

Form 1
Offering Document
For the Valley Funeral Home Co-Operative Limited

(Pursuant to the *Community Economic-Development Corporations Regulations*)

[This document is to be used only by Associations and Corporations as defined herein that are community economic-development corporations.]

Glossary

In this offering document:

1. “Act” means the *Securities Act*;
2. “Association” means an association as defined in the *Co-Operative Associations Act*;
3. “CEDC” means a Community Economic-Development Corporation, as defined herein;
4. “Community Economic-Development Corporation” means a Corporation or Association that meets the criteria prescribed by the regulations made pursuant to the *Equity Tax Credit Act* and is registered as a Community Economic-Development Corporation by the Minister of Finance pursuant to Section 11 of the *Equity Tax Credit Act*;
5. “Community Economic-Development Plan” means the community economic-development plan proposed by the Issuer which contains the information prescribed by the regulations made pursuant to the *Equity Tax Credit Act*;
6. “Corporation” means a corporation incorporated pursuant to the laws of the Province of Nova Scotia, another province of Canada or Canada that has its head office located in the Province of Nova Scotia;
7. “Finders” means persons who, for compensation or without compensation, act as intermediaries in obtaining selling agents or otherwise make introductions in furtherance of this Offering;
8. “Issuer” means [Valley Funeral Home Co-Operative Limited](#) legal name of the Corporation or Association;
9. “Investee Corporation” means a corporation in which the Issuer proposes to invest all or substantially all of the proceeds of the offering and where all or

substantially all of the fair market value of the corporation's property is attributable to property used in an active business;

10. "Offering" means this offering of Shares of the Issuer;
11. "Promoter" has the same meaning as in the Act, except that pursuant to subsection 3(3) of the *Community Economic-Development Corporations Regulations* no individual shall be considered as a promoter unless a promoter at the time the offering document is filed with the Director of Securities;
12. "Securities Rules" means the rules of the Nova Scotia Securities Commission made pursuant to the Act;
13. "Security holder" means a person or company who purchases Shares under this Offering;
14. "Shares" means **\$50 par value common shares** of the Issuer that may attract a 30% tax credit against provincial taxes payable and potentially subsequent tax credits if certain conditions are met and the shares are held for an extended period of time. For the 20% tax credit, shares must be held until 10 years from the date of purchase of the shares and for the 10% tax credit shares must be held for 15 years from the date of purchase of the shares. Failure to hold shares for the required time period except in certain circumstances will necessitate repayment of the applicable tax credit ([See # 53 pp 44](#)).
15. "Subsequent tax credits" means tax credits issued to investors in either of the following two sets of conditions:
 1. a) shares have been held 5 years by the investor.
 - b) the community economic-development corporation has subsequently raised additional capital through other specified issues registered pursuant to Section 11 of the Equity Tax Credit Act.
 - c) the market value of the community economic-development corporation fund at the time of the application for the subsequent 20% tax credit is greater than sixty-five per cent of the original book value of invested capital raised at the time of the issue of shares to the eligible investor from the specified issue.

d) the Community Economic Development Investment Fund has complied with all the requirements of the Equity Tax Credit Act and Regulations.

e) the Community Economic Development Investment Fund has applied to the Minister of Finance for the 20% tax credit and provided all requested information.

Or

2. a) shares have been held 10 years by the investor.

b) the community economic-development corporation has subsequently raised additional capital through other specified issues registered pursuant to Section 11 of the Equity Tax Credit Act.

c) the market value of the community economic-development corporation fund at the time of the application for the subsequent 10% tax credit is greater than fifty per cent of the original book value of invested capital raised at the time of the issue of shares to the eligible investor from the specified issue.

d) the Community Economic Development Investment Fund has complied with all the requirements of the Equity Tax Credit Act and Regulations.

e) the Community Economic Development Investment Fund has applied to the Minister of Finance for the 10% tax credit and provided all requested information.

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CAUTIONS

The Nova Scotia Securities Commission has not assessed:

- X the reasonableness or merit of the Issuer or the Offering;
- X whether the Issuer has sufficient financing and managerial expertise to accomplish its stated objectives;
- X whether management of the Issuer has the reputation and commitment to conduct the Issuer's business with integrity and in the best interest of the Security holders;
- X whether the Promoters and management of the Issuer are receiving unconscionable benefits at the expense of the Security holders; or
- X whether any financial forecast or projection contained in this offering document has a reasonable basis;

Investment in small business involves a high degree of risk, and investors should not invest any funds in this Offering unless they can afford to lose a substantial portion of their investment. Potential investors should read all of this offering document, particularly the risk factors on page [7](#).

Potential investors should review the information concerning the background of the Issuer's officers, directors and other key personnel and consider whether or not these persons have adequate background and experience to develop and operate the Issuer and to make it successful. In this respect, the experience and ability to manage are often considered among the most significant factors in the success of a business.

After reviewing the "Use of Proceeds" on page [22](#) potential investors should consider whether the amounts available for future development of the Issuer's business and operations will be adequate.

A Security holder may have rights of rescission or an action for damages in circumstances which are described in this offering document beginning on page [49](#).

THERE IS NO ORGANIZED MARKET THROUGH WHICH THE SHARES MAY BE SOLD. IT MAY BE DIFFICULT OR EVEN IMPOSSIBLE FOR THE INVESTOR TO SELL THEM.

Potential investors should also consult their professional advisors before investing.

This offering document, together with the documents incorporated herein by reference and forming part of this offering document, and the attachments thereto contain all of the representations by the Issuer concerning this Offering and no person shall make

different or broader statements than those contained herein. Investors are cautioned not to rely on any information not expressly set forth in or attached to this offering document.

This offering document, together with financial statements and other attachments, consists of a total of **52 plus attachments** pages.

THE OFFERING

1. The Shares being offered are:

Fully-paid, newly-issued voting common shares that are non-redeemable, non-convertible, and not restricted in profit sharing or participation upon dissolution; the price per share is \$50. Individuals must purchase a minimum of 20 shares.

[Describe the Shares being offered including the price of the Shares and the material attributes of the Shares.]

The minimum share purchase under this Offering is: **\$1000**

2. The offering price was established by the following method:

negotiation with the investor
 arbitrarily by the Issuer
 otherwise (explain)

3. Maximum number of Shares offered: **5,500 (five thousand five hundred)**
4. Total proceeds if maximum sold: **\$275,000 (two hundred and seventy five thousand dollars)**
5. Minimum number of Shares offered: **3,000 (three thousand)**
6. Total proceeds if minimum sold: **\$150,000 (one hundred fifty thousand dollars)**
7. Reasons for the selection of the minimum number of Shares offered:

The minimum amount of \$150,000 will ensure Valley Funeral Home Co-Operative Limited will be able to fund the cash requirements as outlined in section 23(b) page 17.

[Issuers are required to explain why the total proceeds raised if the minimum number of securities offered is sold is a reasonable amount taking into consideration the business of the Issuer as described in either item 21 or 22; or 23 or 24 and the use that will be made of the proceeds of the offering as described in item 27.]

8. Minimum number of investors required:

20 (twenty persons) at a minimum investment of \$1,000 (one thousand dollars) each.

[A CEDC is required to indicate how the minimum number of investors required meets the concept of a “community based” project.]

9. Total estimated costs of the Offering:

\$10,000 (see section 27 page 22 for details)

RISK FACTORS

10. Taking into consideration the factors noted below, list in the order of importance the factors which the Issuer considers to be the most substantial risks to an investor in this Offering in view of all known facts and circumstances (i.e., those factors which constitute the greatest threat that the investment will be lost in whole or in part, or not provide an adequate return).

(a) There is a lack of direct investment experience by the Fund, its promoters and its Board which may result in a "learning curve" respecting the placement of equity investments. This, in turn, may reduce the performance of the Fund, and hence is the primary risk factor identified prior to the Offering.

(b) While it has been assumed that there are more potential investments within the community than the Fund can participate in, there remains a risk that the Fund will not be able to access these deals and/or will not be able to negotiate an agreeable financing arrangement with the partners of the target investment.

(c) The investments made by the Fund will have returns which are directly attributable to the performance of the companies invested in. Therefore, the risk associated with an economic downturn in the local community is real and must be factored into the decision. Therefore, investments which were prudent at the time of investment may not prove profitable over the term they are maintained.

(d) There are limited opportunities available for exiting the Fund, i.e., liquidity risk. The reader is instructed to refer to item 57 for a full disclosure of the limited options for the resale of these securities.

(e) Another risk factor considered to be potentially material to an investor is the opportunity cost of capital should the offer not close. Depending upon the dates involved in the offering, an investor who chooses this investment may lose the opportunity to invest in another tax-assisted investment (e.g., Labour-Sponsored Venture Capital Corporations) due to the limitation on investment (60 days).

(f) The Shares are speculative in nature. An investment is appropriate only for investors who are prepared to have their money invested for a long period of time, and who have the capacity to absorb a loss of some or all of their investment.

(g) There is no organized market through which the Shares may be sold. Therefore, investors may find it difficult or even impossible to sell their Shares.

(h) There are restrictions on the resale of the Shares. See item 57 for details.

(i) The Issuer may not achieve a level of profitability to permit dividends to be paid. Investors should not count on any return from these Shares.

(j) Investors who deposit the Shares in a self-directed RRSP should not depend on selling the Shares or income from the Shares to fund their retirement.

(k) Tax laws frequently change.

Please add only the applicable risk factors in bold and capital letters and fill in the blanks from the following:

(L) IF THE OFFERING FAILS TO MEET THE MINIMUM INITIAL CLOSING CONDITIONS AS PER ITEM #16 AND CLOSE BY FEBRUARY 28, 2007, AS STATED IN ITEM #17, INVESTORS WILL NOT HAVE TIME TO ARRANGE ALTERNATE RRSP ELIGIBLE CONTRIBUTIONS FOR THE 2006 TAXATION YEAR.

(M) THE OFFERING IS NOT CLOSING BY MARCH X, 200_. THEREFORE THE 30% PROVINCIAL EQUITY TAX CREDIT WILL BE APPLICABLE TO THE 200_ TAXATION YEAR.

N/A

(N) THE OFFERING IS NOT CLOSING BY MARCH X, 200_. THEREFORE INVESTMENTS WILL NOT BE ELIGIBLE RRSP CONTRIBUTIONS FOR THE 200_ TAXATION YEAR.

N/A

(O) IF THE CLOSING DATE FOR THE OFFERING UNDER WHICH A SUBSCRIBER PURCHASES SHARES IS WITHIN 60 CALENDER DAYS AFTER A CALENDER YEAR END, THE SUBSCRIBER HAS THE OPTION TO APPLY THE EQUITY TAX CREDIT FIRST TO EITHER THE PREVIOUS OR CURRENT TAXATION YEAR. UNUSED AMOUNTS MAY BE CARRIED BACK THREE YEARS OR FORWARD SEVEN YEARS. THE EQUITY TAX CREDIT MAY ONLY BE USED AS A CREDIT AGAINST PROVINCIAL NOVA SCOTIA TAXES PAYABLE. THE CREDIT IS NOT REFUNDABLE.

N/A

PLAN OF DISTRIBUTION

11. The following people (the “selling agents”) are authorized to sell Shares under the Offering:

Name	Address	Business Phone #	Fax #
Boyd Taylor	739 Belcher St. Port Williams, NS B0T 1T0	(902) 678-6752	N/A
Evelyn MacDonald	11 Vincent St. Cambridge, N.S. B0P 1G0	(902) 538-3788	N/A
Donald MacDonald	11 Vincent St. Cambridge, N.S. B0P 1G0	(902) 538-3788	N/A
Sylvia Lent	14-E Levertt Ave. Kentville, NS B4N 2K6	(902) 678-2733	N/A
Eric Meek	2499 North Ave. Canning, N.S. B0P 1H0	(902) 582-3735	N/A
Patricia Murphy	RR#2 Centreville, N.S. B0P 1J0	(902) 582-7297	N/A
Max Lockhart	34 Coldbrook Village Park Drive, Coldbrook, N.S. B4R 1B9	(902) 679-2822	(902) 679-0424
Mary Lockhart	34 Coldbrook Village Park Drive, Coldbrook, N.S. B4R 1B9	(902) 679-2822	N/A
Eva Van Buskirk	20 Eden Row, Wolfville, N.S. B4P2R2	(902) 542-5167	N/A
Leo Nasager	1064 Aalders Ave New Minas, N.S. B4N 3H5	(902) 681-2364	N/A

12.

- (a) Describe any compensation to selling agents or Finders, including cash, securities, contracts or other consideration of any kind direct or indirect.
- (a) Also indicate whether the Issuer will indemnify the selling agents or Finders against liabilities, if any, under the securities laws.
- (b) No compensation will be paid to the above selling agents as a commission for the selling of shares.
- (b) The issuer will indemnify the selling agents or Finders against liabilities, if any, under the securities laws.

There are no finders for this issue.

13. Describe any material relationship between any of the selling agents or Finders and the Issuer or its management.

Sylvia Lent (former director), Max Lockhart (funeral director) and Mary Lockhart, (spouse and office administration) have agreed to serve as selling agents.

NOTE: After reviewing the amount of compensation to the selling agents or Finders for selling the Shares, and the nature of the relationship between the selling agents or Finders and the Issuer, a potential investor should assess the extent to which it may be appropriate to rely upon any recommendation by the selling agents or Finders to buy the Shares.

Please refer to #51 & #54 for additional information on the relationship between parties.

NOTE on selling agents and Finders:

Potential investors should carefully consider the following points when evaluating any recommendation by the selling agents or Finders to buy the Shares:

- (a) Amount of compensation received by the selling agents or Finders to sell the shares;
- (b) The nature of the relationship between the selling agents or Finders and the Issuer; and
- (c) Unlike most securities offerings, the selling agents and Finders are not required to be registered under the Act to trade securities and therefore, when investors purchase the Shares through unregistered selling agents or Finders, they should be aware that:

- i) They will not have the protections afforded by certain requirements and standards imposed on “registrants” under the Act, including

proficiency standards, reporting requirements, “know your client” requirements and “suitability” requirements; and

ii) Unregistered selling agents and Finders are generally prohibited by the Act from giving investment advice to potential investors unless permitted to do so by an exemption expressly set out in the Act or granted by the Nova Scotia Securities Commission under the Act.

14. Describe the procedure by which investors subscribe for Shares under the Offering.

Initial public meetings and/or private meetings followed by provision of this offering document to prospective investors. Investor will forward payment by means of a cheque or money order (cash is not acceptable) to the Issuer, or their banker in trust, payable to “Valley Credit Union in Trust”, to be held in trust until the closing.

15. The subscription funds will be held in trust by [Valley Credit Union \(Appendix A\)](#) and will only become available to the Issuer when the conditions of closing described below have been met and the Offering has closed.

16. The following are conditions of the initial closing of this Offering:

- (a) the Issuer has received the minimum offering amount of [\\$150,000](#);
- (b) all material contracts have been signed, and all material consents of third parties have been obtained;
- (c) all necessary and required certificates under the *Equity Tax Credit Act* and regulations and other applicable laws have been obtained;
- (d) additional conditions of the initial closing are:
 - (i) A minimum of [20](#) shareholders having subscribed (per #8).
 - (ii) [A minimum offering of \\$150,000.](#)

17. The minimum offering amount and all other conditions of the initial closing must be achieved on or before [02/28/07](#). [Unless the Director has granted an extension, this date must be not more than 90 days from the date of issuance of a letter of non-objection in respect of the offering document by the Director of Securities pursuant to the *Community Economic-Development Corporation Regulations*.]

18. If the minimum offering amount and all other conditions of the initial closing are not achieved on or before the time specified in item 17, and no extension has been granted by the Director, the Offering will be withdrawn and all of the proceeds of subscription, without interest, will be returned to the subscriber within 30 days of the date that the Offering was to close.
19. The following are conditions of each subsequent closing of this Offering:
 - (i) there has been no material change in material contracts referred to in item #16(b);
 - (ii) all necessary and required certificates under the Equity Tax Credit Act and regulations and other applicable laws have been obtained and are current.

THE ISSUER

20. Issuer's exact name as it appears in the incorporating document:

Jurisdiction and Date of Incorporation	Valley Funeral Home Co-Operative Limited, N.S.-March 30, 2000
Address of Registered Office	P.O. Box 69 Canning, N.S. B0P 1H0
Address of Principal Business Address	34 Coldbrook Village Park Dr., Coldbrook, N.S. B4R 1B9
Issuer's Telephone Number	678-6752 and 847-0003
Issuer's Fax Number	678-9954 and 847-0184
Contact Person at Issuer with Respect to the Offering	Boyd Taylor and Colleen O'Flaherty
Telephone Number of Contact Person (if different number from above)	

BUSINESS AND PROPERTIES OF A CEDC THAT IS A CORPORATION

When the Issuer is a Corporation and now operates or proposes to operate an active business or to invest all or substantially all of the proceeds of the offering in shares of a corporation where all or substantially all of the fair market value of that corporation is attributable to property used in an active business (the "Investee Corporation") please complete item 21.

If the Issuer proposes to invest or has invested 20% or more of the net proceeds of the total offerings to date or of the contemplated offering, in an Investee Corporation, the most recent financial statements of the Investee Corporation must be attached and form part of this document.

[When the Issuer is a Corporation and has a constitution that restricts it to making specified investments in eligible local business entities in accordance with its Community Economic-Development Plan please go to item 22.]

21. With respect to the business of the Issuer and its properties:

- (a) Describe in detail what business(es) the Issuer or Investee Corporation now operates and proposes to operate, including what products are or will be produced or services that are or will be rendered.
N/A
- (b) Describe how these products or services are to be produced or rendered and how and when the Issuer intends to carry out its activities. If the Issuer or Investee Corporation plans to offer a new product(s), state the present stage of development including whether a working prototype(s) is in existence. Indicate if completion of development of the product will require a material amount of the resources of the Issuer, and the estimated amount. Describe any major existing supply contracts.

N/A

- (c) Describe the industry in which the Issuer or Investee Corporation is selling or expects to sell its products or services and, where applicable, any recognized trends within the industry. Describe that part of the industry and the geographic area in which the business competes or will compete. Indicate whether competition is or is expected to be by price, service or other basis.

N/A

- (d) If the Issuer's or Investee Corporation's business, products or properties are subject to material regulation by federal, provincial or municipal governmental agencies, indicate the nature and extent of regulation and its effects or potential effects upon the Issuer.

N/A

- (e) State the number and types of employees the Issuer or Investee Corporation has and the number and type of employees it anticipates it will have within the next twelve months.

N/A

- (f) Describe generally the principal properties (such as real estate, plant and equipment, patents, etc.) that the Issuer or Investee Corporation owns, indicating also what properties it leases and a summary of the terms of those leases, including the amounts of payments, expiration dates and the terms of any renewal options. Indicate what properties the Issuer or Investee Corporation intends to acquire in the next twelve months, the costs of such acquisitions and the sources of financing it expects to use in obtaining those properties, whether by purchase, lease or otherwise.

N/A

- (g) State the name of any subsidiaries of the Issuer or Investee Corporation, their business purpose and ownership. If none, so indicate.

N/A

- (h) Summarize the material events in the development of the Issuer or Investee Corporation during the last 5 years or for whatever lesser period the Issuer has been in existence. Include both positive and negative facts. Also include details on profits and losses, including the causes of any losses. Include as well any material acquisitions or arrangements. [A "material event" or "material acquisition or arrangement" is one that is fundamental to the business and day-to-day operations of the Issuer or Investee Corporation.]

N/A

SPECIFIED INVESTMENTS IN ELIGIBLE LOCAL BUSINESS ENTITIES BY A CEDC THAT IS A CORPORATION (BLIND POOLS)

If the Issuer proposes to invest or has invested 20% or more of the net proceeds of the total offerings to date or of the contemplated offering, in an Investee Corporation, the most recent financial statements of the Investee Corporation must be attached and form part of this document.

22. [Item 22 must be completed by a CEDC that is a Corporation with a constitution that restricts it to making specified investments in eligible local business entities in accordance with its Community Economic-Development Plan.]
- (a) Set out restrictions as described in the Issuer's constitution.
N/A
 - (b) Describe the Issuer's investment strategy and objectives as set forth in the Issuer's Community Economic-Development Plan.
N/A
 - (c) Describe any intended specified investments in eligible local business entities which the Issuer plans to make with the proceeds of the Offering and how they fall within the Issuer's Community Economic-Development Plan. If no such specified investments are planned at the time of the Offering or if further specific investments are contemplated please indicate that fact.
N/A

[Potential investors should note that where specified investments in eligible local business entities are not described in this offering document the Issuer must make such investments in compliance with Section 20 of the *Community Economic-Development Corporations Regulations*.]

BUSINESS AND PROPERTIES OF A CEDC THAT IS AN ASSOCIATION

When the Issuer is an Association and now operates or proposes to carry on business or operate as a marketing, producer or employee Co-Operative as those activities are defined in the regulations to the *Equity Tax Credit Act*, please complete item 23.

If the Issuer proposes to invest or has invested 20% or more of the net proceeds of the total offerings to date or of the contemplated offering, in an Investee Corporation, the most recent financial statements of the Investee Corporation must be attached and form part of this document.

[When the Issuer is an Association that has a constitution that restricts it to investing in eligible investments in accordance with the regulations made pursuant to the *Equity Tax Credit Act*, please go to item 24.]

23. With respect to the business of the Issuer and its properties:

- (a) Describe in detail what business(es) the Issuer now operates and proposes to operate, including what products are or will be produced or services that are or will be rendered.

The Valley Funeral Home Co-Operative Limited intends to invest part of the proceeds from this Offering into retiring the debt of a central funeral home facility on land currently owned by Valley Funeral Home Co-Operative Limited in Coldbrook, NS, including all required equipment and systems, plus suitable vehicles needed to provide funeral services over the defined catchment area from Windsor to Annapolis Royal, and southward from Kentville to the New Ross area.

The Mission of the Valley Funeral Home Co-Operative Limited is to provide to both member-shareholders and the community at large, dignified and affordable funeral services as an alternative to those presently offered in this area. The business plan for the Valley Funeral Home Co-Operative Limited (Appendix B) anticipates that cremation services will make up a high and rising proportion of the services it offers, but that conventional funeral/internment services will continue to make up more than half of its service total for the next decade.

Traditional funeral and cremation services are available through the Valley Funeral Home Co-Operative Limited. The following is a list of some of the offerings for its members and the general public;

- transfer of remains – place of death, cremation, church, place of burial
- paperwork including registration and death certificate
- embalming
- casket – rental or purchase
- service in church, chapel and/or graveside
- cremation box and urn
- cremation
- visitations
- deliver clergy honorarium, newspaper notices and monitor guest registration book
- other necessary arrangements requested by the family

Further, the following policies adopted by VFHCL enhance our product offering:

- shares transferable through a will at death
- share exchange for work needed by VFHCL (i.e. servicing of vehicles, finish carpentry work, marketing, rough landscaping and painting)
- free basic services for the child (aged 0-12) of a member
- lower overhead costs that allow the savings to be passed on to the membership

In addition to the use of the Chapel at its central funeral home facility, the Valley Funeral Home Co-Operative Limited is currently offering its services through the established network of churches that serve the catchment area, for clients who wish to have their final service delivered through their home-community church.

- b) Describe how these products or services are to be produced or rendered and how and when the Issuer intends to carry out its activities. If the Issuer plans to offer a new product(s), state the present stage of development including whether or not a working prototype(s) is in existence. Indicate if completion of development of the product will require a material amount of the resources of the Issuer, and the estimated amount. Describe any major existing supply contracts.

The delivery of funeral services by the Valley Funeral Home Co-Operative Limited combines the use of the new facility, and the use of church facilities located across the catchment area for services from Valley Funeral Home Co-Operative Limited. As noted elsewhere in this document, the Valley Funeral Home Co-Operative Limited markets its services well beyond the requirements of its member-shareholders, out to the general population base of the catchment area.

The Directors of the Valley Funeral Home Co-Operative Limited undertook an initial marketing plan to determine the potential clientele in our catchment area for funeral services. Since opening our business in late 2004 we have made significant strides in establishing clientele. First, our membership increased from 161 to 312 during the calendar year 2005 and by the end of June 2006 stood at over 350 members. However, this does not tell the whole story. We have been very successful in developing an "in trust" portfolio of pre-paid and pre-assigned funerals from amongst those who have joined us since the beginning of 2005. Prepaid funeral amounts stand at \$140,561 and AVFHC assigned funerals through Familyside Insurance total \$257,667.

- (c) Describe the industry in which the Issuer is selling or expects to sell its products or services and, where applicable, any recognized trends within the industry. Describe that part of the industry and the geographic area in which the business competes or will compete. Indicate whether competition is or is expected to be by price, service or other basis.

The following funeral home companies currently operate funeral delivery services in the Windsor to Bridgetown area: Lohnes-Beasley Funeral Home, and Lindsays Windsor Funeral Home Ltd., (both in Windsor). H.C. Lindsay Funeral Home Ltd., with principal service facilities located in Wolfville, Kentville and Berwick and a satellite/part-time facility located in New Ross, the White Family Funeral Home, Kentville, the Middleton Funeral Home in Middleton, the Kaulback's Funeral Home in Bridgetown, and the Serenity Crematorium and Funeral Specialist Inc. in Port Williams.

Attached, is a site-plan for the area (Appendix C), indicating the location of the facilities, and the Valley Funeral Home Co-Operative Limited facility.

Each of the funeral homes identified above has a significant operating history and continuity in its home community, where traditionally families have associated their funeral-service needs with a specific funeral home serving their community. These services have typically been expensive, but not price sensitive. Important recent trends in the funeral service industry in Nova Scotia, Canada and the United States include:

Factors:

- An aging population profile, but with lower rates of mortality (and consequently of funeral services) than were actuarially predicted for the current decade.
- A high and rising proportion of funeral services that utilize cremation services.
- An increasing sensitivity to the cost of traditional funeral services.

The first of these industry conditions should not pose a risk to the business of the Valley Funeral Home Co-Operative Limited, since it represents only a deferral of some services, and not an absolute reduction in services over the life of the proposed new facility.

In respect to the second factor, most recent burial statistics indicate that already more than one-third of burial services in Nova Scotia (and for the catchment area of the Valley Funeral Home Co-Operative Limited) involve cremations. Cremation-centered funeral services are substantially lower in most operating margins than traditional services.

This trend in type of service desired is expected to continue into the foreseeable future, and is consistent with the plan of the Valley Funeral Home Co-Operative Limited to provide affordable services to its clients across its service area.

The third factor affecting the funeral business, that of increasing price sensitivity/elasticity, is also incorporated into the operating plan for the Valley Funeral Home Co-Operative Limited facility, and is similarly consistent with the objective of the Issuer to be able to provide dignified service at prices that are more affordable than those already being offered in this area.

- (d) If the Issuer's business, products or properties are subject to material regulation by federal, provincial or municipal governmental agencies, indicate the nature and extent of regulation and its effects or potential effects upon the Issuer.

The operation of funeral homes in Nova Scotia is well regulated by the Nova Scotia Government. Those Regulations under which the Valley Funeral Home Co-Operative Limited operates are well understood by the Board of Directors of the issuer, whose members have spent the last eleven years developing the present plan for the operation of a central funeral facility for this area which is aimed at meeting the needs of a majority of the potential client base for quality, but affordable funeral services.

The Regulations under which the Valley Funeral Home Co-Operative Limited operates include, in part, a requirement that a funeral Director was engaged prior to the start of the delivery of funeral services. Conditions of operations, equipment, and qualification of staff are areas of responsibility that have been met. Some of the services delivered by the Valley Funeral

Home Co-Operative Limited are met through the use of a combination of contract employees, and volunteers from its shareholder-member base.

The Valley Funeral Home Co-Operative Limited has experienced no negative effects in meeting the regulatory requirements of conducting a business in this sector.

24. Item 24 must be completed by a CEDC that is an Association that has a constitution that restricts it to investing in eligible investments in accordance with the regulations made pursuant to the *Equity Tax Credit Act*. **(BLIND POOLS)**

If the Issuer proposes to invest or has invested 20% or more of the net proceeds of the total offerings to date or of the contemplated offering, in an Investee Corporation, the most recent financial statements of the Investee Corporation must be attached and form part of this document.

- (a) Set out restrictions on investments as described in the Issuer's constitution:
N/A
- (b) Describe the Issuer's investment strategy and objectives as set forth in the Issuer's Community Economic-Development Plan.
N/A
- (c) Describe any intended specified eligible investments which the Issuer plans to make with the proceeds of the offering. If no such specific eligible investments are planned at the time of the Offering or if further specific eligible investments are contemplated, please indicate that fact.
N/A

[Potential investors should note that where specific eligible investments are not described in this offering document the Issuer must comply with Section 21 of the *Community Economic-Development Corporations Regulations*.]

CAPITAL STRUCTURE

25. The following table describes the authorized capital of the Issuer:

Name Of Security	Description of Attributes
Common Shares	<p>Par Value of \$50, unlimited in number, voting, non-redeemable, non-convertible, not restricted in profit sharing or participation upon dissolution.</p> <p>Investors are reminded that the Bylaws of the Valley Funeral Home Co-Operative Limited provide that, in order to exercise their voting rights, member-shareholders must have purchased a minimum of two shares for an investment of \$100 in the Co-Operative. Once this level of investment and shareholding is reached, member-shareholders are entitled to one (single) vote on any matter brought before them, irrespective of the total number of shares they hold.</p> <p>10 shares constitute a fully paid up membership, which allows the member to receive member benefits (special savings) and makes that member eligible to sit as a director on the board.</p>

[In the table, please name and describe the classes of securities of the Issuer, if any, exactly as set out in the constitutional documents of the Issuer. If these details are lengthy, then refer to the constitutional documents by reference and attach them to the offering document. The reference should state: "The constitutional documents attached to this offering document describe the authorized capital of the Issuer".]

26. The following table describes the capital structure of the Issuer at a date not more than 30 days preceding the date of the offering document and also what the capital structure will be on the conclusion of the Offering:

Name of Security	Number Authorized	Total \$Value and # Outstanding at 2006 - 08 - 14	Total \$Value and # Outstanding at Initial Closing @ Minimum @ Maximum
[Loans/ Other Indebtedness]		nil	
[Preferred Shares]	nil	nil	nil
[Common Shares]	No limit	\$318,200 (6,364)	\$468,200 (9,364 at min) \$593,200 (11,864 at max)
[Retained Earnings]	No limit	-\$148,816	-\$148,816
TOTAL	0	n/a	n/a

[In columns 3 and 4, state \$ amount first and number of securities in brackets after.]

USE OF PROCEEDS

27. The funds raised in the Offering will be used as indicated in the following table:

	If Minimum Sold	%	If Maximum Sold	%
Total Proceeds	\$150,000	100	\$ 275,000	100
Less:				
Offering Expense	\$ 5,000	3.3	\$ 5,000	1.8
Legal & Accounting	\$ 3,000	2.0	\$ 3,000	1.1
Copying & Other Expenses	\$ 2,000	1.3	\$ 2,000	0.7
Total Cost of Offering	\$ 10,000		\$10,000	
Net Proceeds from Offering	\$ 140,000	93.3	\$ 265,000	96.3
Use of Net Proceeds				
Investments	0	0.0	0	0.0
Administration	0	0.0	0	0.0
Pay out of line of credit	\$ 40,000	26.6	\$ 40,000	14.5
Payments on mortgage and equipment	\$ 100,000	66.6	\$ 157,000	57
Upgrades to equipment and facility			\$ 38,500	14
Operating capital			\$ 29,500	10.7
Total Use of Net Proceeds	\$ 140,000	100	\$ 265,000	100

[The information concerning "Use of Net Proceeds" must be meaningful and in reasonable detail. Normally, it is not sufficient to say only that "the proceeds of this offering will be used for general corporate or association purposes." Describe any projects in reasonable detail and their location.]

28. Describe the order of priority in which the proceeds set forth under the column "If Minimum Sold" will be used.

The focus of the Valley Funeral Home Co-Operative Limited is to pay off its mortgage as quickly as possible. Therefore, if only the minimum amount of shares are sold, the funds raised will be used to pay down the mortgage, cover the cost of this offering and pay off our line of credit.

29. If material amounts of funds from sources other than the Offering are to be used in conjunction with the proceeds from the Offering, state the amounts and sources of such other funds, and whether funds are firm or contingent. If contingent, explain the contingent event(s).

N/A

30. Indicate whether the Issuer is having or anticipates having within the next 12 months any cash flow or liquidity problems and whether it is in default or in breach of any note, loan, lease or other indebtedness or financing arrangement

requiring the Issuer to make payments. Indicate if a significant amount of the Issuer's trade payables have not been paid within the stated trade term. State whether the Issuer is subject to any unsatisfied judgments, liens or settlement obligations and the amount thereof. Indicate the Issuer's plans to resolve any such problems.

As shown in the financial statement (Appendix D) The Valley Funeral Home Co-Operative Limited has not shown a profit to date. Cash flow has been less than was expected, largely as a result of fewer funerals than anticipated up to July 2006. However, our long term liquidity outlook is excellent with pre-paid funerals resulting in \$140,561 being held in trust in our account at Valley Credit Union. In addition, Familyside funeral insurance plan has earmarked \$ 257,667 to us in future funeral services. These amounts in pre-paid and assigned funerals have far exceeded our earlier expectations of \$100,000 to June 2006. This guarantee of future business was a major reason why Valley Credit Union has chosen to provide us with a \$40 000 line of credit to be drawn upon as needed to support any short term cash flow problems we may experience as noted in business plan we anticipate a positive cash flow in the future.

31. Indicate whether proceeds from the Offering will satisfy the Issuer's cash requirements for the next 12 months, and whether it will be necessary to raise additional funds. State the source of additional funds, if known.

It is expected that the proceeds of this offering will be sufficient to meet the Valley Funeral Home Co-Operative cash flow needs over the next 12 months. Should the proceeds fall into the bottom end of the targeted \$150,000 to \$275,000 range; the Directors will consider returning with a third new equity offering in 2007, with the proceeds intended to pay down loan balances.

FINANCIAL FORECASTS OR PROJECTIONS

32. If future-oriented financial information such as forecasts or projections will be provided to potential investors, such information must be attached to the offering document and referred to in this section. The forecast or projection must include all of the assumptions used to calculate the figures shown and be prepared in accordance with section 17 of the *Community Economic-Development Corporations Regulations*.

Future-oriented financial information will not be provided other than the actual and projections contained in our business plan (Appendix B).

DIVIDENDS, DISTRIBUTIONS AND REDEMPTIONS

33. Provide particulars of the Issuer's dividend policy, if any.

The organization's Dividend Policy states that dividends would not be paid before the beginning of the next-following January after two full years of operation; therefore, no dividends could be declared before January, 2010. This dividend would be based on the performance of the Valley Funeral Home Co-Operative Limited, set at an Annual General Meeting, at a rate not exceeding "the Bank of Canada prime rate plus 2 per cent."

34. Give details of dividends and other distributions paid by the Issuer to its security holders during the last 5 years.

None

PROMOTERS OF THE ISSUER

35. The Promoters of the Issuer are:

Name: Boyd Taylor

Business street address: 739 Belcher Street, Port Williams, N.S. B0P 1T0

Business telephone number: (902) 678-6752

Business fax number: (902) 678-9954

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

Retired in 1994 from Kingstec Community College

Spent 28 years teaching heavy-duty equipment repair

From 1955-1966 working as a mechanic

Kings County Academy XI 1955

55 years with the Air Cadet League of Canada, Nova Scotia Provincial Committee

Presently Western Regional Director for Nova Scotia Provincial Committee

Recipient of Canadian Forces Medal 1970 and Queens Jubilee Medal 2003

Coordinator for CEDIF for 2003

Education (degrees, schools and dates):

Holds a VTC IV in vocational education

Holds an auto mechanic license (1960)

Holds a bus and transport mechanic license (1970)

Holds a heavy duty equipment mechanic license (1971)

Holds an industrial mechanic license (1981)

Nature of projects during the last five years if not described immediately above:
N/A

Name: Donald MacDonald

Business street address: 11 Vincent St. Cambridge, N.S. B0P 1G0

Business telephone number: (902) 538-3788

Business fax number: N/A

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

Michelin Canada Ltd. Nov. 1971 to Dec. 31 2006-technition in quality control
Carpenter with Fraser, Mason and Fraser New Glasgow 1969-1971
Past 5 years volunteer carpentry at Kings Presbyterian Church New Minas
Site supervisor for the construction of our funeral home

Education (degrees, schools and dates):

1958 - Junior Tech. Institute – New Glasgow
1958 -1964 – Journeyman Carpenter
1971 - Taught night school

Nature of projects during the last five years if not described immediately above:
N/A

Name: Evelyn MacDonald

Business street address: 11 Vincent St. Cambridge, N.S. B0P 1G0

Business telephone number: (902) 538-3788

Business fax number: N/A

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

Teacher for Pictou County School board 1959-1966
Substitute teacher town of New Glasgow 1966-1980
Worked for Annapolis Valley Library, Kings County Book Mobile 1992-1995
Retired 1995

Education (degrees, schools and dates):

Grade 12 East Pictou Rural High 1957
One year at Teachers College-graduated 1959

Nature of projects during the last five years if not described immediately above:

N/A

Name: Eric Meek

Business street address: 2499 North Avenue, Canning, N.S. B0P 1H0

Business telephone number: (902) 582-3735

Business fax number: N/A

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

Self employed-mixed crop and poultry farmer

Education (degrees, schools and dates):

NSAC-1954 and KCA XI – 1952

Nature of projects during the last five years if not described immediately above:

Past president Co-op Atlantic
In the Board of Canadian Cooperative Association
Treasurer of Co-op Development Foundation
Director of Valley Credit Union
40+ years with the Canning Volunteer Fire Dept.
Ex Chief with the Canning Volunteer Fire Dept.
Moderator of Canning Baptist Church
On board of directors of Kent Co-Operative, New Minas
Past Chairman of the board of directors of ACA Co-Operative Ltd. New Minas
Past Chairman Canadian Chicken Marketing Agency
Past Chair, Nova Scotia Chicken Marketing Board
On board of directors of Nova Scotia Co-op Council

Name: [Sylvia Lent](#)

Business street address: [14E-Levertt Ave., Kentville, N.S. B4N 2K6](#)

Business telephone number: [\(902\) 678-2733](#)

Business fax number: [N/A](#)

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

[For the past 20+ years has been a podiatrist, operating a private clinic](#)

Education (degrees, schools and dates):

[N/A](#)

Nature of projects during the last five years if not described immediately above:

[Expanded locations to the Western end of the province](#)

[Past director with the AVFHC for 9 years](#)

Name: [Patricia Murphy](#)

Business street address: [450 Bains Road, RR#2 Centerville, N.S. B0P 1J0](#)

Business telephone number: [\(902\) 582-7297](#)

Business fax number: [N/A](#)

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

[Kings Co. School Board-Special Education Teacher](#)

[Flower Cart-Literacy Instructor, Workplace Education Instructor, Consumer Education Instructor and teaching adults with special needs](#)

[Literacy and basic living skills](#)

Education (degrees, schools and dates):

[High School-Central Kings 1968](#)

[Teacher's College 1968-1970](#)

[Acadia University 1970-1971](#)

[Special Education Summer School 1973-1976](#)

Nature of projects during the last five years if not described immediately above:

[N/A](#)

Name: Max H. Lockhart

Business street address: 34 Coldbrook Village Park Dr., Coldbrook, N.S. B4R
1B9

Business telephone number: (902) 679-2822

Business fax number: (902) 679-0424

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

1965-1969 H. W. Angus Funeral Home, New Glasgow. Apprenticeship and /licensed

1969-1984 H. C. Lindsay Funeral Home, Wolfville. Partner/owner

1984-Nov. 2004 Robert L. Hall Funeral Home, Bridgetown/Annapolis. Manager

Nov. 2004-present, Annapolis Valley Funeral Home, Coldbrook
Manager/Funeral director/embalmer

Education (degrees, schools and dates):

Grade 11 certificate, Horton High School, 1961

Funeral director and embalmer apprenticeship, 1970

Nature of projects during the last five years if not described immediately above:

N/A

Name: Mary E. Lockhart

Business street address: 34 Coldbrook Village Park Dr., Coldbrook, N.S. B4R
1B9

Business telephone number: (902) 679-2822

Business fax number: (902) 679-0424

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

1963-1970 Royal Bank of Canada, New Glasgow/Wolfville, Teller and Loans Officer

1971-1991 raised 4 children

1991-2004 Robert L. Hall Funeral Home, Bridgetown/Annapolis. Office administrator

Oct 2005-Present Annapolis Valley Funeral Home Co-Operative Limited. Office administrator

Education (degrees, schools and dates):

Grade 12 Graduation Certificate, New Glasgow High School, 1963

Nature of projects during the last five years if not described immediately above:

N/A

Name: Eva VanBuskirk

Business street address: 20 Eden Row, RR#2 Wolfville N.S., B4P 2R2

Business telephone number: (902) 542-4238

Business fax number: N/A

Names of employers, titles and dates of positions held during the last 5 years with an indication of job responsibilities:

Reflexology

In-home business May 2003-2006 to present

Registered, Certified Reflexologist with Reflexology Canada (RAC) Nov. 2001-2006

NSARP-NS Association Reflexology Practitioner Sept. 2005-2006

Registered nurse

Foot care and health promotion. Self-employed-May 2003-2006 to present

Victorian order of Nurses

April 1968-April 2003

Staff nurse-part time; in home nursing 1968-1996 and overseer of VON

Foot Clinics 1986-2006

EKM Hospital-Staff Nurse Sept. 1963-Feb. 1967

Casual Staff Nurse: July 1967-1970

Education (degrees, schools, dates):

Grade primary to ten at Avonport 1949-1959 and grade 11 at HDHS 1959-1960

Provincial pass: diploma in Nursing at NS hospital

Dartmouth, N.S. -1960 to 1963. Reflexology course with RAC

Feb. 2001-Nov. 2001 (class time and practicum)

Nature of projects during the last five years if not described immediately above:

N/A

Name: Leo E. Nasager

Business street address: 1064 Aalders Ave, New Minas, N.S., B4N 3H5

Business telephone number: (902) 681-2364

Business fax number: N/A

Names of employers, titles and dates of positions held during the last 5 years with an indication of job responsibilities:

Retired 1999.12.31

Between 1961 and 1978 ten years as navigation officer on the ships of Fundy Gypsum (Gypsum Packet, Bermuda) and Bedford Institute of Oceanography

Taught school in Germany (Syke Gymnasium, Syke) and Canada (Shelburne RHS)

Worked in the container transportation industry (Associated Container Transportation, UK) as Ass. Terminal Manager and Ship Planner doing stability calculations at Brunterm, Saint John, N.B., for 6 years

Navigation Instructor at the Nova Scotia Community College (Nautical Institute) for 13 years, retiring in 1999

Education (degrees, schools, dates):

High School (Denmark)

Master Mariner (Denmark, 1958)

BA (Acadia University., 1966)

BEd (University of Toronto, 1971)

Master Mariner (Canada, 1978)

Nature of projects during the last five years if not described immediately above:

Since retirement has tutored students in foreign languages, subjects which the dept. of education does not provide. Has given GPS (Global Positioning System) courses for Adult Education.

OFFICERS OF THE ISSUER

36. The officers of the Issuer are:

Name: [Boyd Taylor \(chairperson\)](#)

Business street address: [739 Belcher Street, Port Williams, N.S. B0P 1T0](#)

Business telephone number: [\(902\) 678-6752](#)

Business fax number: [\(902\) 678-9954](#)

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

[Retired in 1994 from Kingstec Community College](#)
[Spent 28 years teaching heavy-duty equipment repair](#)
[From 1955-1966 working as a mechanic](#)
[Kings County Academy XI 1955](#)
[55 years with the Air Cadet League of Canada, Nova Scotia Provincial Committee](#)
[Presently Western Regional Director for Nova Scotia Provincial Committee](#)
[Recipient of Canadian Forces Metal 1970 and Queens Jubilee Metal 2003](#)
[Coordinator for CEDIF for 2003](#)

Education (degrees, schools and dates):

[Holds a VTC IV in vocational education](#)
[Holds an auto mechanic license \(1960\)](#)
[Holds an bus and transport mechanic license \(1970\)](#)
[Holds a heavy duty equipment mechanic license \(1971\)](#)
[Holds an industrial mechanic license \(1981\)](#)

Nature of projects during the last five years if not described immediately above:

[N/A](#)

Also a director of the Issuer Yes No

Indicate amount of time to be spent on Issuer's matters if less than full time:

[On average, it is assumed that the position of Chairperson will consume approximately 20 hours per week, on a strictly volunteer basis.](#)

Name: Donald MacDonald (Vice-chairperson)

Business street address: 11 Vincent St. Cambridge, N.S. B0P 1G0

Business telephone number: (902) 538-3788

Business fax number: N/A

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

Michelin Canada Ltd. Nov. 1971 to Dec. 31 2006-technition in quality control
Carpenter with Fraser, Mason and Fraser New Glasgow 1969-1971
Past 5 years volunteer carpentry at Kings Presbyterian Church New Minas
Site supervisor for the construction of Valley Funeral Home Co-Operative Facility

Education (degrees, schools and dates):

1958-Junior Tech. Institute – New Glasgow
1958-1964 – Journeyman Carpenter
1971-Taught night school

Nature of projects during the last five years if not described immediately above:
N/A

Also a director of the Issuer [] Yes [] No

Indicate amount of time to be spent on Issuer's matters if less than full time:

On average, it is assumed that the position of Vice-Chairperson will consume approximately 18 hours per week, on a strictly volunteer basis

Name: Roger Boutilier (Secretary)

Business street address: 1 Lynwood Drive Wolfville, N.S. B4P 1B1

Business telephone number: (902) 542-1176

Business fax number: N/A

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

Currently employed by Annapolis Valley Regional School Board and formerly by the Annapolis County Regional School Board for a total of 32 years
1974-1992 at Lawrencetown Consolidated School primarily teaching various grades 7-12 social studies courses

Vice-principal at LCS from 1990-92
1992-94 Bridgetown Regional High School primarily teaching grades 8 and 12
social studies courses
1994-2006 Middleton Regional High School primarily teaching grades 9 and 10
social studies courses

Education (degrees, schools and dates):

1971 B.A. (Honours History) Mt. Allison University, Sackville, N.B.
1973 M.A. (History) Queens University, Kingston, Ontario.
1974 B.Ed. Queens University, Kingston, Ontario
1988 M.Ed. (Administration) Acadia University, Wolfville, N.S.

Nature of projects during the last five years if not described immediately above:

1978-81 Chairman Middleton and Area Refugee Committee to re-settle two
Laotian families in the local area
1980-82 Chairman, Sherbrooke Lake United Church Camp
1985-86 Chairman, Annavale Co-op Board of Directors
1990-92 Chairman, Middleton Boy Scouts Group Committee
1994-96 Chairman, Board of Deacons, Emmanuel Congregational
Christian Church

Also a director of the Issuer Yes No

Indicate amount of time to be spent on Issuer's matters if less than full time:

Eight hours per week.

Name: Evelyn MacDonald (Treasurer)

Business street address: 11 Vincent St. Cambridge, N.S. B0P 1G0

Business telephone number: (902) 538-3788

Business fax number: N/A

Names of employers, titles and dates of positions held during the last five years
with an indication of job responsibilities:

Teacher for Pictou County School board 1959-1966
Substitute teacher town of New Glasgow 1966-1980
Worked for Annapolis Valley Library, Kings County Book Mobile 1992-1995
Retired 1995

Education (degrees, schools and dates):

Grade 12 East Pictou Rural High 1957
One year teacher College-graduated 1959

Nature of projects during the last five years if not described immediately above:

N/A

Also a director of the Issuer Yes No

Indicate amount of time to be spent on Issuer's matters if less than full time:

6 hours per week

DIRECTORS OF THE ISSUER

37. There are [10] directors of the Issuer, **six of which must come from the community.**
38. Information concerning each director of the Issuer, other than those already listed under the heading "Officers of the Issuer" are: [If there are no directors in addition to those listed under the heading "Officers of the Issuer", state: "There are no directors of the Issuer other than those listed under the heading "Officers of the Issuer".]

Name: Eric Meek

Business street address: 2499 North Avenue, Canning, N.S. B0P 1H0

Business telephone number: (902) 582-3735

Business fax number: (902) 582-7294

Names of employers, titles and dates of positions held during the last 5 years with an indication of job responsibilities:

Self employed-mixed crop and poultry farmer

Education (degrees, schools, dates):

NSAC-1954 and KCA XI – 1952

Nature of projects during the last five years if not described immediately above:

Past president Co-op Atlantic
In the Board of Canadian Cooperative Association
Treasurer of Co-op Development Foundation
Director of Valley Credit Union
40+ years with the Canning Volunteer Fire Dept.
Ex Chief with the Canning Volunteer Fire Dept.
Moderator of Canning Baptist Church
On board of directors of Kent Co-Operative, New Minas
Past Chairman of the board of directors of ACA Co-Operative Ltd. New Minas
Past Chairman Canadian Chicken Marketing Agency
Past Chair, Nova Scotia Chicken Marketing Board
On board of directors of Nova Scotia Co-op Council

Name: Patricia Murphy

Business street address: 450 Bains Road, Centerville, N.S. B0P 1J0

Business telephone number: (902) 582-7297

Business fax number: N/A

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

Kings Co. School Board-Special Education Teacher
Flower Cart-Literacy Instructor, Workplace Education Instructor, Consumer Education Instructor
Teaching adults with special needs
Literacy and basic living skills

Education (degrees, schools and dates):

High School-Central Kings 1968
Teacher's College 1968-1970
Acadia University 1970-1971
Special Education Summer School 1973-1976

Nature of projects during the last five years if not described immediately above:
N/A

Name: Philip Murphy

Business street address: 465 Bains Rd. Centreville, N.S. B0P 1J0

Business telephone number: (902) 582-3459

Business fax number: N/A

Names of employers, titles and dates of positions held during the last 5 years with an indication of job responsibilities:

Bank of Nova Scotia, Teller 1950-1958

Bank of Nova Scotia Assistant Accountant 1958-1960

Bank of Nova Scotia Accountant 1960-1962

MH Murphy and Sons Manager 1962-1971

Adlanta Farms Ltd.

Education (degrees, schools, dates):

Primary to grade 9 Centreville 1943-1952

Grades 10-12 Kings County Academy 1952-1955

Nature of projects during the last five years if not described immediately above:

Kings Mutual Insurance Company 1971 to present as Director

Atlanta Farm Ltd., Director, 1971 to present

Name: Luke Vorstermans

Business street address: 53 King St. RR#3 Wolfville, N.S. B4P 2R3

Business telephone number: (902) 542-0517

Business fax number: (902) 542-0442

Names of employers, titles and dates of positions held during the last 5 years with an indication of job responsibilities:

Self employed: The Orion Group Ltd. Est. 1992

Business consulting, publishing

Education (degrees, schools, dates):

BA in 1971 – St Mary's University, Halifax

Nature of projects during the last five years if not described immediately above:

N/A

Name: Leo E. Nasager

Business street address: 1064 Aalders Ave, New Minas, N.S., B4N 3H5

Business telephone number: (902) 681-2364

Business fax number: N/A

Names of employers, titles and dates of positions held during the last 5 years with an indication of job responsibilities:

Retired Dec. 31, 1999

Between 1961 and 1978 spent ten years as navigation officer on the ships of Fundy Gypsum (Gypsum Packet, Bermuda) and Bedford Institute of Oceanography

Taught school in Germany (Syke Gymnasium, Syke) and Canada (Shelburne RHS)

Worked in the container transportation industry (Associated Container Transportation, UK) as Ass. Terminal Manager and Ship Planner doing stability calculations at Brunterm, Saint John, NB, for 6 years.

Navigation Instructor at the Nova Scotia Community College (Nautical Institute) for 13 years, retiring in 1999

Education (degrees, schools, dates):

High School (Denmark)

Master Mariner (Denmark, 1958)

BA (Acadia University, 1966)

BEd (University of Toronto, 1971)

Master Mariner (Canada, 1978)

Nature of projects during the last five years if not described immediately above:

Since retirement has tutored students in foreign languages, subjects which the Dept. of Education does not provide. Has given GPS (Global Positioning System) courses for Adult Education

Name: Eva VanBuskirk

Business street address: 20 Eden Row, RR#2 Wolfville NS, B4P 2R2

Business telephone number: (902) 542-4238

Business fax number: N/A

Names of employers, titles and dates of positions held during the last 5 years with an indication of job responsibilities:

Reflexology

In home business May 2003-2006 to present.

Registered, Certified Reflexologist with Reflexology Canada (RAC) Nov. 1-2006

NSARP-NS Association Reflexology Practitioner Sept. 2005-2006 to present

Registered nurse

Foot care and health promotion. Self-employed-May 2003-2006 to present

Victorian order of Nurses

April 1968-April 2003

Staff nurse-part time 1968-1996; in home nursing and overseer of VON Foot Clinics 1986-2003

EKM Hospital-Staff Nurse Sept. 1963-Feb. 1967

Casual Staff Nurse: July 1967-1970

Education (degrees, schools, dates):

Grade primary to ten at Avonport 1949-1959

Grade eleven at HDHS 1959-1960

Provincial pass: diploma in Nursing at NS hospital

Dartmouth, N.S. -1960 to 1963. Reflexology course with RAC (Reflexology Association of Canada)

Feb. 2001-Nov. 2001 (class time and practicum)

Nature of projects during the last five years if not described immediately above:

N/A

KEY PERSONNEL OF THE ISSUER

39. For each key person (i.e. one who is essential to the operations of the Issuer) who is not already named as an officer, director or promoter, please provide the following information:

Name: [Max H. Lockhart](#)

Business street address: [34 Coldbrook Village Park Dr., Coldbrook, N.S. B4R 1B9](#)

Business telephone number: [\(902\) 679-2822](#)

Business fax number: [\(902\) 679-0424](#)

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

[1965-1969 H. W. Angus Funeral Home, New Glasgow. Apprenticeship and /licensed](#)

[1969-1984 H. C. Lindsay Funeral Home, Wolfville. Partner/owner](#)

[1984-Nov. 2004 Robert L. Hall Funeral Home, Bridgetown/Annapolis. Manager](#)

[Nov. 2004-present, Annapolis Valley Funeral Home, Coldbrook.](#)

[Manager/Funeral director/embalmer](#)

Name: [Mary E. Lockhart](#)

Business street address: [34 Coldbrook Village Park Dr., Coldbrook, N.S. B4R 1B9](#)

Business telephone number: [\(902\) 679-2822](#)

Business fax number: [\(902\) 679-0424](#)

Names of employers, titles and dates of positions held during the last five years with an indication of job responsibilities:

[1963-1970 Royal Bank of Canada, New Glasgow/Wolfville, Teller and Loans Officer](#)

[1971-1991 raised 4 children](#)

[1991-2004 Robert L. Hall Funeral Home, Bridgetown/Annapolis. Office administrator](#)

[Oct. 2005-Present Annapolis Valley Funeral Home. Office administrator](#)

40. Describe any arrangements to assure that each key person will remain with the Issuer and not compete with the Issuer upon termination of their relationship with the Issuer.

There are no formal commitments in place to ensure key persons stay with the Issuer, nor are there arrangements to prevent these persons from competing with the Issuer. However, the individuals listed as directors have made personal, oral commitments to the Fund, and each other, to work with this Fund until at least the first anniversary of the initial closing. Such verbal contracts are difficult to enforce.

41. Have any of the officers, directors or other key personnel ever worked for or managed a company (including a separate subsidiary or division of a larger enterprise) in the same business as the Issuer? [x] Yes [] No

If yes, please explain including relevant dates:

Max Lockhart has had a 40 year career in the funeral services (See #39 page 39).

42. If the Issuer has never conducted business or is otherwise in the development stage, indicate whether any of the officers or directors or other key personnel has ever managed any other business in the start-up or development stage and describe the circumstances, including relevant dates.

N/A

43. If any of the Issuer's key personnel are not employees but are consultants or other independent contractors, state the details of their engagement by the Issuer.

Luke Vorstermans has a private Public Relations and Promotions business (See # 38 page 36).

44. If a petition under the *Bankruptcy and Insolvency Act* has been filed against any officer, director, key personnel or Promoter, or a receiver or receiver-manager has been appointed by a court for the business or estate of any such persons, or any partnership in which any of such persons was general partner, or any corporation or business association of which any such person was an executive officer within the last 5 years, set forth below the name of such persons, and the nature and date of such actions.

Eric Meek ownership partner in Greenwich New Holland which went into **voluntary liquidation** and declared bankruptcy in the summer of 2004.

PRINCIPAL SECURITY HOLDERS

45. List below the principal security holders of the Issuer, if any. Principal security holders are those who beneficially own directly or indirectly 10% or more of any securities of the Issuer presently outstanding. Start with the largest common shareholder. If a principal security holder is not an individual, please disclose the ownership of the principal security holder by a footnote to the table. If the Issuer has no principal security holder state: "There are no security holders of the Issuer who own directly or indirectly more than 10% of any securities of the Issuer" and do not complete the remainder of this item.

There are no security holders of the Issuer who own directly or indirectly more than 10% of any securities of the Issuer.

Name	
Business Street Address	
Business Telephone Number	
Date(s) of Purchase	
Type of Share	
Average Price Per Share	
Number of Shares Now Held	
Percent of Total	
Number of Shares Held After Offering if All Shares Sold	
Percent of Total	

[Provide this information for each principal security holder.]

46. Number of shares beneficially owned by officers and directors as a group.

Before Offering: 512 shares (8.01 % of total outstanding)

After Offering: (a) assuming minimum securities sold 5.12 shares
(5.5 % of total outstanding)

(b) assuming maximum securities sold 512 shares
(4.3 % of total outstanding)

Note: The officers and directors of the Issuer may subscribe for shares during the offering, in which case the number of shares beneficially owned by officers and directors as a group after the offering will increase.

MANAGEMENT RELATIONSHIPS, TRANSACTIONS AND REMUNERATION

47. If any of the officers, directors, key personnel, Promoters or principal security holders are related by blood or marriage, please describe:

Two directors Evelyn MacDonald and Donald MacDonald are spouses.
Two promoters, Max and Mary Lockhart are spouses.

48. If the Issuer has made loans to, or received loans from, or is doing business with any of its officers, directors, key personnel, Promoters or principal security holders, or any of their relatives (or any entity controlled directly or indirectly by any such person) within the last two years or is contemplating doing so, explain. (This includes sales or leases of goods, property or services to or from the Issuer, employment contracts, or share, option or other purchase contracts, etc.) State the principal terms of any significant loans, agreements, leases, financing or other arrangements.

Luke Vorstermans (Director) has been hired for promotional and advertisement purposes.

49. Give details of any payments to officers, directors, key personnel and Promoters of the Issuer, including salary, bonuses, director's fees, honoraria and reimbursement of expenses.

Officers and directors are to be reimbursed only their actual and direct expenses incurred in conducting approved Fund business.

50. If any employment agreements with officers, directors, key personnel or Promoters exist or are contemplated, please describe:

Max Lockhart is hired under contract as our Manager and Funeral Director, has agreed to act as promoter/seller for this program.

51. Give details of all business or personal interests that the officers, directors, key personnel, Promoters or principal security holders of the Issuer may have which could conflict with the interests of the Issuer even if it is described in answers to other questions.

The Officers and directors of Valley Funeral Home Co-Operative Limited each have an existing interest in the Co-Operative as shareholders that are not deemed to be in conflict with the interest of the issuers

LITIGATION

52. Describe any past, current, pending or threatened litigation or administrative action which has had or may have a material effect upon the Issuer's business, financial condition or operations. State the name of the court or tribunal, the names of the principal parties, the date any proceedings were started, the nature and current status of the proceedings and amounts involved.

Include any litigation or action involving the Issuer's Promoters, officers, directors or other key personnel which relates to or has or could affect the Issuer. Give an evaluation by management or counsel, to the extent feasible, of the merits of the proceedings or litigation and the potential impact on the Issuer's business, financial condition or operations.

[If there is no such litigation or action to disclose state: "The Issuer and its Promoters, officers, directors and key personnel are not currently and have not been subject to any litigation or administrative or criminal action which is or has been material to the Issuer. Nor is the Issuer or its Promoters, officers, directors or key personnel aware that any such litigation or action is pending or threatened."]

N/A

CANADIAN INCOME TAX ACT CONSIDERATIONS

53. This commentary is of a general nature only and is not intended to be tax advice to any particular investor. Prospective investors are urged to consult with their own professional advisors regarding the tax consequences applicable to them.

There may be significant income tax consequences to individuals who are residents of Canada under the *Income Tax Act* and the *Equity Tax Credit Act*.

The following is applicable to any individual (a "Subscriber") who subscribes for and is issued shares of the Issuer pursuant to the Offering and who is:

- i) an individual over 19 years of age.
- ii) resident in Canada for purposes of the Income Tax Act (Canada); and
- iii) resident in Nova Scotia for purposes of the Equity Tax Credit Act (Nova Scotia).

Subject to the assumptions set out in the paragraph above, a Subscriber will be entitled to a credit against the Subscriber's Nova Scotia provincial income taxes payable pursuant to the Equity Tax Credit Act. The amount of the credit is equal to 30% of the amount paid for the Shares, provided that each individual is limited to a maximum credit

in any year of \$15,000. Shares subscribed and paid for in the first 60 days of any calendar year will be entitled to a credit in either that year or the immediately prior year. If the credit exceeds the Nova Scotia income tax otherwise payable in that year by the Subscriber, the credit may be carried forward 7 years and back 3 years and applied against Nova Scotia taxes otherwise payable in any of those years by the Subscriber.

These statements are subject to the following assumptions:

- i) The certificate of registration issued to the Issuer under the Equity Tax Credit Act is not revoked by the Minister of Finance prior to the issue of shares under this Offering;
- ii) The Issuer applies for a tax credit certificate after the Offering within the time limits established under the Equity Tax Credit Act;
- iii) The Minister of Finance concludes that the Issuer and its directors, officers and shareholders are conducting the Issuer's business and affairs in a manner that is in accordance with the spirit and intent of the Equity Tax Credit Act;
- iv) The Minister of Finance concludes that the Issuer and the Subscribers are complying with Equity Tax Credit Act;
- v) The Minister of Finance does not form the opinion that the shares are issued as part of a transaction or event or series of transactions or events the main purpose of which is to claim the tax credit pursuant to the Act.

Except as set out herein, if a Subscriber fails to hold the Shares for 5 years after their issue, then all Credits earned in relation to the subscription for such Shares must be repaid. For any shares which subsequent tax credits are issued, the shares must be held for an additional period of time to avoid repaying these tax credits, please see item #14 in the glossary. The requirements to repay the Credits do not apply in cases where the Subscriber has died or in cases where the Subscriber transfers the shares to a trustee under a registered retirement savings plan.

There may be significant income tax consequences to individuals who are residents of Canada under the Income Tax and the Equity Tax Credit Act.

Transfer of Shares to an RRSP:

Provided that the registration of the Issuer is not revoked under the Equity Tax Credit Act, the Shares will be qualified investments under the Income Tax Act for trusts governed by registered retirement savings plans. The transfer of shares to an RRSP will normally be done at the adjusted carrying value of the securities. This may result in a taxable capital gain or a non-deductible loss. Individuals who plan to purchase shares

outside their RRSP, but transfer them later to their self-directed plan should consider the possible tax consequences of such transactions prior to finalizing any agreement.

Taxation of Dividends or Income Received by Security Holders on the Shares:

Shareholders who hold shares within their RRSP need not be concerned with the manner in which the Fund distributes earnings. However, for individuals who purchase shares outside of the RRSP, consideration must be given to the tax implications of dividends versus interest income versus capital gains. Dividends received or deemed to be received on the Shares will be included in computing the Subscriber's income and will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from taxable Canadian corporations.

Treatment of Capital Gains or Losses Realized by Security Holders on Disposition:

Persons holding shares within their RRSP need not concern themselves with the form returns are paid. For individuals who choose to hold these shares outside of their registered holdings, 50% of any capital gain (the “taxable capital gain”) realized on a sale or other disposition of the Shares will be included in the Subscriber’s income for the year of disposition. 50% of any capital loss so realized (the “allowable capital loss”) may be deducted by the holder against taxable capital gains for the year of disposition. Any excess of allowable capital losses over taxable capital gains of the Subscriber for the year of disposition may be carried back up to three taxation years or forward indefinitely and deducted against net taxable capital gains in those other years.

Applicability of Alternative Minimum Tax to Security Holders:

Investors are advised to seek professional advice from a qualified individual should they be in a position which may expose them to alternative minimum tax treatment. Capital gains realized by the Subscriber may give rise to alternative minimum tax under the Income Tax Act (Canada).

Deductibility of Interest Expense on Money Borrowed to Purchase Shares:

Interest incurred to earn income on investments held outside of ones RRSP is deductible against the income earned thereon; interest incurred on loans to purchase RRSP assets is not deductible.

Availability of Tax Credits:

Purchase of eligible shares entitles the investor to a provincial tax credit in the amount of 30% of the funds invested.

Repayment of Tax Credits:

The shares purchased under this program must be held by the purchaser for a period of not less than 5 years. If they are not held for this period the individual will have to repay the tax credits previously claimed. For any shares which subsequent tax credits are issued, the shares must be held for an additional period of time to avoid repaying these tax credits, please see item #14 in the glossary.

[No professional advisors were involved in the preparation of the answer to item 53.]

MATERIAL CONTRACTS

54. Give particulars of every material contract entered into by the Issuer or, if applicable, any of its significant subsidiaries within two years prior to the date of the offering document. If a material contract is of a confidential nature, provide a summary of it. (Verbal Contracts may be difficult to enforce.)

Date	Name of Contract	Description
October 29, 2003		Trustee Agreement - The only material contracts in place at this time are: an agreement with the Valley Credit Union to act as trust agent for the issue of shares under this offering by the Board of Directors, (see attachment Appendix A) for which a formal engagement letter will be prepared detailing the necessary relationship.
		The material contract may be viewed at 1 Lynwood Drive, Wolfville, N.S. B4P 1B1. Please call (902-542-1176) between 6 pm and 8 pm for an appointment to view.

[A “material contract” is any contract that is fundamental to the business and day-to-day operations of the Issuer. Examples are: contracts for the purchase of property, equipment or inventory; marketing contracts; financing agreements; management agreements; shareholder agreements; copyright or patent agreements.]

Under the heading “Description”, include details as to the parties to the contract, what the contract is for and the important terms of the contract. Please state a time and place at which those material contracts or copies thereof may be inspected during the distribution of the Shares.

FINANCIAL STATEMENTS

55. Annual financial statements of the Issuer for the period ending [insert last fiscal year] are attached and which form part of this document. Interim financial statements covering the period from [insert appropriate date] to [insert appropriate date] are also attached and which form part of this document.

If the Issuer proposes to invest or has invested 20% or more of the net proceeds of the total offerings to date or of the contemplated offering, in an Investee Corporation, the most recent financial statements of the Investee Corporation must be attached and form part of this document.

[If the Issuer has carried on business but has not completed a financial year, state this, delete the first sentence above and attach an unaudited financial statement of the Issuer for the period ending not more than 60 days prior to the date of the offering document.

If the Issuer has completed one or more fiscal years, attach the financial statements complete with either an audit report or a review engagement report for the most recent completed fiscal year and unaudited financial statements for the period ending not more than 60 days prior to the date of the offering document.

If the Issuer does not have a prior operating history, state this and attach an opening balance sheet with either a completed audit report or a review engagement report and also state "and which form part of this document"].

The financial statements for 2005 are in Appendix D. Interim statements have not been completed yet.

CONTINUOUS REPORTING OBLIGATIONS

56. The Issuer will file with the Nova Scotia Securities Commission and send to Security holders annual financial statements and such interim financial statements as required by the *Community Economic-Development Corporations Regulations*.

RESTRICTIONS ON RESALE OF SECURITIES

57. Under the provisions of the *Equity Tax Credit Act*, a person who disposes of a share in respect of which a tax credit has been allowed within four years from the date of purchase is liable to repay the Minister of Finance an amount equal to the tax credits received in respect of the share purchased, including interest thereon where interest is prescribed by the regulations made pursuant to that Act, or a lesser amount that is determined pursuant to the regulations to that Act.

Under the terms of the *Community Economic-Development Corporations Regulations*, trades by a Security holder of Shares of the Issuer purchased under this Offering will be restricted and, pursuant to subsection 80(5) of the Act, each first trade and each subsequent trade will be a distribution unless such trade is made in accordance with subsection 77(5) of the Act as if the Shares were acquired under clause 77(1)(p) of the Act unless the trade is made:

- i to the Issuer;
- ii to a self-directed registered retirement savings plan of the Security holder or the Security holder's spouse or to the spouse of the Security holder;
- iii from a self-directed registered retirement savings plan of the Security holder or the Security holder's spouse to the Security holder;
- iv to a purchaser who owns shares of the Issuer and who is advised in writing by or on behalf of the vendor prior to entering into an agreement of purchase and sale that the purchaser shall not accrue any advantage under the *Equity Tax Credit Act* as a result of such purchase; or
- v to a purchaser who purchases pursuant to a trade made in compliance with the Act and any applicable Securities Rules.

Caution: The Shares are not listed on a stock exchange. There is no organized market through which these Shares may be sold. Therefore, investors may find it difficult or even impossible to sell their Shares.

RIGHTS OF ACTION

58. (1) Where

- (a) an offering memorandum sent or delivered to a purchaser, together with any amendment to the offering memorandum; or
- (b) advertising or sales literature as defined by subsection (2) of Section 56,

contains a misrepresentation, a purchaser who purchases a security referred to in it is deemed to have relied on that misrepresentation, if it was a misrepresentation at the time of purchase, and

- (c) has a right of action for damages against
 - (i) the seller,
 - (ii) every director of the seller at the date of the offering memorandum, and
 - (iii) every person who signed the offering memorandum; or

(d) may elect to exercise a right of rescission against the seller, in which case the purchaser has no right of action for damages against any person or company under clause (c).

(2) No person or company is liable under subsection (1) if the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

(3) No person or company is liable under subsection (1) if the person or company proves that

(a) the offering memorandum or the amendment to the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;

(b) after delivery of the offering memorandum or the amendment to the offering memorandum and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum, or amendment to the offering memorandum, the person or company withdrew the person's or company's consent to the offering memorandum, or amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum or amendment to the offering memorandum purporting

(i) to be made on the authority of an expert, or

(ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that

(iii) there had been a misrepresentation, or

(iv) the relevant part of the offering memorandum or amendment to the offering memorandum

(A) did not fairly represent the report, opinion or statement of the expert, or

(B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

(4) No person or company is liable under subsection (1) with respect to any part of an offering memorandum or amendment to the offering memorandum not purporting

(a) to be made on the authority of an expert; or

(b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company

(c) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation; or

(d) believed that there had been a misrepresentation.

(5) Subsections (3) and (4) do not apply to the seller if the seller is also the issuer.

(6) In an action for damages under clause (c) of subsection (1), the defendant is not liable for all or any part of the damages that the defendant proves does not represent the depreciation in value of the security resulting from the misrepresentation.

(7) The liability of all persons or companies referred to in clause (c) of subsection (1) is joint and several with respect to the same cause of action.

(8) A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person or company who is jointly and severally liable under this Section to make the same payment in the same cause of action unless,

in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

(9) The amount recoverable by a plaintiff under this Section may not exceed the price at which the securities were offered under the offering memorandum or amendment to the offering memorandum.

(10) The right of action for rescission or damages conferred by this Section is in addition to and not in derogation from any other right the purchaser may have.

(11) If a misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, an offering memorandum or amendment to the offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum or amendment to the offering memorandum.

(12) For the purpose of subsection (1), advertising or sales literature is deemed not to contain a misrepresentation unless the advertising or sales literature

(a) contains an untrue statement of material fact; or

(b) omits to state a material fact that is necessary to prevent a statement contained in the advertising or sales literature from being misleading in light of the circumstances in which the statement was made.

(13) In this Section, for greater certainty, "seller" includes the issuer where the securities are distributed by the issuer.

59. No action shall be commenced to enforce the rights described in item 58 above more than 120 days after the date on which payment was made for the Shares or after the date on which the initial payment for the Shares was made where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment.

60. The rights described in item 58 above are in addition to and without derogation from any other right or remedy which a Security holder might have at law.

CERTIFICATE

61. This offering document, which has been prepared as prescribed by Form 1 of the *Community Economic-Development Corporations Regulations*, does not:

contain an untrue statement of material fact;
omit to state a material fact required by Form 1, or
omit to state a material fact necessary to make a statement in this offering document not misleading.

DATED AT _____, this _____ day of _____, ____ (yy).

[This certificate must be signed: by the chief executive officer and chief financial officer; on behalf of the board of directors by any 2 directors of the issuer, other than the foregoing, duly authorized to sign; and by all promoters of the issuer.]