



Subscription Agreement

Membership Shares

BETWEEN: **Cortes Community Forest Co-operative** (the “Co-op”)

AND: _____
(the “Subscriber”)

WHEREAS:

- A. The authorized capital of the Co-op consists of an unlimited number of membership shares with a par value of twenty five dollars (\$25) each (“Membership Shares”) and an unlimited number of investment shares with a par value of five hundred dollars (\$500) each (“Investment Shares”) and having attached thereto respectively rights and restrictions set forth in the Rules of the Co-operative (collectively, the “Securities”).
- B. The Subscriber wishes to enter into membership in the Co-op, and subscribe for and take up Membership Share(s) of the Co-op and the Co-op wishes to accept such membership, and to allot, to the Subscriber, Membership Share(s) of the Co-op.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the promises and mutual agreements and covenants herein contained (the receipt and adequacy of such consideration is hereby mutually admitted by each party), the parties hereby covenant and agree as follows:

1. ACKNOWLEDGEMENT OF THE SUBSCRIBER

The Subscriber hereby acknowledges and agrees for the benefit of the Co-op that:

- a) the Co-op has advised the Subscriber that it is relying on one or more exemptions from the requirements to provide the Subscriber with a prospectus and to sell the Securities through a person registered to sell securities under the B.C. Securities Act and the applicable securities laws of the Subscriber’s jurisdiction of residence and, as a consequence of acquiring the Securities pursuant to such exemption and the fact that no prospectus has been or is required to be filed with any of the Securities under applicable Canadian legislation:

- (i) the Subscriber is restricted from using certain of the civil remedies available under such legislation and certain protection, rights and remedies provided in such legislation, including statutory rights of rescission or damages, will not be available to it;
 - (ii) the Subscriber may not receive information that might otherwise be required to be provided to it under such legislation; and
 - (iii) the Co-op is relieved from certain obligations that would otherwise apply under such legislation;
- b) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Securities;
- c) there is no government or other insurance covering the Securities;
- d) there are risks associated with the purchase of the Securities;
- e) there are restrictions on the Subscriber's ability to resell the Securities and it is the responsibility of the Subscriber to find out what those restrictions are and comply with them before selling the Securities;
- f) it (or others for whom it is contracting hereunder) has been advised to consult its own legal advisors with respect to the merits and risks of an investment in the Securities and the applicable resale restrictions and it (or others for whom it is contracting hereunder) is solely responsible and the Co-op is not in any way responsible for compliance with the applicable resale restriction;
- g) to the knowledge of the Subscriber, the sale of the Securities was not accompanied by any advertisement or solicited in any manner in contravention of applicable securities laws, including but not limited to, as applicable, the B.C. Securities Act, or the applicable securities laws of the Subscriber's jurisdiction of residence.
- h) no agency, governmental authority, regulatory body, stock exchange or other entity has made any finding or determination as to the merit or investment of, nor have any agencies or governmental authorities made any recommendation or endorsement with respect to Securities;
- i) the Securities are speculative investments which involve a substantial degree of risk;
- j) the Subscriber has had access to and has received all such information concerning the Co-op that the Subscriber has considered necessary in connection with the Subscriber's investment decision;
- k) the Co-op will rely on the acknowledgments, representations and warranties made herein or otherwise provided by the Subscriber to the Co-op in completing the sale and issue of the Securities to the Subscriber.

2. REPRESENTATIONS AND WARRANTIES OF THE SUBSCRIBER

- 2.1 The Subscriber acknowledges that the Co-op is relying on certain sections of the Securities Act for trade in Membership Shares of its own issue with respect to this Agreement.
- 2.2 The Subscriber declares that the aggregate acquisition cost of all Membership Shares and all Investment Shares of the Co-op currently held by the Subscriber is \$_____.
- 2.3 The Subscriber warrants that the acquisition cost to the Subscriber of the Membership Share(s) purchased pursuant to this Agreement, together with the amount declared under paragraph 2.2 hereto does not exceed \$5000.

3. SUBSCRIPTION OF SHARES

- 3.1 In reliance upon the foregoing representations and warranties, the Subscriber hereby subscribes for and agrees to take up _____ Membership Share(s) of the Co-op and tenders herewith the sum of \$25 in lawful money of Canada in full payment to the subscription price for such shares.
- 3.2 The Subscriber hereby requests that the said share be allotted to the undersigned and that such shares be issued as fully paid and non-assessable and that a certificate representing such share(s) be issued in the name of the Subscriber.
- 3.3 In reliance upon the foregoing representations and warranties, the Co-op agrees to allot the Membership Share(s) as aforesaid.

SIGNED AND DELIVERED

this _____ day of _____, 2011

in the presence of:

Witness:

Subscriber:

SIGNED FOR ON BEHALF OF THE CORTES COMMUNITY FOREST CO-OPERATIVE

By its authorized signatory

this _____ day of _____, 2011

Authorized Signatory



Membership Form

Name: _____

Address on Cortes Island: _____

Mailing Address (if different): _____

Phone Number: _____ Email Address: _____



Membership Form

Name: _____

Address on Cortes Island: _____

Mailing Address (if different): _____

Phone Number: _____ Email Address: _____