

**SUPPORTER SHAREHOLDER SUBSCRIPTION AGREEMENT FOR
CLASS B COMMON SUPPORTER SHAREHOLDER STOCK
IN COLLECTIVE RESOURCE COMPOST COOPERATIVE, INC.**

This Shareholder Subscription Agreement (this “**Agreement**”) is made and entered into as of (the “Effective Date”) by and between **COLLECTIVE RESOURCE COMPOST COOPERATIVE**, an Illinois cooperative corporation (the “**Cooperative**”), and,

Name(s) _____,
the undersigned supporter (“**Supporter Shareholder**”).

1. Subscription.

1.1. Supporter Shareholder hereby subscribes for and agrees to purchase stock in the Cooperative’s Class B Supporter Shareholder class (“**Class B Common Supporter Shareholder Stock**” or “**Stock**”) in the total amount of \$_____ at a purchase price of **\$1,000** per share, subject to the terms and conditions set forth in this Agreement (“Original Stock Purchase”). This Agreement is not subjected to any qualification by the Securities Exchange Commission as the Class B Common Supporter Shareholder Stock is not considered securities as that is defined by the U.S. Securities Act of 1933, the regulations promulgated thereunder, and the applicable case law.

1.2. Supporter Shareholder has received and read a copy of the Cooperative’s Bylaws, attached hereto as **Exhibit A**, dated **June 29, 2023** (the “**Bylaws**”) and agrees that the execution of this Agreement constitutes Supporter Shareholder’s consent to become a party to the Bylaws and that upon the Cooperative’s acceptance of this subscription, the Supporter Shareholder shall become a Class B Supporter Shareholder of the Cooperative upon the deliverance of a written notice of issuance representing uncertificated Class B Supporter Shareholder Stock.

1.3. In order to purchase the Class B Common Supporter Shareholder Stock, the Supporter Shareholder must complete and sign this Agreement and return it to the Cooperative along with payment of the amount to be invested. If completing the Agreement electronically, the Supporter Shareholder should follow the applicable online instructions.

If completing the Agreement on paper, Supporter Shareholder should mail or deliver the completed Agreement to the Cooperative, along with a payment for the full purchase price of the Class B Common Supporter Shareholder Stock, made out to “Collective Resource Compost Cooperative, Inc.,” at:

Erlene Howard
President
Collective Resource Compost Cooperative, Inc.
838 Brown Avenue
Evanston, IL 60202

1.4. Minimum Subscription Amount. The minimum subscription amount is \$250.00.

1.5. Cooperative's Right to Accept or Reject Subscriptions. The Cooperative may accept or reject any subscription, in whole or in part. This means that the Cooperative may sell to the Supporter Shareholder a smaller amount of Class B Common Supporter Shareholder Stock than the Supporter Shareholder subscribes to purchase or may decline to sell any Class B Common Supporter Shareholder Stock to the person(s) requesting to become a Supporter Shareholder. If the Cooperative accepts the Supporter Shareholder's subscription, in whole or in part, this Agreement and the deliverance of a written issuance representing the Class B Supporter Shareholder Stock, will constitute an irrevocable commitment by the Supporter Shareholder to purchase the Class B Common Supporter Shareholder Stock, and a copy of this Agreement and a written notice of issuance, will be executed by the Cooperative and returned to Supporter Shareholder. If the Cooperative rejects the Supporter Shareholder's subscription in whole or in part, the Cooperative will return the payment tendered for any unissued portion of the subscription submitted prior to the execution of this Agreement by the Cooperative.

2. Representations, Warranties, and Covenants of the Investor. Supporter Shareholder represents and warrants to, and covenants with, the Cooperative that:

2.1. Acknowledgment. Supporter Shareholder acknowledges that Supporter Shareholder has received a copy of the Cooperative's disclosure documents, including the Cooperative's financials, and **Bylaws, Exhibit A.**

2.2. Evaluate Risks. Supporter Shareholder has the requisite knowledge to assess the relative merits and risks of this investment or has relied upon the advice of Supporter Shareholder's own professional advisors with regard to membership in the Cooperative.

2.3. Supporter Shareholder Should Seek Representation. Supporter Shareholder understands that nothing in this Agreement or any other materials presented to Supporter in connection with the purchase and sale of the Class B Common Supporter Shareholder Stock constitutes legal, tax, or investment advice. The Cooperative suggests that the Supporter Shareholder consults with such legal, tax, and investment advisors as Supporter Shareholder, in its sole discretion, deems necessary or appropriate in connection with its purchase of Class B Common Supporter Shareholder Stock.

2.4. Limitations on Transfers. Supporter Shareholder will not, directly or indirectly, offer, sell, pledge, transfer, or otherwise dispose of (or solicit any offers to buy, purchase, or otherwise acquire or take a pledge of) any part of their Class B Common Supporter Shareholder Stock except in compliance with this Agreement, the Cooperative's Bylaws, any applicable state and federal securities laws, and the respective rules and regulations promulgated thereunder.

2.4.1. Supporter Shareholder acknowledges that the Class B Common Supporter Stock is uncertificated in accordance with Section 805 ILCS 805 ILCS 5/6.35 of the Illinois Business Corporation Act and any notice of issuance of Class B Common Supporter Stock shall be written and imprinted with the following legends that limit its transfer:

Class B Common Supporter Stock in the Cooperative ("Stock") has not been registered under the United States Securities Act of 1933, as amended, (the "1933 Act"), and the Cooperative has no obligation to register the Stock under the 1933 Act in the future. Offers and sales of the Stock are made under the exemption from registration provided by the U.S. Securities Act of 1933, the regulations promulgated thereunder, and the applicable case law, as well as by Illinois Securities Law of 1953 Section 815 ILCS 5/4(K), and the rules and the regulations promulgated thereunder. Resales of the Stock by Shareholders are restricted and may only be sold if exempt from registration under Section 4(a)(1) of the Securities Act, and Rule 144 or Rule 144A promulgated thereunder.

Class B Common Supporter Stock may be reoffered, resold or otherwise transferred only:

- To the Cooperative,
- To already existing Supporter Shareholder, in the event of the death of a Supporter Shareholder;
- In accordance with the Bylaws, or
- In accordance with the exemption from registration under Section (4)(1) of the Securities Act, and Rule 144 or Rule 144A promulgated thereunder.

2.4.2. Supporter Shareholder acknowledges that, to ensure compliance with the restrictions set forth herein, the Cooperative may stop the transfer of such Stock and may make appropriate notations to the effect in its own records. In addition, the Cooperative shall not be required to transfer on its books any part of any Stock that has been sold or otherwise transferred in violation of any of the provisions of this Agreement or of the Cooperative's Bylaws or to treat as owner

of such Stock or make any allocation or distribution to any purported purchaser or other transferee to whom such Stock shall have been so sold or transferred.

2.5. Complete Information. All information provided by the Supporter Shareholder to the Cooperative in connection with the purchase of the Class B Common Supporter Stock is true, correct, and complete as of the date set forth hereof, and if there should be any change in such information, Supporter Shareholder will immediately provide the Cooperative with such information.

2.6. Authority; Binding Agreement. Supporter Shareholder represents and warrants to, and covenants with, the Cooperative that (i) Supporter Shareholder has full right, power, authority and capacity to enter into this Agreement and to consummate the transactions contemplated hereby and has taken all necessary action to authorize the execution, delivery, and performance of this Agreement, and (ii) this Agreement constitutes a valid and binding obligation of Supporter Shareholder enforceable against the Supporter Shareholder in accordance with its terms, except as enforceability may be limited by applicable law.

3. Indemnity. Supporter Shareholder agrees to indemnify and hold harmless the Cooperative and its Members, Board, managers, employees and other agents for any claims, judgments, or expenses incurred as a result of any misrepresentation made by Supporter Shareholder.

4. No Revocation. Once a Supporter Shareholder has executed a Subscription Agreement and submitted funds, such subscription may not be revoked without the consent of the Cooperative.

5. General Provisions.

5.1. Notice. Any notice or demand which either party may or must give to the other party under this Agreement shall be made in writing and shall be either hand delivered, or sent via email or U.S. mail to the following addresses:

To the Cooperative:

Erlene Howard
President
Collective Resource Compost Cooperative, Inc.
838 Brown Avenue
Evanston, IL 60202

erlene@collectiveresourcecompost.coop

To the Supporter Shareholder:

The name, mailing address, and email address of the Supporter Shareholder are on the signature page of this Agreement.

5.2. Modification. This Agreement may not be modified or amended except pursuant to an instrument in writing signed by the Cooperative and Supporter Shareholder.

5.3. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois.

5.4. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one instrument, and shall become effective when one or more counterparts have been signed by each party hereto and delivered to the other parties.

5.5. Electronic Signatures. Supporter Shareholder may deliver this Agreement to the Cooperative by electronic means such as by email. If the Supporter Shareholder submits this Agreement to the Cooperative electronically, the Supporter Shareholder agrees that the Supporter Shareholder's digital signature or other form of electronic acknowledgment, consent, or acceptance (as the case may be), constitutes Supporter Shareholder's signature, acceptance, and agreement of the terms of this Agreement and such digital signature, consent, or acceptance shall be given the same force and effect as a signature affixed by hand.

5.6. Electronic Delivery of Information. Supporter Shareholder must provide the Cooperative with Supporter Shareholder's valid email address. Supporter Shareholder agrees to receive all reports and other information from the Cooperative via email. Supporter Shareholder may revoke this consent any time by giving written notice to the Cooperative.

5.7. Severability. If a court or an arbitrator of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected.

5.8. Entire Agreement. This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the purchase and sale of Class B Common Supporter Stock to Supporter Shareholder by the Cooperative and supersedes all prior and contemporaneous understandings or agreements of the parties.

[Signature Pages Follow]

By signing and submitting this Agreement, Supporter Shareholder agrees to purchase Class B Common Supporter Shareholder Stock in the Cooperative with a purchase price as follows:

TOTAL INVESTMENT AMOUNT:

SUPPORTER SHAREHOLDER TITLE: The Class B Common Supporter Shareholders Stock shall be issued in the name(s) of:

Exact Name(s): _____

Choose one from the following classifications:

Individual (Separate Property) **Household** **Sole Proprietorship**

Corporation **Corporate Partnership** **Limited Liability Company (LLC)**

Minor with adult custodian **Trust** **Under Uniform Gift to Minors Act**

SUPPORTER SHAREHOLDER CERTIFICATION:

Under penalties of perjury, Supporter Shareholder certifies that: (1) the taxpayer ID number or social security number shown above is the correct taxpayer identification number issued to Supporter Shareholder; and (2) Supporter Shareholder is not subject to backup withholding because: (a) Supporter Shareholder is exempt from backup withholding, or (b) Supporter Shareholder has not been notified by the Internal Revenue Service (IRS) that Supporter Shareholder is subject to backup withholding as a result of a failure to report all interest, or (c) the IRS has notified Supporter Shareholder that it is no longer subject to backup withholding; and (3) Supporter Shareholder is a U.S. citizen or other U.S. person.

SUPPORTER SHAREHOLDER INFORMATION AND SIGNATURE:

Signature

Printed Name

Last 4 Digits of Social Security Number: _____ Date of Birth: _____

Street Address: _____

City, State, ZIP: _____

Telephone: _____

Email: _____

Signature

Printed Name

Last 4 Digits of Social Security Number: _____ Date of Birth: _____

Street Address: _____

City, State, ZIP: _____

Telephone: _____

Email: _____

THE COOPERATIVE: COLLECTIVE RESOURCE COMPOST COOPERATIVE, INC.

By: _____

Title: _____

Signature: _____