same instrument binding on all the parties, notwithstanding that all parties are not signatories to the same counterpart.

17 NON-WAIVER

No provision of this Subscription Agreement shall be deemed to have been waived, unless such waiver is contained in a written notice given to the party claiming such waiver has occurred, and no such waiver shall be deemed to be a waiver of any other or further obligation or liability of the party or parties in whose favour the waiver was given.

18 ENTIRE AGREEMENT

This instrument contains the entire agreement of the parties as to the subject matter hereof, and there are no representations, covenants, or other agreements except as stated or referred to herein.

19 SEVERABILITY

Every provision of this Subscription Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Subscription Agreement.

20 GOVERNING LAW

This Subscription Agreement and any non-contractual disputes arising out of or in connection with it shall be governed by and construed in accordance with the Laws of England.

21 JURISDICTION

Each party irrevocably agrees to submit to the exclusive jurisdiction of England over any claim or matter (including non-contractual disputes) arising under or in connection with this Subscription Agreement.

22 SIGNATURE

This Subscription Agreement is executed by the Subscriber. By ticking the checkbox at the end of this Subscription Agreement, the Subscriber, or an authorised representative of the Subscriber, agrees that the Subscriber will be bound by this Subscription Agreement.

Schedule 1 - FORM OF CONFIRMED CERTIFICATE TERMS

Dated [•]

CAP-IT ISSUER LIMITED

Non-negotiable Cap-It Certificate number [•], issued by Cap-It Issuer Limited (the "Issuer") for the purpose of financing the Issuer’s purchase of the underlying Cap Investment corresponding to this Cap-It Certificate (and payment of the Issuer Mark-up) as detailed below.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Deed Poll, as may be modified or supplemented from time to time. This document constitutes the Confirmed Certificate Terms of the Cap-It Certificate described therein and must be read in conjunction with the Deed Poll and Conditions. Information on the Issuer and the purchase of a Cap-It Certificate is only available on the basis of the combination of the Deed Poll, the Conditions, the Subscription Agreement and the Confirmed Certificate Terms. The Deed Poll and the Conditions are available for viewing at the Website (capit.co.uk), as are the form of the Confirmed Certificate Terms and the form of the Subscription Agreement.

In each case where Payment Amounts are stated herein, or in the Deed Poll or in the Conditions to be payable in respect of the Cap-It Certificate, the obligations of the Issuer to pay any such Payment Amount shall be conditional on Proceeds having been received pursuant to the underlying Cap Investment.

CAP-IT CERTIFICATE

| | |
|--------------------------|------------------------------------------------------------------------------------------|
| Certificate Holder | [SUBSCRIBER NAME] |
| Issuer: | Cap-It Issuer Limited |
| Certificate Number: | [CERTIFICATE NUMBER] |
| Issue Price: | [CERTIFICATE ISSUE PRICE] |
| Issue Date: | [CERTIFICATE ISSUE DATE] |
| Amount Protected: | [CERTIFICATE AMOUNT PROTECTED] |
| Start Date* | [CERTIFICATE START DATE] |
| Maturity Date: | [CERTIFICATE MATURITY DATE] |
| Cap Rate: | [CERTIFICATE CAP RATE] |
| Benchmark Interest Rate: | [CERTIFICATE BENCHMARK INTEREST RATE] |
| Calculation Period: | [CERTIFICATE CALCULATION PERIOD] |
| Reference Dates: | [CAP INVESTMENT PAYMENT DATES] |
| Payment Dates: | Each Payment Date shall fall five (5) Business Days after the respective Reference Date. |

| | |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Payment Amount: | The amount payable, if any, under a Cap-It Certificate to the Certificate Holder on a given Payment Date, as determined by the Calculation Agent. The Payment Amount will be zero unless the Benchmark Interest Rate of the Cap-It Certificate in the relevant Calculation Period is set higher than its Cap Rate, in which case the Payment Amount shall be a positive amount calculated and payable to the Certificate Holder in accordance with the Payment Formula. |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

*The Start Date cannot precede the Issue Date. If the Issue Date is later than the Start Date, then the requested Start Date will be adjusted by the Calculation Agent accordingly (usually to the next business day after the Issue Date).

UNDERLYING CAP INVESTMENT

| | |
|--------------------------|-------------------------------------|
| Cap Investment: | [CAP INVESTMENT TRADE REFERENCE ID] |
| Underlying Counterparty: | [CAP INVESTMENT COUNTERPARTY] |
| Cap Investment Cost: | [CAP INVESTMENT COST] |
| Cap Rate: | [CAP INVESTMENT CAP RATE] |

ISSUE PRICE, CAP INVESTMENT COST AND ISSUER MARK-UP

| | |
|---------------------|---------------------------|
| Issue Price: | [CERTIFICATE ISSUE PRICE] |
| Cap Investment Cost | [CAP INVESTMENT COST] |
| Issuer Mark-up: | [ISSUER MARK-UP] |

GENERAL PROVISIONS APPLICABLE TO THE CAP-IT CERTIFICATES

| | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| Form of the Cap-It Certificates: | Registered Certificates |
| Status of the Cap-It Certificates: | Senior |
| Listing: | None |
| Admission to trading: | Not Applicable |
| Transfers: | Not permitted, save by operation of Law |
| Specified Office of the Administrator: | Charles Russell Speechlys LLP, 5 Fleet Place, London EC4M 7RD |
| Enquiries: | Cap-It Issuer Limited, 6 th floor, 2 London Wall Place, London, EC2Y 5AU. Email: issuer@capit.co.uk |

IMPORTANT INFORMATION

1. The Administrator confirms that the Cap Investment purchased by the Issuer and corresponding Cap-It Certificate matches this Cap-It Certificate in terms of its Amount Protected, Benchmark Interest Rate, Start Date and Maturity Date, that the Payment Dates of this Cap-It Certificate

shall fall five (5) Business Days after the respective Reference Dates of the underlying Cap Investment and that the Cap Rate of the Cap Investment is lower than the Cap Rate of this Cap-It Certificate.

2. The Certificate Holder recognises that the Cap Investment Cost is lower than the Issue Price of the Cap-It Certificate, the difference reflecting the costs of the transaction including the fees payable to the Administrator and to the Issuer's other service providers.
3. The Certificate Holder recognises the Issuer Spread, i.e. that the Cap Rate of the Cap Investment is lower than the Cap Rate of the Cap-It Certificate, which allows for the future administration costs of both instruments.
4. Subject to the terms of the Deed Poll, no Certificate Holder will have any entitlement or standing to enforce the Cap Investment nor direct recourse to, or any contractual relationship with, the Underlying Counterparty.
5. Please refer to the Deed Poll, the Conditions, the Subscription Agreement and the FAQs section on the Website (capit.co.uk) for full details.

Signed on behalf of the Issuer:

By: [SIGNATURE OF ISSUER]

Duly authorised by the Administrator:

By: [SIGNATURE OF ADMINISTRATOR]