

MEMBERSHIP AGREEMENT

This Membership Agreement (“*Agreement*”) is made effective on the “Membership Approval Date” (the “*Effective Date*”) indicated in the Membership Application attached hereto and incorporated herein by this reference as Exhibit A (the “*Membership Application*”) by and between **Greater Austin Merchants Cooperative Association**, a Texas Cooperative Association with its principal place of business located at 8801 Research Blvd., Suite 102, Austin, Texas 78758 (the “*Association*”), and the person or entity whose name is set forth as “Member” in the Membership Application as well as below at the end of this Agreement (“*Member*”). Both the Association and Member are jointly referred to herein as “*Parties*” and individually as a “*Party*”.

Member acknowledges that the Association has been organized for the benefit of its members as a Texas cooperative association pursuant to Title 6 of the Texas Business Organizations Code. Therefore, in consideration of the membership offered and potential benefits to be derived therefrom, Member hereby agrees to abide by and be bound by the Bylaws, organizational documents, governing documents, Certificate of Formation, policies, guidelines, rules and regulations of the Association and its officers and directors, as the same are currently in effect and as amended or modified from time to time (all of the above shall be collectively referred to herein as the “*Governing Policies*”), and Member hereby also agrees as follows:

1. Member agrees to ratify and, thereafter upon acceptance as a member of the Association, abide by the Governing Policies. Member is aware of and understands the Governing Policies. Member agrees and acknowledges that the Association, through its board of directors (the “*Board of Directors*”) and/or officers, shall have the right to suspend or terminate Member’s membership for an indefinite period of time when such Member fails to act in accordance with or is not in compliance with the terms and conditions of any of the Governing Policies. Member agrees and acknowledges that any of Member’s monetary benefits, funding (including, but not limited to, rebates/program/compliance), rights, or otherwise may be put on hold indefinitely or completely forfeited at the sole and absolute discretion of the Board of Directors. Any decision by the Board of Directors shall be final and binding and Member or any other person or party shall not contest such decision.

2. The individual set forth on the Membership Application who is designated as the Authorized Representative of Member (the “*Authorized Representative*”) shall have the sole and exclusive right to exercise the voting rights of Member as the authorized representative for Member, which such voting rights cannot be transferred. It is expressly understood that the Authorized Representative must be (i) a natural person who is a member of the Shia Imami Nizari Ismaili Muslim religious faith, (ii) an owner of a Qualified Business (as defined in the Bylaws of the Association), and (iii) an authorized officer and agent of Member with full legal power to bind Member. The Authorized Representative must also meet all of the other requirements of the Governing Policies. During the term of its membership, if Member wishes to change its Authorized Representative (provided that such individual shall meet all the requirements for being qualified as an Authorized Representative), then Member hereby agrees to notify the Association in a writing sent by United States certified mail, return receipt requested, at least thirty (30) days prior to such change in Authorized Representative taking effect. No such notice is effective against the Association unless actually received and approved by the Association. Upon such change a new completed application may be required for the approval of the Board of Directors at the sole and absolute discretion of such board.

3. The term of Member’s membership in the Association shall be for a period of up to one (1) year upon payment to the Association of (i) **\$300.00** in annual membership dues for each approved Member store and business location (provided however, if the Effective Date falls on any date that is between October 1 to December 14 of that calendar year, then the annual membership dues shall be **\$150.00**) (the “*Annual Membership Fee*”) and (ii) a one-time store participation deposit, currently set at **\$7000.00** but subject to modification from time to time by amendment to the Bylaws of the Association (the “*Store Participation Deposit*”), for each approved Member store and business location. The Annual Membership Fee amount of \$300.00 per approved Member store and business location is effective from February 18, 2016 and may be modified from time to time by the Board of Directors. The Store Participation Deposit amount of \$7,000.00 per approved Member store and business location is effective from February 18, 2016 and may be modified from time to time in accordance with the Bylaws of the Association. The membership period in the Association is from January 1 to December 31 of each year. On or before December 31 of every year, Member shall execute and deliver to the Association an annual certification, in a form acceptable to the Association, certifying, among other things, that Member still meets all the requirements of being a member of the Association and any other information the Association deems necessary or appropriate from time to time. Unless

Member notifies the Association prior to the end of a calendar year that Member does not wish to be a member of the Association in the following calendar year, Member's Annual Membership Fee for any succeeding calendar year will be automatically deducted from any patronage dividends, rebates, or other amounts due to Member in the period just prior to the new calendar year or, if such dues are not deducted from such patronage dividends, rebates, or amounts, then Member shall pay the Annual Membership Fee for each year no later than the end of January of each such year. Moreover, if as of the Effective Date, Member has not provided to the Association the entire amount of Member's Store Participation Deposit requirements, then the Association, at its sole discretion, may (but is not required to) (x) permit Member additional time to provide the entire amount and/or (y) begin retaining rebates and/or other amounts owed to Member over a period of time, as determined by the Board of Directors, and apply such amounts towards Member's Store Participation Deposit requirements or any other amounts owed by Member to the Association. Notwithstanding the foregoing, the Association is not required to provide such additional payment options and may require that all of Member's Store Participation Deposit Requirements be met no later than the Effective Date. Member's failure to pay the Annual Membership Fee and/or the Store Participation Deposit(s) in a timely manner may result in the termination of its membership in the Association.

4. Membership in the Association is not an investment and no investment return or appreciation on Member's membership in the Association shall be permitted. Member and the undersigned officers and representatives of Member have always clearly understood and hereby acknowledge and agree that any amount paid or provided by Member to Association and/or its affiliated or related entities (collectively, the "*Association's Affiliates*") on behalf of Member, including the Store Participation Deposit, is not an investment of any kind by Member. The Store Participation Deposit is merely a refundable deposit that will be returned to Member (i) upon termination of Member's membership with the Association (less any amounts owed by Member to the Association or any of the Association's Affiliates) or over such time period and with such conditions as the Board of Directors may determine, at its sole and absolute discretion or (ii) prior to termination of Member's membership with the Association to the extent the membership deposit requirements are modified by the Association, in accordance with the Governing Policies. Any and all amounts to be paid and returned to a Member who is withdrawing from the Association and terminating such Member's membership, including, without limitation, any Store Participation Deposit(s), shall be paid to such Member over such time period and with such conditions as the Board of Directors may determine, at its sole discretion, to be in the best interest of the Association.

5. Member and its officers and representatives understand and hereby acknowledge and agree that (A) any membership fees and/or other amounts provided to the Association and/or any of the Association's Affiliates on behalf of Member are not an investment of any kind by Member but merely fees required as part of the membership requirements of the Association in order for Member to participate in, among other things, various programs and services offered by the Association, including the Association's purchasing power program with vendors; (B) none of them nor any other members of the Association shall receive, at any time, any profit distributions, capital/membership interest appreciation, rights to transfer or sell membership, or any other benefits typically enjoyed by a stockholder in a corporation or owner of "securities" (as defined pursuant to United State Securities Laws, including under the Securities Act of 1933 as amended and the Securities Exchange Act of 1934 as amended), but that solely Member would strictly receive patronage rebates, to the extent permitted by applicable law, based on the patronage and participation of Member in the programs and operations of the Association; and (C) the payment by Member to the Association of any other amount, including, without limitation, the Store Participation Deposit(s) and all dues and fees to the Association and/or any of the Association's Affiliates, does not constitute an "investment contract" nor a scheme involving the investment of their money in a common enterprise with profits to come solely from the efforts of others, but that any benefits to be derived will be based on (i) the active participation and patronage of Member in the Association's offered programs (i.e., the payment of patronage rebates is directly related to the amount of business the undersigned Member does with the Association) and (ii) the lower cost of goods and services to be obtained by the undersigned Member by making purchases through the Association or as part of the Association's various membership programs. No former or current officer, director, member, shareholder, owner, advisor, employee, contractor, staff member, attorney, accountant, affiliate, committee member, consultant, representative, or agent of the Association and/or any of the Association's Affiliates (collectively, "*Agent of the Association*") (i) has ever represented or stated anything to the undersigned Member and/or any officers or representatives of Member that would cause the acknowledgements, statements, and representations contained herein to be untrue in any respect, or (ii) has ever represented or informed Member and/or any officers or representatives of Member that, among other things, by becoming a member of the Association or the Association's Affiliates or by providing the Store Participation Deposit(s) or any dues and fees to the Association or any of the Association's Affiliates (v) that they are making an

investment of money into a “security” that could appreciate, (w) that they will receive profits from the Association or any of the Association’s Affiliates, (x) that they will have the right to transfer or sell their membership to any person or party, (y) that they will enjoy benefits typically enjoyed only by a stockholder or equity holder in a corporation or the owner of “securities” in any enterprise, or (z) that they were investing money into a scheme involving the investment of their money in a common enterprise with profits to come solely from the efforts of others.

6. The Association may negotiate programs or agreements on behalf of its members. Member hereby agrees to take full responsibility and liability with respect to any and all programs, transactions, and agreements approved or negotiated by the Board of Directors, including, but not limited to, fines, penalties and/or forfeiting any and all monetary or other benefits. Member fully assumes any and all of the risks involved in connection with any programs, transactions, contracts, and agreements approved, negotiated, or entered into by the Association. Prior to participating in any Association deals, programs, transactions, contracts, or agreements, Member shall perform its own due diligence regarding such matters and shall not rely on the Association or its officers, directors, employees, or representatives for any reason or matter whatsoever. As part of Member’s due diligence, Member must itself ensure, at Member’s sole risk and cost, that Member is in full compliance with all laws, statutes, ordinances, rules, regulations, deed restrictions, zoning laws, community or other rules, contracts, leases (including with any landlord of Member), notes, agreements, and commitments of any kind prior to participating in any the Association related program, transaction, deal, contract or agreement. The Association and any Agent of the Association shall bear absolutely no responsibility or liability to Member or any other person or party whatsoever. Any program, transaction, deal, contract, or agreement shall be provided or presented to Member by the Association on an “AS-IS”, “WHERE-IS” basis with absolutely no express or implied warranties of any kind or type. Member shall only enter into any transaction or deal at its sole option and risk and should also obtain any and all necessary consents, licenses, or permits of any governmental body or other person or party prior to entering into any transaction, deal, or agreement. The Association shall not be responsible for providing any advice regarding or obtaining any consents, licenses, permits, or similar items of any kind. The Association may, at its sole option and discretion, also sponsor different programs, such as a Victims Relief Fund, whereby each member shall contribute such amounts as determined at the discretion of the Board of Directors, which contributions shall be collected through a reduction in rebates or by direct contribution. Member participation in such programs may be mandatory, as determined by the Board of Directors.

7. Member hereby agrees that, as part of its membership in the Association, Member shall support the Association’s warehouse and operations (the “Warehouse”) by, among other things, purchasing grocery, tobacco, and all other items and products available for sale at or through the Warehouse, and abiding by any policies, procedures, and guidelines provided by the Association in connection with the Warehouse. Member further acknowledges and agrees that the Association, in the sole and absolute discretion of its Board of Directors, may in the future impose on Member and other members of the Association a requirement to purchase from the Warehouse a minimum dollar amount per calendar month (the “Monthly Warehouse Purchase Requirement”) of grocery and other items (as such items are designated by the Association from time to time). If and when the Association decides to impose the Monthly Warehouse Purchase Requirement, the Association may exclude any tobacco or other purchases from counting towards or otherwise satisfying Member’s Monthly Warehouse Purchase Requirement. Member further agrees that if Member does not meet its Monthly Warehouse Purchase Requirement in any calendar month, then the Member may be assessed a support fee (the “Support Fee”) for such calendar month, which shall be payable by the Member to the Association in an amount and manner as determined by the Association. The Board of Directors, as its sole and absolute discretion, may, from time to time, add, modify or eliminate the Monthly Warehouse Purchase Requirement and/or the Support Fee. Moreover, the Support Fee for any month may, at the discretion of the Association’s Board of Directors, be deducted from any patronage dividends, rebates, or other amounts due to Member.

8. Member hereby agrees that all taxes of any kind, including, but not limited to, sales and use tax, excise duty or levy, local, state, and federal taxes (income or otherwise) and levy or any other tax, surcharge, levy etc. (collectively, “Taxes”) are the sole responsibilities of Member. Member agrees and covenants that if any Taxes of any kind or type are enforced on the Association or the Agent of the Association on behalf of, against, or as a result of any agreement/contract signed on behalf of members or for the benefit of members, Member will immediately advance or reimburse the Association all such Taxes or other amounts applicable to Member.

9. Member authorizes the Association to share with vendors, suppliers, and other parties determined by the Association, Member’s business and other relevant information, both public and confidential, as deemed necessary at the sole discretion of the Board of Directors, including, but not limited to, name of Member, name of the

owners/partners of Member and/or Member's business, address, phone number, EIN, state tax exempt number, state tobacco permit number, alcohol/beer (TABC) permit number, or any other information as deemed necessary to negotiate or comply with an agreement/contract or deal.

10. Any noncompliance by Member of the Governing Policies, membership agreements, applications, vendor or other contracts, agreements, vendor deals, or other requirements may lead to, among other things, Member's membership being suspended or canceled at the sole and absolute discretion of the Board of Directors. Upon suspension or cancellation of membership, any or all compliance funding, rebates, or other amounts may be deemed forfeited as determined at the sole and absolute discretion of the Board of Directors.

11. Neither the Association nor any Agent of the Association shall be liable to Member, or to Member's officers, directors, employees, shareholders, members, partners, managers, affiliates, agents, or representatives, or to any other party whatsoever for (i) any injury or harm to person or damage to property or otherwise caused in connection with or that is otherwise directly or indirectly related to Member's membership or participation in or with the Association, the Association's Affiliates, and/or the Association's programs, deals, contracts, seminars, or agreements, (ii) any loss, damage or injury that may be occasioned by or through the acts or omissions of any persons whatsoever or by or through the operations and/or investments of the Association or the Association's Affiliates, (iii) any loss or damage to any property occasioned by theft, fire, acts of God, public enemy, injunction, riot, insurrection, wars, court order, requisition or order of governmental authority, for any matter, (iv) any direct, indirect, incidental, consequential, punitive or special damages whatsoever (including without limitation, any damages claimed for loss of income, revenue, or profits or for loss of goodwill) arising from or related to Member's membership or participation in or with the Association and/or the Association's programs, deals, contracts, seminars, or agreements or the performance of this Agreement.

12. Member agrees to indemnify and hold harmless the Association, the Association's Affiliates and their current, past, and future officers, directors, parents, affiliates, divisions, managers, members, shareholders, employees, contractors, agents, advisors, affiliates, representatives, attorneys, accountants, partners, successors and assignees and their respective partners, shareholders, officers, directors, managers, employees, invitees, or any other individual or entity otherwise connected, directly or indirectly, with the Association (referred to collectively as the "**Indemnified Party**") and each of them from and against any and all claims, causes of action, demands, suits, liabilities, losses, penalties, and/or actions asserted by any person or party, individually or through any representative, including all costs, attorney's fees, settlement funds, damages or expenses resulting or allegedly resulting or arising, directly or indirectly, from this Agreement, the performance of this Agreement, any breach of this Agreement, and/or Member's membership or participation in or with the Association and/or the Association's programs, deals, contracts, seminars, or agreements, including, but not limited to, the act or omission of any third party vendor or any Indemnified Party, or any and all actual or alleged injuries or death of any person or damage to any property or otherwise due to or caused in connection with the performance of this Agreement or Member's membership or participation in or with the Association and/or the Association's programs, deals, contracts, seminars, or agreements, even if such indemnified liabilities are caused by the sole or contributory negligence or act of an Indemnified Party. Member shall also indemnify and hold harmless each Indemnified Party for the performance of their duties in the scope of their office for any reason or any cause of action whatsoever, from and against, among other things, any and all losses, liabilities, damages, penalties, etc., arising out of any or all vendors' or suppliers' agreements, contracts, programs signed or agreed by Member (on Board's recommendation) or the Board of Directors on behalf of Members, and/or Member's membership or participation in or with the Association and/or the Association's programs, deals, contracts, seminars, or agreements.

13. Member understands and agrees that in some cases, deals, programs, agreements, or contracts, the Association receives certain compensation, rebates, and/or other amounts against member store sales, volume, compliance and participation which helps pay, among other things, administration and other office expenses. The Association reserves the right, at the sole and absolute discretion of the Board of Directors, to charge back Member (including deducting amounts from amounts due to Member) for lost revenue or other amounts if Member is not in compliance with any programs, deals, agreements, or contracts, including for those matters explained above.

14. A "**Reportable Change**" shall have occurred if (i) Member or any party sells, transfers, or conveys any of Member's businesses or stores, (ii) Member or any party sells, transfers, or conveys substantially all the assets of any of Member's businesses or stores, (iii) Member or any party sells, transfers, or conveys any ownership interest

in Member, Member's business, or any other current or successor entity operating the business, (iv) there is a change in the officer, director, manager, or member information for Member and/or Member's business, or (v) there is any change or modification in the assumed name/dba name of Member and/or Member's businesses, or (vi) there is a change in the nature of Member's business such that Member would no longer qualify for membership in the Association. Member hereby agrees that no later than 30 days (or sooner if the context so requires) of any Reportable Change, Member shall notify the Association in writing of such Reportable Change and all relevant details pertaining to such Reportable Change, including any and all information later requested by the Association. Member's failure to timely report a Reportable Change or provide other information requested by the Association shall be deemed a breach or non-compliance by Member, at the sole and absolute discretion of the Association's Board of Directors, and may result in, among other things, cancellation of Member's membership, forfeiture of amounts owed, and/or penalties, charges, or other amount being charged to Member which the Board of Directors shall be entitled to deduct from rebate payments or other amounts owed to Member.

15. Any notice provided to the Association by Member must be in writing and sent to the Association's then principal office pursuant to United States postal mail, certified mail, return receipt requested, with postage prepaid. A written notice to the Association shall not be effective until actually received by the Board of Directors. Any notice provided to Member may be given by or through mail, telegram, facsimile, telephone, any Association or other publication or newsletter, electronic mail, the Association website, verbally, or as otherwise permitted by the Governing Policies. If mailed, a notice to Member will be deemed delivered and received by Member when deposited in the mail addressed to Member (or its Authorized Representative) at its address as it appears in the records of the Association. If given by telegram, a notice to Member is deemed delivered and received by Member when accepted by the telegraph company and addressed to Member (or its Authorized Representative) at its address as it appears on the records of the Association. If given by facsimile, a notice to Member will be considered received when confirmation is received electronically. If given by telephone or verbally, such notice to Member will be deemed received by Member when communicated orally. If given by electronic mail or posting on the Association website, a notice to Member is deemed received by Member when the electronic mail is sent to Member (or Member's Authorized Representative) or when posted on the Association's website.

16. This Agreement shall be governed by, construed under, and enforced in accordance with the internal laws of the state of Texas, without reference to conflicts of laws. Member consents to jurisdiction and venue in the state and federal courts of Travis County, Texas.

17. The transmission of an executed copy of this Agreement, or any document referenced in this Agreement, or the signature page(s) hereof or thereof, by facsimile or telecopy shall be treated in all manner and respects as the delivery of an original counterpart of this Agreement or such document bearing the original signature(s) of the party(ies) utilizing any such transmission device.

18. THIS AGREEMENT CONSTITUTES THE FINAL AND ENTIRE AGREEMENT AND UNDERSTANDING BETWEEN THE ASSOCIATION AND MEMBER RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT AND SUPERSEDES ALL PRIOR UNDERSTANDINGS AND AGREEMENTS (WHETHER WRITTEN OR ORAL) BETWEEN THE PARTIES CONCERNING THE SUBJECT MATTER OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY PRIOR MEMBERSHIP APPLICATIONS, AGREEMENTS, OR FORMS SUBMITTED BY MEMBER TO THE ASSOCIATION.

19. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. If any of the provisions of this Agreement are determined to be unenforceable, that provision shall be deemed to be severable from this Agreement and shall not affect the validity of the remaining provisions of this Agreement.

20. No partnership, joint venture, trust, franchise, employment or other similar relationship is created between the parties in connection with this Agreement. Moreover, no agency or other similar relationship is created between the parties in connection with this Agreement. Member shall not have any authority or represent that it has any authority, to bind the Association in any manner whatsoever. Member may not assign or transfer its membership in the Association and/or its rights or obligations hereunder. Any attempted transfer or assignment by Member shall

be null and void. This Agreement shall not confer any rights upon any person other than the Association and the Association's Affiliates, successors and assigns.

21. Any disputes must be settled in good faith between the Association and Member and in accordance with the Bylaws of the Association. Initially, any dispute will be mediated for mutual resolution in front of the Board of Directors or a designee of the Board of Directors for a thirty (30) day period. If dispute resolution is not achieved as above, either Party may take the dispute to the next level which is defined as seeking mediation from the Aga Khan Conciliation and Arbitration Board for the Southwest United States ("CAB"). However, such mediation through CAB shall be nonbinding unless pursuant to a binding legal agreement mutually entered into between the Parties. If, after at least a thirty (30) day period of mediation through CAB, the Parties are unable to resolve their dispute by agreement through the CAB process, then, in accordance with the Bylaws of the Association, such dispute shall be finally resolved by binding arbitration administered pursuant to the American Arbitration Association rules then applicable for commercial disputes and, to the maximum extent applicable, the Federal Arbitration Act. Notwithstanding anything to the contrary, the Association shall, at all times, have the right to bring a judicial proceeding seeking injunctive relief to prevent immediate harm or injury to the Association, pending resolution of the underlying dispute by arbitration. A court of competent jurisdiction may enter an order for such injunctive relief, and doing so shall not be inconsistent with the provisions hereof.

Please return back to renewal form and if you reaffirm your agreement to the above, click the box within the renewal form as such.