

Subscription Agreement

ONION RIVER COOPERATIVE

SUBSCRIPTION AGREEMENT

1. I/we I/we hereby irrevocably subscribe to purchase a promissory note of Onion River Cooperative, a Vermont cooperative association (the “Co-op”) in the amount of _____ dollars (\$_____) (the “Loan Amount”) with the following parameters checked below (which, in combination with the Loan Amount, define the “Loan”)
 - Class A notes maturing December 31, 2029, bearing interest at 1% per annum
 - Class B notes maturing December 31, 2023, bearing no interest
 - Class C notes maturing December 31, 2029, bearing interest at 3.5% per annum
 - Class D notes maturing December 31, 2027, bearing interest at 3% per annum
 - Class E notes maturing December 31, 2025, bearing interest at 2.5% per annum
 - Class F notes maturing December 31, 2023, bearing interest at 2% per annum.
2. Simple interest is payable annually within 30 days of the end of each calendar year. I/we understand that this subscription is contingent upon its acceptance by the Co-op and that the Co-op has the right to accept or reject subscriptions in whole or in part in its sole discretion. If the Co-op does not accept this Subscription Agreement (this “Agreement”) by November 12, 2017, then this Subscription Agreement will automatically terminate and neither the Co-op nor I/we will have any further obligations to the other with respect to this offering.
3. Upon the Co-op’s acceptance of this Subscription Agreement and notice to me/us, I/we agree to deliver the Loan Amount to the Co-op in the form of a check, wire transfer or other negotiable instrument made payable to “Onion River Cooperative” within ten days after the Co-op’s acceptance of this Subscription Agreement. The Co-op will then issue a promissory note to me/us evidencing the Loan and its terms and conditions. I/we understand that the Co-op will rely upon this subscription in entering into contracts and commitments in furtherance of its expansion project.
4. I/we represent that I/we am/are a member in good standing of the Co-op, and that I/we am/are bona fide resident(s) of, and domiciled in, the State of Vermont.
5. If my/our Loan Amount is greater than \$10,000, I/we represent that I/we qualify as a “Vermont Certified Investor” or an “Accredited Investor”, as applicable, and I/we have completed the applicable form provided by the Co-op certifying such status.
6. I/we acknowledge receipt of a copy of the Co-op’s “Member Loan Program: Information for Prospective Lenders” dated August 2017 (the “Solicitation Materials”). I/we have been

furnished with all documents and information relating to the Loan or to the Co-op that I/we have requested. I/we had a reasonable opportunity to ask questions of and receive answers from representatives of the Co-op regarding any additional information desired and either did so or have elected to waive such opportunity.

7. I/we understand that the Loan to be acquired by this subscription involves significant risks, as set forth in the Solicitation Materials, and I/we represent that I/we have read and understand such risks, and have evaluated such risks and determined that the Loan Amount is a suitable investment for me/us and the I/we have sufficient financial resources to be able to bear the risk of an investment in the Loan.
8. I/we represent to the Co-op that I/we am/are making the Loan for my/our personal account and for investment intent without the intention of transferring the Loan. I/we have made no agreement with others regarding the Loan and my/our financial condition is such that it is not likely that it will be necessary to dispose of the Loan in the foreseeable future. I/we have been advised that, in the view of the Securities and Exchange Commission, making a Loan with an intent to dispose of it due to any foreseeable specific contingency, or any change in the condition of the Co-op, or in connection with a contemplated liquidation or settlement of any loan obtained for the making of the Loan and for which the Loan is pledged as security, would represent an intent inconsistent with the representations set forth above.

IN WITNESS WHEREOF, I/we have executed this Subscription Agreement as of the date set forth below:

Subscriber's signature

Subscriber's signature

Subscriber's Printed Name

Subscriber's Printed Name

Subscriber's Social Security Number

Address of Subscriber(s): _____

Bona Fide Residence: _____

Telephone number: (_____) _____

Date executed: _____

Type of Investor (select one):
(Please see investor guidelines on the following page.)

Main Street Investor

Vermont Certified Investor

Accredited Investor

INVESTOR GUIDELINES

The following summarize the standards for Main Street Investors, Vermont Certified Investors, and Accredited Investors.

Main Street Investor

A Main Street Investor is a potential purchaser of the Notes that is a member of the Onion River Cooperative, a State of Vermont resident, and who does not qualify as a Vermont Certified Investor or an Accredited Investor.

A Main Street Investor is limited to the purchase of no more than \$10,000 of Notes.

Vermont Certified Investor

A Vermont Certified Investor is a potential purchaser of the Notes that is a member of the Onion River Cooperative and a Vermont resident who represents and certifies to the Co-op in writing that: (1) he or she is a natural person whose individual liquid net worth, or joint net worth with that person's spouse, exceeds \$500,000; or (2) he or she is a natural person who had an individual income in excess of \$100,000 in each of the two most recent years or joint income with that person's spouse in excess of \$150,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

As used above, the term “net worth” means the excess of total assets over total liabilities and does not include any investor’s primary residence. Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the purchase of the Notes must not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of the Notes exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess must be included as a liability. Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities must be included as a liability.

A Vermont Certified Investor is limited to the purchase of no more than \$25,000 of Notes.

Accredited investor

An Accredited Investor is a potential investor that is a Member of the Onion River Cooperative, a Vermont resident and which represents and certifies to the Co-op in writing that (1) he or she is a natural person who has a net worth or joint net worth with his or her spouse in excess of \$1,000,000 at the time of his or her purchase; or (2) he or she is a natural person who had a individual income in excess of \$200,000 in each of the two most recent years or a joint income with his or her spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or (3) he or she is director or executive officer of the Co-op.

As used above, the term “net worth” means the excess of total assets over total liabilities and does not include any investor’s residence. In determining income, an investor should add to his or

her adjusted gross income any amounts attributable to tax-exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depletion, contributions to an IRA or Keogh retirement plan, alimony payments and any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income.

An Accredited Investor will have no limitation the amount of Notes he or she may purchase.

For Office Use Only:

The foregoing Subscription Agreement is accepted by the Co-op this ____ day of _____, 20__.

Onion River Cooperative

By:

Name:

Title: