

THE BIODIESEL COOPERATIVE OF LOS ANGELES, INC.
biodiesel-coop.org
MEMBERSHIP APPLICATION AND AGREEMENT

This form represents an agreement between the Biodiesel Coop of Los Angeles ("us") and "you." Your email, phone and address are for co-op contact use only and will not be shared or released to anyone else.

Member # [Do not fill in -- to be assigned by Co-op]: _____

Name [please print]: _____

Business Name or Other Adult Household Members sharing vehicles/membership:

Full Mailing Address: _____

City _____ State _____ Zip _____

Phone: _____ email: _____

Vehicles or Equipment using Biodiesel:

Make: _____ Model _____ Engine _____ Year _____

Make: _____ Model _____ Engine _____ Year _____

Make: _____ Model _____ Engine _____ Year _____

Estimated Monthly Use of BIODIESEL (B100 or B99+) (in gallons): _____

[Note: If you use blended fuel, your biodiesel use will be only a % of your total monthly fuel use -- for example a B20 blend will result in a monthly use of biodiesel calculated as 20% of your total monthly fuel use.]

Initial membership fee paid [pick ONE : non-voting /non- fueling Associate - \$50; Fueling household \$250; Commercial \$500] \$ _____

Prorated annual dues (June –May = \$60, so each month until next June is \$ 5; example Dec-May = \$30) \$ _____

Initial fuel allotment paid (in 100 gallon increments of B99) \$X.xx per gal X 100 = \$ _____

TOTAL \$ _____

I give permission to post my Name and Membership Number online to facilitate reciprocal fuel access with other biodiesel fueling organizations.

Yes _____ No _____ Please Keep Anonymous _____ (i.e.: "John S....." or other pseudonym)

I have read, understand and agree to the terms of this Membership Application and Agreement outlined below.

Signed: _____ Date: _____

Other authorized (household or business associate) user(s) [Please print names AND sign]:

(2) _____ Date _____ (3) _____ Date _____

Mail completed Agreement and check for membership share AND first fuel allotment to:

BIODIESEL COOPERATIVE OF LOS ANGELES, INC
c/o 3603 Hayden Ave.
Culver City, CA 90232

This application and agreement (and all terms mentioned herein) applies only to the above-mentioned parties, and replaces any previous versions. It is the responsibility of the member to read information before purchasing biodiesel fuels. If you have any questions please contact: **membership@sustainableoptions.com**

PLEASE RETAIN A COPY FOR YOUR RECORDS

In addition to the following precautions and disclaimers, biodiesel-coop.org reminds you that some mechanics may have not heard of biodiesel, nor worked on vehicles using it as fuel. The following references are offered solely as additional reference for the members' self-education, and do not constitute a definitive or exhaustive listing of facts and opinions on the development, use and relative merits of biodiesel as an alternate fuel.

Reference Resources:

Biodiesel Handling and Use Guidelines HYPERLINK <http://www.socalbug.guidelines.pdf>

http://www.eere.energy.gov/biomass/pdfs/biodiesel_handling.pdf

Generic Biodiesel MSDS HYPERLINK http://www.nbb.org/pdf_files/MSDS.PDF

http://www.nbb.org/pdf_files/MSDS.PDF

Biodiesel FAQ's HYPERLINK http://www.nbb.org/pdf_files/RegulatedFleet_QA.pdf

http://www.nbb.org/pdf_files/RegulatedFleet_QA.pdf

Engine Warrantee Information HYPERLINK

http://www.nbb.org/resources/fuelfactsheets/standards_and_warranties.shtm

TERMS OF AGREEMENT

I. Member Owned Organization: The Biodiesel Cooperative of Los Angeles Inc., a.k.a. biodiesel-coop.org is a member-owned organization. Each member is entitled to all the rights and benefits of membership including but not limited to: The right to purchase fuel that is renewable, the right to lower emissions, the right to fuel from local sources, and the right to be informed on local biodiesel issues. As a member, you are also a member of a qualified biodiesel users group [So-Cal B.U.G.] entitled to purchase clean burning, renewable biodiesel blends from the biodiesel distributors in Southern California, and, through reciprocity agreements, with other biodiesel cooperatives and users groups in California.

II. Membership Qualifications:

There is only one class of voting membership for the Cooperative.

The individual membership fee, which includes fueling privileges and voting rights, is \$250.

Prospective members can choose, however, to be community associates without voting rights or fueling privilege for \$50. Business entities are required to pay a double fee of \$500.

All members and associates are required to also pay annual renewal dues (as noted below) to maintain their status.

I. MEMBERSHIP APPLICATION PROCESS

The process to become and remain a member or associate is as follows:

A. A Biodiesel Cooperative Application must be completed and signed, and given to the Cooperative with a fee of not less than \$50.00 for association.

B. If a prospective member wants to receive voting rights and fueling privilege, the membership fee must be at least \$250 for non-business members and \$500 for business fueling use members. Business use is defined as using the Co-op resources primarily for commercial or industrial enterprise, subject to review and written approval by the Co-op Board of Directors.

C. A copy of this agreement, with an assigned membership number, will constitute a receipt indicating the level of membership and the initial amount paid, with the member's name. It is the member's obligation to indicate additional household members or business associates authorized to use the fueling privilege, subject consent of the Co-op Board.

D. Starting June 1, 2007 and by June 1 annually thereafter, all levels of members are required to pay annual renewal dues, in an amount to be determined by the Board of Directors, but which is initially \$50.00 for non business fueling use members and \$100.00 for business fueling use members.

Members who join between January 1 and June 1 of any given calendar year will not be subject to the annual dues renewal until June 1 of the following calendar year.

E. The Board of Directors will have discretion to approve applications for membership and to also disapprove applications for membership.

II. FULL MEMBERSHIP IS REQUIRED

A. Full membership with voting fueling privileges means that the full \$250.00 membership fee is required at start up and that each member will also pay one's annual membership renewal dues in a timely manner.

B. Associates whose paid-in fee is less than \$250.00 have neither voting rights nor fueling privilege, nor can they serve on the Board of Directors, but these "associate members" can attend meetings, receive disseminated information and otherwise participate. Associates must also pay the required annual renewal membership dues in order to remain associate members. C. Business membership entitles the business to identify itself in its announcements and advertisements as members of the Biodiesel Co-operative of Los Angeles. Any additional use of the Co-op's identity in the promotion or advertisement of the business shall be subject to written approval of the Co-op Board, and may be subject to additional fees and considerations as determined by the Board.

III. RIGHTS AND OBLIGATIONS OF MEMBERS

All Cooperative members have rights and obligations. The Cooperative Principles, as adopted 1995 by the International Cooperative Alliance, will be followed to the fullest extent possible. [http://www.ncba.coop/abcoop_ab_values.cfm] All members will receive the periodic publications and communications disseminated by the Cooperative. A. The fueling membership is not transferable without written Board Approval.

Adult individuals living at the same household address and sharing vehicle use can participate in one full membership. Business entities can likewise authorize individuals using that entity's fueling privilege for business purposes, subject approval by the Board.

B. Only full members who have paid at least \$250 (\$500 for business fueling use members) can vote or have fueling privilege (as outlined in E, below). C. Only full members can serve on the Board of Directors, although all levels of members may otherwise serve on committees or participate in activities.

D. Only voting members may inspect the books and records or obtain membership lists.

E. The coop will provide the fuel to members at cost, plus annual dues which will cover site rental, insurance, accounting and related operational overhead. Each member will pre-purchase at least 100 gallons of fuel, in 100-gallon increments, and draw from that amount. When that balance is used up the member may purchase an additional 100-gallon unit. Each pre-purchase will be made at the prevailing fuel cost at that time, to be determined periodically by the Board. Annual dues are subject to change at any time by the Board, as a result of changes in operational overhead. Upon notification, each member shall be liable for the balance due, as prorated monthly against a June-May fiscal year.

F. Member Responsibility and Disclosure: Each member is required to abide by the co-op bylaws regarding accountability and responsibility. It is the member's responsibility to maintain accurate accounting of their fuel balance and of any fuel drawn from distribution. When one's balance is used up, the member will be required to purchase an additional 100-gallon unit of fuel. No credit will be extended beyond that allotment pre-purchased. Each member will provide the coop with any requested information regarding the performance of biodiesel or any operational issues that the member observes while using the fuel. This information is necessary to allow the co-op to complete the required quarterly reports to the CA Department of Measurement Standards regarding participation in the Biodiesel Users Group. If the member changes or adds vehicles covered under the membership agreement please provide the Co-op with the Make, Model and Year of the vehicle.

IV. BIODIESEL: QUALITY OF FUEL is very important to all of us. The Co-op will only distribute biodiesel manufactured to ASTM D-6751 standards. Although tax provisions may dictate that B99 or B99.9 as the only fuel available, the coop will always seek to provide pure biodiesel (B100) manufactured to those standards whenever possible.

V. PRECAUTIONS AND DISCLAIMERS: As a member, one is aware that one's use of biodiesel is at one's own risk and thus will not hold the coop liable for any fuel-related issues. The following are facts concerning biodiesel and its usage. The member-user must be aware of and responsible for these qualities of biodiesel fuel:

1. Engine Warrantee: The use of biodiesel and biodiesel blends has not been approved by all engine manufacturers. Your use of the fuel may affect your warrantee, therefore you should check your owners manual or with your engine manufacturer before using biodiesel blends over B5. Be aware of this issue and use the fuel according to your own judgment. See the link below to engine warrantee statements.

2. Developmental Fuels: Biodiesel (B-100) and biodiesel blends over B-5 that do not meet ASTM D-975 petroleum specifications are sold as development fuels in California. As such, the fuel vender and users must comply with California Business and Professional Code and the DMS regulations. For reference see [HYPERLINK http://www.cdfa.ca.gov/dms/pdfs/PetroleumRegs.pdf](http://www.cdfa.ca.gov/dms/pdfs/PetroleumRegs.pdf)

3. Solvent Properties: Biodiesel, in addition to being fuel, is an effective solvent, and will act accordingly. This means that:

a. Biodiesel will dissolve existing solids-created through usage of petroleum ("petroleum") diesel-in your vehicle's fuel system. These solids will clog your vehicle's fuel filter. When this may happen depends on many factors, but can be recognized by the following symptoms: power loss, engine sputtering, difficulty starting, and poor fuel mileage. When you notice these symptoms, you will have to replace your vehicle's fuel filter (possibly more than once, depending on the amount of petroleum residue in the fuel system). The Co-op recommends keeping at least one spare fuel filter on hand at all times. Clogging of fuel filters also occurs from residue pumped from old fuel storage containers that previously contained petroleum diesel. When dealing with such large fuel tanks, fuel filters may have to be changed many times, and cleaning of the storage tank before biodiesel usage may be a more suitable alternative.

b. Biodiesel will, over time, dissolve most types of paint. For this reason, the Co-op recommends keeping a clean, soft, dry rag on hand when fueling, to gently wipe off any spillage. When the rag becomes soaked with biodiesel, put it in a dark, closed storage container to await proper disposal. Do not leave fuel-soaked rags crumpled up in the sun. Under such conditions, the rags are prone to spontaneous combustion due to oxidation and the heat generated during that process.

c. Biodiesel will degrade rubber components in older vehicles' fuel systems faster than petroleum diesel. These components include some hoses, seals, and o-rings. Most diesel vehicles made after 1993 use synthetic components, eliminating this problem. Please contact the manufacturer for answers on specific parts. Should your rubber components need replacement, we recommend Viton(tm) substitutes. Call us for more information.

4. Cold Weather Properties: Depending on its feedstock, biodiesel can gel at temperatures as high as 40 degrees Fahrenheit or higher without added anti-gel. If you operate in cold weather take precautions to prevent gelling, such as blending with petroleum or the use of cold weather treatments. This is especially recommended for vehicles with electronically controlled, highly sensitive fuel injection systems, such as those found in Volkswagen TDI and Chevrolet/GMC Duramax.

5. Vehicle Emissions and Performance: Because every engine is different, the Co-op makes no claims about the emissions or performance when burning biodiesel fuel. Biodiesel will not have the same effects on every vehicle. Because the BTU value of biodiesel is slightly less than that of petroleum diesel no. 2, a small loss of power and fuel economy is to be expected, although this is mitigated by biodiesel higher lubricity and cetane number.

6. Biodiesel Storage: Biodiesel should not be stored more than 6 months without topping off or cycling. Biodiesel can oxidize when exposed to air and light for extended periods, resulting in a "rancid" fuel that can have negative effects on your vehicle's performance. Biodiesel needs to be stored properly, in a dark container, away from air and water. Use a filter with a water separator. Like diesel, biodiesel can attract bugs and biological contamination. The potential for contamination should be taken very seriously, and guarding against it is the member's responsibility. Large fuel containers must be vented properly. Regarding rust and age issues of storage containers, see section V.3(a), above.

7. Fuel Additives: Biodiesel, in this document, is defined as 100% biodiesel (B100) and biodiesel blends are identified by the blend concentration. For example B20 contains 20% biodiesel and 80% petroleum diesel. If you would like to use an additive in your fuel, for whatever reason, we recommend you contact us for suggestions or further references. If you plan on blending biodiesel with petroleum diesel, remember: the better quality the diesel, the better the blend. Environmentally if you must blend with petroleum diesel use D975 specification fuel and try to only use ultra-low sulfur fuel.

All information contained in this Membership Agreement is believed to be accurate at the time of printing.
