

**OUR COMMUNITY COOPERATIVE OF CHELTENHAM TOWNSHIP, INC.**

**d/b/a**

**CREEKSIDE CO-OP**

**SUBSCRIPTION AGREEMENT**

**The Member Loans offered hereby have not been approved or reviewed by the U.S. Securities and Exchange Commission (the "SEC") or any state securities commission, nor has the SEC or any state securities commission passed upon the accuracy or adequacy of the Offering Memorandum describing the Member Loans. Any representation to the contrary is a criminal offense.**

**The Member Loans offered hereby have not been registered under the Securities Act of 1933 or the securities laws of any state and are being offered and sold in reliance on exemptions from the registration requirement of the Securities Act of 1933 and state securities laws. The Member Loans are being offered only to current members of CreekSide Co-op that are permanent residents of the Commonwealth of Pennsylvania and this is not an offer or solicitation to any person in any other jurisdiction. The Member Loans may not be transferred in the absence of an effective registration statement under the Securities Act of 1933 and any applicable state securities laws or an opinion of counsel acceptable to the Co-op and its counsel that such registration is not required. In addition, for a period of nine months after the completion of the offering (as determined by the Board of Directors of the Co-op), the Member Loans may not be transferred to a person that is not a permanent resident of the Commonwealth of Pennsylvania. Finally, the Member Loans may not be transferred without the prior written consent of the Co-op in its sole and absolute discretion. As a result, the Member Loans will bear a restrictive legend.**

TO: Our community Cooperative of Cheltenham Township, Inc.  
d/b/a CreekSide Co-op

(Prior to opening of the retail store)  
7410 Woodlawn Ave.  
Elkins Park, PA 19027

(After opening of the retail store)  
7909 High School Road  
Elkins Park, PA 19027

1. Subscription. I hereby subscribe for and agree to purchase \$ \_\_\_\_\_ in Member Loans evidenced by a Subordinated Promissory Note (the "Note") from Our community Cooperative of Cheltenham Township, Inc. d/b/a CreekSide Co-op (the "Co-

op”) as described in the Confidential Member Loan Offering Memorandum dated July 28, 2011, as it may amended or supplemented from time to time hereafter (the “Memorandum”).

2. Payment. Tendered herewith is a check payable to CreekSide Co-op in the amount of \$ \_\_\_\_\_ in full payment for the Note subscribed for hereby.

3. Interest Rate and Maturity of the Note. Member may select a term and annual interest rate for the Note based solely on the following matrix:

<u>LOAN AMOUNT</u>	<u>5 YR TERM</u>	<u>7 YR TERM</u>	<u>10 YR TERM</u>
\$1000-\$5,000	4%	4.5%	5%
\$5,001-\$20,000	4.5%	5%	5.5%
\$20,001 +	5%	5.5%	6%

The Note shall have a term, and shall bear simple (not compounded) interest, as indicated below and as otherwise set forth in the Note.

A. Term of the Note (select one):

5 years;  7 years;  10 years.

B. Interest Rate Per Annum (select one):

4.0%  4.5%  5.0%  5.5%  6.0%

The term of the Note shall commence on the date on which closing on the acquisition of the Property (as defined in the Memorandum) occurs (the “Release Date”). Interest on the Note shall commence to accrue on the Release Date.

4. Funds Initially Held in Escrow. I understand that the funds described in the Note shall be held in escrow with an FDIC insured bank until the Release Date. If the Release Date does not occur by August 31, 2012, the funds (without interest) shall be returned to the Payee, and the Note shall thereupon be void and of no further force or effect.

5. Restrictions on Transfer. I understand that any resale or transfer of the Note by me is subject to substantial restriction, because the Note has not been registered under the Securities Act of 1933 or the laws of any other jurisdiction. The Note cannot be sold or transferred by me unless it is subsequently registered under applicable law or an exemption from registration is available. The Co-op is not required to register the Note or to make any exemption from registration available. I agree that I will not sell or offer to sell or transfer my Note or any part thereof or interest therein except in accordance with the applicable securities laws. In addition, for a period of nine months after the

completion of the offering (as determined by the Board of Directors of the Co-op), the Note may not be transferred to a person that is not a permanent resident of the Commonwealth of Pennsylvania. Finally, the Note may not be transferred without the prior written consent of the Co-op in its sole and absolute discretion. The Co-op is hereby authorized and empowered to place a legend concerning such restrictions upon the certificate representing the Note to evidence such restrictions.

6. Active Member of Co-op and Pennsylvania Residency Representations. I represent and warrant that I am a member of the Co-op in good standing and I am a permanent resident of the Commonwealth of Pennsylvania.

7. Investment Representation. I represent and warrant that I am acquiring the Note for my own account and not on behalf of other persons, for investment purposes only and not with a view to the resale or distribution thereof. I recognize that the Note will not be registered under the Securities Act of 1933, as amended, or any applicable state securities laws; I will not sell, transfer, hypothecate or assign the Note except in compliance with the Securities Act of 1933, as amended, and applicable state securities laws.

8. Agreement Irrevocable by Subscriber. The Subscription Agreement is not, and shall not be, revocable by me except as provided by applicable securities law.

9. Subscription Subject to Acceptance or Rejection. This Subscription Agreement shall not be binding on the Co-op unless and until it shall be accepted by the Co-op, such acceptance to be indicated by the execution of this Subscription Agreement by the Co-op in the place provided on the signature page. The Co-op may reject this Subscription Agreement in whole or in part, for any reason or no reason, in its sole and absolute discretion.

10. Additional Representations and Warranties. I further represent and warrant that:

(a) I (and my financial advisors, if any);

(i) have reviewed and have carefully read and understood the Memorandum;

(ii) have been furnished with all additional documents and information which I(we) have requested;

(iii) have had the opportunity to ask questions of and receive answers from the Co-op and its management concerning the Co-op and the offering of the Member Loans and to obtain any additional information necessary to verify the accuracy or supplement the information furnished in the Memorandum; and

(iv) have relied only on the foregoing information and documents in determining to make this subscription.

(b) I recognize that investment in the Note involves substantial risks, including those set forth under “Risk Factors” in the Memorandum. I understand that although the Co-op has in good faith prepared a description of various risk factors in the Memorandum, such risk factors may not be complete and other risk factors could diminish the value of the Note. I have determined that a purchase of the Note is consistent with my investment objectives.

(c) I do not currently have an overall commitment to investments which are not readily marketable that is disproportionate to my net worth, and my investment in the Note will not cause my overall commitment to become excessive.

(d) I have adequate net worth and means of providing for my current needs and possible personal contingencies and have no need for liquidity in my investment in the Co-op. I am aware that I may not be able to liquidate my investment in the Note in the event of an emergency or for any other reason.

(e) I have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the prospective investment, and have determined that an investment in the Note is a suitable investment for me, and that I (i) am able to bear the substantial economic risk of the investment, (ii) can afford a complete loss of such investment, and (iii) the investment is reasonable in relation to the my net worth and financial needs. In formulating the decision to acquire the Note, I have relied solely upon my own advisors and my own independent investigation of the Co-op with respect to this Subscription Agreement and the nature and effect of any investment in the Note.

(f) I have not construed the contents of this Subscription Agreement, the Memorandum and the exhibits thereto or any prior or subsequent communication from the Co-op or any of its directors, officers, managers, members, employees, financial advisors, attorneys, accountants or other agents as investment, legal or tax advice. I have been advised to consult with my own financial advisor, attorneys, accountant and other professional advisors as to investment, legal, tax, or other related matters concerning the proposed investment.

(g) I understand that the Note is subordinated to Senior Debt (as defined in the Note) and that the Board of Directors has the right to defer payments of principal and interest on the Note in certain events as provided in the Note.

11. Indemnification and Hold Harmless. If I breach any agreement, representation or warranty I have made in this Subscription Agreement, I agree to indemnify, defend and

hold harmless the Co-op, its directors, members officers and employees against any claims, actions, liability, loss, damage or expense (including reasonable attorney's fees and other costs of investigating and litigating claims) caused, directly or indirectly, by my breach.

12. Investor Information. This Agreement and my ownership of the Note shall be recorded on the Co-op's books as set forth on the signature page below.

13. Miscellaneous.

(a) This Subscription Agreement represents the entire agreement of the parties with respect to the subject matter hereof and may not be amended, supplemented, waived or terminated orally or otherwise, except by a writing signed by the Co-op and the subscriber. There are no representations or warranties by the Co-op, except as specifically set forth in this Subscription Agreement.

(b) This Subscription Agreement and the rights, powers and duties set forth herein shall bind and inure to the benefit of the heirs, executors, administrators, other personal representatives, successors and permitted assigns of the parties hereto.

(c) No waiver by any party or any breach of any provision hereof shall be construed as a waiver of any subsequent breach of that provision or of any other provision of the same or of a different nature.

(d) This Subscription Agreement may be executed in one or more counterparts, each of which shall be an original against any party whose signature appears hereon, and all of which taken together shall constitute one and the same instrument binding upon all parties, notwithstanding that all parties are not signatories to the same counterpart.

(e) This Subscription Agreement shall be governed by, and construed in accordance with, the substantive laws of the Commonwealth of Pennsylvania applicable to contracts made and to be performed solely in Pennsylvania. The rule of construction that ambiguities are construed against the draftsman shall not apply to this document.

(f) In any action between or among any of the parties, whether arising out of this Subscription Agreement, the offering of the Member Loans, the Note or otherwise, (i) each of the parties irrevocably consents to the exclusive jurisdiction and venue of the state courts located in Montgomery County, Pennsylvania, or the U.S. District Court for the Eastern District of Pennsylvania; (ii) if any such action is commenced in a state court, then, subject to applicable law, no party shall object to the removal of such action to the U.S. District Court for the Eastern District of Pennsylvania; (iii) EACH OF THE PARTIES IRREVOCABLY WAIVES THE RIGHT TO TRIAL BY JURY; and (iv) each of the parties irrevocably consents to service of process by first class certified mail, return

receipt requested, postage prepaid, in the case of the subscriber, to the address set forth on the signature page of this Subscription Agreement or such other address which the subscriber may advise the Co-op in writing and, in the case of the Co-op, to the address set forth on the first page of this Subscription Agreement or such other address as the Co-op may advise the Subscriber in writing.

(g) I agree to notify the Co-op of any change of residence in the future in order that notices and payments may be sent to the correct address.

(h) The parties agree that the representations, warranties, covenants and agreements set forth in this Agreement shall survive the execution and closing of the transactions contemplated hereby.

(Remainder of this page intentionally left blank)

**IN WITNESS WHEREOF**, and intending to be legally bound hereby, I have executed this Subscription Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Signature

Second Signature (if to be owned jointly)

\_\_\_\_\_

\_\_\_\_\_

Please Print Name(s)

PLEASE MAKE SUBSCRIPTION CHECK PAYABLE TO CREEKSIDE CO-OP AND PROVIDE THE FOLLOWING DATA:

Name(s) of Subscriber(s)

(Please Print)

Residence Address (include County)

Mailing Address, if different

Telephone Number – Home or Mobile ( )

Business ( )

Fax Number ( )

Social Security Number(s):

**ACCEPTED for \$\_\_\_\_\_ by Our Community Cooperative of Cheltenham Township, Inc. d/b/a CreekSide Co-op this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.**

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

Name:

Title