



Administration Annex ~ 207 4th Avenue N ~ Kelso, WA 98626-4195
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Lower Columbia Investment Network
Investor Member Application and Agreement

This is an application and membership agreement for membership in the Lower Columbia Investment Network (LCIN). LCIN creates opportunities for local investors to network, build prosperous local businesses, keep investment money in our community, and help build a more resilient and sustainable regional economy in Cowlitz and Wahkiakum Counties. Membership is intended for local investors and local investment entities, and is open to any individual or entity.

Please complete the following application and agreement, print and sign, and email it to cwcog@cwcog.org. Alternately, you may download/print and mail it to the address at the end of the application.

I. Personal Contact Information

- a. Name of Investor: _____
- b. Name of Co-Investor (if applicable): _____
- c. Mailing Address: _____

- d. Preferred Telephone: _____
- e. Secondary Telephone: _____
- f. Investor E-Mail Address: _____
- g. Co-Investor E-Mail Address: _____
- h. Name of Sponsoring Member of LCIN (if applicable): _____
- i. Reasons for Applying for Membership in LCIN: _____

- j. Describe the types of local investment opportunities you would like (or prefer not) to receive via LCIN (this is for LCIN informational purposes only and not used to screen investment opportunities sent to you): _____

II. Investment Profile

- a. Briefly describe your investment background and experience:
- b. Accurate answers on the following two questions will help LCIN track its collective financial resources. They do not imply any sort of commitment and are not used to qualify potential members. You may also decline to answer if you wish.
- c. Approximate amount of funds currently invested in businesses locally: _____
- d. Approximate amount of funds available for future local investments: _____
- e. Are you interested in funding more than micro loans (above \$1,000)?
 - i. Yes ☐
 - ii. No ☐
- f. Are you interested in partnering with one or more other investors for a single project?
 - i. Yes ☐
 - ii. No ☐

III. Privacy

- a. May we include your name on our membership list?
- i. Okay to include My/Our Name(s) ☐
 - ii. Please keep My/Our Name(s) off of the membership list (note that this does not guarantee confidentiality in all matters) ☐

IV. Membership Agreement

- a. I/We hereby agree to:
- i. Keep confidential all group e-mails, discussions, investment opportunities, and related documents, and share them only with other members of LCIN, non-members of LCIN agreed to by majority vote of LCIN, or with my personal professional advisers as needed to help make specific investment decisions.
 - ii. In the spirit of an open and transparent network, submitted investment opportunities will be shared equally with all eligible members (unless the investor has specified that they only wish to invest in certain types of investments) and all parties will cooperate honestly and fairly with other members while competing on an investment opportunity that is submitted to the LCIN.
 - iii. Inform LCIN Champion(s) as soon as I become aware of any actual or potential conflict of interest that I may have. The Champion(s) is(are) member volunteer(s) working with the CWCOG to promote and implement the LCIN program and work with both members and businesses to enhance program communications.
 - iv. Represent that any views expressed or actions taken by myself are my own and do not reflect the views, actions, or recommendations of the CWCOG, its members or the LCIN and its individual members.

- v. Absolve the CWCOG, its members as well as the LCIN and all of its individual members of all liability related to any financial activities in which I might be or become involved.
- vi. Make my investment decisions based solely on my own independent research, and consult with my personal professional advisers if I need legal, financial, tax, or other advice. I/We hereby acknowledge that the CWCOG and LCIN volunteers and members do not offer professional advice of any kind in their capacity as program coordinator, members or participants in this program.
- vii. Abide by this Membership Agreement and all other current or future established LCIN policies and procedures. If I am no longer a member of the LCIN, I agree to continue to be bound by all provisions contained herein regarding all LCIN business (including, but not limited to, all discussions, investment opportunities, and related documents) that occurred prior to the termination of my membership. If I violate this Membership Agreement or other LCIN policies or procedures, I may be voted out of the LCIN by simple majority vote of all current members, in addition to any form of dispute resolution that may occur.
- viii. I acknowledge, understand, and agree to the terms of the Legal Disclaimer (below).

V. Actual or Potential Conflicts of Interest of Investor Member to be Disclosed to Members

- a. Giving legal, financial, or business advice to a Business Submitter;
- b. Receiving compensation or other income from a Business Submitter;
- c. Having any existing or potential investment, loan, or other financial interest in any way related to a Business Submitter; or
- d. Having a member of your immediate family who is a Business Submitter or who fits any of the preceding categories.

VI. Legal Structure: The CWCOG is serving as a program coordinator for the LCIN which has no legal structure.

VII. Member Discussions & Decisions

- a. Regular in-person (or virtual meetings as needed) will be held approximately once per quarter. All members are encouraged to participate on a regular basis to support the success of the program.
- b. E-mail may be used to discuss most matters, including non-sensitive discussions of investment opportunities. Sub-groups may form to focus on specific topics or investment opportunities, and activities conducted must comply with the Membership Agreement.
- c. Discussions about investment opportunities are encouraged, but neither the CWCOG, LCIN nor any sub-group thereof shall be deemed to approve, disapprove, or otherwise have an opinion about investment opportunities. Any opinions are strictly those of the individual members.
- d. Consensus and majority-vote decisions concerning membership, modification of this Membership Agreement, Policies and Procedures document, or any other matter that affects LCIN membership as a whole, shall only take effect with 1) a quorum of 50% or more of the membership present at a LCIN meeting, or 2) a majority of members sending their affirmative votes to the whole group via e-mail.

- e. The CWCOG will maintain the official membership list of the LCIN.

VIII. Recordkeeping

- a. The CWCOG will maintain LCIN records as follows:
 - i. Minutes of all formal meetings;
 - ii. Meeting summaries of all quarterly pitch sessions
 - iii. Emails sent or received by CWCOG staff including:
 - 1. Investor member applications
 - 2. Investment opportunities submission forms
 - 3. General correspondence, and
 - 4. The membership list of names and e-mail addresses.
- b. The CWCOG and LCIN will not be party to or keep record of specific negotiations or agreements between parties. The exception will be for self-reporting documents by investors following an investment and business submitters receiving investments. Based on such self-reporting, the CWCOG and LCIN will attempt to track the total funds invested, number of firms receiving an investment, number of new or retained employees as a result of the program and any other general data that may be deemed appropriate in the operation of program.

IX. Investment Opportunity Submissions

- a. LCIN will designate a contact person or persons to communicate with others on its behalf and assist people with the investment opportunity submission process. Upon completion of the following requirements, the LCIN contact person will forward, via e-mail, local (Cowlitz and Wahkiakum Counties) investment opportunity submissions to the members. Contact persons will be a CWCOG staff person, area Associate Development Organization staff person or other volunteer mentor without interests in making local investments as anticipated through this program.
- b. All Business Submitters will:
 - i. Provide a complete LCIN Investment Opportunity Submission (preferably in electronic format) to the LCIN contact person which includes complete responses to all of the items in the Investment Opportunity Submission Form including the following:
 - 1. Name(s) and full contact information of the owner(s)/borrower(s)
 - 2. Name and full contact information of the business (if applicable)
 - 3. Description and history of the business or investment opportunity
 - 4. Current financial situation of the business and/or borrower
 - 5. Amount and terms requested for investment
 - 6. Intended use of funds sought
 - 7. Other loans or investment funds with pending applications
 - 8. Investment opportunity submissions will not include tax returns or other sensitive personal or confidential financial information.
 - ii. Investor members can request a business plan, detailed financials and other materials directly from the business submitter after they have had some level of discussions to warrant a joint interest in moving forward with discussions.

X. After Circulation of an Investment Opportunity:

- a. Members may individually make contact with the business submitter to indicate their interest.
- b. Members may invest individually or together, as desired, and no member shall be required to make any investment.
- c. Investment negotiations, legal structures, and agreements are not the responsibility of LCIN, but instead are the collective responsibility of the business submitter and its professional advisers, and the potential investors and their professional advisers.
- d. For the purpose of measuring LCIN networking effectiveness, members are encouraged, but not required, to notify LCIN of any investments made as a result of LCIN activities. Periodic updates will also be requested to provide the most current information on the program successes.
- e. Business submitters are not required to accept any funding offers but are expected to act in good faith throughout the process.

XI. Securities Law Exemption

- a. State and federal securities regulations normally require businesses to produce costly disclosures and extensive filings unless an exemption applies. All businesses seeking capital through the Network and all Members lending to businesses through the Network agree to limit transactions to within the parameters of the Isolated Transaction Exemption, which are as follows:
 - i. No maximum dollar amount limit
 - ii. Maximum of three Members making a transaction with a particular business during any 24-month period
 - iii. Transactions can be at the same time or at different times

XII. LEGAL DISCLAIMER:

- a. The Lower Columbia Investment Network (LCIN) is a program sponsored by the Cowlitz-Wahkiakum Council of Governments (CWCOG). Neither the LCIN nor the CWCOG offer legal, investment, or financial advice, nor does the LCIN or the CWCOG solicit, offer, or recommend any investment opportunities. LCIN provides basic forums for the purpose of providing information about potential investment to eligible investors, but neither the LCIN nor the CWCOG represent these forums to be anything more than general identifying information. The actual investment information, documentation, and any other legal and/or regulatory requirements for any particular investment or financing transaction shall be the sole responsibility of the individuals, businesses, or other organizations directly involved, and to any appropriate professionals deemed necessary to affect such transactions. Every state has distinct laws and regulations regarding securities offerings, so the individuals, businesses, or other organizations involved are responsible for ensuring they comply with these and any other applicable laws and regulations. The LCIN and the CWCOG do not participate in any negotiations or solicitations for investment transactions, nor do they participate in the investment transactions themselves. LCIN exists solely to facilitate contacts between parties who provide local investment and financing opportunities, and eligible parties who may be interested in participation.

- b. The fact that the LCIN, as sponsored by the CWCOG, may facilitate submissions and/or distributions of information from individuals, businesses, and other organization should not be construed as any sort of endorsement or approval of such submissions by LCIN or the CWCOG or by their members. LCIN does not examine or otherwise consider submissions beyond simply receiving them, checking them for basic identifying information, checking for form completeness, forwarding them to the LCIN members who have been designated by the submitting individuals and/or entities, and providing input on pitches/presentations as necessary. LCIN distributes investment opportunity submissions to its members without investor qualification of any kind by LCIN itself. Any investor or business submitter qualification is the sole responsibility of all of the parties to the specific investment agreement.
- c. LCIN activities shall not constitute an offer to sell, or the solicitation of an offer to buy, securities or any other investment or financing opportunity, document, or vehicle.
- d. In making an investment or financing decision, investors, financiers and businesses must rely on their own examination of the terms of the offering or other transaction or transaction documentation, including the merits and risks involved.
- e. Prospective investors, financiers and businesses should not construe LCIN or the CWCOG, acting as an intermediary under the terms of this Investment Opportunity Submission, as providing legal, tax or financial advice. Each prospective party to an agreement should consult his or her own professional advisors as to the legal, tax, financial consequences of such investment and any other matters relevant to the suitability of any investment or financing transaction or transaction documentation for such investment.

XIII. General Agreement

By signing below I/we certify that:

- a. I/We have read, understand and accept the Member Agreement and Legal Disclaimer and agree to follow the Securities Law Exemption included in this application.
- b. I/We hereby give LCIN permission to include my information as noted in the application for the business operations of the LCIN.
- c. I/We acknowledge that the confidentiality of submitted documents should not be expected, even if requested;
- d. I/We confirm that the information contained in this Investor Member Application Form is truthful and accurate as of the date printed below, and I/we agree to inform LCIN within 30 days of any material changes.
- e. I/We hereby agree to release and hold harmless LCIN and the CWCOG and their members from any and claims, injuries, damages, losses, suits or liability including attorney fees, to the fullest extent of the law, arising out of or in connection with my/our participation in the LCIN/CWCOG program.

XIV. Signature(s)

Signature

Printed Name

Signature

Printed Name

Date

Return completed application to:

By email: cwcog@cwcog.org

By mail:

CWCOG/LCIN

Administration Annex

207 4th Avenue N

Kelso, WA 98626-4195

For More Information

Email – cwcog@cwcog.org or call 360-577-3041 the LCIN at the CWCOG to connect with a local champion to assist you in determining if the LCIN is a good fit for you. Additional information can also be found at cwcog.org.