



Ottawa Renewable Energy Co-operative Inc.
969 Wellington Street West, Suite 200,
Ottawa, Ontario, K1Y 2X7
www.orec.ca

Invest in Community-Owned Renewable Energy

TAX-FREE SAVINGS ACCOUNT (TFSA)

Existing Account

Investing in community-owned renewable energy is a proven way to diversify your investment portfolio. Doing so also generates significant benefits to your community. Read our *Community Impact Report* online to learn more at www.orec.ca/impact.

Investments made through a self-directed TFSA are managed by the Canadian Worker Co-operative Federation (CWCF); a fellow co-operative institution that is registered with the Canada Revenue Agency.

This package contains all the forms necessary to purchase OREC Preference Shares that are held within a TFSA. Follow the step-by-step instructions and read through the FAQ on the following pages for information on how to complete these forms. All investors must review the full offering statement before purchasing shares; view it online at orec.ca/statement.

We are here to help.

Schedule a phone or in-person meeting by visiting orec.ca/meet.

Alternatively, **call us** toll-free at 613-454-7788 ext. 1, or

Email Aaron Thornell directly at aaron.thornell@orec.ca

Step-by-step Instructions

There are four methods of purchasing preference shares through a TFSA.

1. New contributions
2. Transfer from an existing TFSA with another financial institution
3. Re-invest dividends from your existing CWCF TFSA account
4. All the above

Legend	
	#1, #2, #3, #4
	#1, #4
	#2, #4
	#3

<u>Forms</u>	<u>Key Aspects</u>
OREC Subscription Form (Class B)	<ul style="list-style-type: none"> • Complete sections B – D - E - F
Investment Risk Acknowledgement Form	<ul style="list-style-type: none"> • Sign, print name and date at bottom
Deposit Form	<ul style="list-style-type: none"> • Print your name as “<i>Annuitant</i>” • Leave “<i>Contract Number</i>” BLANK • Indicate “<i>TFSA</i>” <p>For new contributions:</p> <ul style="list-style-type: none"> • Select “<i>Cash Contribution</i>” in “<i>Deposit Detail</i>” and write in amount (should align with value on cheque) • Date and sign <p>For transfers from an existing account:</p> <ul style="list-style-type: none"> • Select “<i>Cash Transfer</i>” and indicate amount in “<i>Deposit Detail</i>” • Date and sign <p>For re-investment of dividends/cash in your CWCF account</p> <p>Only list the new contribution (be it cash contribution or transfer). Do not include amount being redirected from your existing CWCF TFSA account.</p>
Direct Transfer Authorization	<ul style="list-style-type: none"> • Complete “<i>Section A</i>” • Complete “<i>Section C</i>” <ul style="list-style-type: none"> • Check “<i>TFSA</i>” • <i>NOTE:</i> Listing a FAX number will accelerate the transfer of funds • Complete “<i>Section D</i>” by signing and the dating where indicated. Leave Signature Guarantee BLANK
Corporation Securities Account Holder Declaration	<ul style="list-style-type: none"> • (TOP) Print your name • Indicate TFSA • (TOP) Leave “<i>Account Number</i>” BLANK • (TOP) Fill in the number of shares you are purchasing and the total purchase price. • (BOTTOM) Date and sign for “<i>Account Holder</i>”
Letter of Direction	<ul style="list-style-type: none"> • Date at top • Indicate the TOTAL quantity of shares you are purchasing, and the TOTAL purchase price. • In further instructions, please list the amount of cash funds from your CWCF TFSA account you wish to direct towards your purchase. • List CWCF Account # if known (should be on Annual CWCF Account Statement). If not please list SIN & TFSA) • Print name and sign as “<i>Annuitant</i>”
Payment Cheque	<ul style="list-style-type: none"> • Write cheque for appropriate amount, payable to “<i>Canadian Worker Co-operative Federation</i>”
Mail Package to OREC	<ul style="list-style-type: none"> • Send completed forms and cheque to: Ottawa Renewable Energy Co-operative 2-43 Eccles St., Ottawa, ON K1R 6S3

Frequently Asked Questions

How does the Co-operative work?

The Co-operative purchases and develops local solar power projects and finances them by selling securities to individuals. All 21 solar power projects in our portfolio have a 20- to 30-year contracts which provide a fixed rate for every kilowatt hour generated. Steady, predictable revenue streams from these projects are used to pay back investors in the form of a dividend or interest.

What kind of return do OREC Preference Shares offer?

Over the past five years, Preference Share holders have received an average annual dividend payment of 3.5%.

All Class A Preference Share holders receive the same dividend at the same time, regardless of the series in which shares were issued.

Dividends are issued at least once a year (typically in the fall) based upon the residual share value at the time. All investors receive an investor statement when a dividend has been issued.

For shares held within an RRSP or a TFSA, dividends are held as cash within the account until you purchase additional shares (when available) or transfer the cash to another RRSP (fees may apply).

What are the TFSA options?

OREC Preference shares can be held inside of a TFSA offered through the Canadian Workers Co-operative Federation (CWCF). A \$55 annual fee is charged to OREC by CWCF for every type of account you have such as RRSP, RRSP-spousal, and TFSA. The Co-operative pays the annual fee then deducts it from your dividend payment.

Members may purchase shares within their annual TFSA limit or transfer funds in from another TFSA to purchase shares.

A member may buy preference shares outside of a TFSA and then decide to put them in their self-directed TFSA in a subsequent year. Dividends earned on shares inside the TFSA are not taxed.

Who can purchase Preference Shares?

Any resident of Eastern Ontario can purchase Preference Shares. A lifetime membership in the Co-operative is required and can be purchased for a one-time fee of \$100.

Our current investors include retirees looking to diversify their portfolio, millennials making their first investment, and everyone in between.

What is the minimum investment?

The minimum investment in Preference Shares is \$5,000 (10 shares valued at \$500). Thereafter, investors can purchase as little as one additional share for \$500.

We recommended investing at least \$10,000 in order to offset the \$55 annual account fee charged by CWCF to the account holder and paid for by OREC through your earnings.

How and when will my capital be returned?

Capital is returned annually commencing in year three of the 15-year term by redeeming shares at a rate of 1/12 the original investment, with all shares redeemed and capital returned by the end of the 15-year term. Each time shares are redeemed the new share balance will be reflected in the member's annual statement.

How do I make a withdrawal?

Contact CWCF for the appropriate forms and instructions. See below for contact information.

Who is the contact at CWCF?

For questions concerning your account at CWCF account, contact:

Josh Dyke, RRSP Program Manager

#1 - 41 Aberdeen St., Kentville, NS B4N 2M9

Tel: 902-678-1683

Email: josh@canadianworker.coop

Website: www.canadianworker.coop



Renewable Energy Investment – Series 1

SUBSCRIPTION FORM

CLASS B – 15 YEAR TERM

For office use only:

- PS
 PS RRSP
 PS TFSA

To: Ottawa Renewable Energy Co-operative (the 'Co-operative')

SECTION A – CLASS B PREFERENCE SHARE SELECTION (NON-REGISTERED)

The undersigned is a member of the Ottawa Renewable Energy Co-operative who wishes to support the Co-operative investments in renewable energy generation. In support of that, the undersigned subscribes:

Share Price	Number of Shares (Minimum 5)	Total Purchase Amount	Make Cheque Payable to:
\$500		\$	Ottawa Renewable Energy Co-operative

SECTION B – CLASS B PREFERENCE SHARE (REGISTERED – RRSP OR TFSA)

The undersigned is a member of the Ottawa Renewable Energy Co-operative who wishes to support the Co-operative investments in renewable energy generation. In support of that, the undersigned subscribes:

Share Price	Number of Shares (Minimum 10)	Total Purchase Amount	Registered Account	Make Cheque Payable to:
\$500		\$	<input type="checkbox"/> RRSP <input type="checkbox"/> TFSA	Canadian Worker's Co-operative Federation

SECTION C – PLEASE READ

1. The undersigned acknowledges that the undersigned:

- a) is aware that the Shares or Notes are being sold under an Offering Statement and acknowledges that the undersigned is not acquiring the Shares or Notes as a result of any information about the affairs of the Co-operative that is not generally known to the public;
- b) has received a copy of the Co-operative's Offering Statement as prepared in accordance with the provisions of the *Co-operative Corporations Act*, R.S.O. 1990, CHAPTER C.35 with regard to the sale of the Shares and Notes and further acknowledges that the undersigned is aware of and understands its contents including the "Risk Factors" section contained therein;
- c) has received and obtained all of the information regarding the Co-operative that the undersigned requires prior to making this subscription and that the undersigned's subscription has not been solicited in any way contrary to the provisions of the *Co-operative Corporations Act* and the regulations thereto;
- d) understands that this subscription is given for valuable consideration and shall not be withdrawn or revoked by the undersigned after midnight of the second day after acceptance. The acceptance of this subscription shall be effective upon delivery to the Co-operative and the tender of the full subscription price by cheque or money order;
- e) understands that, if Preference Shares are purchased through an RRSP, currently there is no RRIF option available to convert the shares when members turn 71; therefore, the par value of the shares and any dividends accrued in the RRSP will need to be declared as income that year; and
- f) understands that, if the Preference Shares are purchased through an RRSP, currently the shares are not eligible for the First Time Homebuyers Program.

2. The undersigned hereby declares, represents and warrants that:

- a) the undersigned is purchasing the Shares or Note as principal;
- b) the undersigned has attained the age of 19 years and is a resident of Ontario;
- c) the undersigned is a member of the Co-operative;
- d) by virtue of the undersigned's investment experience or by virtue of the undersigned's consultation with or advice from professional advisors, the undersigned is in a position to evaluate the prospective investment on the basis of the Offering Statement and has determined that the investment in the Shares is compatible with the undersigned's investment objectives; and the undersigned is not a resident of the United States of America or any place subject to the jurisdiction thereof and is not acting directly or indirectly for any person who is resident of the United States of America or any place subject to the jurisdiction thereof.

SECTION D – INVESTOR INFORMATION

The said Shares are to be registered as follows:

Name: <i>(please print)</i>	_____	Social Insurance Number:	_____
Address:	_____	Date of Birth: <i>(YYYY-MM-DD)</i>	_____
Postal Code:	_____		
City:	_____	Email Address:	_____
Province:	Ontario	Phone (Home):	_____
Country:	Canada	Phone (Cell):	_____

SECTION E – DESIGNATION OF BENEFICIARY

Name: <i>(please print)</i>	_____	Social Insurance Number:	_____
Address:	_____ _____	Relation:	_____

SECTION F - AUTHORIZATION

Signature of Subscriber	_____	Signature of Witness	_____
------------------------------------	-------	---------------------------------	-------

Dated this _____ day of _____, 202__.

Note: The accepted subscription, share certificate and other documentation will be mailed or emailed to the subscriber at the contact details above. Shares will be registered and Notes shall be issued in the manner in which the subscriber's name appears above. Any change in the subscriber's address will only be effective on receipt of written notice thereof by the Co-operative.

Receipt and acceptance of the foregoing subscription and payment of the subscription price is acknowledged

Per: _____
This will be filled out by a representative of the Co-operative.



CWCF Self-Directed RRSP/TFSA Program Overview

The Canadian Worker Co-operative Federation (CWCF) administers a Self-Directed RRSP (SD-RRSP) & Self-Directed TFSA (SD-TFSA) Program. These Programs were developed to enable co-operatives and similar types of enterprises (Program Members) to capitalize their enterprises with securities held within a SD-RRSP or SD-TFSA. Our Programs are registered with the Canada Revenue Agency (CRA) and are administered in accordance with all CRA regulations. We also work in conjunction with a formal registered plan trustee.

A Self-Directed RRSP/TFSA is one in which the account holder (Annuitant) determines which and what types of investments are to be held. CWCF staff are not permitted to provide any investment guidance or advice, nor can they sell securities on behalf of any Program Members. CWCF may only act on instructions provided by the investor.

CWCF has Agency Agreements in place with each of our Program Members, authorizing them to act as Sub-Agents on our behalf. This allows Annuitants to deal primarily with an Account Representative from one of our Program Members, rather than with CWCF directly. Account Representatives can assist Annuitants with opening new accounts, contributing funds or securities, purchasing securities within the account, and withdrawing or transferring funds. CWCF staff may assist Annuitants directly as needed.

CWCF charges a \$55 annual fee (inclusive of G/HST) for administering each registered account solicited by a Program Member that is a co-operative. These fees are typically billed to our Program Members each December for accounts held the preceding year. Program Members may decide whether they pay those fees on their investors' behalf, or invoice investors to collect reimbursement. Your Account Representative should let you know their company's policy when you open your account. If you hold securities with more than one Program Member within your account, only **one** annual account fee will be billed to the Program Member with whom you first opened your account.

If the securities held within a SD-RRSP or SD-TFSA gain interest or dividends, those funds must be paid by the security issuer (i.e. Program Member) directly to the account held with CWCF. The funds sit as cash in a non-interest-bearing account and are available to be withdrawn, transferred or reinvested upon instruction from the Annuitant.

You can expect to receive the following correspondence from CWCF on an annual basis:

- An annual statement of your account activity (September)
- A T4RSP reflecting the withdrawal value and tax remittance amount, if applicable (by February 28)
- A contribution receipt reflecting your total contribution value, if applicable (from January through March)



CWCF
FCCT

CANADIAN
WORKER
CO-OP
FEDERATION

FÉDÉRATION
CANADIENNE DES
COOPÉRATIVES
DE TRAVAIL

INVESTMENT RISK ACKNOWLEDGEMENT

Co-operative Corporations

The Canadian Worker Cooperative Federation (CWCF) administers a Self-Directed RRSP & TFSA Program. CWCF staff do not provide guidance or advice pertaining to investments, finances or taxes.

Investors wishing to purchase securities through a Self-Directed RRSP **should consult with a tax professional and/or investment advisor** before committing their funds to a co-operative. Investors should remember these can be high-risk investments. You should not depend on selling your securities – or on income earned from your securities – to fund your retirement.

Although depositing securities into a self-directed RRSP can yield a tax deferral today, you may face long-term tax implications and liquidity issues. In general, there is no organized market through which many co-op securities may be sold, therefore it may be difficult or even impossible for you to sell them or determine their Fair Market Value.

When an account holder (Annuitant) reaches the age of 71, your RRSP will mature and you will be required to withdraw funds and investments, or transfer them out to a RRIF with another financial institution **if they qualify**. If your investment is withdrawn in-kind (i.e. as securities), you will still be required to report the value of your securities as income even though you did not sell or redeem them for their original cash value. You will continue to own the investment outside of the RRSP. The CRA views this transaction as an income withdrawal, and as such CWCF is required to withhold tax based on the value of the withdrawal. If there is insufficient cash in the RRSP to pay the prescribed amount of withholding tax, additional funds must be generated by contributing to the RRSP, transferring in from another registered plan, or redeeming part of the investment (if possible). You will receive a T4RSP for the gross value of the withdrawal to be filed with your taxes.

By signing below, you certify that you have read and understand the terms of this Investment Risk Acknowledgement and understand that CWCF is not responsible for any investment losses or adverse tax implications which you may incur. If you have any questions, please reach out to your co-op representative or CWCF staff.

Annuitant Signature

Date

Annuitant Name (please print)

DEPOSIT FORM

Account Information

Annuitant Name: First _____ Last _____

Contract Number: 00 _____ Account Type: RRSP Spousal RRSP TFSA

Contributor Information
(Spousal RRSP only)

Complete this section only if making a deposit to/from a Spousal RRSP.

CWCF does not allow co-mingling of spousal and non-spousal deposits. If a deposit is made from a spousal RRSP to a non-spousal RRSP, that contract becomes a spousal RRSP in every respect.

Contributor Name: First _____ Last _____

Contributor's SIN: _____

Deposit Details

Please indicate the type of deposit being made to your Registered Plan:

Cash Contribution Amount: \$ _____

Cash Transfer Expected amount: \$ _____

In-Kind Contribution*

In-Kind Transfer*

**For in-kind deposits, please complete the "Securities Details" section below.*

Transfer from a deceased spouse's RRSP/RRIF/TFSA

Transfer from a retiring allowance / severance pay

Homebuyers Plan / Lifelong Learning Plan repayment

Transfer from RRIF

Please note: Official RRSP tax receipts are issued for cash and in-kind contributions. In general, transfers from another registered plan do not generate a tax receipt, as the property has already been registered. There are some exceptions, including certain estate situations, as well as transfers from a RRIF or RESP. TFSA contributions are not tax deductible due to the tax-free nature of the account.

Security Details
(In-kind deposits only)

Complete this section only if depositing an in-kind contribution or transfer.

Please include the following details in your description of the securities, as applicable: name of issuer, class, quantity, and certificate number.

Investment Description: _____ Value: _____

Investment Description: _____ Value: _____

Annuitant Authorization

Date: _____ Annuitant Signature: _____

Authorized Sub-Agent Signature: _____

Sub-Agent Name (please print): _____ Phone: _____

CWCF OFFICE USE ONLY

Deposit Date (MM/DD/YYYY): ____/____/20____

Deposit Amount: \$ _____

DIRECT TRANSFER AUTHORIZATION

Section A

Annuitant Information

Last Name _____ First Name _____
 Address _____ City _____ Prov. ____ Postal Code _____
 Social Insurance Number _____ Telephone Number _____

Section B

Receiving Institution (CWCF)

Receiving Institution Name: **Canadian Worker Cooperative Federation**
 Address: **1-41 Aberdeen Street Kentville, NS B4N 2M9** Phone: (902) 678-1683 Fax: (902) 678-0780
 Please credit my: RRSP Spousal RRSP TFSA
 Contract Number _____ Specimen Plan: SD-RSP 145-698 SD-TFSA 145-2416
 Certified by _____, Canadian Worker Cooperative Federation
 (Authorized Agent) (Receiving Institution)

Section C

Annuitant Direction to Relinquishing Institution

Relinquishing Institution Name _____
 Address _____
 City _____ Prov. ____ Postal Code _____ Phone _____ Fax _____
 Contract or Plan # _____ Deposit # _____ Maturity Date (if applicable): _____
PLEASE TRANSFER: _____ all of the property in cash in-kind
 _____ lump net sum (after fees) of \$ _____ in cash
 _____ part of the property (*specify investment description, amount, and share certificate #s*)

 FROM MY: RRSP Spousal RRSP RRIF RPP DPSP Retiring Allowance TFSA
 If from a Spousal RRSP: Contributor's Name _____ Contributor's SIN _____
 If from an RPP/DPSP, I am the: ____ member, OR ____ beneficiary spouse, OR ____ former spouse due to marriage breakdown

Section D

Annuitant Authorization

I hereby request the transfer of my account and its assets as specified above.
 Signature _____ Date _____
 Signature Guarantee _____
 (Authorized Sub-Agent)

By signing as guarantor, you are confirming that you have checked the signatory's ID to verify their identity, and that the signatory appears to be of sound mind and is signing this document of their own free will.

Section E

For Use By Relinquishing Institution Only

Amount transferred: \$ _____ from the RRSP Spousal RRSP RRIF RPP DPSP
 Retiring Allowance TFSA as specified in Section C
 RRSP Spousal Contributions: ____ NO ____ YES If yes, Contributor's Name: _____ SIN: _____
 Locked-in Funds: **The CWCF SD-RSP Plan does not accept Locked-in Funds**

 (Date) (Authorized signature of Relinquishing Institution) (Contact Phone Number)



COOPERATIVE CORPORATION SECURITIES ACCOUNT HOLDER DECLARATION

Registered Retirement Savings Plan (RRSP)

Tax-Free Savings Account (TFSA)

Account Holder Name: _____

Account Number: _____

I confirm that I want to purchase _____ (*quantity*) _____ (*class, if applicable*) securities from _____ (*name of cooperative*) for a purchase price of \$_____. I intend to hold these securities in the Registered Plan specified above ("my Plan"), administered by the Canadian Worker Cooperative Federation ("CWCF").

I understand that the total of all classes of securities of this cooperative or any related cooperative, both inside my Registered Plans (i.e., my RRSPs, RRIFs, TFSAs, RESPs, or RDSPs), and outside my Registered Plans, PLUS the total of all classes of securities of this cooperative owned by a person that does not deal at arm's length with me, is less than 10% of the issued securities of any class of this cooperative or any related cooperative.

I hereby confirm that the total of all classes of securities of this cooperative or any related cooperative, owned by me (as a beneficial owner inside a Registered Plan and/or outside a Registered Plan) PLUS the total of all classes of securities of this cooperative owned by a related person, is less than 10% of the issued securities of any class of this cooperative or any related cooperative.

I understand that it is my responsibility to ensure this maximum is not exceeded, and that if this maximum is exceeded, the securities of this cooperative will be deemed a *prohibited investment* for my Plan, as defined under Part XI.01 of the *Income Tax Act* (Canada). As a result, I may be liable, outside of my Plan, to the Canada Revenue Agency ("CRA") for a tax penalty of 50% of the fair market value of those securities held under my Plan, PLUS a tax penalty of 100% on any income earned on those cooperative securities held under my Plan.

Date

Account Holder signature



LETTER OF DIRECTION

FOR SECURITY PURCHASE USING AVAILABLE CASH

Date: _____

Canadian Worker Cooperative Federation
ATTN: RRSP-TFSA Program Administrator
1-41 Aberdeen St.
Kentville, NS B4N 2M9

Please accept this letter as authorization to make a security purchase using cash funds available in my Self-Directed Registered Plan administered by CWCF, per my specifications below:

Investment to be purchased: _____

Quantity of securities to be purchased: _____

Total purchase price: \$ _____

Further instructions (if applicable): _____

I understand that because I am using funds from my registered account to purchase the aforementioned securities, this investment will be registered to the account through which the purchase is made. It will also be registered by the security issuer to "CWCF In Trust."

CWCF Account # **OR:** Social Insurance Number & Plan Type (ex. RRSP, RRSP Spousal, TFSA)

Annuitant Name (please print)

Annuitant Signature