

TERMS OF USE

THE FOLLOWING DESCRIBES THE TERMS UNDER WHICH YOU MAY ACCESS AND USE CERTAIN MATERIALS ON www.agric.gov.ab.ca/app21/rtw/index.jsp, THE “ROPIN’ THE WEB” WEBSITE OF THE ALBERTA GOVERNMENT DEPARTMENT OF AGRICULTURE, FOOD AND RURAL DEVELOPMENT (the “Website”) PROVIDED BY PARLEE MCLAWS LLP (the “PM Materials” and “PM” respectively). PLEASE READ THIS AGREEMENT CAREFULLY BEFORE USING OR ACCESSING THE PM MATERIALS. BY ACCESSING THE PM MATERIALS YOU ARE AGREEING TO BE BOUND BY THE TERMS OF THIS AGREEMENT. IF YOU DO NOT AGREE WITH THE TERMS OF THIS AGREEMENT YOU MAY NOT ACCESS OR USE THE PM MATERIALS.

PM provides the PM Materials (the “Services”) on the Website and reserves the right to modify or discontinue the Services and may amend this Agreement at any time by posting a new agreement in place of this one. Please check this Agreement periodically for changes. PM will post or cause to be posted, notice that the Agreement has been amended on the Website for a period of 30 days. The amended Agreement will automatically be effective when posted. Your continued use of the Services following the posting of the amended Agreement and notice shall mean that you accept the terms of this Agreement as amended. If you do not agree with any of the terms of the amended Agreement then you must terminate all use of the Services. This Agreement may not otherwise be amended. This Agreement was last modified on November 12, 2004.

A. SERVICES

You agree that PM will not be liable for any delay or unavailability of any of the Website or Services, whether due to an act or omission of PM or an act or omission of any third party.

B. ACCESS

In order to access and use any of the Services you agree to abide by these Terms of Use. Any other access or use shall constitute a trespass on the Website, shall constitute an infringement of PM’s intellectual property and an unlawful use of PM’s assets.

Certain portions of the Website and/or Services may have additional terms and conditions, which apply to the access or use of those portions of the Website and/or Services.

C. LICENCE

Upon accepting the Terms of Use you are granted a non-exclusive and non-transferable licence to use and access the Services.

D. THIRD PARTY MATERIALS AND EXTERNAL LINKS

The Website and/or the Services may provide, or third parties may provide, links to other World Wide Web sites or resources. Because PM has no control over such sites and resources, you acknowledge and agree that PM is not responsible for the availability of such external sites or resources and does not endorse and is not responsible or liable for any content, advertising, products,

services or other materials on or available from such sites or resources. You further acknowledge and agree that PM shall not be responsible or liable, directly or indirectly, for any damage or loss caused or alleged to be caused by or in connection with use of or reliance on any such content, goods or services available on or through any such site or resource.

E. INTELLECTUAL PROPERTY

PM has certain protectable proprietary rights in the PM Materials, its software and websites, including copyrights and trademarks. You may not modify, copy, publish, republish, transmit, sell, create derivative works, display or in any way exploit any Services or any content contained on the Website except to use the Services and view the Website for personal use only.

F. DISCLAIMER OF WARRANTIES

YOU EXPRESSLY AGREE THAT USE OF THE SERVICES AND WEBSITE IS AT YOUR SOLE RISK. THE SERVICES AND WEBSITE ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. PM EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND THOSE THAT ARE IMPLIED BY LAW. PM MAKES NO WARRANTY THAT THE WEBSITE OR SERVICES WILL MEET YOUR REQUIREMENTS, OR THAT THE USE OF THE WEBSITE OR SERVICES WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR FREE; PM MAKES NO WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF THE SERVICES OR WEBSITE OR AS TO THE ACCURACY OR RELIABILITY OF ANY INFORMATION OBTAINED THROUGH THE WEBSITE OR SERVICES OR THAT DEFECTS WILL BE CORRECTED.

G. LIMITATION OF LIABILITY

PM SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, RESULTING FROM THE USE OR THE INABILITY TO USE THE WEBSITE OR SERVICES, OR FOR THE COST OF PROCUREMENT OF SUBSTITUTE GOODS AND SERVICES, OR RESULTING FROM ANY GOODS OR SERVICES PURCHASE OR OBTAINED, OR MESSAGES RECEIVED OR TRANSACTIONS ENTERED INTO OR THROUGH THE SERVICES OR WEBSITE OR RESULTING FROM UNAUTHORIZED ACCESS TO, OR ALTERATION OF USER'S TRANSMISSIONS OR DATA, EVEN IF PM HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

H. TERMINATION OF RIGHTS

PM retains the right, at PM's sole discretion, to determine whether or not your conduct is consistent with the letter and spirit of these Terms of Use. PM reserves the right, based on its sole discretion, to suspend or terminate your registration or to suspend or terminate current or future access and use of the Services if your conduct is found to be inconsistent with these Terms of Use.

I. USER CONDUCT

- (a) Your use of the Services is subject to all applicable federal, provincial, state, municipal, international and local laws and regulations.

- (b) You agree not to use the Services for illegal purposes.
- (c) You agree not to transmit through the Website or Services any unlawful, harassing, libellous, abusive, threatening, harmful, vulgar, obscene, pornographic or otherwise objectionable material of any kind or nature.
- (d) You agree not to transmit any material that encourages conduct that could constitute a criminal offence, give rise to civil liability or otherwise violate any applicable federal, provincial, state, municipal, international and local law and/or regulation.
- (e) You agree not to use the Services to commit any dishonest act, act of fraud or any act which infringes any third party rights including the right of privacy.
- (f) Attempts to gain unauthorized access to any computer system are prohibited.
- (g) You agree not to use any spider, robot or other automatic means to search or monitor the content of the Services or Website. You also agree not to use any automatic means, including software, to interfere with or attempt to interfere with the Services or their use by any other user. You agree not to cause any unreasonable burden or load on the Website or the Services or the software or computer systems supporting them.

J. ADVERTISERS AND VENDORS

Your correspondence or business dealings with, or participation in promotions of, third party advertisers and vendors found on or through the Services or the Website, including payment and delivery of related goods or services, and any other terms, conditions, warranties or representations associated with such dealings, are solely between you and such advertiser and/or vendor. You agree that PM shall not be responsible or liable for any loss or damage of any sort incurred as the result of any such dealings or as the result of the presence of such advertisers or vendors on the Website or in connection with the Services. All of your business dealings with third party vendors and advertisers appearing on the Website or in connection with the Services, shall be at your sole risk.

K. INDEMNIFICATION

You agree to indemnify and hold PM and any of its parents, partners, subsidiaries, affiliates, directors, partnerships, principals, governors, representatives, agents, officers and employees, successors and assigns, harmless from any third party claim or demand, including all legal fees on a solicitor and his own client basis, due to or arising out of your use of the Services or Website, the violation of these Terms of Use by you, or the infringement by you of any intellectual property or other right of any person or entity or other user. You shall be responsible for all activities conducted using your computer.

L. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between you, the user, and PM, and supersedes all prior agreements between the parties, regarding the subject matter contained herein and there are no statements, representations, warranties, undertakings or agreements, written or oral, express or implied, between the parties hereto except as herein set forth.

M. NO WAIVER

PM's failure to insist upon, exercise or enforce any rights or provisions of these Terms of Use shall not be construed as a waiver of such right or provision of the same or different type in the future.

N. TERMINATION

Should you object to any of these Terms of Use or any subsequent modifications thereto or become dissatisfied with the Services in any way, your only recourse is to immediately discontinue use of the Services.

Notwithstanding the termination of this Agreement for any reason, the provisions of this Agreement relating to intellectual property, warranty disclaimer, limited liability, indemnity and governing law shall survive such termination.

O. GOVERNING LAW

These Terms of Use, the relationship between you and PM and your use of the Services and the resolution of any dispute arising between the parties shall be governed by and construed in accordance with the laws of the Province of Alberta and those of Canada applicable therein, without reference to their conflicts of laws. You and PM agree to submit to the exclusive jurisdiction of the courts of the Province of Alberta to hear all matters arising in relation to the Website, the Services or this Agreement. Notwithstanding the forgoing, either party may apply to any court of competent jurisdiction for injunctive relief and other equitable remedies.

P. SEVERABILITY

If any provision of this Agreement is held to be invalid or unenforceable, such provision shall be severed from this Agreement and the remaining provisions shall remain in full force and effect.

Q. HEADINGS

Headings are for reference purposes only and shall not be used in the interpretation of this Agreement.

SUBSCRIPTION FOR ● SHARES

TO: [Insert name of Cooperative] (the "Issuer")

The undersigned (hereinafter referred to as the "Subscriber") hereby irrevocably subscribes for and agrees to purchase the number of ● shares of the Issuer ("Shares") set forth below for the aggregate subscription price set forth below (the "Subscription Price"), representing a subscription price of Cdn. \$ ● per ● Share, upon and subject to the terms and conditions set forth in "Terms and Conditions of Subscription for ● Shares of [Insert name of Cooperative]" attached hereto (the "Subscription Agreement"). **In addition to this face page, the Subscriber must also complete all applicable exhibits attached hereto.**

Name of Subscriber – please print	
By:	Authorized Signature
Official Capacity or Title – please print	
(Please print name of individual whose signature appears above if different than the name of the subscriber printed above.)	
Subscriber's Address	
Telephone Number	E-Mail Address

Number of Shares:

Aggregate Subscription Price:

If the Subscriber is signing as agent for a principal and is not a trust company or a portfolio manager, in either case, purchasing as trustee or agent for accounts fully managed by it, complete the following and ensure that Exhibit 1 and 2 are completed on behalf of such principal:	
Name of Principal	
Principal's address	
Principal's Telephone Number	E-Mail Address

No. of Shares Currently Held (excluding Shares subscribed for herein):
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<u>Register the ● Shares as set forth below:</u>
Name
Account reference, if applicable
Address

<u>Deliver the ● Shares as set forth below:</u>
Name
Account reference, if applicable
Contact Name
Address

ACCEPTANCE: The Issuer hereby accepts the above subscription as of this _____ day of _____, 200● and the Issuer represents and warrants to the Purchaser that the representations, warranties and covenants made by the Issuer to the Purchaser are true and correct in all material respects as of this date and that the Purchaser is entitled to rely thereon.

Dated: _____, 200●

[Insert name of Cooperative]

By: _____

This is the first page of an agreement comprised of 10 pages (not including Exhibits 1 - 3).

TERMS AND CONDITIONS OF SUBSCRIPTION FOR
● SHARES OF [Insert name of Cooperative]

Terms of the Offering

1. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that this subscription is subject to rejection or allotment by the Issuer in whole or in part.
2. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that the Shares subscribed for by it hereunder form part of a larger issuance and sale by the Issuer of ● Shares of the Issuer at a subscription price of Cdn. \$ ● per Share (the "Offering").
3. The Subscriber acknowledges that this Subscription Agreement and the Exhibits hereto require the Subscriber to provide certain personal information to the Issuer. Such information is being collected by the Issuer for the purposes of completing the Offering, which includes, without limitation, determining the Subscriber's eligibility to purchase the Shares under applicable securities legislation, preparing and registering certificates representing Shares to be issued to the Subscriber and completing filings required by any stock exchange or securities regulatory authority. The Subscriber's personal information may be disclosed by the Issuer to: (a) stock exchanges or securities regulatory authorities, (b) the Issuer's registrar and transfer agent, and (c) any of the other parties involved in the Offering, including legal counsel and may be included in record books in connection with the Offering. By executing this Subscription Agreement, the Subscriber is deemed to be consenting to the foregoing collection, use and disclosure of the Subscriber's personal information. The Subscriber also consents to the filing of copies or originals of any of the Subscriber's documents described in paragraph 6 hereof as may be required to be filed with any stock exchange or securities regulatory authority in connection with the transactions contemplated hereby.
4. The Subscriber represents and warrants that the funds representing the Aggregate Subscription Price which will be advanced by the Subscriber to the Issuer hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) Act* (Canada) (the "PCMLA") and the Subscriber acknowledges that the Issuer may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of its knowledge, the subscription funds to be provided by the Subscriber (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber. The Subscriber shall promptly notify the Issuer if the Subscriber discovers that any of such representations ceases to be true, and to provide the Issuer with appropriate information in connection therewith.

Representations, Warranties and Covenants by Subscriber

5. The Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) represents, warrants and covenants to the Issuer (and acknowledges that the Issuer and their counsel, are relying thereon) , both at the date hereof and at the Closing Time (as defined herein) that:
 - (a) it has been independently advised as to restrictions with respect to trading in the Shares imposed by applicable securities legislation, confirms that no representation has been made to it by or on behalf of the Issuer with respect thereto, acknowledges that it is aware of the characteristics of the Shares, the risks relating to an investment therein and of the fact that it may not be able to resell the Shares except in accordance with limited exemptions under applicable securities legislation and regulatory policy until expiry of the applicable restricted period and compliance with the other requirements of applicable law; and it agrees that any certificates representing the Shares will bear a legend indicating that the resale of such securities is restricted for a period of four months after the Closing Date (as defined below); and
 - (b) it has not received or been provided with, nor has it requested, nor does it have any need to receive, any offering memorandum, or any other document (other than an annual report, annual information form, interim report, information circular or any other continuous disclosure document, other than an offering memorandum, the content of which is prescribed by statute or regulation) describing the business and affairs of the Issuer which has been prepared for delivery to, and review by, prospective purchasers in order to assist it in making an investment decision in respect of the Shares; and

- (c) it has not become aware of any advertisement in printed media of general and regular paid circulation (or other printed public media), radio, television or telecommunications or other form of advertisement (including electronic display) with respect to the distribution of the Shares; and
- (d) unless it is purchasing under subparagraph 5(e), it is purchasing the Shares as principal for its own account, not for the benefit of any other person, for investment only and not with a view to the resale or distribution of all or any of the Shares, it is resident in the jurisdiction set out as the "Subscriber's Address" on the face page hereof and it fully complies with the criteria set forth below:
- (i) it is an individual and will have an aggregate acquisition cost of purchasing the Shares of not less than \$97,000 if resident in **British Columbia or Alberta**; or
 - (ii) it is resident in or otherwise subject to the applicable securities laws of Alberta and is a corporation, syndicate, partnership or other form of unincorporated organization, it will have an aggregate acquisition cost of not less than \$97,000, it pre-existed the offering of the Shares and has a bona fide purpose other than investment in the Shares or, if created to permit such investment, the individual share of the aggregate acquisition cost for each participant is not less than \$97,000; or
 - (iii) it is resident in or otherwise subject to the applicable securities laws of **British Columbia** and is not an individual but is a corporation, partnership, trust, fund, association or any other organized group of persons, it will have an aggregate acquisition cost of not less than \$97,000, it was not created solely, nor is it used primarily, to permit a group of persons to purchase securities without a prospectus or, if it is such an entity created or used primarily for such purpose and is resident in British Columbia, each of the persons who form part of the group has contributed at least \$97,000 to such entity for the purpose of purchasing the Shares; or
 - (iv) it is resident in or otherwise subject to the applicable securities laws of **Alberta or British Columbia** and:
 - (A) it is an "accredited investor", as such term is defined in Multilateral Instrument 45-103 entitled "Capital Raising Exemptions" promulgated under the *Securities Act* (Alberta) and the *Securities Act* (British Columbia) and has concurrently executed and delivered a Representation Letter in the form attached as **Exhibit 1** to this Subscription Agreement; or
 - (B) it is one of the following and has so indicated by initialing the applicable paragraph:
 - _____ (I) a "director", "senior officer" or "control person" of the Issuer, or of an "affiliate" of the Issuer (within the meaning of these expressions as used in the applicable securities laws); or
 - _____ (II) a "spouse" (within the meaning of that expression as used in the applicable securities laws), parent, grandparent, brother, sister or child of any person referred to in subparagraph (I) above; or
 - _____ (III) a parent, grandparent, brother, sister or child of the spouse of any person referred to in subparagraph (I) above; or
 - _____ (IV) a "close personal friend" (within the meaning of that expression as used in the applicable securities laws) of any person referred to in subparagraph (I) above and, if requested by the Issuer, will provide a signed statement describing any of such persons. For the purposes of this subparagraph (IV), "close personal friend" means that you have directly known such individual well enough and for a sufficient period of time and in a sufficiently close relationship (where such relationship is direct and extends beyond being a relative or a member of the same organization, association or religious group or a client, customer or former client or customer or being a close personal friend of a close personal friend of such individual) to be in a position to assess the capabilities and the trustworthiness of such individual; or
 - _____ (V) a "close business associate" (within the meaning of that expression as used in the applicable securities laws) of any person referred to in subparagraph (I) above and, if requested by the Issuer, will provide a signed statement describing any of such persons. For the purposes of this subparagraph (V) "close business associate" means that you have had direct sufficient prior business dealings with such individual (where such relationship is direct and extends beyond being a casual business associate or a person introduced or

solicited for the purpose of purchasing securities or a client, customer or former client or customer or being a close business associate of a close business associate of such individual) to be in a position to assess the capabilities and trustworthiness of such individual; or

- _____ (VI) a "founder" of the Issuer (within the meaning of that expression as used in the applicable securities laws) or a spouse, parent, grandparent, brother, sister, child, close personal friend or close business associate of a founder of the Issuer; or
 - _____ (VII) a parent, grandparent, brother, sister or child of the spouse of a founder of the Issuer; or
 - _____ (VIII) a person or company of which a majority of the voting securities are beneficially owned by, or a majority of directors are, persons or companies described in subparagraphs (I) through (VII) above; or
 - _____ (IX) a trust or estate of which all of the beneficiaries or a majority of the trustees are persons or companies described in subparagraphs (I) through (VII) above; or
- (v) it is resident in or otherwise subject to the applicable securities laws of **Alberta**, it is one of the following and has so indicated by initialing the applicable paragraph:
- _____ (I) an employee, senior officer, director or consultant of the Issuer or of an affiliated entity of the Issuer; or
 - _____ (II) a trustee, custodian or administrator acting on behalf, or for the benefit of, a holding entity of, or a registered retirement savings plan or registered retirement income fund of, an individual referred to in clause (I) above; or
 - _____ (III) the spouse, trustee, custodian or administrator acting on behalf, or for the benefit of, a holding entity of, or a registered retirement savings plan or registered retirement income fund of, the spouse of an individual referred to in clause (I) above;

provided that, in the case of an employee, senior officer or consultant, its participation in the trade is voluntary, meaning it is not induced to participate in the trade by expectation of employment or continued employment with, appointment or continued appointment with, or engagement to provide services or continued engagement to provide services to, as applicable, the Issuer or an affiliated entity of the Issuer; or

- (vi) it is resident in **Ontario**, it is an "accredited investor" as defined in Ontario Securities Commission Rule 45-501 entitled "Exempt Distributions" promulgated under the *Securities Act* (Ontario) and **has concurrently executed and delivered to the Issuer a Representation Letter in the form attached as Exhibit 2 to this Subscription Agreement** indicating that the Subscriber fits within one of the categories of "accredited investor" set forth in such definition; or
 - (vii) if it is resident in **Manitoba** it has an aggregate cost of the Shares purchased by it of not less than \$97,000 and, if the Subscriber is not an individual but is a corporation, partnership, unincorporated association, organization or syndicate, a trustee, an executor, an administrator or other legal personal representative, it is purchasing the Shares as principal for investment only and not with a view to resale or distribution and the aggregate acquisition cost to that purchaser of the Shares is not less than \$97,000 and, if it is a corporation, a partnership, an unincorporated association or syndicate, it was not incorporated or created solely to permit the purchase without a prospectus of the Shares and, in either case, it acknowledges that it must file a report on Form 8A with the Manitoba Securities Commission within 10 days of each disposition of all or any part of the Shares; or
 - (viii) if it is a resident of **any jurisdiction referred to in the preceding paragraphs** but not purchasing thereunder, it is purchasing pursuant to an exemption from prospectus and registration requirements (particulars of which are enclosed herewith) available to it under applicable securities legislation of the jurisdiction of its residence and shall deliver to the Issuer such further particulars of the exemption(s) and the Subscriber's qualifications thereunder as the Issuer may request; and
- (e) if it is not purchasing as a principal, it is duly authorized to enter into this Subscription Agreement and to execute and deliver all documentation in connection with the purchase on behalf of each beneficial purchaser for whom it is acting, each of whom is purchasing as principal for its own account, not for the benefit of any other person, and not with a

view to the resale or distribution of all or any of the Shares, it acknowledges that the Issuer is required by law to disclose to certain regulatory authorities the identity of each beneficial purchaser of Shares for whom it may be acting, and it and each beneficial purchaser is resident in the jurisdiction set out as the "Subscriber's Address", and:

- (i) if it is resident in **British Columbia**:
 - (A) it complies with the exemption set out in subparagraph 5(d)(i) or (iii) hereof, and it is a trust company or an insurer authorized to carry on business under the *Financial Institutions Act* (British Columbia), or it is a portfolio manager who manages the investment portfolio of clients through discretionary authority granted by one or more clients and who is registered as a portfolio manager under the *Securities Act* (British Columbia) or is exempted from such registration, in either case purchasing the Shares as agent or trustee on behalf of accounts that are fully managed by it (insofar as it makes the investment decisions for the account and has full discretion to purchase or sell securities for the account without requiring the client's express consent to a transaction); or
 - (B) it is an **"accredited investor"** as defined in paragraphs (p) or (q) of the definition of "accredited investor" in Multilateral Instrument 45-103 (which definition is reproduced in the Appendix to **Exhibit 1** attached hereto); provided, however that it is not a trust company or trust corporation registered under the laws of Prince Edward Island that is not registered under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in another jurisdiction of Canada **and has concurrently executed and delivered to the Issuer a Representation letter in the form attached hereto as Exhibit 1** indicating that the Subscriber fits within one of the categories of "accredited investor" set forth in such definition; or
- (ii) if it is resident in **Alberta**:
 - (A) it complies with the exemption set out in subparagraph 5(d)(i) or (ii) hereof, and it is purchasing Shares for accounts fully managed by it and is a trust corporation trading as a trustee or an agent, a portfolio manager trading as an agent, or a person or company trading as an agent that, except for an exemption under the *Securities Act* (Alberta) or the rules and regulations thereunder, is required to be registered as a portfolio manager; or
 - (B) it is an **"accredited investor"** as defined in paragraphs (p) or (q) of the definition of "accredited investor" in Multilateral Instrument 45-103 (which definition is reproduced in the Appendix to **Exhibit 1** attached hereto); provided, however that it is not a trust company or trust corporation registered under the laws of Prince Edward Island that is not registered under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in another jurisdiction of Canada **and has concurrently executed and delivered to the Issuer a Representation letter in the form attached hereto as Exhibit 1** indicating that the Subscriber fits within one of the categories of "accredited investor" set forth in such definition; or
- (iii) if it is resident in **Manitoba**, it is a trust company registered under Part XVI of *The Corporations Act* (Manitoba), is purchasing the Shares as trustee for accounts fully managed by it for investment only and not with a view to resale or distribution of all or any of the Shares and the aggregate acquisition cost of the Shares for each account managed by it is not less than \$97,000; or
- (iv) if it is resident in **Ontario**, it is an **"accredited investor"** as defined in paragraphs (w) or (x) of the definition of **"accredited investor"** in Rule 45-501 (which definition is reproduced in the Appendix to **Exhibit 2** attached hereto) **and has concurrently executed and delivered to the Issuer a Representation Letter in the form attached hereto as Exhibit 2** indicating that the beneficial purchaser fits within the category of "accredited investor" as set forth in such definition; or
- (v) if it is a resident of the **United Kingdom**, it is a person of the kind described in Article 11(3) of the *Financial Services and Markets Act, 2000* (Investment Advertisements) and is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purpose of its business; or
- (vi) if it is acting as agent for one or more disclosed principals, each of such principals is purchasing as principal for its own account, not for the benefit of any other person, for investment only, and not with a view to the resale or distribution of all or any of the Shares, and each of such principals complies with subparagraphs (i),

(ii), (iii), (iv) or (vi) of paragraph 5(d) hereof as are applicable to it by virtue of its jurisdiction of residence; and

- (f) **if it is not a resident in Alberta**, it certifies that it is not resident in Alberta and it acknowledges that:
- (i) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Shares; and
 - (ii) there is no government or other insurance covering the Shares; and
 - (iii) there are risks associated with the purchase of the Shares; and
 - (iv) there are restrictions on the Subscriber's ability to resell the Shares and it is the responsibility of the Subscriber to find out what those restrictions are and to comply with them before selling the securities; and
 - (v) the Issuer has advised the Subscriber that the Issuer is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell securities through a person or company registered to sell securities under the *Securities Act* (Alberta) and other applicable securities laws and, as a consequence of acquiring securities pursuant to this exemption, certain protections, rights and remedies provided by the *Securities Act* (Alberta) and other applicable securities laws, including statutory rights of rescission or damages, will not be available to the Subscriber; and
 - (vi) the certificates representing the Shares will be endorsed by a legend stating that the Shares will be subject to restrictions on resale in accordance with applicable securities legislation; and
- (g) if it is a resident of **any jurisdiction not referred to in the preceding paragraphs 5(d) or 5(e)** it, or any beneficial purchaser for whom it is acting, complies with the requirements of all applicable securities legislation in the jurisdiction of its residence and will provide such evidence of compliance with all such matters as the Issuer may request; and
- (h) it is aware that the Shares have not been and will not be registered under the *United States Securities Act of 1933*, as amended, ("U.S. Securities Act") and that these securities may not be offered or sold in the United States without registration under the U.S. Securities Act or compliance with requirements of an exemption from registration and the applicable laws of all applicable states and acknowledges that the Issuer has no present intention of filing a registration statement under the U.S. Securities Act in respect of the Shares; and
- (i) the Shares have not been offered to the Subscriber in the United States, and the individuals making the order to purchase the Shares and executing and delivering this Subscription Agreement on behalf of the Subscriber were not in the United States when the order was placed and this Subscription Agreement was executed and delivered; and
- (j) it is not a U.S. Person (as defined in Regulation S under the U.S. Securities Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United States) and is not purchasing the Shares on behalf of, or for the account or benefit of, a person in the United States or a U.S. Person; and
- (k) it undertakes and agrees that it will not offer or sell the Shares in the United States unless such securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States or an exemption from such registration requirements is available, and further that it will not resell the Shares, except in accordance with the provisions of applicable securities legislation, regulations, rules, policies and orders and stock exchange rules; and
- (l) if a corporation, partnership, unincorporated association or other entity, it has the legal capacity to enter into and be bound by this Subscription Agreement and further certifies that all necessary approvals of directors, shareholders or otherwise have been given and obtained; and
- (m) if an individual, it is of the full age of majority and is legally competent to execute this Subscription Agreement and take all action pursuant hereto; and
- (n) this Subscription Agreement has been duly and validly authorized, executed and delivered by and constitutes a legal, valid, binding and enforceable obligation of the Subscriber; and
- (o) the entering into of this Subscription Agreement and the transactions contemplated hereby will not result in a violation of any of the terms and provisions of any law applicable to it, or any of its constating documents, or of any agreement to which the Subscriber is a party or by which it is bound; and

- (p) in the case of a subscription by it for Shares acting as agent for a disclosed principal, it is duly authorized to execute and deliver this agreement and all other necessary documentation in connection with such subscription on behalf of such principal and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid and binding agreement of, such principal; and
- (q) it has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment and it, or, where it is not purchasing as principal, each beneficial purchaser, is able to bear the economic risk of loss of its investment; and
- (r) except for the representations and warranties made by the Issuer herein, it has relied solely upon publicly available information relating to the Issuer and not upon any verbal or written representation as to fact or otherwise made by or on behalf of the Issuer and acknowledges that the Issuer's counsel are acting as counsel to the Issuer and not as counsel to the Subscriber; and
- (s) it understands that Shares are being offered for sale only on a "private placement" basis and that the sale and delivery of the Shares is conditional upon such sale being exempt from the requirements as to the filing of a prospectus or delivery of an offering memorandum or upon the issuance of such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus or delivering an offering memorandum and, as a consequence (i) it is restricted from using most of the civil remedies available under securities legislation; (ii) it may not receive information that would otherwise be required to be provided to it under securities legislation; and (iii) the Issuer is relieved from certain obligations that would otherwise apply under securities legislation; and
- (t) if required by applicable securities legislation, regulations, rules, policies or orders or by any securities commission, stock exchange or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Issuer in filing, such reports, undertakings and other documents with respect to the issue of the Shares (including, without limitation: (i) in the case of an "accredited investor" resident in **British Columbia or Alberta** a representation letter in the form attached as **Exhibit 1**, (ii) in the case of an accredited investor resident in **Ontario**, a representation letter in the form attached as **Exhibit 2**, and (iii) if the Subscriber is an investor resident in Manitoba, Form 8 under the Regulations to the *Securities Act* (Manitoba), a copy of which is attached hereto as **Exhibit 3**; and
- (u) it will not resell the Shares except in accordance with the provisions of applicable securities legislation and stock exchange rules, if applicable, in the future; and
- (v) it deals at arm's length with the Issuer within the meaning of the *Income Tax Act* (Canada) and will continue to deal at arm's length with the Issuer at all times which are relevant for this Subscription Agreement; and
- (w) the acquisition of the Shares hereunder by the Subscriber will not result in the Subscriber becoming a "Control Person", as defined for purposes of the rules of the applicable securities laws; and
- (x) none of the funds the Subscriber is using to purchase the Shares are, to the knowledge of the Subscriber, proceeds obtained or derived, directly or indirectly, as a result of illegal activities; and
- (y) the entering into of this Subscription Agreement and the transactions contemplated hereby will not result in a violation of any of the terms or provisions of any law applicable to the Subscriber, or if the Subscriber is not a natural person, any of the Subscriber's constating documents, or any agreement to which the Subscriber is a party or by which it is bound; and
- (z) the Subscriber acknowledges that it has been encouraged to and should obtain independent legal, income tax and investment advice with respect to its subscription for these Shares and accordingly, has been independently advised as to the meanings of all terms contained herein relevant to the Subscriber for purposes of giving representations, warranties and covenants under this Subscription Agreement; and
- (aa) if it is purchasing the Shares pursuant to subparagraph 5(d)(i) or (ii), it has not received or been provided with any document purporting to describe the business and affairs of the Issuer and prepared for review by prospective purchasers to assist them in making an investment decision in respect of the Shares, other than an annual report, annual information form, interim report, information circular, take-over bid circular, prospectus, short form offering document or continuous disclosure document, the content of which is prescribed by Alberta securities law, that, in each case has been filed with the Alberta Securities Commission.

Closing

6. The Subscriber agrees to deliver to the Issuer, not later than 4:30 p.m. (M.S.T.) on the day that is two business days before the Closing Date: (a) this duly completed and executed Subscription Agreement; (b) if the Subscriber is an "accredited investor" a fully executed and completed Representation Letter in the form of **Exhibit 1**, in the case of an Alberta or British Columbia subscriber and in the form of **Exhibit 2**, in the case of an Ontario subscriber; (c) a certified cheque or bank draft payable to ● for the Subscription Price of the Shares subscribed for under this Subscription Agreement or payment of the same amount in such other manner as is acceptable to the Issuer; and (d) if the Subscriber is an investor resident in Manitoba, Form 8, under the Regulations to the *Securities Act* (Manitoba), a copy of which is attached hereto as **Exhibit 3**.

7. The sale of the Shares pursuant to this Subscription Agreement will be completed at the offices of ● LLP, the Issuer's counsel, in ●, Alberta at 8:00 a.m. (M.S.T.) or such other time as the Issuer may agree (the "Closing Time") on ●, 20● or such other date as the Issuer may agree (the "Closing Date"). At the Closing Time, the Issuer shall accept as delivered all completed subscription agreements, including this Subscription Agreement, and the Aggregate Subscription Amount against delivery by the Issuer of the certificates representing the Shares.

8. The Issuer shall be entitled to rely on delivery of a facsimile copy of executed subscriptions, and acceptance by the Issuer of such facsimile subscriptions shall be legally effective to create a valid and binding agreement between the Subscriber and the Issuer in accordance with the terms hereof.

General

9. The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time and will survive the completion of the issuance of the Shares. The representations, warranties and covenants of the Subscriber herein are made with the intent that they be relied upon by the Issuer in determining the eligibility of a purchaser of Shares and the Subscriber agrees to indemnify the Issuer, including their respective affiliates, shareholders, directors, officers, partners, employees, advisors and agents, against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur which are caused or arise from a breach thereof. The Subscriber undertakes to immediately notify the Issuer at ●, ●, ●, Alberta, ● Attention: ● (Fax Number: (780) ●) of any change in any statement or other information relating to the Subscriber set forth herein which takes place prior to the Closing Time.

10. The obligations of the parties hereunder are subject to all required regulatory approvals.

11. The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the sale of the Shares to the Subscriber shall be borne by the Subscriber.

12. The contract arising out of this Subscription Agreement and all documents relating thereto shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta.

13. Time shall be of the essence hereof.

14. This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.

15. The terms and provisions of this Subscription Agreement shall be binding upon and enure to the benefit of the Subscriber and the Issuer and their respective heirs, executors, administrators, successors and assigns; provided that, except for the assignment by a Subscriber who is acting as nominee or agent to the beneficial owner and as otherwise herein provided, this Subscription Agreement shall not be assignable by any party without prior written consent of the other parties.

16. The Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder, agrees that this subscription is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder.

17. Neither this Subscription Agreement nor any provision hereof shall be modified, changed, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, change, discharge or termination is sought.

18. The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.

19. The Subscriber acknowledges and agrees that acceptance of this Subscription Agreement will be conditional, among other things, upon the sale of Shares to the Subscriber being exempt from any prospectus and offering memorandum requirements of all applicable securities laws. The Issuer will be deemed to have accepted this Subscription Agreement upon the delivery at closing of the certificates representing the Shares to or upon the direction of the Subscriber in accordance with the provisions hereof.
20. The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof.
21. The covenants, representations and warranties contained herein shall survive the closing of the transactions contemplated hereby.
22. In this Subscription Agreement (including attachments), references to "\$" or "Cdn. \$" are to Canadian dollars.

EXHIBIT 1
REPRESENTATION LETTER
(FOR ALBERTA AND BRITISH COLUMBIA ACCREDITED INVESTORS)

TO: [Insert name of Cooperative] (the "Issuer")

In connection with the purchase of Shares in the capital of the Issuer (the "**Shares**") by the undersigned subscriber or, if applicable, the principal on whose behalf the undersigned is purchasing as agent (the "**Subscriber**" for the purposes of this Exhibit 1), the Subscriber hereby represents, warrants, covenants and certifies to the Issuer that:

1. The Subscriber is resident in Alberta or British Columbia or is subject to the laws of the Province of Alberta or British Columbia;
2. The Subscriber, unless it is a person or company described in paragraph (p) or (q) in the attached Appendix "A" that is deemed pursuant to the provisions of section 1.2 of Multilateral Instrument 45-103 entitled "Capital Raising Exemptions" to be purchasing as principal, is purchasing the Shares as principal for its own account;
3. The Subscriber is an "accredited investor" within the meaning of Multilateral Instrument 45-103 entitled "Capital Raising Exemptions" by virtue of satisfying the indicated criterion as set out in Appendix "A" to this Representation Letter; and
4. Upon execution of this Exhibit 1 by the Subscriber, this Exhibit 1 shall be incorporated into and form a part of the Subscription Agreement.

Dated: _____, 20____

Print name of Subscriber

By: _____
Signature

Print name of Signatory (if different from Subscriber)

Title

IMPORTANT: PLEASE INITIAL THE APPROPRIATE PARAGRAPH(S) ON APPENDIX "A"

APPENDIX "A"
to Exhibit 1

Accredited Investor - (defined in Multilateral Instrument 45-103) means:

- _____ (a) a Canadian financial institution, or an authorized foreign bank listed in Schedule III of the *Bank Act* (Canada); or
- _____ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- _____ (c) an association under the *Cooperative Credit Associations Act* (Canada) located in Canada or a central cooperative credit society for which an order has been made under subsection 473(1) of that Act; or
- _____ (d) a subsidiary of any person or company referred to in paragraphs (a) to (c), if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary; or
- _____ (e) a person or company registered under the securities legislation of a jurisdiction of Canada, as an adviser or dealer, other than a limited market dealer registered under the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador); or
- _____ (f) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada, as a representative of a person or company referred to in paragraph (e); or
- _____ (g) 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; or
- _____ (h) a municipality, public board or commission in Canada; or
- _____ (i) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government; or
- _____ (j) 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; or
- _____ (k) 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; or
- _____ (l) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent years and who, in either case, reasonably expects to exceed that net income level in the current year; or
- _____ (m) a person or company, other than a mutual fund or non-redeemable investment fund, that, either alone or with a spouse, has net assets of at least \$5,000,000 and unless the person or company is an individual, that amount is shown on its most recently prepared financial statements; or
- _____ (n) a mutual fund or non-redeemable investment fund that, in the local jurisdiction, distributes its securities only to persons or companies that are accredited investors (as defined in Multilateral Instrument 45-103); or
- _____ (o) a mutual fund or non-redeemable investment fund that, in the local jurisdiction, is distributing or has distributed its securities under one or more prospectuses for which the regulator has issued receipts; or
- _____ (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, trading as a trustee or agent on behalf of a fully managed account; or

APPENDIX "A"
to Exhibit 1

- _____ (q) a person or company trading as agent on behalf of a fully managed account if that person or company is registered or authorized to carry on business under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction as a portfolio manager or under an equivalent category of adviser or is exempt from registration as a portfolio manager or the equivalent category of adviser; or
- _____ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or other adviser registered to provide advice on the securities being traded; or
- _____ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) through (e) and paragraph (j) in form and function; or
- _____ (t) a person or company in respect of which all of the owners of interests, direct or indirect, legal or beneficial, except the voting securities required by law to be owned by directors, are persons or companies that are accredited investors (as defined in Multilateral Instrument 45-103).

NOTE: The investor must initial beside the applicable portion of the above definition.

For the purposes hereof:

- (a) **"affiliate"** means an issuer connected with another issuer because
 - (i) one of them is the subsidiary of the other, or
 - (ii) each of them is controlled by the same person or company;
- (b) **"beneficial ownership"** of securities by a person occurs
 - (i) for the purposes of Saskatchewan, British Columbia, Nova Scotia, Newfoundland and Labrador and Prince Edward Island securities law, when such securities are beneficially owned by
 - (A) an issuer controlled by that person; or
 - (B) an affiliate of that person or an affiliate of an issuer controlled by that person;
 - (ii) for the purposes of Alberta securities law, when such securities are beneficially owned by
 - (A) a company controlled by that person or an affiliate of that company,
 - (B) an affiliate of that person, or
 - (C) through a trustee, legal representative, agent or other intermediary of that person;
- (c) **"Canadian financial institution"** means a bank, loan corporation, trust company, insurance company, treasury branch, credit union or caisse populaire that, in each case, is authorized to carry on business in Canada or a jurisdiction, or the Confédération des caisses populaires et d'économie Desjardins du Québec;
- (d) **"director"**
 - (i) means for the purpose of British Columbia securities law, a director of a corporation or an individual occupying or performing, with respect to a corporation or any other person, a similar position or similar functions;
 - (ii) includes for purposes of Alberta, Saskatchewan, Nova Scotia, Newfoundland and Labrador and Prince Edward Island securities law, a person acting in a capacity similar to that of a director of a company; and
 - (iii) for the purposes of Manitoba law, a person occupying the position of director by whatever name called;
- (e) **"financial assets"** means cash and securities;
- (f) **"foreign jurisdiction"** means a country other than Canada or a political subdivision of a country other than Canada;
- (g) **"founder"**, in respect of an issuer, means a person or company who,

APPENDIX "A"
to Exhibit 1

- (i) acting alone, in conjunction or in concert with one or more other persons or companies, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
- (ii) at the time of the proposed trade, is actively involved in the business of the issuer;
- (h) **"fully managed account"** means an account for which a person or company makes the investment decisions if that person or company has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (i) **"jurisdiction"** means a province or territory of Canada except when used in the term "foreign jurisdiction";
- (j) **"local jurisdiction"** means the jurisdiction in which the applicable securities regulatory authority is situate;
- (k) **"individual"** means a natural person, but does not include
 - (i) a partnership, unincorporated association, unincorporated syndicate, unincorporated organization or a trust, or
 - (ii) a natural person in the person's capacity as trustee, executor, administrator or other legal representative;
- (l) **"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 part of the net assets, including a separate fund or trust account, of the issuer of the securities;
- (m) **"non-redeemable investment fund"** means an issuer,
 - (i) where contributions of security holders are pooled for investment,
 - (ii) where security holders do not have day-to-day control over the management and investment decisions of the issuer, whether or not they have the right to be consulted or to give directions, and
 - (iii) whose securities do not entitle the security 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 part of the net assets of the issuer;
- (n) **"person or company"** includes
 - (i) for the purposes of British Columbia securities law, an individual, corporation, partnership, party, trust, fund, association and any other organized group of persons and the personal or other legal representative of a person to whom the context can apply according to law;
 - (ii) for the purposes of Alberta, Saskatchewan, Nova Scotia, Newfoundland and Labrador and Prince Edward Island, an individual, corporation, partnership, unincorporated or incorporated association, unincorporated or incorporated syndicate, unincorporated or incorporated organization, trust, trustee, executor, administrator or other legal representative; and
 - (iii) for the purposes of Manitoba securities law, an individual, corporation, partnership, unincorporated or incorporated association, unincorporated or incorporated syndicate, unincorporated or incorporated organization, unincorporated trust, trustee, executor, administrator and other legal personal representative;
- (o) **"regulator"** means
 - (i) the Executive Director, as defined under section 1 of the *Securities Act* (Alberta);
 - (ii) the Executive Director, as defined under section 1 of the *Securities Act* (British Columbia); and
 - (iii) such other person as is referred to in Appendix D of National Instrument 14 101 – Definitions;
- (p) **"related liabilities"** means:
 - (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
 - (ii) liabilities that are secured by financial assets;

APPENDIX "A"
to Exhibit 1

- (q) **"securities legislation"** means
- (i) for British Columbia, the *Securities Act* (British Columbia) and the regulations, rules and forms under such Act and the blanket rulings and orders issued by the British Columbia Securities Commission,
 - (ii) for Alberta, the *Securities Act* (Alberta) and the regulations and rules under such Act and the blanket rulings and orders issued by the Alberta Securities Commission, and
 - (iii) for other Canadian jurisdictions, such other statutes and instruments as are listed in Appendix B of National Instrument 14 101 – Mutual Funds – Definitions and Interpretation;
- (r) **"securities regulatory authority"** means
- (i) the British Columbia Securities Commission;
 - (ii) the Alberta Securities Commission;
 - (iii) the Saskatchewan Financial Services Commission; and
 - (iv) in respect of any local jurisdiction other than Alberta or British Columbia, means the securities commission or similar regulatory authority listed in Appendix C of National Instrument 14-101 – Definitions;
- (s) **"voting security"** means any security which:
- (i) is not a debt security; and
 - (ii) carries a voting right either under all circumstances or under some contingency that has occurred and is continuing;
- (t) An issuer is considered to be **"controlled"** by a person or company if:
- (i) for the purposes of British Columbia securities law,
voting securities of the issuer are held, other than by way of security only, by or for the benefit of that person or company; and
the voting rights attached to those voting securities are entitled, if exercised, to elect a majority of the directors of the issuer; and
 - (ii) for the purposes of Alberta, Saskatchewan, Nova Scotia, Newfoundland and Labrador and Prince Edward Island securities law,
voting securities of the issuer carrying more than 50% of the votes that may be cast to elect directors are held, other than for the purpose of giving collateral for a bona fide debt, by or for the benefit of that person or company; and
the votes carried by the securities referred to in (a) are sufficient, if exercised, to elect a majority of the board of directors of the issuer; and
 - (iii) for the purposes of Manitoba securities law,
voting securities of an issuer carrying more than 50% of the votes that may be cast to elect directors are held, other than for the purpose of giving collateral for a bona fide debt, by or for the benefit of that person or company or by or for the benefit of those other persons or companies; and
the votes carried by the securities referred to in (a) are sufficient, if exercised, to elect a majority of the board of directors of the issuer;

BRITISH COLUMBIA SPECIFIC DEFINITIONS

- (u) **"spouse"**, means, for the purpose of British Columbia securities law, a person who
- (i) is married to another person and is not living separate and apart, within the meaning of the *Divorce Act* (Canada), from the other person, or

APPENDIX "A"
to Exhibit 1

- (ii) is living and cohabiting with another person in a marriage-like relationship, including a marriagelike relationship between persons of the same gender.

All monetary references are in Canadian Dollars.

EXHIBIT 2
REPRESENTATION LETTER
(FOR ONTARIO ACCREDITED INVESTORS)

TO: [Insert name of Cooperative] (the "Issuer")

In connection with the purchase of Shares in the capital of the Issuer (the "**Shares**") by the undersigned subscriber or, if applicable, each beneficial purchaser for whom the undersigned is acting (the "**Subscriber**" for the purposes of this Exhibit 2), the Subscriber hereby represents, warrants, covenants and certifies to the Issuer that:

1. The Subscriber is resident in Ontario or is subject to the laws of the Province of Ontario;
2. The Subscriber is purchasing the Shares as principal for its own account;
3. The Subscriber is an "accredited investor" within the meaning of Ontario Securities Commission Rule 45-501 promulgated under the *Securities Act* (Ontario) by virtue of satisfying the indicated criterion as set out in Appendix "A" to this Representation Letter; and
4. Upon execution of this Exhibit 2 by the Subscriber, this Exhibit 2 shall be incorporated into and form a part of the Subscription Agreement.

Dated: _____, 20____

Print name of Subscriber

By: _____
Signature

Print name of Signatory (if different from Subscriber)

Title

IMPORTANT: PLEASE INITIAL THE APPROPRIATE PARAGRAPH(S) ON APPENDIX "A"

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to Exhibit 2

Accredited Investor - (defined in Ontario Securities Commission Rule 45-501) means:

- _____ (a) a bank listed in Schedule I or II of the *Bank Act* (Canada), or an authorized foreign bank listed in Schedule III of the *Bank Act* (Canada);
- _____ (b) the Business Development Bank incorporated under the *Business Development Bank Act* (Canada);
- _____ (c) a loan corporation or trust corporation registered under the *Loan and Trust Corporations Act* (Ontario) or under the *Trust and Loan Companies Act* (Canada), or under comparable legislation in any other jurisdiction;
- _____ (d) a co-operative credit society, credit union central, federation of caisses populaire, credit union or league, or regional caisse populaire, or an association under the *Cooperative Credit Associations Act* (Canada), in each case, located in Canada;
- _____ (e) a company licensed to do business as an insurance company in any jurisdiction;
- _____ (f) a subsidiary entity of any person or company referred to in paragraph (a), (b), (c), (d) or (e), where the person or company owns all of the voting shares of the subsidiary entity;
- _____ (g) a person or company registered under the *Securities Act* (Ontario) or securities legislation in another jurisdiction as an adviser or dealer, other than a limited market dealer;
- _____ (h) the government of Canada or of any jurisdiction, or any crown corporation, instrumentality or agency of a Canadian federal, provincial or territorial government;
- _____ (i) any Canadian municipality or any Canadian provincial or territorial capital city;
- _____ (j) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any instrumentality or agency thereof;
- _____ (k) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a provincial pension commission or similar regulatory authority;
- _____ (l) a registered charity under the *Income Tax Act* (Canada);
- _____ (m) an individual who beneficially owns, or who together with a spouse beneficially own, financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$1,000,000;
- _____ (n) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of those years and who, in either case, has a reasonable expectation of exceeding the same net income level in the current year;
- _____ (o) an individual who has been granted registration under the *Securities Act* (Ontario) or securities legislation in another jurisdiction as a representative of a person or company referred to in paragraph (g), whether or not the individual's registration is still in effect;
- _____ (p) a promoter of the issuer or an affiliated entity of a promoter of the issuer;
- _____ (q) a spouse, parent, brother, sister, grandparent or child of an officer, director or promoter of the issuer;
- _____ (r) a person or company that, in relation to the issuer, is an affiliated entity or a person or company referred to in clause (c) of the definition of distribution in subsection 1(1) of the *Securities Act* (Ontario) ("Control Person");
- _____ (s) an issuer that is acquiring securities of its own issue;

APPENDIX "A"
to Exhibit 2

- _____ (t) a company, limited liability company, limited partnership, limited liability partnership, trust or estate, other than a mutual fund or non-redeemable investment fund, that had net assets of at least \$5,000,000 as reflected in its most recently prepared financial statements;
- _____ (u) a person or company that is recognized by the Ontario Securities Commission as an accredited investor in a discretionary order (a copy of which is attached);
- _____ (v) a mutual fund or non-redeemable investment fund that, in Ontario, distributes its securities only to persons or companies that are accredited investors;
- _____ (w) a mutual fund or non-redeemable investment fund that, in Ontario, distributes its securities under a prospectus for which a receipt has been granted by the Director (as defined in the *Securities Act* (Ontario)) or, if it has ceased distribution of its securities, has previously distributed its securities in this manner;
- _____ (x) a fully managed account if it is acquiring a security that is not a security of a mutual fund or non-redeemable investment fund;
- _____ (y) an account that is fully managed by a trust corporation registered under the *Loan and Trust Corporations Act* (Ontario) or under the *Trust and Loan Companies Act* (Canada), or under comparable legislation in any other jurisdiction;
- _____ (z) an entity organized outside of Canada that is analogous to any of the entities referred to in paragraphs (a) through (g) and paragraph (k) in form and function; or
- _____ (aa) a person or company in respect of which all of the owners of interests, direct or indirect, legal or beneficial, are persons or companies that are accredited investors.

NOTE: The investor must initial beside the applicable portion of the above definition.

For the purposes hereof:

- (a) "**company**" means any corporation, incorporated association, incorporated syndicate or other incorporated organization;
- (b) "**Control Person**" means any person, company or combination of persons or companies holding a sufficient number of any securities of the issuer to affect materially the control of the issuer but any holding of any persons, company or combination of persons or companies holding more than 20% of the outstanding voting securities of the issuer, in the absence of evidence to the contrary, shall be deemed to affect materially the control of the issuer;
- (c) "**director**" where used in relation to a person, includes a person acting in a capacity similar to that of a director of a company;
- (d) "**entity**" means a company, syndicate, partnership, trust or unincorporated organization;
- (e) "**financial assets**" means cash, securities, or any contract of insurance or deposit or evidence thereof that is not a security for the purposes of the *Securities Act* (Ontario);
- (f) "**individual**" means a natural person, but does not include a partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, or a natural person in his or her capacity as trustee, executor, administrator or other legal personal representative;
- (g) "**managed account**" means an investment portfolio account of a client established in writing with a portfolio adviser who makes investment decisions for the account and has full discretion to trade in securities of the account without requiring the client's express consent to a transaction;
- (h) "**mutual fund**" includes an issuer of securities that entitle 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;

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to Exhibit 2

- (i) **"non-redeemable investment fund"** means an issuer:
 - (i) whose primary purpose is to invest money provided by its securityholders;
 - (ii) that does not invest for the purpose of exercising effective control, seeking to exercise effective control, or being actively involved in the management of the issuers in which it invests, other than other mutual funds or non-redeemable investment funds; and
 - (iii) that is not a mutual fund;
- (j) **"officer"** means the chair, any vice-chair of the board of directors, the president, any vice president, the secretary, the assistant secretary, the treasurer, the assistant treasurer, and the general manager of a company, and any other person designated an officer of a company by by-law or similar authority, or any individual acting in a similar capacity on behalf of an issuer or registrant;
- (k) **"person"** means an individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, or other legal representative;
- (l) **"portfolio adviser"** means
 - (i) a portfolio manager; or
 - (ii) a broker or investment dealer exempted from registration as an adviser under subsection 148(1) of the Regulation made under the *Securities Act* (Ontario) if that broker or investment dealer is not exempt from the by-laws or regulations of the Toronto Stock Exchange or the Investment Dealers' Association of Canada referred to in that subsection;
- (m) **"promoter"** means (a) a person or company who, acting alone or in conjunction with one or more other persons, companies or a combination thereof, directly or indirectly, has taken the initiative in founding, organizing or substantially reorganizing the business of the issuer, or (b) a person or company who, in connection with the founding, organizing or substantial reorganizing of the business of the issuer, directly or indirectly, receives in consideration of services or property, or both services and property, 10% or more of any class of securities of the issuer or 10% or more of the proceeds from the sale of any class of securities of a particular issue, but a person or company who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter within the meaning of this definition if such person or company does not otherwise take part in founding, organizing or substantially reorganizing the business;
- (n) **"related liabilities"** means liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets and liabilities that are secured by financial assets; and
- (o) **"spouse"**, in relation to an individual, means another individual to whom that individual is married, or another individual of the opposite sex or the same sex with whom that individual is living in a conjugal relationship outside marriage.

Affiliated Entities, Control and Subsidiaries

1. A person or company is considered to be an affiliated entity of another person or company if one is a subsidiary entity of the other, or if both are subsidiary entities of the same person or company, or if each of them is controlled by the same person or company.
2. A person or company is considered to be controlled by a person or company if
 - (a) in the case of a person or company,
 - (i) voting securities of the first mentioned person or company carrying more than 50% of the votes for the election of directors are held, otherwise than by way of security only, by or for the benefit of, the other person or company, and
 - (ii) the votes carried by the securities are entitled, if exercise, to elect a majority of the directors of the first-mentioned person or company.

APPENDIX "A"
to Exhibit 2

- (b) in the case of a partnership that does not have directors, other than a limited partnership, the second-mentioned person or company holds more than 50% of the interests in the partnership; or
 - (c) in the case of a limited partnership, the general partner is the second-mentioned person or company.
3. A person or company is considered to be a subsidiary entity of another person or company if
- (a) it is controlled by,
 - (i) that other, or
 - (ii) that other and one or more persons or companies each of which is controlled by that other, or
 - (iii) two or more persons or companies, each of which is controlled by that other, or
 - (b) it is a subsidiary entity of a person or company that is the other's subsidiary entity.

All monetary references are in Canadian Dollars.

Exhibit 3
MANITOBA
FORM 8
THE SECURITIES ACT

REPORT OF A TRADE MADE UNDER CLAUSE 19(1)(c) OR SUBSECTION 19(3) OF THE ACT OR UNDER SECTION 90 OF THE REGULATION

1. Full name and address of the Vendor:

-
-
-

2. Name and address of the issuer of the security traded:

-
-
-

3. Details of Purchase:

Name and address of purchaser, amount or number of securities purchased, the price, and the date:

<i>Date of Purchase</i>	<i>Name</i>	<i>Address</i>	<i>Number of Shares</i>	<i>Purchase Price</i>

4. Give name and address of any person acting as agent in connection with this trade, and the compensation paid or to be paid to such agent.

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-
-

The agents will be paid 6% of the gross proceeds realized in connection with the trade.

CERTIFICATE OF PURCHASER

The undersigned hereby certifies that the statements made in this report are true and that the purchase was made as principal for investment only and not with a view to resale or distribution and undertakes further that he will file with the Commission within 10 days of the resale of any of the securities purchased hereunder a report prepared in accordance with Form 8A.

DATED at _____ this ____ day of _____ 20____.

(name of purchaser - please print)

Signature

(Official capacity - please print)

CERTIFICATE OF VENDOR OR AGENT OF VENDOR

The undersigned hereby certifies that the statements made in this report are true.

DATED at _____

this ____ day of _____, 20____.

(Name of Agent for Vendor - please print)

Signature

(Name - please print)

(Official capacity - please print)

Instructions:

1. The Vendor or agent must file one signed copy, which may be signed by either the vendor or the agent.
2. The "Certificate of Purchaser" must be signed by the purchaser before the form is filed, except in those cases where the purchaser's signature is dispensed with by section 7(3) of this Regulation.
3. A separate report must be filed for each purchaser and the filing fee must accompany each report.
4. In answer to Question 4, give the name of the person or company who has been or will be paid remuneration directly related to the trade, such as commission, discounts or other fees or payments of a similar nature. It is not necessary to include payments for services incidental to the trade such as clerical, printing, legal or accounting services.

If the space provided for any answer is insufficient, additional sheets may be used and must be cross-referenced to the relevant item and properly identified and signed by the persons whose signatures appear on the report.