

**SUBSCRIPTION AGREEMENT  
FOR  
DORCHESTER COMMUNITY FOOD CO-OPERATIVE, INC.  
PREFERRED STOCK OFFERING**

This Subscription Agreement (this “**Agreement**”) is made and entered into as of \_\_\_\_\_, 2021 (the “**Effective Date**”) by and between Dorchester Community Food Co-operative, Inc., a Massachusetts Cooperative Corporation (the “**Company**”), and You, the undersigned investor (“**Investor**”).

1. Subscription. Investor hereby subscribes for and agrees to purchase shares of the Series A Preferred Shares (the “**Preferred Shares**”) of the Company subject to the terms and conditions set forth in this Agreement.

In order to purchase the Preferred Shares, Investor must:

a. Complete and sign this Agreement and return it to the Company. If you are completing the agreement electronically, follow the instructions provided at the Company’s website: <https://dorchesterfoodcoop.com>. If you are completing in paper, mail the completed agreement to the Company at:

Dorchester Community Food Co-operative, Inc.  
PO Box 240231  
Boston, MA 02124

b. Provide payment for the full purchase price for the Preferred Shares by check or money order made payable to the Company and mailed along with this agreement to the address above.

2. Dividends. Dividends shall be payable to holders of the Preferred Shares (“**Preferred Holders**”) only when, as, and if declared by the Company’s Board of Directors (the “**Board**”). Annual dividends are not guaranteed but the Company has set a target dividend payment of 1%, anticipated to commence after the third full year of store operations. Although the Board has set this dividend rate as a target, it may not be achievable in practice and, accordingly, the Board may from time to time revisit and revise this target rate. Determination of whether dividend payments will be made is solely within the discretion of the Board. Dividends shall not be cumulative. Preferred Holders are not entitled to participation rights to distributions paid to the Company’s members (the “**Members**”).

3. Minimum Subscription Amount. The minimum number of Preferred Shares purchased shall be 20 shares for a minimum investment amount of \$2,000.00. Preferred Shares purchased by Investor from the Company in the Company’s previous offering of its Series A Preferred Shares shall count towards Investor’s fulfillment of this minimum investment requirement.

4. Redemption by the Company. The Company reserves the right to redeem any or all Preferred Shares at any time, at the sole discretion of the Board. If the Company elects to redeem Preferred Shares, holders of the redeemed shares are entitled to receive an amount equal to the amount originally paid for the Preferred Shares as adjusted for any future stock splits, stock dividends, recapitalizations, or the like (“**Original Issue Price**”) of their shares plus all declared but unpaid dividends (“**Redemption Price**”). The Company will notify Preferred Holders of the Company’s intention to redeem such Preferred Holders’ shares in writing thirty (30) days before the effective date of the redemption.

5. Voting Rights. Preferred Holders shall have no voting rights, except as required by law.
6. Conversion Rights. The Preferred Shares are nonconvertible.
7. Restrictions on Transferability. Preferred Shares are nontransferable except with the Company's prior written consent; provided, however, that a transfer referred to in this sentence shall be permitted only if, as a precondition to such transfer, the transferee agrees in a writing, reasonably satisfactory in form and substance to the Company, to be bound by all of the terms of this Agreement.
8. Liquidation Rights. If the Company is liquidated or dissolved, the funds and assets legally available to be distributed to the Company's Members and Preferred Holders ("**Available Funds and Assets**") shall be distributed first, before any distributions are made to the Company's members, to Preferred Holders, in an amount equal to the Original Issue Price of their shares plus all declared but unpaid dividends; provided that if there are not sufficient Available Funds and Assets to pay the amount due to all Preferred Holders under this provision, the funds will be distributed on a pro rata basis according to the number of Preferred Shares owned. No further distributions of Available Funds and Assets shall be made in respect of Preferred Shares in connection with the liquidation or dissolution of the Company other than as provided in this Section 8.
9. Company's Right to Accept or Reject Subscriptions. The Company may accept or reject any subscription, in whole or in part in its sole discretion. This means that the Company may sell to Investor a smaller number of Shares than Investor subscribes to purchase or may choose not to sell any Shares to Investor. If the Company accepts Investor's subscription, in whole or in part, this Agreement will constitute an irrevocable commitment by the Investor to purchase Preferred Shares at one hundred dollars (\$100.00) per share, and a copy of this Agreement will be executed by the Company and returned to Investor. If the Company rejects Investor's subscription in whole or in part, the Company will return the payment tendered for any unissued portion of the subscription.
10. Representations, Warranties, and Covenants of the Investor. Investor represents and warrants to, and covenants with, the Company that:
  - a. Acknowledgment. Investor acknowledges that Investor has received a copy of the disclosure document including all exhibits thereto (the "**Offering Memorandum**"), including the Company's articles of incorporation currently in effect.
  - b. Massachusetts Resident. Investor represents that (i) if Investor is an individual, he or she resides in the state of Massachusetts; and (ii) if the Investor is an entity, then the office in which its investment decision was made is located in the state of Massachusetts.
  - c. Evaluate Risks. Investor acknowledges that the Company has made available to it the opportunity to ask questions of and receive answers from the Company's officers and directors concerning the terms and conditions of this Agreement and the business and financial condition of the Company.
  - d. Investor Advised to Seek Representation. Investor understands that nothing in this Agreement or any other materials presented to Investor in connection with the purchase and sale of Shares constitutes legal, tax, or investment advice. The Company has advised Investor to consult with

such legal, tax, and investment advisors as Investor, in its sole discretion, deems necessary or appropriate in connection with its purchase of Shares.

e. Limitations on Transfers. Investor 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 Preferred Shares except in compliance with this Agreement, the Company's Articles of Organization, any applicable state and federal securities laws, and the respective rules and regulations promulgated thereunder.

f. No Finder's Fee. Investor represents that neither it nor any of its officers, directors, managers, partners, employees, representatives, or agents, either is, or will be obligated for any finder's or broker's fee or commission in connection with this transaction. Investor agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finders' or broker's fee (and any asserted liability as a result of the performance of services of any such finder or broker) for which Investor or any of its officers, directors, managers, partners, employees, agents, or representatives may be responsible.

g. Complete Information. All information provided by Investor to the Company in connection with the purchase of Preferred Shares is true, correct and complete as of the date set forth hereof, and if there should be any change in such information, Investor will immediately provide the Company with such information. Investor is not subject to backup withholding of interest or dividends by the Internal Revenue Service.

h. Authority; Binding Agreement. Investor represents and warrants to, and covenants with, the Company that (i) Investor 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 Investor enforceable against the Investor in accordance with its terms, except as enforceability may be limited by applicable law.

i. Indemnity. Investor agrees to indemnify and hold harmless the Company and its officers and directors for any claims, judgments, or expenses incurred as a result of any misrepresentation made by Investor.

j. Suitability Requirements. The amount invested may not exceed 10% of the Investor's liquid net worth (excluding value of home, home furnishings, and automobiles). By signing this Agreement, Investor represents and warrants that its total investment in the Shares does not exceed 10% of the Investor's liquid net worth (excluding value of home, home furnishings, and automobiles).

## 11. General Provisions.

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

If to the Company:

Dorchester Community Food Co-operative, Inc.

If to Investor:

The name and address provided

PO Box 240231  
Boston, MA 02122

by Investor on the signature  
page of this Agreement

b. Modification. This Agreement may not be modified or amended except pursuant to an instrument in writing signed by the Company and Investor.

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

d. 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.

e. Electronic Signatures. Investor may tender to the Company this Agreement by electronic means such as by email or facsimile. If Investor submits this Agreement to the Company electronically, Investor agrees that Investor's digital signature or other form of electronic acknowledgement, consent or acceptance (as the case may be), constitutes Investor'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.

f. 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.

g. 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 Shares by Investor from the Company, and supersedes all prior and contemporaneous understandings or agreements of the parties.

[Remainder of page intentionally left blank]

**In Witness Whereof**, the parties hereto have executed this **Subscription Agreement for Dorchester Community Food Co-operative, Inc. Series A Preferred Stock Offering** as of the date first written above.

By signing and submitting this Agreement Investor agrees to purchase \_\_\_\_\_ Shares at one hundred dollars (\$100.00) per Share (minimum investment, together with the investment (if any) by Investor in the Company's previous offering of Preferred Shares, of \$2000) according to the terms set forth herein.

**TOTAL PAYMENT AMOUNT:** \_\_\_\_\_

**INVESTOR:**

Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Taxpayer ID No. or Social Security Number: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

**THE COMPANY: Dorchester Community Food Co-operative, Inc.**

Name: \_\_\_\_\_

By: \_\_\_\_\_

**TITLE:** Title to the Shares shall be registered as follows:

Exact Name(s): \_\_\_\_\_

- |  |                                      |
|--|--------------------------------------|
| _____ Partnership                          | _____ Individual (Separate Property) |
| _____ Limited Liability Company            | _____ Tenants-in-Common              |
| _____ Corporation                          | _____ Joint Tenants (WROS)           |
| _____ Minor with adult custodian           | _____ Community Property (Spouses)   |
| _____ Under the Uniform Gift to Minors Act | _____ Trust                          |
|  | _____ Other _____                    |

**CERTIFICATION:**

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