**SUBSCRIPTION AGREEMENT**

TO: THE VILLAGE COLLABORATIVE INC. (the “**Company**”)

**The Company is not a “reporting issuer” (within the meaning of applicable securities legislation) in any jurisdiction and no securities of the Company are listed on any stock exchange. As a result, the securities of the Company subscribed for hereunder will be subject to indefinite resale restrictions and may only be transferred under very limited circumstances pursuant to applicable securities legislation. The Company has not covenanted, and is under no obligation, to file a prospectus or complete a transaction which would result in the Company or any successor thereto becoming a “reporting issuer”.**

The undersigned (the “**Subscriber**”) hereby subscribes for the number of class B common shares of the Company (“**Shares**”) set forth below for the aggregate subscription price set forth below, representing a subscription price of CDN$1.00 per Share, upon and subject to the terms and conditions set forth in this Subscription Agreement, including the “Terms and Conditions of Subscription for Shares of The Village Collaborative Inc.” attached hereto.

**INSTRUCTIONS**

1. **The Subscriber must complete this page and, where applicable, section 3.1(b).**
2. **If the Subscriber is subscribing for Shares as an “Accredited Investor”, the Subscriber must complete the “Accredited Investor Representation Letter” attached as Schedule A hereto and initial the appropriate category set forth in Appendix 1 thereto, and, if the Subscriber is an individual who does not beneficially own net financial assets exceeding $5,000,000, the Subscriber must also complete and sign the “Form 45‑106F9-Form for Individual Accredited Investors” attached as Schedule B hereto.**

|  |  |  |
| --- | --- | --- |
| **Legal Name of Subscriber *(please print)*** |  | **Date of Subscription** |
| **Signature of Subscriber (or Authorized Signatory)** |  | **Number of Shares Purchased:** |
| **Name and Capacity of Authorized Signatory  *(if Subscriber is not an individual – please print)*** |  | **Aggregate Subscription Amount:** $ |
|  |  | **Telephone Number of Subscriber**    **Facsimile Number of Subscriber** |
| **Address of Subscriber** |  | **Email Address of Subscriber** |

|  |  |  |
| --- | --- | --- |
| **Registration Instructions:** |  | **Delivery Instructions, if different from Registration:** |
| Name |  | Name |
| Account reference, if applicable |  | Account reference, if applicable |
| Address      Telephone Number |  | Address      Telephone Number and Name of Contact Person |

**ACCEPTANCE:** The Company hereby accepts the above subscription.

**THE VILLAGE COLLABORATIVE INC.**

Per: Dated:

Authorized Signatory

**TERMS AND CONDITIONS OF SUBSCRIPTION FOR**

**SHARES OF The Village Collaborative Inc.**

**TO: The Village Collaborative Inc.**

Attention: Walker Patton

Tel: 604-722-3511

206-1540 West 2nd Avenue

Vancouver, BC

V6J 1H2 Canada

# Definitions and Interpretation

## In this subscription agreement (“Subscription Agreement”):

* + 1. “Board of Directors” means the board of directors of the Company;
    2. “Business Day” means a day which is not a Saturday, a Sunday or a statutory or civic holiday in the City of Vancouver, British Columbia;
    3. “Closing Date” means the date of completion of the purchase and sale of the Purchased Securities, which shall occur on such date or dates as selected by the Company;
    4. “Company” means The Village Collaborative Inc., and includes any successor corporation thereto;
    5. “NI 45-106” means National Instrument 45-106 entitled “Prospectus Exemptions” adopted by the Canadian Securities Administrators;
    6. “person” includes any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning;
    7. “Private Placement” has the meaning ascribed thereto in section 2.1;
    8. “Purchased Securities” means the Shares subscribed for and accepted by the Company pursuant to this Subscription Agreement;
    9. “Securities” means the Shares;
    10. “Securities Act” means the *Securities Act* (British Columbia);
    11. “Share” means a class B common share in the capital of the Company;
    12. “Subscriber” means the person purchasing the Purchased Securities subscribed for hereunder whose name and address appears on the cover page of this Subscription Agreement;
    13. “United States” means the United States of America, its territories and possessions or any state of the United States or the District of Columbia; and
    14. “U.S. Securities Act” means the United States Securities Act of 1933, as amended.

# Terms of Private Placement

## The Subscriber acknowledges that the Purchased Securities form part of a larger offering by the Company of Shares at a price of $1.00 per Share to raise minimum gross proceeds of $500,000 up to a maximum of $1,000,000 (the “**Private Placement** a”) or such greater amount as the Company may determine in its sole discretion.

## Subject to the terms and conditions of this Subscription Agreement, the Subscriber hereby agrees to subscribe for, and the Company hereby agrees to issue to the Subscriber, the Purchased Securities at a price of $1.00 per Share.

## The Subscriber acknowledges that the closing of the Private Placement is subject to the Company’s receipt of gross proceeds of at least $500,000.

## The Subscriber acknowledges that this Subscription Agreement is irrevocable by the Subscriber. The subscription is subject to rejection or allotment by the Company. The Subscriber acknowledges and agrees that the Company reserves the right, in its absolute discretion, to reject this subscription for Securities, in whole or in part, at any time prior to the Closing Date. If this subscription is rejected in whole, any cheques or other forms of payment delivered to the Company representing the aggregate subscription price for the Securities will be promptly returned to the Subscriber without interest or deduction. If this subscription is accepted only in part, a cheque representing any refund of the aggregate subscription price for that portion of the subscription for the Securities which is not accepted, will be promptly delivered to the Subscriber without interest or deduction.

## The Subscriber agrees that for so long as the Company is a private issuer under applicable securities legislation, the Purchased Securities or any interest in them may not be transferred without the consent of the Board of Directors, which consent may not be unreasonably withheld. The Subscriber acknowledges that the Purchased Securities may also be subject to escrow restrictions or pooling restrictions as prescribed by applicable rules and policies of a stock exchange on which the Shares may be listed or required by the Company in connection with such listing. In such event, the Subscriber agrees to execute a form of escrow or pooling agreement with the Company and the Company’s appointed escrow or pooling agent in the form prescribed by applicable rules and policies of such stock exchange or as may be determined by the Company, under which the Purchased Securities will be subject to escrow or pooling restrictions.

# Representations, Warranties and Covenants of the Subscriber

## The Subscriber hereby represents, warrants and covenants to the Company (which representations, warranties and covenants are true and correct as at the date hereof and shall, at the Closing Date, be true and correct) the following:

* + 1. the Subscriber is a resident in the jurisdiction of the Subscriber’s address indicated on the cover page of this Subscription Agreement;
    2. if the Subscriber is resident in or subject to the securities legislation of the **provinces and territories of Canada**, the Subscriber is **one or more** of the following ***[check all applicable boxes below]***:

* + - 1. the Subscriber is an “accredited investor” within the meaning of NI 45‑106 (or, if in Ontario, section 73.3 of the *Securities Act* (Ontario)) and:

##### if the Subscriber is not an individual, it was not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) of the Accredited Investor Representation Letter, and the Subscriber has concurrently executed and delivered to the Company the **Accredited Investor Representation Letter** in the form attached as **Schedule A** to this Subscription Agreement; or

##### if the Subscriber is an individual described in paragraphs (j), (k) or (l) in the **Accredited Investor Representation Letter** (i.e. is an individual who does not beneficially own net financial assets exceeding $5,000,000), the Subscriber has executed and delivered to the Company the **Accredited Investor Representation Letter** in the form attached as **Schedule A** to this Subscription Agreement and has concurrently executed and delivered to the Company the **Form 45‑106F9 - Form for Individual Accredited Investors** attached as **Schedule B** to this Subscription Agreement; or

* + - 1. the Subscriber is an director, officer, employee, founder or control person of the Company; or
      2. a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer, founder or control person of the Company; or
      3. a parent, grandparent, brother, sister, child or grandchild of the spouse of a director,   
          executive officer, founder or control person of the Company; or

* + - 1. a close personal friend of a director, executive officer, founder or control person of the   
          Company, being \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **[*specify name of director,   
          executive office, founder or control person and complete Schedule C*]**; or

* + - 1. a close business associate of a director, executive officer, founder or control person of   
          the Company, being \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **[*specify name of director,   
          executive officer , founder or control person and complete Schedule C*]**; or
      2. a corporation or entity of which a majority of the voting securities are beneficially   
          owned by, or a majority of directors are, persons described in sections (i) to   
          (vi) above; or [***complete Schedule C, if applicable***]
      3. a trust or estate of which all of the beneficiaries or a majority of the trustees or   
         executors are persons described in sections (i) to (vi) above; or [***complete Schedule C, if applicable***]
    1. if the Subscriber is resident in or subject to the securities legislation of **a jurisdiction other than Canada or the United States,** the Subscriber confirms, represents and warrants that:
       1. the Subscriber is knowledgeable of, or has been independently advised as to, the applicable securities laws of the jurisdiction in which the Subscriber is resident (the “**International Jurisdiction**”) and which would apply to the acquisition of the Purchased Securities;
       2. the Subscriber is purchasing the Purchased Securities pursuant to exemptions from prospectus or registration requirements or equivalent requirements under applicable securities laws or, if such is not applicable, the Subscriber is permitted to purchase the Purchased Securities under the applicable securities laws of the International Jurisdiction without the need to rely on any exemptions;
       3. the applicable securities laws of the International Jurisdiction do not require the Company to make any filings or seek any approvals of any kind whatsoever from any securities regulator of any kind whatsoever in the International Jurisdiction in connection with the issue and sale or resale of the Purchased Securities;
       4. the purchase of the Purchased Securities by the Subscriber does not trigger:

##### any obligation to prepare and file a prospectus or similar document, or any other report with respect to such purchase in the International Jurisdiction; or

##### any continuous disclosure reporting obligation of the Company in the International Jurisdiction;

* + - 1. the Subscriber will, if requested by the Company, deliver to the Company either or both (A) a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters referred to in sections 3.1(c)(ii), (iii) and (iv) above (and such other matters as maybe reasonably be requested by the Company or its counsel) to the satisfaction of the Company, acting reasonably; and/or (B) such other evidence of compliance with all aforementioned matters as the Company or its respective counsel may request;
    1. the Subscriber is purchasing the Purchased Securities as principal for the Subscriber’s own account for investment only, not for the benefit of any other person, and not with a view to the resale or distribution of all or any of the Purchased Securities;
    2. the Subscriber is not a “U.S. Person” as defined under Regulation S made 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, administrator or trustee, respectively, is a U.S. Person and any partnership or company organized or incorporated under the laws of the United States;
    3. the Subscriber acknowledges that the Securities have not been and will not be registered under the U.S. Securities Act or the applicable securities laws of any state of the United States and that the Securities may not be offered or sold, directly or indirectly, in the United States or to or for the account or benefit of U.S. Persons or persons in the United States without registration under the U.S. Securities Act and any applicable securities laws of any state of the United States or compliance with requirements of an exemption from registration and it acknowledges that the Company has no present intention of filing a registration statement under the U.S. Securities Act;
    4. the Subscriber undertakes and agrees that it will not offer, sell or otherwise distribute any of the Securities in the United States or to, or for the account or benefit of, a U.S. Person or person in the United States, unless such Securities are registered under the U.S. Securities Act and any applicable securities laws of any state of the United States, or such transaction is pursuant to an exemption from such registration requirements, and further, the Subscriber will not resell the Securities, except in accordance with the provisions of applicable securities laws;
    5. the Subscriber acknowledges and agrees that the Subscriber is not subscribing for the Purchased Securities for the account or benefit of a U.S. Person or any person in the United States, or for resale in the United States, and the Subscriber confirms that the offer to sell the Purchased Securities was not made to the Subscriber in the United States, at the time the Subscriber’s buy order was made, the Subscriber was outside the United States and, at the time the Subscriber’s subscription for the Purchased Securities was executed and delivered to the Company, the Subscriber (or the Subscriber’s authorized signatory, if Subscriber is an entity) was outside the United States;
    6. the Subscriber acknowledges that:
  1. no prospectus has been or is intended to be filed by the Company with the British Columbia Securities Commission or any other securities commission in connection with the issuance of the Securities;
  2. no securities commission or similar regulatory authority has reviewed or passed on the merits of the Securities;
  3. there is no government or other insurance covering the Securities and there are risks associated with the purchase of the Securities;
  4. there are restrictions on the Subscriber’s ability to resell the Securities imposed by applicable securities legislation 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
  5. the Company has advised the Subscriber that the Company is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell securities through a person registered to sell securities under the Securities Act and any other applicable securities legislation and, as a consequence of acquiring the Securities pursuant to these exemptions:

##### certain protections, rights and remedies provided by the Securities Act and any other applicable securities legislation, including statutory rights of rescission or damages, will not be available to the Subscriber;

##### the Subscriber may not receive information that might otherwise be required to be provided to the Subscriber under the applicable securities legislation if the exemption was not being used; and

##### the Company is relieved from certain obligations that would otherwise apply under the applicable securities legislation if an exemption was not being used;

* + 1. the Subscriber has not received, nor has the Subscriber requested, nor does the Subscriber have any need to receive, any offering memorandum, or any other document describing the business and affairs of the Company in order to assist the Subscriber in making an investment decision in respect of the Purchased Securities and the Subscriber has not become aware of any advertisement in printed media of general and regular paid circulation, radio or television with respect to the distribution of the Shares;
    2. the Subscriber acknowledges that no person has made to the Subscriber any written or oral representations:
       1. that any person will resell or repurchase any of the Purchased Securities;
       2. that any person will refund the purchase price of any of the Purchased Securities; or
    3. as to the future price or value of any of the Securities; and
    4. the Subscriber acknowledges that:
       1. it has been independently advised as to restrictions with respect to trading in the Securities imposed by securities legislation in the jurisdiction in which the Subscriber resides, and
       2. no representation has been made to the Subscriber by or on behalf of the Company with respect to the resale of the Securities except as set forth herein;
    5. the Subscriber will not resell the Securities, except in accordance with the provisions of applicable securities legislation;
    6. the Subscriber understands and acknowledges that upon the original issuance thereof, the certificates representing the Shares, and all certificates issued in exchange therefor or in substitution thereof, will bear the following legends in addition to any other legends that may be required by applicable securities legislation to be endorsed thereon:

“TRANSFER OF THESE SECURITIES IS RESTRICTED. THESE SECURITIES MAY ONLY BE TRANSFERRED WITH THE COMPANY'S CONSENT AND IN COMPLIANCE WITH APPLICABLE SECURITIES LEGISLATION.”

* + 1. the Subscriber consents to the Company making a notation on its records or giving instruction to the registrar and transfer agent of the Company’s securities in order to implement the restrictions on transfer set forth and described herein;
    2. the Subscriber has not received, nor does it expect to receive, any financial assistance from the Company, directly or indirectly, in respect of the Subscriber’s subscription for Purchased Securities;
    3. if the Subscriber is an individual, the Subscriber is of the full age of majority and is legally competent to execute this Subscription Agreement and take all action pursuant hereto;
    4. if the Subscriber is a corporation, partnership, unincorporated association or other entity, it has the legal capacity to enter into and be bound by this Subscription Agreement and the Subscriber further certifies that all necessary approvals of directors, shareholders or otherwise have been given and obtained in connection with the Subscriber’s purchase of the Purchased Securities;
    5. 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;
    6. the Subscriber has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of the Subscriber’s investment and is able to bear the economic risks of loss of the Subscriber’s investment;
    7. the Subscriber realizes that an investment in the Shares involves a high degree of risk and will be a highly speculative investment and the Subscriber is able, without impairing the Subscriber’s financial condition, to hold the Shares for an indefinite period of time;
    8. if required by applicable securities legislation, policy or order or securities commission or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Company in filing, such reports, undertakings and other documents with respect to the issue of the Purchased Securities as may be required;
    9. the funds representing the aggregate subscription price for the Purchased Securities which will be paid by the Subscriber hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and the Subscriber acknowledges that the Company 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 such Act. To the best of the Subscriber’s knowledge, none of 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 laws of Canada, the United States, 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 Company if the Subscriber discovers that any of the foregoing representations ceases to be true;
    10. the entering into 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 the Subscriber, or any of the Subscriber’s constating documents, if applicable, or of any agreement to which the Subscriber is a party or by which the Subscriber is bound;
    11. there will be tax consequences to the Subscriber upon disposition of the Shares; such tax consequences may be material to the Subscriber; it is the sole responsibility of the Subscriber to determine and assess such tax consequences as may apply to the Subscriber’s particular circumstances; and the Company gives no opinion and makes no representation with respect to the tax consequences to the Subscriber under Canadian federal or provincial or other tax laws of the Subscriber’s acquisition, disposition or holding of Shares;
    12. the Subscriber is responsible for obtaining such legal, financial and tax advice as it considers appropriate in connection with the execution, delivery and performance by the Subscriber of this Subscription Agreement; and
    13. the Subscriber acknowledges and agrees that all costs and expenses incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the purchase of the Purchased Securities shall be borne by the Subscriber.

## The Subscriber acknowledges that the representations, warranties and covenants of the Subscriber contained herein are made with the intent that they may be relied upon by the Company in determining the Subscriber’s eligibility to purchase the Purchased Securities under the relevant securities legislation. The Subscriber further covenants that by acceptance of the Purchased Securities, the Subscriber shall be representing and warranting that such representations and warranties are true as at the Closing Date as if made at that date.

# Representations, Warranties and Covenants of the Company

## The Company hereby represents, warrants and covenants to the Subscriber:

* + 1. the Company is a corporation existing under the laws of British Columbia;
    2. the Company is not a “reporting issuer” in any jurisdiction;
    3. as at the Closing Date, the total issued and outstanding shares of the Company were as follows:
       1. 2,800,000 Class A common shares (assumes the Private Placement is fully subscribed);
       2. 1,000,000 Class B common shares(assumes the Private Placement is fully subscribed); and
       3. 200,000 non-voting, non-participating preferred shares which convert into common shares upon the Company achieving certain milestones;
    4. the Company will take all steps necessary to comply with applicable securities legislation in Canada to the offering and sale of the Purchased Securities on a “private placement” basis without the filing of a prospectus, registration statement or other disclosure document prior to or on the Closing Date; and
    5. the Company will make all filings required by it in connection with the Private Placement pursuant to all applicable Canadian securities laws.

# Closing and Closing Deliveries

## The sale of the Purchased Securities by the Company will be completed on the Closing Date at 9:00 a.m. (Vancouver time) (the “**Time of Closing**”) at the offices of Koffman Kalef LLP, 19th Floor, 885 West Georgia Street, Vancouver, British Columbia or such other place as the Company may determine. The sale of the Securities under the Private Placement may be completed in one or more closings. Delivery by the Company of certificates for the Purchased Securities will occur after the Closing Date.

## The Company’s obligation to complete the purchase and sale of Purchased Securities on the Closing Date is subject to the Company confirming aggregate gross proceeds of at least $500,000 under the Private Placement.

## Subject to section 2.4, the Subscriber agrees to irrevocably deliver the following to the Company on or before the Time of Closing:

* + 1. a certified cheque, bank draft or wire transfer of funds payable to the Company for the aggregate subscription price of the Purchased Securities, which amount shall be held in trust by the Company pending closing; and
    2. this duly completed and executed Subscription Agreement including the completion of section 3.1(b), where applicable; and
    3. if the Subscriber is subscribing hereunder as an “Accredited Investor” under section 3.1(b)(i)hereof:
       1. a duly completed and executed **Accredited Investor Representation Letter** in the form attached hereto as **Schedule A**, and the Subscriber has initialled the appropriate category in the **Appendix 1** attached thereto; and
    4. if the Subscriber is an individual and initials any of paragraphs (j), (k) or (l) of **Appendix 1** to **Schedule A** (i.e. is an individual who does not beneficially own net financial assets exceeding $5,000,000), a duly completed and executed **Form 45‑106F9-Form for Individual Accredited Investors** attached as **Schedule B** to this Subscription Agreement; and
    5. if the Subscriber is subscribing hereunder based on being a “close personal friend” or a “close business associate” of a specified person, a duly completed and executed **Close Personal Friend/Close Business Associate Questionnaire** in the form attached hereto as **Schedule C**.
    6. deliver such other documentation as the Company may reasonably request.

## Upon the Company’s receipt of payment and the documents referenced in section 5.3, the Company shall issue the Shares to the Subscriber, subject to section 2.4, in accordance with the registration and delivery instructions set forth on the cover page of this Subscription Agreement. The Company will deliver the certificates for the Shares to the Subscriber or such person whom the Subscriber may direct in writing on the Closing Date.

# Indemnification

## The Subscriber agrees to indemnify and hold harmless the Company and its directors, officers, employees and shareholders from and against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all fees, costs and expenses whatsoever reasonably incurred in investigating, preparing and defending against any claim, law suit, administrative proceeding or investigation whether commenced or threatened) arising out of or based upon any representation or warranty of the Subscriber contained herein or in any document furnished by the Subscriber to the Company in connection herewith being untrue in any material respect or any breach or failure by the Subscriber to comply with any covenant or agreement made by the Subscriber herein or in any document furnished by the Subscriber to the Company.

# General

## This Subscription Agreement shall be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein. The parties hereto attorn to the non-exclusive jurisdiction of the courts of British Columbia with respect to any actions arising out of this Subscription Agreement.

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

## This Subscription Agreement, including without limitation the representations, warranties and covenants of the Subscriber contained herein, shall survive and continue in full force and effect and be binding upon the Subscriber notwithstanding the completion of the sale and issue of the Purchased Securities to the Subscriber pursuant hereto and any subsequent disposition by the Subscriber of the Purchased Securities.

## The Subscriber acknowledges that this Subscription Agreement requires the Subscriber to provide certain personal information to the Company. Such information is being collected by the Company for the purposes of completing the sale of the Purchased Securities, which includes, without limitation, determining the Subscriber’s eligibility to purchase the Purchased Securities under applicable securities legislation, preparing and registering certificates representing the Shares to be issued to the Subscriber and completing filings required by applicable securities regulatory authorities. The Subscriber's personal information may be disclosed by the Company to: (a)  the securities regulatory authorities; (b) the Company’s registrar and transfer agent, if any; (d) Canada Revenue Agency; and (e) any of the other parties involved in the sale of the Purchased Securities, including legal counsel to the Company. 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 section 3.1(w) hereof as may be required to be filed with the securities regulatory authority in connection with the transactions contemplated hereby.

## The terms and provisions of this Subscription Agreement shall be binding upon and enure to the benefit of the Subscriber, the Company and their respective heirs, executors, administrators, legal representatives, successors and/or assigns, provided that no assignment shall be made by any party without the prior written consent of the other party.

## Any notice, document or communication required to be given by a party hereto shall be in writing and is sufficiently given if delivered personally, or if sent by prepaid registered mail, or if transmitted by any form of recorded telecommunication tested prior to transmission, to such party addressed as follows:

To the Company at:

The Village Collaborative Inc.

Attention: Walker Patton

Tel: 604-722-3511

Email: walker@thevillagedispensary.ca

206-1540 West 2nd Avenue

Vancouver, BC

V6J 1H2 Canada

To the Subscriber, at the Subscriber’s address or the Subscriber’s facsimile number (if by fax) or the Subscriber’s email address (if by electronic mail) shown on the cover page of this Subscription Agreement.

## Notice so mailed shall be deemed to have been given on the second Business Day after deposit in a post office or public letter box. Notice transmitted by a form of recorded telecommunication or delivered personally shall be deemed given on the day of transmission or personal delivery, as the case may be. Any party may from time to time notify the other in the manner provided herein of any change of address which thereafter, until change by like notice, shall be the address of such party for all purposes hereof.

## Time shall be of the essence of this Subscription Agreement.

## Unless otherwise indicated, all dollar amounts referred to herein are in Canadian dollars and all statements or references to deliver amounts are to be in Canadian dollars.

## This Subscription Agreement constitutes the entire agreement between the Company and the Subscriber and supersedes every previous agreement, communication, expectation, negotiation, representation, warranty or understanding whether oral or written, express or implied, statutory or otherwise, between the parties with respect to the subject matter of this Subscription Agreement.

## Each party will execute and deliver such further agreements and documents and do such further acts and things as any other party reasonably requests to evidence, carry out or give full force and effect to the intent of this Subscription Agreement.

## The parties hereby confirm their express wish that this Subscription Agreement and all documents relating hereto be drawn up in English only, but without prejudice to any such documents or instruments which may from time to time be drawn up in French only or in both English and French. Les parties aux présentes confirment leur volonté que le présent contrat de même que tous autres documents s'y rapportant soient rédigés en anglais seulement, mais sans préjudice cependant à tous tels documents qui pourront a l'occasion être rédigés en français seulement ou à la fois en français et en anglais.

SCHEDULE A  
TO THE SUBSCRIPTION AGREEMENT

accredited investor REPRESENTATION LETTER

**(Must be completed if the Subscriber is subscribing as an “Accredited Investor”)**

TO: The Village Collaborative Inc. (the “**Company**”)

Each capitalized term not otherwise defined herein shall have the same meaning ascribed thereto in the Subscription Agreement to which this Representation Letter is attached. This Representation Letter forms a part of the Subscription Agreement.

In connection with the purchase by the undersigned (the “**Subscriber**”) of Shares of the Company, the Subscriber hereby represents, warrants, covenants and certifies the following to the Company:

1. The Subscriber is either resident in any of the Provinces of **British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Newfoundland and Labrador or Prince Edward Island** (collectively, the “**Provinces**”), or subject to the laws of any one of the Provinces;
2. The Subscriber is an “accredited investor” within the meaning of National Instrument 45‑106 entitled “Prospectus Exemptions” (or, if in Ontario, section 73.3 of the *Securities Act* (Ontario)) by virtue of satisfying the indicated criterion as set out in **Appendix 1** to this Representation Letter;
3. The Subscriber was not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) of the definition of “accredited investor” in NI 45‑106 as set out in **Appendix 1** to this Representation Letter;
4. The above representations, warranties and covenants will be true and correct both as of the execution of the accompanying Subscription Agreement and as of the Closing Date and will survive the completion of the issuance of the Shares; and
5. The foregoing representations, warranties and covenants are made by the Subscriber with the intent that they be relied upon in determining the Subscriber’s suitability as a purchaser of Shares and the Subscriber agrees to indemnify the Company and its directors and officers against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur that are caused or arising from reliance thereon. The undersigned undertakes to immediately notify the Company in writing of any change in any statement or other information relating to the Subscriber set forth herein which takes place prior to the closing time on the Closing Date.

Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2017

Print name of Subscriber

By:

Signature

Title

**THE SUBSCRIBER MUST INITIAL APPLICABLE “ACCREDITED INVESTOR” CRITERION IN APPENDIX 1 ON THE NEXT PAGE.**

APPENDIX 1

TO SCHEDULE A

**NOTE: THE SUBSCRIBER MUST INITIAL THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR.**

*(Note: if individual accredited investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under section (t) below, which must be initialled.)*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | |  | * + 1. except in Ontario, a Canadian financial institution, or a Schedule III bank; or     2. in Ontario, a financial institution described in paragraph 73.1(1) of the *Securities Act* (Ontario), | | | |
|  | |  | the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada), | | | |
|  | |  | a subsidiary of any person or company referred to in paragraphs (a) or (b), 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, | | | |
|  | |  | a person registered under the securities legislation of a province or territory of Canada as an adviser or dealer, and in Ontario except as otherwise prescribed by applicable regulations, | | | |
|  | |  | an individual registered under the securities legislation of a province or territory of Canada as a representative of a person referred to in paragraph (d), | | | |
|  | | (e.1) | an individual formerly registered under the securities legislation of a province or territory of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador), | | | |
|  | |  | the Government of Canada or the government of a province or territory of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or the government of a province or territory of Canada, | | | |
|  | |  | a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l’île de Montréal or an intermunicipal management board in Québec, | | | |
|  | |  | any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government, | | | |
|  | |  | 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 province or territory of Canada, | | | |
|  | |  | an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds $1,000,000, (*Note: see definition of “financial assets” below.)* ***The Subscriber is required to complete Schedule B*.** | | | |
|  | | (j.1) | an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds $5,000,000, (*Note: see definition of “financial assets” below.)* | | | |
|  | |  | an individual whose net income before taxes exceeded $200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded $300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year, (*Note: your “net income” before taxes is found on your personal income tax return.*) ***The Subscriber is required to complete Schedule B*.** | | | |
|  | |  | an individual who, either alone or with a spouse, has net assets of at least $5,000,000, (*Note: your “net assets” are your total assets (including real estate) minus your total debt.*) ***The Subscriber is required to complete Schedule B*.** | | | |
|  | |  | a person, other than an individual or investment fund, that has net assets of at least $5,000,000, as shown on its most recently prepared financial statements, and that was not formed for the sole purpose of making a representation to this effect in order to qualify as an accredited investor, (*Note: your “net income” before taxes is found on your personal income tax return.*) | | | |
|  | |  | an investment fund that distributes or has distributed its securities only to | | | |
|  |  |  | * + 1. a person that is or was an accredited investor at the time of the distribution, | | | |
|  |  |  | * + 1. a person that acquires or acquired securities in the circumstances referred to in Sections 2.10 [Minimum amount investment] or 2.19 [Additional investment in investment funds] of NI 45‑106 or equivalent exemptions under applicable securities legislation as specified in Section 8.2 of NI 45‑106, or | | | |
|  |  |  | * + 1. a person described in paragraph (i) or (ii) that acquires or acquired securities under Section 2.18 [Investment fund reinvestment] of NI 45‑106, | | | |
|  | |  | an investment fund that distributes or has distributed securities under a prospectus in a province or territory of Canada for which the regulator or, in Quebec, the securities regulatory authority, has issued a receipt, | | | |
|  | |  | 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 province or territory of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be, | | | |
|  | |  | a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a province or territory of Canada or a foreign jurisdiction, | | | |
|  | |  | a registered charity under the Income Tax Act (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the province or territory of the registered charity to give advice on the securities being traded, | | | |
|  | |  | an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function, | | | |
|  | |  | a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors. ***If you checked (t), please indicate the name and category of accredited investor (by reference to the applicable letter in this Appendix 1 to Schedule A) of each of:*** | | | |
|  |  |  |  | **Name:** |  | **Category of Accredited Investor** |
|  |  |  | Owner: |  |  |  |
|  |  |  | Owner: |  |  |  |
|  |  |  | Owner: |  |  |  |
|  |  |  | ***[attach sheet if more than 3 owners]*** | | | |
|  | |  | an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser, | | | |
|  | |  | a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor, or | | | |
|  | |  | a trust established by an accredited investor for the benefit of the accredited investor’s family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor’s spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor’s spouse or of that accredited investor’s former spouse. ***If you checked (w), please indicate the name and category of accredited investor (by reference to the applicable letter in this Appendix 1 to Schedule A) of each of:*** | | | |
|  |  |  |  | **Name:** |  | **Category of Accredited Investor** |
|  |  |  | Individual who established trust: |  |  |  |
|  |  |  | Trustee: |  |  |  |
|  |  |  | Trustee: |  |  |  |
|  |  |  | Trustee: |  |  |  |
|  |  |  | ***[attach sheet if more than 3 trustees]*** | | | |

**For the purposes hereof:**

* 1. “**Canadian financial institution**” means
     1. an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
     2. a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
  2. “**control person**” means:
     1. a person who holds a sufficient number of the voting rights attached to all outstanding voting securities of an issuer to affect materially the control of the issuer, or
     2. each person in a combination of persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, which holds in total a sufficient number of the voting rights attached to all outstanding voting securities of an issuer to affect materially the control of the issuer,

and, if a person or combination of persons holds more than 20% of the voting rights attached to all outstanding voting securities of an issuer, the person or combination of persons is deemed, in the absence of evidence to the contrary, to hold a sufficient number of the voting rights to affect materially the control of the issuer;

* 1. “**director**” means:
     1. a member of the board of directors of a company or an individual who performs similar functions for a company, and
     2. with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;
  2. “**eligibility adviser**” means:
     1. a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and
     2. in Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
        1. have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and
        2. have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;
  3. “**executive officer**” means, for an issuer, an individual who is:
     1. a chair, vice-chair or president,
     2. a vice-president in charge of a principal business unit, division or function including sales, finance or production, or
     3. performing a policy-making function in respect of the issuer;
  4. “**financial assets**” means:
     1. cash,
     2. securities, or
     3. a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
  5. “**founder**” means, in respect of an issuer, a person who,
     1. acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
     2. at the time of the distribution or trade is actively involved in the business of the issuer;
  6. “**foreign jurisdiction**” means a country other than Canada or a political subdivision of a country other than Canada;
  7. “**fully managed account**” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction;
  8. “**investment fund**” means a mutual fund or a non‑redeemable investment fund and, for greater certainty in British Columbia, includes an EVCC and a VCC*;*
  9. “**jurisdiction**” means a province or territory of Canada except when used in the term foreign jurisdiction;
  10. “**local jurisdiction**” means the jurisdiction in which the Canadian securities regulatory authority is situate;
  11. “**non-redeemable investment fund”** means an issuer,
      1. whose primary purpose is to invest money provided by its securityholders,
      2. that does not invest,
         1. for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund, or
         2. for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund, and
      3. that is not a mutual fund;
  12. “**person**” includes:
      1. an individual,
      2. a corporation,
      3. a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
      4. an individual or other person in that person’s capacity as a trustee, executor, administrator or personal or other legal representative;
  13. “**regulator**” means, for the local jurisdiction, the Executive Director as defined under securities legislation of the local jurisdiction;
  14. “**related entity**” means, for an issuer, a person that controls or is controlled by the issuer or that is controlled by the same person that controls the issuer;
  15. “**related liabilities**” means:
      1. liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
      2. liabilities that are secured by financial assets;
  16. “**Schedule III bank**”means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
  17. “**spouse**” means, an individual who,
      1. is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
      2. is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
      3. in Alberta, is an individual referred to in paragraph (i) or (ii) above, or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
  18. “**subsidiary**” means an issuer that is controlled by another issuer.

All monetary references are in Canadian Dollars.

Schedule B

TO THE SUBSCRIPTION AGREEMENT

Form 45-106F9

*Form for Individual Accredited Investors*

**WARNING!**

**This investment is risky. Don’t invest unless you can afford to lose all the money you pay for this investment.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER** | | | | |
| **1. About your investment** | | | | |
| Type of securities: *[Instruction: Include a short description, e.g., common shares.]* Class b Common shareS | Issuer: The Village Collaborative Inc. | | | |
| Purchased from: *[Instruction: Indicate whether securities are purchased from the issuer or a selling security holder.]*  The Village Collaborative Inc. | | | | |
| **SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER** | | | | |
| **2. Risk acknowledgement** | | | | |
| This investment is risky. Initial that you understand that: | | | | **Your initials** |
| **Risk of loss –** You could lose your entire investment of $\_\_\_\_\_\_\_\_\_\_\_ . [*Instruction: Insert the total dollar amount of the investment.]* | | | |  |
| **Liquidity risk –** You may not be able to sell your investment quickly – or at all. | | | |  |
| **Lack of information –** You may receive little or no information about your investment. | | | |  |
| **Lack of advice –** You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to[www.aretheyregistered.ca](http://www.aretheyregistered.ca). | | | |  |
| **3. Accredited investor status** | | | | |
| You must meet at least **one** of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria. | | | | **Your initials** |
| * Your net income before taxes was more than $200,000 in each of the 2 most recent calendar years, and you expect it to be more than $200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.) | | | |  |
| * Your net income before taxes combined with your spouse’s was more than $300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than $300,000 in the current calendar year. | | | |  |
| * Either alone or with your spouse, you own more than $1 million in cash and securities, after subtracting any debt related to the cash and securities. | | | |  |
| * Either alone or with your spouse, you have net assets worth more than $5 million.(Your net assets are your total assets (including real estate) minus your total debt.) | | | |  |
| **4. Your name and signature** | | | | |
| By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form. | | | | |
| First and last name(please print)**:** | | | | |
| Signature: | | | Date: | |
| **SECTION 5 TO BE COMPLETED BY THE SALESPERSON** | | | | |
| **5. Salesperson information** | | | | |
| *[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]* | | | | |
| First and last name of salesperson (please print): | | | | |
| Telephone: | | Email: | | |
| Name of firm (if registered): | | | | |
| **SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER** | | | | |
| **6. For more information about this investment** | | | | |
| For investment in a non-investment fund  **The Village Collaborative Inc.**  Walker Patton  Tel: 604-722-3511  walker@thevillagedispensary.ca  206-1540 West 2nd Avenue  Vancouver, BC  V6J 1H2 Canada  **For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at** [**www.securities-administrators.ca**](http://www.securities-administrators.ca)**.** | | | | |

***Form instructions****:*

1. *This form does not mandate the use of a specific font size or style but the font must be legible.*
2. *The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.*
3. *The purchaser must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form signed by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.*

Schedule C

TO THE SUBSCRIPTION AGREEMENT

**CLOSE PERSONAL FRIEND/CLOSE BUSINESS ASSOCIATE QUESTIONNAIRE**

To be completed by Subscriber if the Subscriber is relying on the “close personal friend” or “close business associate” relationship.

Name of director, executive officer, control person or founder of whom Subscriber is a close personal friend/close business associate

Length of relationship

Details of relationship or prior business dealings

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

Dated: , 2017

|  |  |  |
| --- | --- | --- |
|  | Print name of Subscriber | |
|  | By: |  |
|  |  | Signature |
|  |  |  |
|  |  | Print name of Signatory (if different from Subscriber) |
|  |  |  |
|  |  | Title |