

MEMBERSHIP DISCLOSURE DOCUMENT FOR SOLA FOOD COOPERATIVE, INC.

1. Organization and Status of Cooperative Corporation

SOLA FOOD COOPERATIVE, INC. (“Corporation”) is a cooperative corporation organized under the Consumer Cooperative Corporation Law of California (Corp. Code, §§ 12200 et seq.).

2. Right to Request Copy of Articles and Bylaws

A copy of the Corporation’s Articles of Incorporation and its Bylaws will be furnished without charge to each member upon written request. Requests should be sent to: 1847 w. 43rd St., Los Angeles, CA 90062, the principal executive office of the Corporation.

3. Restrictions on Assignment or Transfer of Shares

No share or membership of this Corporation may be assigned or transferred. Any attempted assignment or transfer shall be wholly void and shall confer no rights on the intended assignee or transferee. (See Bylaw Article X).

4. Membership Fee

A one-time nonrefundable membership fee, in an amount set from time to time by the Board of Directors, may be charged to and collected from each member upon joining the Corporation. (See Bylaw Article III, B)

5. Partial Withdrawal of Shares

A member having a monetary amount in his or her share account in excess of a monetary amount to be determined from time to time by the Board of Directors may cause the Corporation to purchase his or her excess share amount upon written request to the Board. Subject to Article VIII, B and C of the Bylaws, the Board must, within one year of such request, pay the amount the member requests in cash or other property or both. The exact form of payment is within the discretion of the Board. (See Bylaw Article VIII, B and C).

6. Termination of Membership

Article III, D of the Bylaws of the Corporation provide as follows:

No member may be expelled or suspended, and no membership or memberships may be terminated or suspended, except according to procedures satisfying the requirements of this section.

Any expulsion, suspension, or termination must be done in good faith and in a fair and reasonable manner. The member shall be given 15 days' prior notice of the expulsion, suspension, or termination and the reasons therefor; and shall be given an opportunity to be heard, orally or in writing, not less than five days before the effective date of the expulsion, suspension or termination by a person or body authorized to decide that the proposed expulsion, termination or suspension not take place.

The notice required under this section may be given by any method reasonably calculated to provide actual notice. Any notice given by mail must be given by first-class or registered mail sent to the last address of the members shown on the corporation's records.

A member who is expelled or suspended or whose membership is terminated shall be liable for any charges incurred, dues, assessments or fees incurred before expulsion, suspension or termination or arising from contract or otherwise.

The corporation may direct a member whose expulsion is being considered to refrain from conducting business as a member until the expulsion decision is made. The corporation may also direct a member whose expulsion is being considered to stay away from the corporation's places of business except as necessary to exercise her or his rights under law.

7. Member's Proprietary Interest

A member's proprietary interest in the Corporation is equal to the unredeemed: (1) total of money received by the Corporation in exchange for all shares purchased by such member; and (2) the monetary amount of any shares allocated to a member by the Corporation. (See Article III, B of the Bylaws).