

FORM 45-509F1
OFFERING DOCUMENT FOR COMMUNITY ECONOMIC DEVELOPMENT CORPORATIONS AND
COOPERATIVES

Date: May 10, 2021

The CEDC:

Name	Lakewood Farmers' Market Inc.
Registered office address	350 Anywhere Street, Saint John, NB X0X 0X0
Address of principal business	350 Anywhere Street, Saint John, NB X0X 0X0
Phone #	(506) 555-5555
Contact person/position	Charlotte Leinster, President
E-mail address	cleinster@emailaddress.com
Website URL	lakewoodmarket@website.com
Fax #	(506) 555-1111
Financial year end (month/day)	December 31

The Offering:

Securities offered	Common shares
Price per security	\$10
Minimum subscription amount per investor	An investor must subscribe to a minimum of 100 shares per investment, for a minimum investment of \$1,000
Minimum # of shares offered	5,000
Total proceeds if minimum sold	\$50,000
Maximum # of shares offered	10,000
Total proceeds if maximum sold	\$100,000
Minimum # of investors required	10
Payment terms	Bank draft or certified cheque on closing
Proposed closing date(s)	September 30, 2021

Cautions

Tax Consequences

There are important tax consequences to these securities. **See item 6.**

Resale Restrictions

You are restricted from selling your securities. **See item 10.**

Purchaser's Rights

You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this offering document, you have the right to sue either for damages or to cancel the agreement. **See item 11.**

Neither the Financial and Consumer Services Commission (the Commission) nor the Government of New Brunswick has assessed, reviewed or approved the merits of these shares or reviewed this offering document. This is a risky investment.

Item 1: Use of Available Funds

1.1 Funds

The funds available from the offering are as follows:

		If minimum sold	If maximum sold
A.	Amount to be raised by this offering	\$50,000	\$100,000
B.	Legal and accounting expenses	\$4,500	\$4,500
C.	Administrative and other expenses	\$4,000	\$4,000
D.	Available funds: $D = A - (B+C)$	\$41,500	\$91,500
E.	Additional sources of funding required	\$15,000*	\$15,000*
F.	Total: $F = D+E$	\$56,500	\$106,500

* Our additional sources of funding under item E of the above table are a \$7,500 shareholder loan from Charlotte Leinster, and a \$7,500 business development grant from the Saint John Region Chamber of Commerce. Refer to item 2.6 for further details.

1.2 Use of Available Funds

The funds raised in the offering will be used as follows:

Description of intended use of available funds listed in order of priority	Assuming min. offering	Assuming max. offering
Wages for Market Administrator and other staff during start-up phase	\$30,000	\$50,000
Complete design of marketing plan	\$3,000	\$3,000
Start advertising campaign	\$12,000	\$30,000
Purchase signage and other equipment	\$3,500	\$7,000
Venue entertainment expenses for start-up phase	\$8,000	\$9,000
Loan repayment to principal holder	Nil	\$7,500
Total: Equal to F in the Funds table above	\$56,500	\$106,500

The proceeds from the offering will satisfy the CEDC's cash requirements for the next 12 months, and it will not be necessary to raise additional funds.

1.3 Reallocation

We intend to spend the available funds as stated in the offering document. We will reallocate funds only for sound business reasons and in compliance with the *Small Business Investor Tax Credit Act*.

Item 2: Business of CEDC

2.1 Structure

We were incorporated under the *Business Corporations Act* (New Brunswick) on February 15, 2021.

2.2 Our Business

Overview

We intend to operate a local farmers' market in Lakewood Park in Saint John, on Saturdays during the spring, summer, and fall months of the year. The market will operate outdoors from 9 am to 3 pm each Saturday.

Operations

Our administration office is located at the home office of the principal holder, Charlotte Leinster, at 350 Anywhere Street, Saint John, New Brunswick. The farmers' market will be held in Lakewood Park in Saint John. We have entered into an agreement with the City of Saint John for the use of space at Lakewood Park each Saturday from May 1 to October 31 for the next three years. At the end of this three-year term, the City of Saint John will re-assess its agreement with us and may require rent to use the space, depending on the financial performance of the market.

We intend to earn revenue in two ways. First, by charging a flat annual fee to each vendor that wishes to participate in the farmers' market for the season. Second, by charging a nominal cover charge to each patron of the market each week, which is intended to cover the cost of providing local entertainment, including musicians, children's entertainers, local theatre and improv, and stand-up comedy.

Vendors

Our market will provide a space for local vendors to set up booths to sell local produce, meals, baked goods, artisanal goods and crafts, and other products. Each vendor is an independent small business. They will pay a flat fee (currently expected to be approximately \$1,000) to participate in the farmers' market for the entire season. The fee will contribute to the cost of managing and staffing the market and advertising to generate attendance. Each vendor is also responsible for their own equipment, including tents, tables, food storage and preparation, etc.

We currently have agreements with 28 vendors to operate at the farmers' market for the 2021 season. We hope to grow to regular participation of 35+ vendors per season.

Entertainment

We plan to differentiate our market from other local options by creating a destination atmosphere for families and individuals in the Saint John region that will provide a spotlight for local entertainment and talent. The Lakewood Park location provides for ample parking, greenspace for sitting, and picnic tables, as well as a nearby beach for swimming. We intend that visitors will be drawn by the opportunity to shop for produce and fresh-made food at local vendors, and then stay to enjoy entertainment. We intend to purchase audio equipment, including microphones and speakers, to enable music, plays and other entertainment to be made accessible to an outdoor audience.

We intend to conduct outreach to local musicians, theatre groups, children's entertainers, stand-up comedians, and other entertainers, to attend the market. They will be paid a fee for performances to come from the cover charges paid by attendees, and the entertainers will also be able to collect tips directly from market attendees. We will publish a weekly schedule of entertainers on social media and on our website so that the public can plan when to attend the market to enjoy their preferred entertainment.

In addition to paying entertainers' fees, per-head cover charges will help cover the cost of management and staffing the market, cost of equipment and other expenses, and contribute toward profit. Depending on revenue growth and attendance numbers, we hope to be able to attract out-of-town talent, including well-known musical acts and other entertainers, to perform at the market in future years, which could increase attendance and interest.

Our place within the local Farmers' Market Scene

There are a number of other farmers' markets in the Saint John region. Most notably, the Saint John City Market operates year-round, and is open to the public on Saturdays. A farmers' market operates on Saturday mornings in the Spring-Fall months on the Kingston Peninsula, and there is a Sunday farmers' market in Queen Square park. A night market adjacent to the City Market building in Saint John has operated for the last two seasons on Thursday evenings. Other local weekly markets operate throughout the greater Saint John region and along the Fundy coast, including in St. Andrews, St. Stephen's, and Sussex.

The presence of multiple farmers' markets in the region is to some degree an advantage because multiple venues for selling creates more opportunities for individual vendors to grow their businesses through participation in multiple markets. We intend to capitalize on the synergies of other local markets by identifying existing vendors who already participate in other markets on other days of the week.

We intend to differentiate ourselves from our competition – in particular, from other Saturday destinations such as the City Market and the Kingston market – by offering a more diverse selection of entertainment. This will also create a space for local artists to reach the community and become a community gathering space.

2.3 Development of Business

Our business is at the early stage of development. We have not yet begun our first farmers’ market season and therefore have not yet earned any revenue. We formed with the intention to open a Saturday outdoor farmers’ market in the Saint John region in December 2020. Since that time, we have achieved a number of important developments, including:

- reaching agreement with the City of Saint John to hold the market in Lakewood Park, and to use “Lakewood” in the name of our business;
- incorporating our business in February 2021;
- generating interest and entering into agreements with 18 vendors;
- performing outreach and generating interest with local musicians, theatre groups, and other entertainers;
- appointing a CEO and Market Manager to oversee the inaugural market season in 2021.

2.4 Short-Term Objectives and How We Intend to Achieve Them

(a) Our short-term objective is to hold an initial market season in the spring to fall of 2021. Our largest costs in the short-term will be 1) to conduct an advertising campaign around the Saint John region to generate knowledge and interest in our market, and 2) to pay staff wages to perform pre-opening work, such as obtaining signage and other equipment, co-ordinating with vendors and entertainers, and running the market days in early stages, before revenues can be applied to covering staff salaries. Both of these costs will be scaled depending on the success of this raise. We will market more aggressively if we raise our maximum amount sought, including by purchasing additional radio and print ad slots. We will also hire additional part-time staff, if able, based on the size of our raise.

(b) We intend to do the following to meet our objectives for the next 12 months:

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete
Complete the design of our marketing plan through consultation with our external marketing consultants	1 month	\$3,000
Begin advertising campaign through flyers, print ads, radio ads with assistance of marketing firm	2 months	\$12,000 - \$30,000
Purchase signs, audio equipment, and other necessary equipment	2 months	\$3,500 - \$7,000

Pay Market Administrator and other part-time staff for start-up phase and early market days	3 months	\$30,000 - \$50,000
Enter into contracts with performers to attend market days for the first two months of the 2021 season	3 months	\$8,000 - \$9,000

2.5 Long-Term Objectives

Our long-term objective is to host a farmers' market each year and grow the size of the market with respect to overall attendance, number of vendors, and number of entertainers performing each year. Longer term, we would like to grow the weekly attendance of the market to the point that it is financially viable to pay larger fees to bring in out-of-town musicians, comedians, plays, and other entertainers to perform at Lakewood park, which will increase cover charge revenues as well as increase foot traffic for vendors. Our goal is to break even without the need for outside investment by year 3 and profit by year 5. Profit will largely come from cover charges that will increase as we are able to bring higher-profile entertainers to perform to act as a draw for community attendance. Long-term, we hope to pay dividends to investors out of profits beginning in year 5. This is a new business and there is a risk that the business may never become profitable and therefore may never be able to pay dividends.

2.6 Insufficient Funds

The proceeds of this offering will be sufficient to accomplish all of our business objectives for the next 12 months. If we do not see reasonable growth beyond year 1 in the number of participating vendors or in overall attendance, we may require additional raises in order to meet our long-term objectives beyond a 12-month period. Additional raises will be subject to regulatory approvals.

In addition to funds from this raise, we have secured financing in the form of a \$7,500 small business grant, and a \$7,500 shareholder loan issued to the company by the principal shareholder, Charlotte Leinster. See item 2.8 for more information on the loan agreement between the company and Charlotte Leinster.

2.7 Dividends and Distributions

We do not have a dividend policy in place. As a new company, no dividends have been paid so far. We hope to break even by year 3 and then become profitable thereafter. Dividends will be declared at the sole discretion of the Board and will likely not be declared until at least year 5. No dividends will be declared if doing so would impair the financial viability of the company. There is a risk that the company may never become profitable and therefore that dividends may never be declared.

2.8 Material Agreements

The following summarizes the material agreements to which we are currently a party and any material agreements with a related party:

1. Site use agreement dated February 28, 2021 with the City of Saint John, for the use of space in Lakewood Park for holding the farmers' market. The agreement allows us to use the site for five years at no fee, under the acknowledgement that a farmers' market is a service to the community. After five years, the agreement contains the option for the City to re-evaluate, including the option to charge rent for use of the site, based on the profitability of our company.
2. Employment contract dated March 11, 2021 with Marc Champlain to be CEO and Market Administrator. This contract expires on March 11, 2026, with an option to renew. Mr. Champlain receives an annual salary of \$50,000 pursuant to the contract.
3. In March 2021, Charlotte Leinster, a principal holder of our securities, loaned \$7,500 to the Company for working capital. The loan is repayable on demand and does not bear interest. If the maximum number of units is sold, the loan will be repaid.

Item 3: Interests of Directors, Management, Promoters and Principal Holders

3.1 Compensation and Securities Held

Name of security holder and principal residence	Positions held by security holder and date of obtaining position	Compensation paid by CEDC in last financial year and anticipated to be paid in current financial year	Securities (#, % and type) held after completion of min. offering	Securities (#, % and type) held after completion of max. offering
Charlotte Leinster Saint John, NB	Director since February 15, 2021	\$10,000 for the financial YE December 31, 2021	10,000 common shares, being 50%	10,000 common shares, being 40%
Marc Champlain Saint John, NB	Director, CEO and Market Administrator	\$50,000 for the financial YE December 31, 2021	1,000 common shares, being 5%	1,000 common shares, being 4%
Alice Johnson St. Andrew's, NB	Director since February 15, 2021	Nil	1,000 common shares, being 5%	1,000 common shares, being 4%
Pierre Gagnon Moncton, NB	Director and Treasurer since February 15, 2021	Nil	1,000 common shares, being 5%	1,000 common shares, being 4%

Elizabeth Stevens Fredericton, NB	Director and Secretary since February 15, 2021	Nil	1,000 common shares, being 5%	1,000 common shares, being 4%
Marie Pelletier Sussex, NB	Director since February 15, 2021	Nil	1,000 common shares, being 5%	1,000 common shares, being 4%

3.2 Management Experience

Name	Principal occupation and related education and experience
Charlotte Leinster	<p>Charlotte Leinster is currently retired (as of 02/2021) after a career in the field of event planning since 1985. For the last 10 years of her career prior to 02/2021, Ms. Leinster was the founder and CEO of Event Planning NB Ltd., a consulting business that has been contracted to provide event planning services to many of the province's premier festivals and events, including Fredericton Harvest Jazz and Blues Festival, the Atlantic Balloon Fiesta in Sussex, NB, and the Moonlight Bazaar in Saint John.</p> <p>Ms. Leinster has a Bachelor's in Business Administration from Mount Allison University and a Masters in Business Administration (Marketing) from University of New Brunswick.</p>
Marc Champlain	<p>Marc Champlain is a 2003 graduate from l'Université de Moncton and has worked in the field of retail and property management since 2004. He has worked in vendor relations for large malls in New Brunswick (2013-2017), and more recently has managed seasonal outdoor retail spaces including local farmers' markets and local crafts markets catering to cruise ship passengers in Saint John. He has been principally employed as a Tourism Co-ordinator with the Saint John Port Corporation conducting liaison between cruise ship operators and tourism outlets since 04/2017.</p>
Alice Johnson	<p>Alice Johnson is a 2001 law graduate from Dalhousie University. She has practiced law in St. George since 2002 and is currently a partner with Johnson & Jones, a firm practicing primarily in family law, wills and estates, and criminal law.</p>
Pierre Gagnon	<p>Pierre Gagnon has been a Chartered Professional Accountant since 1996. He is a graduate of St. Francis Xavier University (1991) and since 1992 has worked in a variety of small, medium and large accounting firms throughout Atlantic Canada, primarily in the areas of corporate audit and tax accounting. He has been a sole practitioner in Saint John since 2014 serving primarily individuals and small and medium sized businesses in the region.</p>

Elizabeth Stevens	Elizabeth Stevens is a graduate of St. Thomas University with a Bachelor of Business Administration (2009), with a specialization in supply chain management. She works for the Atlantic Canada arm of Super Magasin, a national grocery store chain in managing supply chain for meats, produce and other perishables (2016-2021)
Marie Pelletier	Marie Pelletier has been the branch manager and a private wealth portfolio manager for the Sussex branch of Canada Dominion bank since 2007. Ms. Pelletier obtained her Bachelor's in Business Administration from Cape Breton University (1983) and holds a Chartered Financial Planner designation (1999). She has worked in the field of banking, investment planning and private wealth management since 1985.

3.3 Conflicts of Interest

Marc Champlain, CEO and Market Administrator, is a close personal friend of principal security holder, Charlotte Leinster

The CEDC has not yet adopted a formal conflict of interest policy, though one may be adopted in the future. Presently, conflicts are addressed by the Board of Directors in accordance with good governance practices and consistent with fiduciary obligations imposed on Directors under the *Business Corporations Act*.

3.4 Litigation, Penalties or Sanctions, Cease Trade Orders and Bankruptcy

- (a) no director has ever, pled guilty to or been found guilty of:
 - (i) a summary conviction or indictable offence under the Criminal Code (R.S.C., 1985, c. C-46) of Canada,
 - (ii) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction,
 - (iii) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory therein, or
 - (iv) an offence under the criminal legislation of any other foreign jurisdiction,
- (b) No director is or has been the subject of an order (cease trade or otherwise), judgment, decree, sanction, or administrative penalty imposed by a government agency, administrative agency, self-regulatory organization, civil court, or administrative court or tribunal of Canada or a foreign jurisdiction in the last ten years related to his or her involvement in any type of professional activity, such as securities, insurance, banking or other type of financial or consumer services activity,
- (c) no director is or has been the subject of a bankruptcy or insolvency proceeding,
- (d) one director was a director or officer of an issuer that is or has been subject to a proceeding described in paragraphs (a), (b) or (c) above. See details below.

On August 9, 2011, Maritime Production House Inc. filed a proposal to restructure under the *Bankruptcy and Insolvency Act* in the New Brunswick Court of Queen’s Bench. The application was subject to court supervision and was approved on November 18, 2015. Pierre Gagnon was a director of Maritime Production House Inc. from March 4, 2008 to October 22, 2017.

Item 4: Capital Structure

4.1 Capital Structure

The following table describes the outstanding securities of the CEDC:

Description of security	Number authorized to be issued as per CEDC’s by-laws and constating documents	Total dollar value and number issued and outstanding as at May 1, 2021	Total dollar value and number outstanding after minimum offering	Total dollar value and number outstanding after maximum offering
Common Shares	50,000	15,000 (\$150,000)	20,000 (\$200,000)	25,000 (\$250,000)
Preferred Shares	10,000	0	0	0

4.2 Prior Sales

Date of issuance	Type of security issued	Number of securities issued	Price per security	Total funds received
February 15, 2021	Common Shares	5,000	\$10	\$50,000

Item 5: Securities Offered

5.1 Terms of Securities

We are offering a minimum of 5,000 and a maximum of 10,000 common shares, at a price of \$10 per common share. Each common share of the Company is entitled to one vote at a meeting of shareholders. The common shares are not convertible into shares of any other class and are not redeemable or retractable. We have no present intention of paying dividends. Future dividends, if any, will be determined by our directors.

5.2 Subscription Procedure

- (a) You may subscribe for common shares by returning to us at 350 Anywhere Street, Saint John, NB, X0X 0X0, the following:
 - 1. A completed subscription agreement in the form accompanying this offering document;
 - 2. A completed copy of a Risk Acknowledgement (Form 45-509F3) (also accompanying this offering document) – you should keep a signed copy of this form;
 - 3. A certified cheque or bank draft in the amount of your investment payable to “Lakewood Farmers’ Market Inc.”.
- (b) The consideration will be held in trust for the purchaser and will become available to the CEDC only after the conditions of closing described below have been met and the offering has closed.
- (c) The following are conditions of the initial closing of the offering:
 - (i) the CEDC has received the minimum offering amount of \$50,000;
 - (ii) all material contracts have been signed, and all material consents of third parties have been obtained;
 - (iii) all necessary and required certificates under the *Small Business Investor Tax Credit Act* and its regulations and other applicable laws have been obtained and are current, including:
 - A. a letter of non-objection issued by the Executive Director that has not been subsequently revoked; and
 - B. a certificate of registration that has not lapsed or been revoked by the Minister of Finance; and
 - (iv) at least 3 shareholders have subscribed.

5.3 Failure to Meeting Conditions of Closing

If the minimum offering amount and all other conditions of the initial closing are not achieved on or before the closing date, and no extension has been granted by the Executive Director, the offering will be withdrawn and all of the proceeds of subscription, without interest, will be returned to the subscribers no later than 30 days after the closing date.

5.4 Concurrent Offering

We do not intend to distribute securities under a prospectus exemption other than through this distribution.

Item 6: Canadian Income Tax Considerations

6.1 This commentary is of a general nature only and is not intended to be tax advice to any particular investor. You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

6.2 The New Brunswick Small Business Investor Tax Credit provides a 50% (for investments made after April 1, 2015) non-refundable personal income tax credit of up to \$125,000 per year (for investments of up to \$250,000 per individual investor).

Effective January 1, 2014, the Small Business Investor Tax Credit legislation enables New Brunswick corporations and trusts to be eligible for a 15% non-refundable corporate income tax credit on eligible investments up to \$500,000. This translates into a tax credit of up to \$75,000 for New Brunswick corporate and trust investors who invest in eligible small businesses in the province.

In the event that an investor cannot use the entire Small Business Investor Tax Credit amount in a given year, the tax credit can be carried forward seven years or back three years.

The tax credit received as a benefit to investing in Lakewood Farmers' Market Inc. is only valid if the securities are held for the minimum of four (4) years. Early redemption will result in repayment of tax credit with interest.

No professional advisors have been used in the preparation of the tax disclosure.

Item 7: Promoters

7.1 The following persons are authorized to sell shares under the offering:

Name	Address	Business Phone #	Email Address
Charlotte Leinster	350 Anywhere Street, Saint John, NB X0X 0X0	(506) 555-5555	cleinster@emailaddress.com
Marc Champlain	24 Location Drive, Saint John, NB D4E 5F6	(506) 555-1234	Johnsmith@webserver.org
Pierre Gagnon	3883 Cul de Sac Court, Moncton, NB G7H 8I9	(506) 555-8878	Greg.brown@accountingfirm.ca
Alice Johnson	77 Seaside Road, St. Andrew's, NB X1Y 2Z3	(506) 555-9966	ajohnson@lawfirm.com
Elizabeth Stevens	85 Residential Avenue, Fredericton, NB A1A	(506) 555-8383	estevens@email.nb.ca

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Marie Pelletier	1123 Route Highway, Sussex, NB B2B 2B2	(506) 555-7654	mpelletier@cdbank.ca

Item 8: Risk Factors

8.1 The following, listed in order of importance, are the risk factors that the CEDC considers to be the most substantial risks to an investor in this offering:

- Competition: We face substantial competition in the Saint John area with regard to farmers’ market events. Our primary competition is the Saturday morning farmers’ market in Kingston, NB, and the Saint John City Market, which is open on Saturday mornings. The Sunday morning Queen Square farmers’ market is also a significant competitor. Competition impacts both the public’s willingness to attend our market vs. other available options, as well as vendors’ willingness to participate in our market vs. others. There is a risk that we may not be able to attract enough visitors or vendors to our market to become viable.
- Agreement to use Lakewood Park: Our business model is designed around the unique space and amenities that Lakewood Park provides, including parking, natural beauty, open green space, and space for entertainment to be set up. Our ability to hold market days at the park is contingent on the City of Saint John’s on-going agreement to make the space available. Without the City’s agreement, we would have to find alternative space to host market days, which may not be as desirable to attendees and may not be able to facilitate all aspects of our business plan. It is possible that the City could choose not to renew our agreement after an initial 5-year term.
- Our Securities are Speculative: The purchase of our shares is highly speculative. You should buy them only if you are able to bear the risk of the entire loss of your investment and have no need for immediate liquidity in your investment. An investment in our shares should not constitute a major portion of your portfolio. You should consult you own independent advisors as to the tax, business and legal considerations regarding an investment in our securities.
- Limited Operating History: We have not yet operated a farmers’ market day and have yet to earn any revenue. It is likely that we will operate at a loss in the first few years of operation, and there is no assurance that we will be able to achieve or maintain profitable operations.
- Lack of Vendors: Our company will be dependent on other small businesses operating as vendors at our market. Our business model will be at risk if there are not enough small business operators willing to act as vendors at our market. We are also dependent on those business operating at a high quality to draw in consumers to attend the market.

- Weather Risk: As an outdoor market, bad weather on market days could result in poor consumer turnout, leading to low profits for vendors as well as low revenues for our business in the form of cover fees. A high number of bad weather days could substantially impact our expected revenues.
- Value of the Securities of the Company: We determined the price of the common shares arbitrarily. The price bears no relationship to earnings, book value or other valuation criteria.

8.2 In addition, potential investors should consider the following risk factors before they decide to purchase the shares being offered:

- (a) The shares are speculative in nature. An investment is appropriate only for investors who are prepared to have their money invested for a minimum of 4 years, and who have the capacity to absorb a loss of some or all of their investment and all of their tax credit.
- (b) 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.
- (c) There are restrictions on the resale of the Shares. See item 10 for details.
- (d) The CEDC may not achieve a level of profitability to permit dividends to be paid. Investors should not count on any return from these shares.
- (e) Tax laws may change.
- (f) Investors who redeem their securities before the minimum time period of 4 years will lose some or all of their tax credit.

Item 9: Reporting Obligations

9.1 The CEDC will deliver to the Financial and Consumer Services Commission (Commission) and the Department of Finance and send to security holders, annual financial statements and in certain circumstances, a notice of specified events, the latter of which within 10 days after the date on which the specified event occurs.

You will also be given notice of and entitled to attend meetings of the holders of outstanding common shares of the Company in accordance with the *Business Corporations Act* (New Brunswick).

Item 10: Resale Restrictions

10.1 These securities will be subject to a number of resale restrictions under National Instrument 45-102 *Resale Restrictions*, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

Securities issued by a cooperative, may be subject to further resale restrictions under cooperatives legislation, and the by-laws of the cooperative.

10.2 Under the *Small Business Investor Tax Credit Act*, a person who disposes of a share in respect of which a tax credit has been allowed within 4 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, if interest is prescribed by the regulations made under that Act, or a lesser amount that is determined in accordance with the regulations under that Act.”

Item 11: Purchasers' Rights

Purchasing this share gives you certain rights, some of which are described below. For information about your rights you should consult a lawyer.

- Two Day Cancellation Right - You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the 2nd business day after either of the following:
 - (a) the CEDC received the completed subscription agreement;
 - (b) the day the CEDC has notified you of an amendment to the offering document.

- Statutory Rights of Action in the Event of a Misrepresentation - If there is a misrepresentation in this offering document, you have a statutory right to sue the following:
 - (a) Lakewood Farmers’ Market Inc. to cancel your agreement to buy these shares;
 - (b) for damages against Lakewood Farmers’ Market Inc., every director of the CEDC as of the date of this offering document and every person who signed the offering document.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the right to sue described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date of the transaction which gave rise to the cause of action. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action, and 6 years after the date of the transaction that gave rise to the cause of action.

Item 12: Promotional Materials

All promotional materials relating to each distribution under this offering document, including those prepared after the date of this offering document, are incorporated by reference into the offering document and are deemed to form part of the offering document.

Item 13: Financial Statements

[See attached financial statements at Appendix A]

Item 14: Date and Certificate

This offering document does not contain a misrepresentation.

Dated at _____, on _____ (date)

Name (please print)	Position	Signature
Charlotte Leinster	President and Director	See attached
Marc Champlain	Director, CEO and Market Administrator	See attached
Pierre Gagnon	Director and Treasurer	See attached
Elizabeth Stevens	Director and Secretary	See attached

Appendix A

LAKWOOD FARMERS' MARKET INC.

Balance Sheet

As at December 31, 2020

	2020
ASSETS	
CURRENT	
Cash	\$ 40,825
CAPITAL ASSETS <i>(net of depreciation)</i>	3,150
INCORPORATION COST	<u>3,000</u>
	<u>\$ 46,975</u>
LIABILITIES AND SHAREHOLDER EQUITY	
CURRENT	
Accounts payable	\$ 4,500
DUE TO SHAREHOLDER	<u>7,500</u>
	<u>\$ 12,000</u>
SHAREHOLDER EQUITY	
Share capital	50,000
Retained earnings	<u>(15,025)</u>
	<u>34,975</u>
	<u>\$ 46,975</u>

LAKWOOD FARMERS' MARKET INC.
Statement of Income and Retained Earnings
Year Ended December 31, 2020

	<u>2020</u>
REVENUE	
Vendors	\$ 28,000
Patrons	25,025
Grant	7,500
	<u>\$ 60,525</u>
EXPENSES	
Wages	30,000
Marketing plan	3,000
Advertising Plan	12,000
Professional fees	4,500
Insurance	1,000
Bank charges	120
Office & small supplies	2,820
Dues and fees	60
Repairs & maintenance	1,200
Venue entertainment	20,500
Depreciation	350
	<u>75,550</u>
INCOME BEFORE TAX	\$ (15,025)
INCOME TAX	<u> </u>
NET INCOME	\$ (15,025)
RETAINED EARNINGS -BEGINNING OF YEAR	<u> -</u>
RETAINED EARNINGS-END OF YEAR	<u>\$ (15,025)</u>

LAKWOOD FARMERS' MARKET INC.
Statement of Cash Flows
Year Ended December 31, 2020

	2020
OPERATING ACTIVITIES	
Net income	\$ (15,025)
Items not affecting of capital assets:	
Depreciation	350
Changes in non-cash working capital:	
Increase in Accounts payable	4,500
Cash flow from operating activities	(10,175)
INVESTING ACTIVITY	
Purchase of capital assets, including incorporation cost	(6,500)
FINANCING ACTIVITY	
Advances from shareholder	7,500
Issuance of capital stock	50,000
Net cash provided by financing activities	57,500
INCREASE IN CASH FLOW	\$ 40,825
CASH-BEGINNING OF YEAR	-
CASH-END OF YEAR	\$ 40,825