Membership Application Agreement

The undersigned applicant for membership (hereinafter “Applicant”) hereby applies for and accepts membership in Ledgerback (“Cooperative”), a non-profit cooperative association organized and validly existing under the laws of the State of Nevada. Applicant hereby expressly acknowledges receipt of a copy of the Bylaws and the Articles of Association.

# 1. Purpose and Background

Applicant wishes to participate in Cooperative for the purposes of advancing Cooperative’s vision, mission, purpose, and principles and values.

Cooperative has agreed to accept Applicant as a Member subject to the Bylaws, Operating Rules, and Code of Conduct, which are incorporated into this Agreement by reference.

Applicant’s participation will further the research, education-training and innovation objectives of Cooperative in a manner consistent with its status as a non-profit institution

# 2. Definitions

Board of Directors Board of Directors means the board of directors of

Cooperative.

Collective Collective means the totality of recorded Full Members and

Trial Members

Commons Materials Commons Materials means materials produced by the

Collective, Cooperative, or third parties that are freely

accessible to the Collective.

Community IP Community IP means collective intellectual property owned

by the Cooperative, made available to the Collective on a

collective basis.

Cooperative Activities Cooperative Activities is defined as initiatives

undertaken by the Cooperative.

Cooperative Management Cooperative Management is the management of the

Cooperative from day-to-day operations to long-term

planning at all levels of the Cooperative.

Governing Documents Governing Documents is defined as the Bylaws,

Articles of Association, and other incorporating documents.

Member Member means an individual or entity that is part of the

Collective.

Membership Membership means the rights, duties and obligations in

connection with being a Member of Cooperative.

Membership Application Membership Application means this Agreement.

Membership Certificate Membership Certificate means a document signifying

membership in Cooperative, and commemorating a Trial

Member’s successful transition to Full Member.

Membership Fee Membership Fee means the fee an Applicant must pay in

connection with their application for membership.

Member Identification Member Identification means a unique identifier of a

member of Cooperative.

Membership Qualifications Membership Qualifications means the criteria that each natural

and artificial person must meet under the Bylaws to become a

Member.

Orientation Sessions Orientation Sessions means education and training

Sessions further described in the Operating Rules.

Open Access Commons License Open Access Commons License is defined as a license

agreement that makes certain copyrighted works freely

available to the public subject to the limitations contained

therein

Other Members Other Members means Members other than the Applicant.

Other Parties Other Parties means past, present and future employees,

officers, directors, contractors, consultants, suppliers,

vendors, service providers, parent companies,

subsidiaries, affiliates, agents, representatives, contributors,

predecessors, successors and assigns.

Research Products Research Products means research produced by

Cooperative.

Research Protocols Research Protocols means rules and regulations on how to

conduct research at Cooperative.

Trial Member Trial Member means an Applicant whose Membership

Application has been accepted and is undergoing

Orientation Sessions to become a Full Member.

Trial Membership Trial Membership means the rights, duties and obligations

associated with being a Trial Member.

Work Product Work Product means the creation of any materials that are

subject to intellectual or proprietary property rights

# 3. Membership

## 3.1. Membership Fee

Applicant hereby agrees to pay Cooperative the non-refundable membership fee of $30.00 as part of their application. This membership fee may be increased from time to time as determined by the Collective, and the Applicant agrees to pay the difference.

## 3.2. Member Status

By executing this Agreement, and upon acceptance of your Membership Application, Applicant’s membership status shall be that of a *Trial Member*.

## 3.3. Trial Term

Applicant’s Trial Membership shall be for a one-year period from the date this Agreement is executed (“Effective Date”), and shall continue in force for one (1) year from the first day of the calendar quarter in which the Effective Date falls ("Anniversary Date").

# 4. Mutual Duties and Obligations

## 4.1. Applicant Duties and Obligations

Conditioned upon approval of this Agreement by the Cooperative, the Applicant hereby agrees to:

* Actively participate in the *Cooperative’s Management*;
* Contribute his or her labor to the business of the Cooperative;
* Undergo *Orientation Sessions* as a Trial Member;
* Be bound by the *Governance Framework* as it may now or hereafter be in force and effect;
* Collaborate with other Members as needed to undertake Cooperative activities;
* Actively participate in the management of Cooperative’s business, management, operation, and governance;
* Remain up-to-date of *Research Protocols* and research advancements in the Cooperative; and
* Make time commitments to render services for Cooperative from time to time when requested by the Cooperative.

## 4.2. Cooperative Duties and Obligations

Conditioned upon the approval of this Agreement by the Cooperative, the Cooperative hereby agrees to:

* utilize the services of the Applicant in its business and to confer upon the applicant the rights of Membership including, but not limited to, voting rights and labor compensation rights.
* utilize the Membership Fee exclusively for either direct or indirect costs related to orienting new Members or supporting the Cooperative’s business. Any funds given in excess of the Membership Fee will be held in the Cooeprative’s accounts until the funds are allocated by the Board of Directors;
* collect, maintain and provide access to Commons Materials to Applicant;
* provide Applicant access to Research Products produced by the Cooperative prior to release of such software and documentation to non-members;
* if the Applicant is an artificial person, extending the rights and privileges of this Agreement to any subsidiaries of which fifty or more percent (≧50%) of the voting stock is owned by the artificial person, unless notified by the artificial person against such an extension;
* issue a Member Identification (Member-ID) to Applicant upon successfully transitioning to a Full Member; and
* issue a Membership Certificate to Applicant upon successfully transitioning to a Full Member.

# 5. Community Property

## 5.1. Use of Community Intellectual Property

Applicant may use the *Community IP* in accordance with the Community Guidelines, which may be amended from time to time by the Board of Directors. Specific exceptions may be made upon approval of the Board of Directors, or by the Collective.

## 5.2. Open Documentation

Cooperative and the Applicant shall be free to use and publish any research results, ideas, algorithms, techniques and other information developed in connection with the Membership, except that intellectual property described in Section 5.3 - 5.7. shall be subject to the licenses specified therein.

## 5.3. Joint Rights

Except as provided in Section 5.2, patentable inventions, trade secrets, and copyrighted materials developed jointly by Cooperative and Applicant in the course of *Cooperative Activities* shall be jointly owned. Each joint owner shall be entitled to exercise all rights of ownership as provided by law, without, however, an obligation of accounting from one to the other.

Applicant acknowledges that all such jointly owned inventions, software or other copyrightable materials, or materials owned by Applicant made available to Cooperative during the term of Membership for Cooperative Activities, may be made available to the general public pursuant to the then-current *Open Access Commons License*, incorporated herein by reference.

## 5.4. Cooperative Rights

Applicant agrees that all right, title and interest in and to any and all Work Product created or developed, and in and to all patentable inventions conceived or first reduced to practice by solely by the Cooperative, its employees, consultants, Contributors, or advisors, shall be owned by Cooperative. To the extent necessary, Applicant agrees to execute such assignment documents as may be required to vest title in Cooperative, at no expense to the Applicant.

## 5.5. Collective Rights

Applicants agrees to grant Full Members a non-exclusive, worldwide, royalty free, irrevocable, right and license to use, reproduce, modify, all Applicant Work Product produced for in furtherance of Cooperative’s Activities, or for the benefit of Cooperative, or under the direction of Cooperative, subject to:

* Other Members provide attribution to Applicant for any use of Work Product or adaptations of the Work Product;
* Other Members license their adaptations under identical terms granted under this Section.

Applicants agrees to grant Trial Members a non-exclusive, worldwide, right and license to publicly perform, publicly display, and reproduce, all Applicant Work Product produced for or in furtherance of Cooperative’s Activities, or for the benefit of Cooperative, or under the direction of Cooperative, subject to:

* Paying a royalty of no more than $500.00 and no less than $50.00 for each use of Applicant’s Work Product;
* Not adapting Applicant’s Work Product in any shape, form, or manner;
* Providing attribution to Applicant for any use of Applicant’s Work Product;
* Uses that are solely for non-commercial purposes; and
* Receiving Applicant’s express consent for each use of the Applicant’s Work Product.

## 5.6. Other Member Rights

Applicant agrees to not copyright, trademark, patent, or make a trade secret of, any Member-created Work Product that is not jointly owned by Applicant and one or more Members, or Contributors in collaboration with Members. If Applicant chooses to register a copyright, trademark, patent, or make a trade secret of, any jointly-owned, Member-created Work Product, Applicant must first inform the Board of Directors of such a decision and receive approval from the Collective

## 5.7. Applicant Rights

Cooperative agrees to grant and hereby grants to Applicant a non-exclusive, royalty-free, worldwide, revocable, right and license to use, reproduce, modify, translate, distribute, publicly display and publicly perform Cooperative Work Product not subject to the Open Access Commons License, subject to:

* Applicant including the notices with respect to copyright, trademarks, and a disclaimer of liability on all copies of the Cooperative’s Work Product
* Successfully completing Orientation Sessions and becoming a Full Member of Cooperative;
* Objections raised by the Board of Directors or the Collective pursuant to the Governance Framework or *Governing Documents* ; and
* Keeping Applicant’s Membership current and remaining in active status.

# 6. Acceptable Use Policy

Applicant agrees not to allow any other person, natural or artificial, to use their Member-ID. Member further agrees not to use the Member-ID of Other Members, and the private-public key pairs or login credentials of Other Members.

Applicant agrees not to act in such a way as to:

1. violate any third-party right, including any copyright, trademark, patent, trade secret, moral right, privacy right, right of publicity, or any other intellectual property or proprietary right;
2. be unlawful, harassing, abusive, tortious, threatening, harmful, invasive of another’s privacy, vulgar, defamatory, false, intentionally misleading, trade libelous, pornographic, obscene, patently offensive (e.g., material that promotes racism, bigotry, hatred, or physical harm of any kind against any group or individual) or otherwise objectionable material of any kind or nature or which is harmful to minors in any way; or
3. be in violation of any law, regulation, or obligations or restrictions imposed by any third party.

Applicant agrees not to use Cooperative in any manner to:

1. upload, transmit, or distribute any computer viruses, worms, or any software intended to damage or alter a computer system or data;
2. send unsolicited or unauthorized advertising, promotional materials, junk mail, spam, chain letters, pyramid schemes, or any other form of duplicative or unsolicited messages, whether commercial or otherwise;
3. harvest, collect, gather or assemble information or data regarding Other Members, including email addresses, without their consent;
4. interfere with, disrupt, or create an undue burden on servers or networks connected to the Cooperative or violate the regulations, policies or procedures of such networks;
5. attempt to gain unauthorized access to the Cooperative, other computer systems or networks connected to or used together with the Cooperative, through password mining or any other means;
6. harass or interfere with another person’s use and enjoyment of the Cooperative;
7. plagiarize Other Members Work Product;
8. introduce software or automated agents or scripts to the Cooperative so as to generate automated searches, requests and queries, or to strip, scrape, or mine data from the Cooperative’s site; or
9. perform any other act that is harmful or injurious to Other Members.

# 7. Representations, Warranties and Indemnification

## 7.1. Representations and Warranties

By executing this Agreement, You represent and warrant that:

1. You have read and understood these Terms;
2. You have sufficient understanding of the technical and business matters of Cooperative to understand these Terms;
3. You are thirteen (13) years of age or older;
4. You have obtained sufficient information about Cooperative to make an informed decision to become a Member;
5. You have presented true and accurate information about your identity and qualifications to the Cooperative; and
6. Your enrollment as a Member complies with all applicable laws and regulations in your jurisdiction.

## 7.2. Indemnification

By executing this Agreement, You shall indemnify, defend, protect, and hold harmless Cooperative and its Other Parties from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys’ fees) that arise from or relate to:

(i) your purchase of Membership Packages;

(ii) your responsibilities, duties or obligations under this Agreement;

(iii) your violation of this Agreement;

(iv) your actions in furtherance of, under the direction of, or for the benefit of

Cooperative;

(v) your actions related to your Membership; or

(vi) your violation of any rights of any other person or entity.

This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between You and the Cooperative.

# 8. Acknowledgement of Tax Obligation(s).

The Applicant hereby agrees to satisfy any Federal or State income tax obligation arising out of or related to this Agreement.

# 9. Termination

Cooperative shall have the right, upon sixty (60) days prior written notice, to dissolve this Agreement, for any reason before Applicant becomes a Full Member.

Cooperative reserves the right (but has no obligation) to investigate, and/or take appropriate action against Applicant in our sole discretion (including terminating your Membership and/or reporting you to law enforcement authorities) if you violate the Acceptable Use Policy in Section 6 or any other provision of this Agreement or otherwise create liability for us or any other person. Your Membership may be terminated for violation of this policy or other applicable laws or regulations.

# 10. Confidentiality

## 10.1. Maintain Confidentiality

Applicant agrees that any *Confidential Information* from Cooperative, will be maintained in confidence, and not used except as expressly permitted in this Agreement, or as determined by the Board of Directors or the Collective pursuant to the Governance Framework.

## 10.2. Non-Confidential Information

10.2.1. Notwithstanding any other provision of this Agreement, Confidential Information shall not include:

1. information which is, or subsequently becomes, within the knowledge of the public other than as a direct or indirect result of any breach of this Section by Applicant;
2. information which Applicant can substantiate by written documentation was known to Member at the time of receipt;
3. information either party subsequently obtains lawfully from a third party who had obtained the information free of any confidentiality obligations; or
4. information which is independently developed by Member without reference to or use, in whole or in part, of any of Cooperative’s Confidential Information.

## 10.3. Applicant Duties and Obligations

Applicant agrees to:

1. protect and safeguard the Cooperative’s Confidential Information with at least a commercially reasonable degree of care;
2. use the Cooperative’s Confidential Information, only to the extent reasonably necessary to perform its obligations under this Agreement;
3. notify the Cooperative upon becoming aware of any unauthorized actual or threatened disclosure, misuse, theft, or other loss of Confidential Information, whether inadvertent or otherwise; and
4. not disclose any Confidential Information to any person or entity, except:
   1. to the Member’s officers, employees, agents, consultants, and legal advisors who need to know the Confidential Information to assist the Member or to act on its behalf, to exercise its rights or perform its obligations under the Agreement; or
   2. pursuant to an applicable federal, state, or local law or regulation, or a valid order issued by a court or governmental agency of competent jurisdiction, provided that the Member shall first provide the Cooperative with:
      1. written notice of the disclosure so that the Cooperative may seek a protective order or other remedy at its own expense; and
      2. reasonable assistance, at the Cooperative’s sole cost and expense, in opposing such disclosure or seeking a protective order or other limitations on disclosure.

## 10.4 Request the Same of Cooperative

Applicant may request that Cooperative deem certain information Applicant has provided to Cooperative as Confidential Information that Cooperative should safeguard with the same level of confidence Member shall provide in Section 10.

# 11. Limitation of Liability

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW:

1. IN NO EVENT WILL THE COOPERATIVE OR ANY OTHER PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, LOSS OF USE OR DATA, OR DAMAGES FOR BUSINESS INTERRUPTION) ARISING OUT OF OR IN ANY WAY RELATED TO THE MEMBERSHIP, THE WORK PRODUCT, OR OTHERWISE RELATED TO THESE TERMS, REGARDLESS OF THE FORM OF ACTION, WHETHER BASED IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, SIMPLE NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR ANY OTHER LEGAL OR EQUITABLE THEORY (EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE),
2. IN NO EVENT WILL THE AGGREGATE LIABILITY OF THE COOPERATIVE AND OTHER PARTIES (JOINTLY), WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR OTHER THEORY, ARISING OUT OF OR RELATING TO THESE TERMS, EXCEED THE MEMBERSHIP FEE; AND
3. COOPERATIVE MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, WITH RESPECT TO ANY WORK PRODUCT PROVIDED OR MADE AVAILABLE TO THE APPLICANT, OR WITH RESPECT TO ANY STANDARD ENDORSED BY COOPERATIVE INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR THAT WORK PRODUCT DOES NOT INFRINGE THE PROPRIETARY RIGHTS OF THIRD PARTIES, INCLUDING PATENTS, COPYRIGHTS, TRADEMARKS AND TRADE SECRETS. THE APPLICANT AGREES THAT ALL WORK PRODUCT SHALL BE ACCEPTED BY APPLICANT "AS IS".

THE LIMITATIONS SET FORTH IN SECTION 12.1 WILL NOT LIMIT OR EXCLUDE LIABILITY FOR THE GROSS NEGLIGENCE, FRAUD OR INTENTIONAL, WILLFUL OR RECKLESS MISCONDUCT OF THE COOPERATIVE.

Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the limitations of this Section may not apply to you.

# 12. Release

To the fullest extent permitted by applicable law, you release the Cooperative and Other Parties from responsibility, liability, claims, demands and/or damages (actual and consequential) of every kind and nature, known and unknown (including, but not limited to, claims of negligence), arising out of or related to disputes between participants in Cooperative and the acts or omissions of any third parties.

# 13. Term

This Agreement shall be for an initial term of one year.

This Agreement shall annually renew without any action required of the parties, subject to:

* Applicant successfully transitioning from Trial Member to Full Member; and
* Applicant remaining current on any dues, fines or fees owed to the Cooperative.

Notwithstanding the foregoing, this Agreement will automatically terminate at the end of the initial term if Applicant does not successfully transition from Trial Member to Full Member.

# 14. Miscellaneous

14.1. Choice of Law. This Agreement shall be interpreted in accordance with the laws of the State of Nevada.

14.2. Notice. All notices shall be in writing and shall be delivered either by mail or email. The following addresses and email addresses shall be used by each party for these purposes:

1. Addresses for reference:
   1. Cooperative’s addresses:
      1. Cooperative email address: [hello@ledgerback.coop](mailto:hello@ledgerback.coop)
   2. Cooperative shall send notices to You based on the email address and mailing address You have provided. If the addresses You have provided are inaccurate, You must provide accurate and true addresses within ten (10) days of receiving notice from Cooperative about the inaccuracy.

14.3. Choice of Venue. Any dispute between the Parties arising out of or relating to this Agreement that is not subject to arbitration or cannot be heard in small claims court will be resolved in the state or federal courts of the State of Nevada and the United States, respectively, sitting in Clark County, Nevada.

14.4. Severability. If any term, clause or provision of these Terms is held unlawful, void or unenforceable, then that term, clause or provision will be severable from these Terms and will not affect the validity or enforceability of any remaining part of that term, clause or provision, or any other term, clause or provision of these Terms.

14.5. Survivability. Any rights or obligations that, by their nature, should survive termination of this Agreement, shall survive termination, including Sections 7, 8, 10, 11, 12, and 14.

14.6. Waiver. No Waiver of any of the provisions in this Agreement shall be effective unless set forth in writing and signed by the waiving party. No failure to exercise or delay in exercise of any right, remedy, privilege, or power under this Agreement shall be construed as a Waiver. Nor will any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

14.7. Entire Agreement. This Agreement, including and together with any related attachments, constitutes the entire agreement of the parties and supersedes all prior agreements and understandings, representations, and warranties between the parties relating to the subject matter contained herein.

14.8. Amendment. Cooperative may amend this Agreement from time to time. Cooperative shall provide notice to Applicant at least ten (10) days prior to amending this Agreement.

14.9. Force Majeure. Cooperative shall not be held liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence, such as acts of God, changes to current laws and regulations, fires, explosions, floods, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities, or acts or omissions of transportation or telecommunications common carriers.

14.10. Dispute Resolution.

1. Any dispute arising from or related to this Agreement shall first be resolved by informal dispute resolution or friendly negotiation;
2. Matters which cannot be resolved through negotiation shall be finally settled:
   1. if the Applicant is organized or incorporated within any of the United States, under the Commercial Rules of Arbitration of the American Arbitration Association, by one (1) arbitrator appointed in accordance with said Rules, or
   2. if the Member is organized or incorporated outside the United States, under the Rules of Conciliation and Arbitration of the International Chamber of Commerce, by one (1) arbitrator appointed in accordance with said Rules. In any event, the place of arbitration shall be Las Vegas, Nevada.
3. The arbitrator shall determine the matters in dispute in accordance with the laws of the State of Nevada pursuant to Section 14.1 of this Agreement. The English language shall be used throughout the proceedings. Any award, order or judgment pursuant to such arbitration may be entered and enforced in any court of competent jurisdiction. The Applicant agrees to submit to the jurisdiction of any such court for purposes of the enforcement of any such award, order or judgment.
4. Any dispute arising out of or related to these Terms is personal to You and the Cooperative and will be resolved solely through individual arbitration and will not be brought as a class arbitration, class action or any other type of representative proceeding. There will be no class arbitration or arbitration in which an individual attempts to resolve a dispute as a representative of another individual or group of individuals. Further, a dispute cannot be brought as a class or other type of representative action, whether within or outside of arbitration, or on behalf of any other individual or group of individuals.

14.11. Assignment. Cooperative may assign or transfer the rights, privileges, or obligations set forth in, arising under, or created by this Agreement to a third party. Except as otherwise expressly limited herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors, and administrators of Cooperative. Applicant may not assign any of this Agreement nor any rights hereunder, in whole or in part, are assignable by the Applicant without the prior written consent of the Cooperative. Any attempt to assign the rights, duties or obligations under this Agreement by the Applicant without such consent shall be a breach of this Agreement and shall be null and void.

14.12. Attorney’s Fees. If either party institutes or commences a claim, suit, action, or proceeding against the other party arising out of or relating to this Agreement, the prevailing party will be entitled to recover its reasonable attorneys' fees and court costs from the non-prevailing party.

14.13. Headings. All headings are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

14.14. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and counterpart signature pages may be assembled to form a single original document

14.15. Additional Documents and Acts. Applicant agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement and the transactions contemplated by this Agreement.

14.16. Binding Documents. Notwithstanding the provisions of this Agreement, the Member and the Cooperative shall each abide by the Articles of Association/Incorporation and Bylaws.

14.17. Effective Date. This Agreement shall not take into effect, and no services or benefits shall be furnished, until Cooperative:

1. is in receipt of this Agreement;
2. determines that Applicant meets the Membership Qualifications;
3. determines that Applicant has successfully completed this Agreement; and
4. notifies Applicant of their acceptance as a Trial Member.

14.18. Annual Dues. Applicant shall pay annual dues of $50.00 to Cooperative, payable on or before the last day of Cooperative’s fiscal year.

# 15. Signatures

Applicant hereby affirms that they have read and understood the terms and conditions of this Agreement and agrees to each of them.

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| **Name** |
|  |
| **Title** |
|  |
| **Company** |
|  |
| **Date** |
|  |
| **Signature** |