



MEMBER-OWNER CONTRACT

Becoming a Member-Owner

I agree to purchase one Full Share of stock in Sevananda Natural Foods Market. This Full Share consists of six (6) shares, each with a par value of \$20. I will pay for the Full Share in no more than six annual installments of at least \$20 each. I also agree to pay a non-refundable \$2 administrative fee for each installment after the first.

Sevananda will mail a notice to me at least one month prior to the due date of the next installment. If I fail to adhere to this schedule, I understand that I will forfeit my equity in Sevananda, and that all rights and privileges of membership will be void.

Responsibilities of Membership

I will keep Sevananda informed of my current address, phone number and email address. I understand that without this vital information Sevananda cannot be held responsible for providing me with important member news and notifications, or any patronage refunds to which I am entitled. I also understand that without knowledge of my current address for three years, Sevananda may consider my equity as unclaimed funds and subject to forfeiture.

I will carry my member-owner card on my person when shopping at Sevananda, and will present it to the cashier at the time of purchase. I understand that without my member-owner card my purchase is ineligible for a patronage refund, or any type of discount.

I also understand that my membership card is for my personal use only, and shall not be used for any business interests in which I am involved, or on behalf of any other person.

This member-owner share is for the person named in this contract, not a partner, roommate or spouse.

I agree to use the information resources provided to me (such as this agreement, our Co-Options monthly newspaper, the bi-annual membership meetings and the in-store bulletin boards and the staff of the Member Services Department) to inform myself how Sevananda operates. I will support the staff and respect and conform to the store's operation policies as we work together towards our common goals of work efficiency, effectiveness, and the joy of service.

I will exercise my rights as an active member-owner and co-owner of Sevananda to participate in elections and other forms of member-owner involvement. I will respect the rights and opinions of all other members. I will abide by the decisions made according to the bylaws and Board policy. I also understand that the bylaws may be amended by the membership through democratic process.

I understand that the policies of Sevananda, including those about member equity and patronage refunds are subject to change by the member-owner elected Board of Directors. I agree that any changes apply to all member-owners.

Member Equity in Sevananda Natural Foods

My equity in Sevananda will consist of all share payments I have made, plus any patronage refunds that are allocated to me but that have been retained for Sevananda's capital needs. I understand that, in the event of financial losses sustained by Sevananda, my future patronage refunds or my current equity may be reduced proportionately.

I also understand that the number of shares that constitute a Full Share may be increased at any time by a vote of the membership, or at most, once every five years by the Board of Directors to correspond with inflation. When this occurs, in order to maintain equity among all member-owners, I agree to purchase any additional shares to reach the new Full Share requirement. For my convenience, current retained or future patronage refunds may be used to purchase these additional shares.

Resigning Membership

I understand that my shares may not be assigned or transferred to any other person, but that I may resign my membership at any time with written notice to Sevananda. I am entitled to have my equity completely refunded if I have invested at least 80 percent (\$100 or the entire \$120) of my Full Share for the required minimum investment (at least one year, or the term of this contract, whichever is less.) Otherwise, I will forfeit my equity in Sevananda. If I resign my membership in less than one year, Sevananda will charge me a \$2 administrative fee.

After resignation, I agree that I will not reapply for membership in Sevananda for at least one year after final payment of my equity refund, unless I reinvest the total amount of equity refunded to me.

I agree to the Membership Contract as stated on back of this form.
I received copies of Sevananda's bylaws (on request,) the membership brochure and a copy of this contract with payment. I understand that I am required to renew my card annually until my Full Share is paid.

Any individual may become a member/owner of Sevananda Cooperative. Membership benefits include:

- * One vote in elections for Board of Directors, and other matters of store policy.
- * Participation in semi-annual member meetings to make your voice heard & to meet other members.
- * Our monthly newspaper, Co-Options, sent to you.
- * Annual patronage refund in proportion to your purchases, based on store profitability.
- * Ownership in a community business that is here to serve you.
- * Check-writing privileges above amount of purchase.
- * Discounts on Sevananda classes.
- * Eligibility for the Working Member Program (discount on purchases.)
- * A Share Certificate with Full Share payment.
- * Monthly members discount (10% coupon.)

All benefits subject to change.