

**SUBSCRIPTION AGREEMENT
FOR
NIA HOUSE LEARNING CENTER
UNSECURED NOTE**

This Subscription Agreement (this “**Agreement**”) is made and entered into as of _____ (the “**Effective Date**”) by and between Nia House Learning Center, a California Nonprofit Corporation (the “**Company**”), and You, the undersigned investor (“**Investor**”).

1. Subscription. Investor hereby subscribes for and agrees to purchase a note (“**Note**”) of the Company subject to the terms and conditions set forth in this Agreement.

In order to purchase a Note, Investor must:

- a. Complete this Agreement;
- b. Provide a check for the full purchase price for the Note subscribed for made payable to Nia House Learning Center or, sign a copy of the Family Enrollment Contract Amendment indicating the amount of the family deposit to be invested;
- c. Choose one of the following investment options:

_____ **12 year Note.** The Company will make interest payments only for the first 6 years of the Note, then principal and interest will be amortized for the following 6 years. Simple annual interest on unpaid principal will be paid at 4.2 percent per year (calculated on the basis of a 365-day year).

_____ **7 year Note.** The Company will make interest payments only for the first 4 years, then principal and interest will be amortized for the following 3 years. Simple annual interest on unpaid principal will be paid at 3.7 percent per year (calculated on the basis of a 365-day year).

2. Minimum Subscription Amount. The minimum subscription amount shall be \$750.

3. Company’s Right to Accept or Reject Subscriptions. The Company may accept or reject any subscription, in whole or in part. This means that the Company may sell to Investor a Note for a smaller loan amount than Investor subscribes to purchase or may choose not to sell a Note of any amount to Investor. If the Company accepts Investor’s subscription, in whole or in part, this Agreement will constitute an irrevocable commitment by the Investor to purchase a Note at a minimum amount of \$750, and a copy of this Agreement will be executed by the Company and returned to Investor. If the Company rejects Investor’s subscription in whole or in part, the Company will return the payment tendered for any unissued portion of the subscription.

4. Representations, Warranties, and Covenants of the Investor. Investor represents and warrants to, and covenants with, the Company that:

- a. The Company May Rely on These Representations. Investor understands that the Company’s offer and sale of the Notes has not been registered under the Securities Act of 1933, as amended, because the Company believes, relying in part on Investor’s representations in the Agreement, that an exemption from such registration requirement is available for such sale. Investor

understands that the availability of this exemption depends upon the representations Investor is making to the Company in this Agreement being true and correct.

b. Purchase for Investment. Investor is purchasing the Note solely for investment purposes, and not for further distribution. Investor's entire legal and beneficial ownership interest in the Note is being purchased and shall be held solely for Investor's account, except to the extent Investor intends to hold the Note jointly with a spouse. Investor is not a party to, and does not presently intend to enter into, any contract or arrangement with any other person or entity involving the resale, transfer, grant of participation with respect to or other distribution of any of the Notes. Investor's investment intent is not limited to a present intention to hold the Note for any fixed period.

c. Investor Can Protect Its Interests. Investor can properly evaluate the merits and risks of an investment in the Note and can protect its own interests in this regard, whether by reason of its own business and financial expertise, the business and financial expertise of certain professional advisors unaffiliated with the Company with whom Investor has consulted, or Investor's preexisting business or personal relationship with the Company or any of its officers, directors or controlling persons.

d. Investor Recognizes Its Economic Risk. Investor understands that the purchase of the Notes involves a high degree of risk, and that the Company's future prospects are uncertain. Investor has the requisite knowledge to assess the relative merits and risks of the investment, or has relied upon the advice of Investor's professional advisors with regard to an investment in the Company. Investor acknowledges that the Company has made available to it the opportunity to ask questions of and receive answers from the Company's officers and directors concerning the terms and conditions of this Agreement and the business and financial condition of the Company, and Investor has received to its satisfaction, such information about the business and financial condition of the Company and the terms and conditions of this Agreement as it has requested.

e. Restricted Securities. Investor understands that the Notes are "restricted securities" in that the Company's sale of the Notes has not been registered under the Securities Act. Investor understands that there are significant limitations on transfer of the Notes.

f. Investor Advised to Seek Representation. Investor understands that nothing in this Agreement or any other materials presented to Investor in connection with the purchase and sale of the Notes constitutes legal, tax, or investment advice. The Company has advised Investor to consult with such legal, tax, and investment advisors as Investor, in its sole discretion, deems necessary or appropriate in connection with its purchase of Notes.

g. Complete Information. All information provided by Investor to the Company in connection with the purchase of Notes is true, correct and complete as of the date set forth hereof, and if there should be any change in such information, Investor will immediately provide the Company with such information. Investor is not subject to backup withholding of interest or dividends by the Internal Revenue Service.

h. Authority; Binding Agreement. Investor represents and warrants to, and covenants with, the Company that (i) Investor has full right, power, authority and capacity to enter into this Agreement and to consummate the transactions contemplated hereby and has taken all necessary action to authorize the execution, delivery, and performance of this Agreement, and (ii) this Agreement constitutes a valid and binding obligation of Investor enforceable against the Investor in accordance with its terms, except as enforceability may be limited by applicable law.

i. Suitability Requirements. The suitability standards for the offering require that the Investor:

(1) have a minimum net worth of at least \$75,000 and minimum gross income of \$50,000 AND the investment not exceeding 10 percent of that net worth; OR

(2) have a minimum net worth of \$150,000 AND the investment not exceeding 10 percent of the net worth; OR

(3) invest less than \$2,500 total in the Company, including any investments made during the prior 12 months.

Net worth shall be determined exclusive of homes, home furnishings, and automobiles. By signing this Agreement, Investor represents and warrants that it meets at least one of the suitability requirements listed above. In addition, Investor represents that Investor is a California resident.

5. General Provisions.

a. Notice. Any notice or demand which either party may or must give to the other under this Agreement shall be made in writing and shall be either hand delivered or sent via email, facsimile, or U.S. certified mail to the following addresses:

If to the Company:

Nia House Learning Center
2234 Ninth Street
Berkeley, CA 94710

If to Investor:

The name and address provided
by Investor on the signature
page of this Agreement

b. Modification. This Agreement may not be modified or amended except pursuant to an instrument in writing signed by the Company and Investor.

c. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

d. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one instrument, and shall become effective when one or more counterparts have been signed by each party hereto and delivered to the other parties.

e. Electronic Signatures. Investor may tender to the Company this Agreement by electronic means such as by email or facsimile. If Investor submits this Agreement to the Company electronically, Investor agrees that Investor's digital signature or other form of electronic acknowledgement, consent or acceptance (as the case may be), constitutes Investor's signature, acceptance and agreement of the terms of this Agreement and such digital signature, consent or acceptance shall be given the same force and effect as a signature affixed by hand.

f. Severability. If a court or an arbitrator of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected.

g. Entire Agreement. This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the purchase and sale of Notes by Investor from the Company, and supersedes all prior and contemporaneous understandings or agreements of the parties.

In Witness Whereof, the parties hereto have executed this **Subscription Agreement for Nia House Learning Center Unsecured Notes** as of the date first written above.

INVESTOR:

Name: _____

By: _____

Title (If Investor is a Company): _____

Taxpayer ID No. or Social Security Number: _____

Address: _____

Telephone: _____

Fax: _____

Email: _____

THE COMPANY: NIA HOUSE LEARNING CENTER

Name: _____

By: _____

TITLE: Title to the Notes shall be registered as follows:

Exact Name(s): _____

- | | |
|---|--|
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Individual (Separate Property) |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Tenants-in-Common |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Joint Tenants (WROS) |
| <input type="checkbox"/> Minor with adult custodian | <input type="checkbox"/> Community Property (Husband and Wife) |
| <input type="checkbox"/> Under the Uniform Gift to Minors Act | <input type="checkbox"/> Trust |
| | <input type="checkbox"/> Other _____ |

CERTIFICATION:

Under penalties of perjury, Investor certifies that: (1) the taxpayer ID number or social security number shown above is the correct taxpayer identification number issued to Investor; and (2) Investor is not subject to backup withholding because: (a) Investor is exempt from backup withholding, or (b) Investor has not been notified by the Internal Revenue Service (IRS) that Investor is subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified Investor that it is no longer subject to backup withholding; and (3) Investor is a U.S. citizen or other U.S. person.