



MARIN FAIRFAX GRAND LAKE HAWARD MARIN CITY NEWARK NOVAJO STONESTOWN

FARMERS' MARKET RULES AND REGULATIONS

As amended through October 7, 2010
with Fish Regulations amended January 6, 2011
Meat Regulations and Rainy Day Policy amended March 3, 2011
and Commercial, Market Cancellation, Fish, Artisan Product Liability Amendments
amended September 1, 2011

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1. INTRODUCTION

1.1 AGRICULTURAL INSTITUTE OF MARIN

The mission of Agricultural Institute of Marin (“AIM”) is to promote a viable food system, educate the public about the benefits of buying fresh and locally grown food, and bring farmers and communities together. To those ends, AIM operates Certified Farmers’ Markets (“Markets”) in Marin, Alameda, and San Francisco counties. These markets offer a diversity of both certifiable and non-certifiable farm goods. They provide producers with a direct-marketing outlet and consumers with an opportunity to buy, directly from producers, a variety of fresh, high-quality produce in an atmosphere that fosters community and conviviality. AIM’s other activities include community outreach and education about nutrition, food preparation, crops, and agricultural systems. AIM is a California nonprofit public benefit corporation and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

1.2 THIS DOCUMENT

Under California law, farmers’ market operators are required to maintain a set of market rules and regulations that govern the market, including criteria relating to admission of producers and products. This document sets out AIM’s Rules and Regulations (the “Rules”) as developed by the AIM Board of Directors (the “Board”) to govern the operations, administration, and management of all AIM Markets. It sets out the entire agreement between AIM and Market Participants and supersedes prior versions of the Rules, any prior written and oral discussions and correspondence, and any course of dealing between AIM and any person relating to the operation of AIM Markets.

1.3 WHO WE ARE

Board. The AIM Board includes directors that are nominated by farmers, food purveyors, and artisans currently participating in AIM Markets. Three partner organizations (Marin Agricultural Land Trust, Marin Organic, and Marin County Farm Bureau) each designate a farmer representative to the AIM Board while two other partner organizations (Marin Agriculture Commissioner’s Office and UC Cooperative Extension) designate representatives to the Board. The Board appoints two at-large Directors and one Director from restaurant or other food industry, health and nutrition, government relations, and market consumer sectors. At least half of all AIM Board members must be farmers. The AIM Board provides community-based oversight, leadership, and guidance for AIM Markets.

AIM Management. AIM Management is responsible for general management and administrative matters, including, but not limited to, managing AIM, evaluating opportunities for new market locations, interacting with site providers, and supporting Market Managers. The Executive Director/CEO is the senior member of AIM Management.

Market Manager. Market Managers are employees of AIM, oversee operations of AIM Markets, and interpret and apply the Rules to these operations.

AIM Markets. AIM Markets are the markets operated by AIM, as described in Section 1.4.

The AIM Board, AIM Management, and Market Managers are responsible for implementing and enforcing these Rules in a fair and equitable manner.

1.4 WHERE WE OPERATE

AIM presently operates six year-round and three seasonal markets.

Year-Round Markets:

- Marin Civic Center (Thursdays, 8:00AM – 1:00PM)
- Hayward (Saturdays, 9:00AM – 1:00PM)
- Grand Lake (Saturdays, 9:00AM – 2:00PM)
- Marin Civic Center (Sundays, 8:00AM – 1:00PM)
- Newark (Sundays, 9:00AM – 1:00PM)
- Stonestown (Sundays, 9:00AM – 1:00PM)

Seasonal Markets (May – September):

- Novato (Tuesdays, 4:00PM – 8:00PM)
- Fairfax (Wednesdays, 4:00PM – 8:00PM)

All AIM Markets are Certified Farmers' Markets as defined in and in accordance with the direct marketing regulations under the California Food and Agriculture Code found at Cal. Admin. Code tit. 3 § 1392.2 et seq. (the "Direct Marketing Rules").

1.5 OTHER MARKETS

Overview. AIM believes that operation of thriving, sustained farmers' markets helps promote a viable food system, educate the public and bring farmers and communities together. AIM believes that success in achieving its mission requires collaboration and consistent mutual support among farmers, communities and AIM. To that end, AIM has adopted the following provisions of these Rules.

Other Organizations. AIM does not pursue contracts for markets that are being run by other organizations. AIM believes this would be detrimental to those other organizations and their participants, as farmers are best served not by divisiveness, but by working together. In accordance with this principle, AIM will not enter into a request for proposal or comparable process against other market associations while another farmers' market association is in contract for the site. AIM will only bid for a new market location if the relationship with the existing market association has not been renewed by the city or private entity asking AIM to bid.

Market Participants. In order to enhance the uniqueness, appeal, community and viability of AIM Markets, Market Participants other than Entertainers and Nonprofit Organizations are requested to not participate on any day of the week in any non-AIM farmers' markets located within three miles of the AIM Market where the Market Participant operates. This suggestion does not limit in any way a Market Participant's ability to sell products through other distribution channels in or outside of these communities, including, but not limited to, sales to consumers through CSA programs or farmstands, or sales to restaurants, wholesalers, institutional buyers, or grocers.

1.6 MARKET PARTICIPANTS (LISTED ALPHABETICALLY)

Artisans. An Artisan is a person or entity that, through the practice of applied arts and craftsmanship, produces and creates his, her, or its own original artisan products, artwork, or craftwork.

Commercial Vendors. A Commercial Vendor is a person or entity that sells a product or service that is relevant to farming or food preparation or that enhances the ambience of AIM Markets.

Consumers. A Consumer is a person or entity that purchases products at AIM Markets.

Entertainers. An Entertainer is a person who entertains Consumers with music, dance, or other performing arts.

Certified Farmers. A Certified Farmer is a person or entity that has been authorized by the county agricultural commissioner in their county to sell certified agricultural products, produced by the practice of agricultural arts upon land which the Certified Farmer controls, directly to Consumers at certified farmers' markets.

Farmers Using Second Certificates. A Farmer Using a Second Certificate is a person or entity that sells certified products on behalf of another certified producer, as provided in Section 2.5 of these Rules.

Fish Vendors. A Fish Vendor is a person or entity that catches and sells pelagic fish, mollusks, or shellfish.

Food Purveyors. A Food Purveyor is a person or entity that, wholly off-site, produces or controls the production of prepared foods through the practice of culinary arts.

Market Participants. A Market Participant is an Artisan, Commercial Vendor, Entertainer, Certified Farmer, Farmer Using a Second Certificate, Fish Vendor, Food Purveyor, Rancher, Non-Certified Agricultural Product Vendor, Nonprofit Organization, Sponsoring Partner, or Temporary Food Facility that AIM has approved to participate in at least one AIM Market.

Rancher. A Rancher is a person or entity that directly raises and sells meat, including but not limited to, beef, poultry, dairy, pork, goat, rabbit, mutton, and lamb from animals raised for human consumption.

Nonprofit Organizations. A Nonprofit Organization is an incorporated organization that is tax-exempt under Section 501(c)(3) or similar provisions of the Internal Revenue Code and is farm, farmer, or agriculture-related.

Sponsoring Partners. A Sponsoring Partner is a city, business, civic or business association that has provided space to or otherwise established a relationship with AIM that is supportive of an AIM Market.

Temporary Food Facilities. A Temporary Food Facility is a person or entity that sells foods and beverages prepared and cooked on-site.

2. PARTICIPATION

2.1 GENERAL PARTICIPATION RULES

Acceptance. AIM must approve all Market Participants before they are permitted to participate in any AIM Market. AIM must approve all products and services offered by Market Participants at any AIM Market.

Duration. Market Participant participation privileges exist for a limited period of time, never to exceed one year. Market Participants must re-apply to participate at an AIM Market each calendar year.

Location. AIM approves Market Participants for specific AIM Markets only. A Market Participant approved for one AIM Market has no right to participate at another AIM Markets without first receiving separate AIM approval.

2.2 APPLICATION AND ADMISSIONS PROCESS

Application Requirements. Any person who seeks to participate in an AIM Market (an “Applicant”) is required to submit the following:

- A signed and completed application on a form provided by AIM
- A check in payment of membership dues established by AIM, which will only be cashed upon an Applicant’s acceptance into an AIM Market

Additional admission and operating requirements apply for each category of Market Participant and are set out in Sections 2.4 to 2.15 of these Rules and in the relevant application.

Application Review. The Market Manager has sole discretion in making admissions decisions related to the AIM Market he or she oversees with respect to all categories of Market Participants, except that the AIM Board must also approve admission of Commercial Vendors and Nonprofit Organizations. The Market Manager will review applications and notify Applicants of whether or not they have been approved to participate at the AIM Market.

Non-Discrimination Policy. AIM will not grant or deny admission simply on the basis of the Market Participant’s race, color, religion, gender, sexual orientation, or origin.

Additional Documentation. Once approved, AIM requires Market Participants to provide additional documentation before participation in an AIM Market as specified by AIM, including a signed participation agreement by which Market Participants agree to comply with these Rules.

2.3 GENERAL ADMISSION FACTORS

Applicant Selection Generally. AIM takes multiple factors into consideration in admitting Applicants including, but not limited to, the following:

- Unique or unusual products that enhance the overall diversity of products available at AIM Markets, without creating excessive supply as assessed by the Market Manager
- Quality of products
- Origin of products (i.e., preference given to locally grown products relative to the Market(s) in which the Applicant would like to participate)
- Space availability at AIM Markets
- Balance between Certified Farmers and other categories

- Preference given to Certified Farmers who sell value-added products over Food Purveyors offering similar products
- Preference given to small-to-moderate family businesses over large enterprises or partnerships

Renewing Applicants -- Additional Factors. AIM in reviewing applications from Market Participants who seek to be readmitted also considers these factors:

- History of successful participation in AIM Markets, including adherence to the Rules, attendance, absence of Consumer complaints, timely payment of fees, and courteous conduct
- Effective enhancement of Consumer knowledge of the products being sold and how they were produced, as measured by the Market Participant's presence, employee knowledge, and quality of stall display, brochures, and/or handouts

Seniority. AIM does not guarantee admission to an Applicant even if the Applicant has participated in AIM Markets in prior years.

2.4 ADDITIONAL REQUIREMENTS: CERTIFIED FARMERS

Requirements. In accordance with Cal. Admin. Code tit. 3, § 1392.4(a), only the Certified Farmer, a designated family member, or employee is permitted to sell the Certified Farmer's products at an AIM Market. No certifiable agricultural products may be sold at an AIM Market unless such products are listed on the Certified Farmer's certified producer's certificate. Certified Farmers must grow all products offered for sale upon land controlled (owned, rented, leased, or sharecropped) by the Certified Farmer.

Growing Calendar. Certified Farmer Applicants must submit with their application a Growing Calendar, which is an annual plan indicating the agricultural products a Certified Farmer plans to produce and offer for sale at AIM Markets, and the time of the year when they are expected to be available for sale. The Market Manager may restrict the sale of products listed on the Growing Calendar by volume or season, and must annually approve the products a Certified Farmer wishes to sell.

Products Not Previously Approved. Any Certified Farmer wishing to sell new crop items which have not been previously approved must submit for approval a list of the new crops to the Market Manager of each AIM Market in which the Certified Farmer participates.

Value-Added Products. Any Certified Farmer wishing to sell value-added products must sell these products in a separate stall and comply with applicable public health, labeling, permitting, documentation and other laws relating to such products.

Prohibited Products. Certified Farmers may not sell crops grown using genetically modified seed planted after March 1, 2000. Certified Farmers may not sell waxed produce.

Handling and Labeling. Certified Farmers should minimally handle or process agricultural products before packing for an AIM Market. Certified Farmers are discouraged from placing labels directly on the produce.

Partnerships. Certified Farmers in partnership with sharecropping agreements or similar contracts who are issued a certified producers certificate are subject to the same

regulations, rules, and application procedures as listed in Sections 2.1 - 2.4 of these Rules.

Nursery Vendors. Certified Farmers selling nursery products must have performed the propagation, germination, planting, cuttings, and division work for all potted plants, trees, or nursery starters the Certified Farmer wishes to sell at AIM Markets, all in compliance with applicable California and other laws and regulations.

Egg Vendors. Vendors may only sell cage-free eggs. Eggs from hens that were confined in cages may not be sold at AIM markets.

2.5 ADDITIONAL REQUIREMENTS: SECOND CERTIFICATES

Generally. A Certified Farmer may sell the products of another certified producer in an AIM Market only in accordance with the requirements set out in the Direct Marketing Rules and these Rules. These arrangements are generally termed "Second Certificates" and may be made only with the prior approval of the Market Manager. Any Certified Farmer selling on behalf of another certified producer is responsible for complying with these Rules.

- Within a twelve-month period, a certified producer may not be represented by more than two other Certified Farmers, and a Certified Farmer may not represent more than two other certified producers.
- Each certified producer's products to be sold, or offered for sale, must be separated and identifiable by each certified producer's valid certificate at the time or point of sale. The valid certificate must include the name of the certified producer and Certified Farmer selling the Second Certificate products.
- The Certified Farmer that is selling for another certified producer must be selling, or offering for sale at an AIM Market on the same day, products which the Certified Farmer that is conducting the sales has produced itself and which comprise at least 75% of the volume of products the Certified Farmer is selling. Volume is measured by the weight or dollar value of the products at the time or point of sale, and the volume requirement applies only at the beginning of the day of sale.
- The Certified Farmer wishing to sell on behalf of another certified producer must obtain and submit to the relevant county agricultural commissioner, prior to certification, written authority to sell from such other certified producer.
- Commission sales and buying and selling between certified farmers' markets is prohibited at AIM Markets. Any payment made for the service of one Certified Farmer selling for another certified producer must not be related to the volume or value of the products sold.
- A Certified Farmer selling products at an AIM Market on behalf of another certified producer or whose products are sold by another Certified Farmer at an AIM Market must keep, for a period of not less than three years, the following records relating to such products: (i) the date of transfer of the products to the Market Participant and an accurate accounting of the amount of products by weight, dry measure, or count, with each separate product and amount recorded according to variety; (ii) the date of sale of products and an accurate accounting of the amount of products sold by weight, dry measure, or count, with each

separate product and amount recorded according to variety; and (iii) the names of the Certified Farmer and certified producer involved.

- Certified Farmers Using Second Certificate crops must pay a supplemental stall fee as established by AIM Management.

Other Selection Factors. The Market Manager may consider a variety of factors in deciding whether to approve Second Certificate sales including, but not limited to, whether the product is already being sold at the AIM Market by one or more primary Certified Farmers and the Consumer demand for such products.

2.6 ADDITIONAL REQUIREMENTS: RANCHERS

Philosophy. AIM's goal is to support the development of an environmentally sound and economically viable regional meat system. Ranchers direct marketing their product and Ranchers reselling product from other regional Ranchers both play important roles in the growth of a vibrant meat component of AIM's farmers markets in addition to supporting AIM's overarching goal of a healthy regional ranching community. Transparency is essential, presenting an educational opportunity for AIM's customers and creating a level playing field between directly marketed products and resold products.

Rancher. A Rancher is a person or entity that owns the broodstock of the meat animals sold at AIM's farmers markets, including but not limited to: beef, poultry, dairy, pork, goat, rabbit, mutton, lamb and other animals raised for human consumption. With regards to chicken, "day-olds" are considered brood stock.

Resold Product. Resold product is raised by a Rancher who owns the broodstock and is sold directly to an AIM Rancher who then sells the product at an AIM farmers market.

Source Verification. Ranchers may sell only meat that has been source verified by AIM in accordance with this Section 2.6. Source verification entails an AIM Ranch Audit and/or a review of source verification documentation which may include, but is not limited to: brand inspections, slaughterhouse receipts, insurance, etc. AIM must approve all ranches/farms prior to their participation at an AIM farmers market. Such approval may involve an onsite Ranch Audit in accordance with Section 6 (Inspection and Records) of AIM's rules and regulations.

Sale of Products. The sale of all meat products will be up to manager discretion, guided by AIM's philosophy and the following guidelines

Ranchers will list all products they intend to direct market and all Resold Products on their annual application for approval by AIM staff. If a Rancher wants to add a new product at anytime, Rancher must receive approval from AIM staff.

A Rancher may sell Resold Product from one additional Ranch per species (e.g. beef, veal, goat, lamb, buffalo, chicken, duck, game birds, pork, rabbit) per AIM market, upon approval by AIM staff. Ranchers must submit contact information, a growing calendar, and source verification documentation for each Resold Product. Insurance for Resold Product may be requested by AIM. AIM staff will approve the terms by which each Resold Product is sold at an AIM market.

AIM has the discretion to add new Ranchers to AIM's markets and to limit Resold Product if there is another Rancher direct marketing his/her own like or similar product at that same AIM Market. Approved Resold Product will be allowed a phase-out period in the case that the Rancher is given verbal or written notice to discontinue the sale of that

Resold Product, unless the terms approved by AIM in the annual application stipulate otherwise. In that case, the agreed upon terms will be honored for that calendar year.

A minimum of 25% of a Rancher's annual sales must be their own product. Meat produced by a member of the immediate family (mother, father, siblings or children) of a Rancher will be treated as a product of such primary Rancher and not as Resold Product.

Ranchers selling Resold Product must pay a supplemental stall fee as established by AIM.

Origin Identification. All meat sold at AIM Markets must be clearly labeled with the ranch of origin (the ranch that owned the broodstock), regardless of whether it is a Rancher's product or Resold Product. Labels must list the broodstock ranch's business name and county on each package/product.

All Resold Product must be displayed separately (either physically or by signage) from a Rancher's own product at market stands; thus informing the customer that these products are produced by someone other than the Rancher and are not from the Rancher's own broodstock.

Slaughter. All meat sold at AIM Markets must come from livestock slaughtered in a USDA-inspected facility in accordance with federal law except where there is a legal exemption from such inspection. Ranchers must provide AIM with slaughter facility identification numbers and receipts from the most recent slaughter as may be requested by AIM. AIM may contact the facility by phone to verify the slaughter after receiving receipts from the Rancher.

Processing and Packaging. All meat sold at AIM markets must be made, processed and packaged in USDA-inspected facilities except when federal or state and county exemptions allow legal sale of meat. Ranchers must provide AIM with facility identification numbers and receipts as may be requested by AIM. AIM may contact the facility by phone to verify the processing after receiving receipts from the Rancher. All packaging must display USDA-required labeling except where there is a legal exemption from such labeling.

Review. These Additional Requirements for Ranchers were approved by AIM's Board of Directors on March 3, 2011 and will be reviewed in 2 years.

2.7 ADDITIONAL REQUIREMENTS: FISH VENDORS

Waters. A Fish Vendor may sell only fish caught in United States waters from the California/Mexico Border to the northern-most tip of Alaska within a 200 mile range of the coastline.

Method of Catch. A Fish Vendor may sell only fish caught by sustainable gear that does not damage habitat and take unwanted by-catch. Acceptable methods of catch include rod and reel, trap, troll and, for black cod, seine and set long line. A Fish Vendor may not sell fish caught by trawl, drag, or open ocean gill or drift net.

Aquaculture. A Fish Vendor may not sell aquacultured finfish unless the production is freshwater and land-based in California. A Fish Vendor may not sell aquacultured shellfish unless the production takes place in California.

Own Catch. A Fish Vendor must catch 25% of the fish offered for sale based on the retail sales of the fisherman in a calendar year. A Fish Vendor must separate the fish offered for sale in their booth by what is caught by the fisherman and what is bought from other fisherman/wholesalers. All fish offered for sale must be verified by landing receipts/**transfer receipts/producer receipts or wholesaler receipts/invoices**. The 25% of annual sales catch rule may be re-evaluated when necessary or every 5 years. **AIM may request landing receipts/transfer receipts/producer receipts or wholesaler receipts/invoices from Fish Vendors once a quarter, or on an as needed basis.**

Labeling. All fish sold by a Fish Vendor must be labeled with what type of fish it is, who caught it and where it is from.

Certification. All fishermen must be certified by an appropriate 3rd party certification agency that the fish they catch and sell are certified and sustainable (Marine Stewardship Council, etc) as well as the fish they are reselling.

2.8 ADDITIONAL REQUIREMENTS: FOOD PURVEYORS

Generally. Food purveyors selling non-certified agricultural products add variety and enhance the ambiance of AIM Markets. AIM will permit them on a limited basis outside the area designated as a certified farmers' market. The Market Manager will not approve these products if they are not consistent with the objective of certified farmers' markets to give California farmers direct access to consumers for the sale of their agricultural products.

Requirements. All non-certified agricultural products must satisfy public health, labeling, permitting, and specific requirements relating to processed products.

Permitted Products. Permitted non-certified agricultural products may include, but are not limited to, the following:

- Fresh juices and beverages prepared from fresh fruits and vegetables
- Flower arrangements and wreaths
- Jams, preserves, vinegar, oils, and flavored oils
- Baked goods
- Dairy products for which the vendor plays a substantial role in the husbandry of the animals and the production of the raw product
- Drinks such as water, tea, coffee, and natural soda

Prohibited Products. Food Purveyors may not sell any beverage that contains high fructose corn-syrup, aspartame, phosphoric acid, and/or artificial flavorings.

Other Selection Factors. Market Managers will give preference to Applicants whose processed products feature seasonal and regional ingredients purchased from Certified Farmers and to Applicants who use certified local agricultural products and processed foods in their products.

Requirements. Food Purveyors must prepare their products at a location approved by the local health authority and must possess proper vehicle permits. Food Purveyors must use biodegradable food packaging when using disposable food packaging, which

includes cups, lids, plates, hinge containers, bowls, trays, cartons, cutlery, straws, and bags. Food Purveyors may not provide prepared or take-out food in, on, or with disposable food packing that contains Styrofoam (polystyrene) or plastic of any kind.

Prohibited Products. Food Purveyors may not use food products containing trans fats. Food Purveyors may not use genetically modified ingredients in any processed item to be sold at any AIM Market.

Selection Factors. In making admissions decisions for Food Purveyors, Market Managers will consider the overall diversity of prepared products available at the market.

2.9 ADDITIONAL REQUIREMENTS: TEMPORARY FOOD FACILITIES

Requirements. Temporary Food Facilities must comply with all local, state, and federal regulations, including, but not limited to, rules relating to food booth construction, food handling, sanitation and fire safety, and must possess proper permits. Temporary Food Facilities must use biodegradable food packaging when using disposable food packaging, which includes cups, lids, plates, hinge containers, bowls, trays, cartons, cutlery, straws, and bags. Temporary Food Facilities must use food packaging products that are fully compostable, that meet ASTM 6400 standards, and that are clearly labeled as compostable. Temporary Food Facilities may not provide prepared or take-out food in, on, or with disposable food packing that contains Styrofoam (polystyrene) or plastic of any kind.

2.10 ADDITIONAL REQUIREMENTS: ARTISANS

Requirements. Artisans may sell products in no more than two of the following categories: 2-D, Textiles, Jewelry, Glass, Ceramics, Leather, Woodworking, Sculpture, Soaps/Lotions/Oils/Incense/Fragrances/Candles, or Other. Artisans must either self-produce their products or, if the Artisan has employees, the Artisan must be in complete control of all aspects of production.

Prohibited Products. Artisans may not sell work produced with commercial kits, models, patterns, plans, prefabricated forms, or other commercial methods. If an Artisan offers items for sale that the Artisan Jury Committee has not previously approved, the Market Manager may require the Artisan to remove those items from sale.

Selection and Admissions Process. An Artisan Jury Committee, composed of persons chosen by AIM, selects and approves all Artisans who sell at AIM Markets.

- Jury dates occur as per scheduled by artisan jury and staff.
- Artisan Jury Committee meetings are closed sessions; only committee members, AIM Board members and AIM Management and Market Managers may attend. Artisans are not allowed to attend such meetings.
- The work the Artisan displays at an AIM Market must be identical in style, quality, and method to the work submitted to the Artisan Jury Committee.
- If an accepted Artisan wishes to sell in an additional category, the Artisan must submit a new application to the Artisan Jury Committee.

2.11 Additional Requirements: Entertainers

Requirements. Entertainers should be ready to perform at the start of the Market session and perform for the duration of the full Market session. Entertainers must provide their own shade equipment and properly secure it. Breaks are allowed during the Market session, at the Entertainer's discretion. Due to the intimacy of farmers' markets, Entertainers must keep the volume at a level such that it does not interfere with nearby Market Participant/Consumer commerce. Failure by a Entertainer to comply with a Market Manager request to reduce the volume may result in the Entertainer not being asked or allowed to perform again at any AIM Market. Entertainers wishing to play amplified music must obtain pre-approval from the Market Manager. Any pre-recorded music played during breaks must be kept at a minimum volume level as approved by the Market Manager.

Selection Factors. AIM may evaluate Applicants based on the type and quality of music to be performed, the Applicant's experience performing in outdoor venues, and the Applicant's previous performance success and behavior.

Stipend and Membership Fees. AIM will provide Entertainers with a small stipend in an amount determined by AIM in its sole discretion. Entertainers are not obligated, but are encouraged, to submit membership fees to AIM.

Sales. Entertainers are permitted to sell promotional items, including, but not limited to, CD's and T-shirts, as approved by the Market Manager.

2.12 ADDITIONAL REQUIREMENTS: COMMERCIAL VENDORS

Requirements. The AIM Board must approve all Commercial Vendors.

Only the business owner or an employee may represent a Commercial Vendor in an AIM market.

Selection Factors. AIM will evaluate and select Commercial Vendors based on their ability to support AIM's mission to add value to the experience of shopping at an AIM farmers market. AIM's commercial vendors generally fit into the categories below:

Commercial Vendors who provide active, creative and/or agriculturally related activities for children and who charge a fee for their services. Examples include: jump houses, pony rides, etc.

Commercial Vendors who provide food related services that support the farmers market shopper/home chef. Examples include: knife sharpeners.

Due to limited market space and AIM's commitment to maintaining focus on its mission, there are a number of businesses whose services we cannot accommodate, including but not limited to: newspapers and personal services such as acupuncture and chiropractic.

Annual Review. The AIM Board will review all Commercial Vendors currently participating in AIM's markets, no later than three months before the end of the year. The AIM Board will take into consideration each vendor's participation at AIM's markets and the vendor's ability to meet AIM's selection factors for Commercial Vendors. At that time the AIM Board will inform each Commercial Vendor whether or not their membership will be renewed for the following year.

Sponsor Space. As part of AIM's contracts with the various entities that host AIM's farmers markets (i.e. cities and towns, downtown associations and shopping mall) some vendors who may not otherwise fit the selection factors for Commercial Vendors (or non-

Profits) are allowed to participate in these particular sponsor booths. Each agreement is unique to each AIM market.

2.13 ADDITIONAL REQUIREMENTS: SPONSORING PARTNERS

Requirements. Sponsoring Partners must have provided space to or otherwise established a relationship with AIM. The Sponsoring Partner must have demonstrated a commitment to supporting AIM Markets, and its activities must enhance the ambience of AIM Markets. Sponsoring Partners may not sell any product or service except as approved by the Market Manager.

2.14 ADDITIONAL REQUIREMENTS: NONPROFIT ORGANIZATIONS

Requirements. Nonprofit Organizations must have missions and programming that are farm, farmer, or agriculture-related. AIM's Board of Directors may consider others on a case-by-case basis. Nonprofit Organizations may only sell items approved by the Market Manager.

3. HOW WE OPERATE

3.1 OVERVIEW

Role of the Market Manager. Market Managers coordinate all activities related to the functioning of AIM Markets and have complete authority to interpret, apply, and enforce these Rules. In order to facilitate this, load lists are required as per state regulations. Market Managers' roles include making admissions decisions related to the AIM Market they oversee, determining the products that may be sold, overseeing set-up and clean-up, making stall assignments, collecting fees, and handling disagreements.

Products. Market Managers may restrict the products a Market Participant offers for sale based on factors including, but not limited to, the product type, product quantity, or season. Restrictions are imposed to ensure a balance of variety, quantity, regionality, and seasonality of products.

Method of Work. Market Participants have sole responsibility for the planning, management, and carrying out of their operations in AIM Markets, regardless of whether or not the Market Participant obtains educational, marketing or technical support from AIM Management.

Compliance. AIM operates AIM Markets in accordance with applicable laws, including, but not limited to, the Direct Marketing Rules and the site contracts and permits relating to market operations at specific locations.

3.2 MARKET HOURS AND LOCATION

Market Hours. AIM Markets operate rain or shine. AIM will establish the hours of operation for all AIM Markets.

Changes in Market Hours. Market Managers may change AIM Market hours, as conditions warrant. Market Managers may in their discretion cancel an AIM Market in the event of dangerous or extreme weather conditions. If a Market Manager feels the need

to cancel a market, an Emergency Weather Task Force meeting will be called, with any/all Board members who are present at the market consulted before a market is cancelled. If there are no Board members present at a market, a Market Manager will consult with either the Director of Markets or Executive Director/CEO before cancelling a market. If a market is cancelled all equipment must be put in the Market Participant's vehicle.

Refunds for Cancellations. If a market is cancelled due to extreme weather, scheduled members will not be charged for that market day.

3.3 RESERVATIONS, ATTENDANCE, AND CANCELLATIONS

Reservations. Market Participants (including Artisans) must make reservations on a weekly basis. Reservations are only complete once AIM has received payment of the applicable stall fees. If a Market Participant makes a reservation, AIM considers the confirmation a commitment to participate in an AIM Market for that week.

Attendance. Market Participants are expected to attend confirmed AIM Market sessions each consecutive week during their season.

No-Shows. Market Participants who have two or more No-Shows at an AIM Market during the year may lose their right to sell at that AIM Market for all or a portion of the rest of the year. A Market Participant is a "No-Show" if (i) a Market Participant confirmed his/her attendance and he/she did not show up at the AIM Market or (ii) a Market Participant confirmed his/her attendance and he/she did not call and cancel before market opening. Market Participants may not apply Rain Dates to avoid "No-Show" status.

Cancellations. Full-year Market Participants are permitted four cancellations each year, or two cancellations per six-month period, or one cancellation per quarter per market. Market Participants who cancel AIM Market stall reservations will incur stall fee charges, unless:

- During peak season (April through November), the Market Participant notifies AIM of its cancellation at least 72 hours prior to the opening of the Market for which it has reserved a space; or
- During winter season (December through March), the Market Participant notifies AIM of its cancellation at least 48 hours prior to the opening of the Market for which it has reserved a space.

Market Participants who cancel more than their allotment of cancellations may lose their space or their right to sell at that AIM Market.

Rain Dates. Eligible vendors (Certified Farmers, Ranchers, Fish Vendors, Food Purveyors, Temporary Food Facilities and Commercial Vendors) will be given three free rain dates ("Rain Dates") per AIM Market that they can use during the winter season (December - March) on days when rain occurs during the market's operational hours. It is up to the vendor to notify the market manager that they wish to take a Rain Day. To qualify for the Rain Day the vendor must give notice prior to the market day or show up on the day of the market and says he/she is taking a Rain Date. If an eligible vendor fails to provide notice or show up at a market for which it has been scheduled, the vendor cannot use one of its Rain Dates. Vendors must be regularly scheduled on a weekly basis throughout the winter season to receive the Rain Dates. Any vendor who misses more than three markets in the winter season (December - March) is not eligible for Rain

Dates. Artisans, like all other vendors who sign up for a full winter season, will get the same amount of Rain Dates as other vendors. They will get their Rain Dates after the season is over.

Market Manager Discretion. Market managers have the discretion to cancel a market in the event of dangerous or extreme weather conditions. Eligible vendors may, however, choose to use one of their Rain Dates per AIM Market during the winter season.

3.4 STALL AND PARKING ASSIGNMENTS

Generally. Market Managers have complete discretion in determining the overall layout of an AIM Market. Factors they consider include compliance with the Direct Marketing Rules and local laws, the requirements of AIM's contract or permit for use of the site, safety principles, and marketing considerations.

Assignment of Stall Space. Decisions regarding the location, space size, and other factors related to stall assignments are in the sole discretion of the Market Manager. The Market Manager may move any Market Participant at any time. The Market Manager has sole discretion to determine whether, for an additional fee, a Market Participant may use an additional stall and/or parking space. In making any stall space assignment, the Market Manager may consider the following:

- Consumer traffic flow;
- Quality of product display, customer service, and Market Participant involvement;
- Tenure of participation at AIM Markets;
- History of good relationships with Consumers and other Market Participants;
- Variety and quality of products;
- Promotion of AIM Markets and products.

Description of Stall Space. AIM will use reasonable efforts to provide the following stall space for each Market Participant:

- Each stall space will be approximately ten feet by ten feet.
- In some markets with inadequate vehicle parking space, the Market Manager may designate some spaces as off load only.

Certified Farmers' Stall Space. A Certified Farmer can only have three contiguous spaces.

Reassignment of Stall Space. Market Participants' stall locations are not permanent. The Market Manager may reassign space locations for any Market session during the season and/or on an annual basis.

Confirmation of Stall Reservation. AIM commits to providing stall space for confirmed Market Participants. Market Participants who rent more than one space are committed to that amount of space for each reserved session.

Transfer of Stall Space and Parking Assignments. A Market Participant may not switch, transfer, assign, or sublet its assigned stall space without the prior approval of the Market Manager.

3.5 ARRIVAL AND EXIT REQUIREMENTS

Arrival Requirements. Market Participants must arrive no earlier than two hours and no later than 30 minutes prior to the start of an AIM Market. The Market Manager has discretion to vary arrival times based on local site conditions and regulations.

Failure to Arrive on Time. If Market Participants fail to arrive at least 30 minutes prior to the start of an AIM Market, Market Managers may reassign Market Participants' stall space, require Market Participants to off load their products for safety reasons, or prohibit Market Participants from participating in that day's market.

Exit Requirements. Market Participants may not depart until 30 minutes after the close of the market. Market Managers will have the discretion to vary departure times only after the AIM Market has closed and a safe exit can be made. Market Participants will have one hour to take down and clean up their stalls, these conditions can vary by market.

3.6 SET-UP REQUIREMENTS

No Sales Until Full Set-Up. Market Participants may not conduct sales until their stalls are fully set-up, with signs and prices posted and their stall secured.

Restriction Within Stall Space. Market Participants must conduct all promotions, and sales must occur only within, the assigned stall space. No boxes, produce displays, or signs may extend into the path of Consumer traffic. Market Participants must ensure that table frontages are behind the set-up line designated by the Market Manager, unless otherwise approved by the Market Manager.

Tables, Umbrellas, and Tarps. Market Participants must stabilize all tables, umbrellas, tarps, and products on display. Market Participants using umbrellas must ensure there is sufficient vertical clearance. Market Participants must cover all table tops and may not fill tables beyond load capacity. Stall set-up, signage and table displays must be neat, orderly and aesthetically pleasing.

Scales. Market Participants must use approved commercial scales that are certified by the relevant County Sealer, Office of Weights and Measures for the current year and otherwise comply with the Direct Marketing Rules and other applicable laws.

Plastic Bags. Market Participants may not use plastic bags if prohibited by AIM or by local laws and/or regulations.

Vehicles. Market Participants' vehicles or stall set-up may not extend into fire lanes or Consumer flow areas; all vehicles, merchandise, and tables must remain within the designated stall space. The Market Manager may not allow large trucks to park in an AIM Market, regardless of the number of stalls occupied.

Electricity. If electricity is needed, the Market Participant may use at its expense a generator approved by the Market Manager that does not interfere with commerce in surrounding stalls.

3.7 PAYMENT OF STALL FEES

Stall Fees. AIM charges all Market Participants weekly stall fees for participation at an AIM Market. AIM determines stall fees based on the retail frontage assigned to the Market Participant. For each ten feet of retail frontage per stall, AIM will charge the Market Participant's applicable stall fee. Stall fees for corner stalls are computed by taking into account all retail frontages (e.g., both sides) of the stall. Stall fee information for each AIM Market is provided on the application for participation contemplated by Section 2.2 of these Rules and is also available from AIM.

Payment. Market Participants must prepay stall fees for the following week's market session no later than 72 hours before that session. Market Participants may pay such fees to the Market Manager during the previous week's market session.

3.8 PRICING

Pricing. Market Participants are responsible for pricing their own products. All prices must be clearly marked or posted, in accordance with AIM's signage and posting requirements as described in Section 3.10. AIM encourages competitive pricing. Market Participants may not engage in collusive or deceptive pricing practices.

Forms of Payment. Market Participants must accept cash, SNAP (EBT, or Electronic Benefits Transfer), and any coupons from programs in which AIM Markets participate. EBT coins cannot be used for hot foods. AIM encourages Market Participants to accept all coupons and wooden coins in a courteous and respectful manner. Market Participants may apply coupons and wooden coins toward their stall fees if approved by AIM Management.

Coupons and WIC. Certified Farmers must participate in the Farmers' Market Nutrition Program (also known as WIC, or the Special Supplemental Nutrition Program for Women, Infants, and Children). Certified Farmers must redeem coupons through their bank and must post a current year WIC sign designating them as acceptors of WIC coupons. WIC coupons may not be used toward stall fees.

Bargaining. Bargaining with Consumers is permitted.

Returns. Market Participants are strongly encouraged to give Consumers the benefit of the doubt and offer a full monetary refund or replacement of equal value when purchases are disputed.

3.8a RESELLING

Reselling. The reselling of any products in an AIM Market is prohibited.

3.9 LOAD LISTS

Load Lists. Certified Farmers must deliver load lists to the Market Manager at the end of every Market day in accordance with the Direct Marketing Rules. Each load list must include the following information:

- Name of the business (i.e., farm)
- Name of the business owner

- Certified producer certificate number
- Identity of each product sold as it appears on the certified producer's certificate
- Quantity of each product sold at the market
- Authorized signature of the Certified Farmer or employee

3.10 SIGNAGE AND POSTINGS

General Requirements. Market Participants must have all required permits, licenses, certificates, and signage clearly identifiable and displayed.

Permits and Licenses. Market Participants must prominently display all necessary permits and licenses in accordance with these Rules and all local, state, and federal regulations.

Prices. Market Participants must post a clear, readable identification of price per unit for each commodity. All prices must be clearly marked or posted in two-inch minimum height letters/numbers and list each individual item for sale.

Farm/Vendor Identification. Market Participants must clearly identify their business or farm name or the name of their establishment, and the city or town and county where their production occurs. Market Participant identification must appear on a sign with lettering at least three inches in height.

Growing Practices. Market Participants must comply with the following requirements relating to growing practices signage:

- Market Participants may not use confusing language to describe growing practices or production methods.
- Certified Farmers selling organic products or selling the organic products of another certified producer must comply with the posting requirements of the Direct Marketing Rules set out in Cal. Admin. Code tit. 3 § 1392.4(h).
- Market Participants must fully and truthfully disclose all farming practices to Consumers. This includes disclosure regarding greenhouse and hydroponic produce and plant production
- Certified Farmers may not use the words no sprays or no pesticides.

3.11 STAFFING AT STALLS

Market Participants Other than Artisans and Nonprofits. Market Participants other than Artisans and Nonprofit Organizations must ensure that the only individuals staffing their stalls are either an owner or a family member of an owner of the business, or an employee of the business.

Artisans. Artisans must ensure that the only persons staffing their stall are either the artisan herself/himself or an individual directly involved in the production of the items on display at the stall.

Nonprofit Organizations. Nonprofit Organizations may staff their stalls with directors, officers, employees or volunteers of the organization.

Records. AIM may request, and Market Participants will promptly provide, documentation (e.g., W-2 forms) establishing compliance with the requirements set out in this Section 3.11.

3.12 CHANGE IN OWNERSHIP

Change in Ownership. A Market Participant who undergoes a change in ownership (as defined below) may continue to operate in the stall for the balance of the calendar year of change if the Market Participant: (i) provides prompt written notice of the change in ownership to AIM; (ii) provides AIM with evidence satisfactory to AIM that the Market Participant is in compliance with the insurance requirements set out in Section 7.2 of these Rules and provide such other documents as AIM may reasonably request; and (iii) does not make any material changes in its activities, including, but not limited to, product offering, manner of production or branding (the new owner(s) will be able to change the name of the business for the calendar year in which they take it over). If at the end of the calendar year the Market Participant submits a renewal application, there is no guarantee that the Market Participant will be admitted, or be admitted on the same terms or have the same stall space assignment as the pre-change-in-ownership business.

Definition of Change in Ownership. For purposes of this Section 3.12, “change in ownership” means, (i) in the case of a Market Participant operating as a sole proprietor, the sale or other transfer of the assets of the business operating at the AIM Market and, (ii) in the case of a corporation, LLC or partnership, an individual who is not an immediate family member of an equity owner of the entity, or an entity controlled directly or indirectly by individuals who are not immediate family members of an equity owner, acquires, directly or indirectly, 50% or more of the equity interests of, or all or substantially all of the assets of, the entity or of the business of the entity operating at the AIM Market.

4. HEALTH, SAFETY, AND CONDUCT

4.1 HEALTH REQUIREMENTS

Generally. Market Participants must comply with local, state, and federal health laws, including the California Health and Safety Code. AIM Markets are considered a “Nonpermanent Food Facility” under the California Health and Safety Code and must maintain a current public health operating permit.

Clean and Sanitary Stall Space. Market Participants must display and store all food at least six inches off the ground. Market Participants must maintain their stall space in a clean, safe, and sanitary manner during the course of the market session and after leaving the market. Market Participants may not engage in operations that result in staining of the concrete which the Market Participant is unable to remove.

Trash Disposal. AIM may place trash receptacles in the common area aisle for use by Consumers only. Market Participants must also provide a receptacle for public use in their stall. Before leaving an AIM Market, Market Participants must collect and remove all debris in their stall space and in an area halfway into the consumer traffic area, without regard to whether the debris originated from their stall space. Market Participants must dispose of all trash in an off-site location and are not permitted to place any trash or debris in AIM receptacles or city dumpsters.

Hand Washing and Food Sampling Requirements. Market Participants who distribute food samples must comply with applicable local, state, and federal regulations. Market Participants must also wash their hands before returning to work from a break and comply with the AIM Farmers Market Hand Washing and Food Sampling Requirements, Guidelines and Procedures, which are posted on AIM's website and otherwise available from Market Managers or at AIM's office.

4.2 SAFETY REQUIREMENTS

Market Participants' activities, including operations and vehicle use in AIM Markets, must not endanger Consumers or other Market Participants. Market Participants must immediately comply with the Market Manager's directions in all matters relating to safety.

4.3 CONDUCT REQUIREMENTS

Generally. Common courtesy and respect are essential to the success of AIM Markets. AIM Management expects Market Participants to be honest and to conduct themselves in a courteous and friendly manner with other Market Participants, staff, Consumers, and public officials.

Market Participants. AIM Management expects Market Participants to be knowledgeable about their product and how it is used, grown, or produced, and to communicate this information clearly and accurately to Consumers. Market Participants must display their products in a sanitary, presentable, and attractive manner. Market Participants must handle Consumer complaints in accordance with Section 5.2 of these Rules and will refer Consumer issues to the Market Manager as appropriate.

Prohibited Market Participant Behavior. In order to help ensure a pleasant market environment and market success, Market Participants must not:

- Behave rudely, abusively, offensively, or otherwise disruptively;
- Make slanderous, harmful remarks about other Market Participants or their products, about other farmers' markets, or about Market Managers, the AIM Board, or AIM Management;
- Engage in conduct that hurts or could hurt the reputation or operation of AIM Markets, including, but not limited to, soliciting tips from Consumers or displaying or distributing petitions or political advertisements;
- Sell or display materials which are blatantly offensive, racially, ethnically, or sexually;
- Participate in or condone harassment of any kind, including on the basis of race, color, religion, gender, sexual orientation, or origin.

All AIM Staff, Market Participants, Consumers, and the Public. All individuals present at AIM Markets are expected to behave courteously and be considerate of others participating in AIM Markets. All individuals must dress in an appropriate manner by wearing shirts, pants, and footwear.

Prohibited Behavior. Excessive noise, disturbances, or obstruction of commerce will not be tolerated. Smoking, alcohol, loitering, bicycling, skateboarding, riding scooters, rollerblading, or playing radios during Market hours is not permitted at any AIM Markets.

Individuals may only smoke 20 feet outside the entrance of AIM Markets, and no animals other than service animals are permitted within 20 feet of AIM Market boundaries.

No Solicitation. Solicitation of any kind is not permitted at AIM Markets. Market Participants, Consumers, and members of the public may not, during a market session, directly or indirectly solicit or attempt to solicit any Market Participant or Consumer to participate in or shop at any non-AIM farmers' market, or to purchase any good or service.

No Commercial Video or Photography. AIM does not permit videotaping, filming, recording, or photography at AIM Markets for commercial purposes without the prior written consent of AIM Management.

5. DISCIPLINARY ACTION; CONSUMER COMPLAINTS

5.1 DISCIPLINARY ACTION AND PROCESS

Overview. AIM's approach to enforcement of these Rules centers around five principles:

- The AIM Board, AIM Management, and Market Managers will implement and enforce all rules and regulations pertaining to the operation of AIM Markets in a fair and equitable manner.
- Market Participant compliance with the Rules and applicable laws is essential to market success for all participants and to a positive Consumer and community experience.
- Market Managers have full power and discretion to interpret, apply, and enforce these Rules.
- Resolution of issues through notice, discussion, and agreement is preferable to formal disciplinary action whenever possible.
- Market Participants will have an opportunity to speak to the AIM Board regarding termination of participation privileges.

This Section 5 sets out how those principles are implemented.

Disciplinary Actions. The Market Manager, AIM Management, and/or the AIM Board may take disciplinary action against any Market Participant who violates these Rules. Disciplinary actions include, but are not limited to:

- Ordering immediate stall closure and Market Participant departure from the AIM Market for the balance of the market session;
- Limiting space and product offerings in future market sessions;
- Conditioning future participation and operations on modification of current practices;
- Suspending participation in AIM Markets;

- Terminating participation in any or all AIM Markets for the current year; and
- Declaring the Market Participant ineligible for participation in future years.

In addition, AIM Management may in appropriate cases notify relevant local, state, and federal agencies of a Market Participant's conduct.

Discretion. The Market Manager has complete discretion in initiating disciplinary measures.

Violations. Any violation of these Rules may give rise to disciplinary action under this Section 5. These violations include, but are not limited to:

- Failing to comply with applicable laws including the Direct Marketing Rules, weight and measures regulations, and health and safety regulations;
- Selling products not of the Market Participant's own production;
- Using rude, abusive, discourteous, or threatening language or conduct;
- Causing or maintaining unsafe or unsanitary conditions at the Market;
- Obstructing another Market Participant's ability to transact business at the Market;
- Displaying false or misleading signage or representations to Consumers or AIM;
- Failing to arrive at a confirmed market without prior notice or to pay stall fees or other amounts owed to AIM on a timely basis; and
- Participating in or soliciting Market Participants for non-AIM farmers' markets as contemplated by Sections 1.5 and 4.3.
- Failing to satisfy Consumer complaints as described in Section 5.2.
- Failure to turn in a load list.

This list of violations is illustrative only; any violation of these Rules is subject to disciplinary action.

Process. The process for responding to violations is as follows:

- The Market Manager will provide oral notice of the violation to the Market Participant and will seek to resolve it through discussion with, and development of a corrective action plan by, the Market Participant.
- If the situation is not resolved to the Market Manager's satisfaction, the Market Manager may take any action he or she deems appropriate, including, but not limited to, directing the Market Participant to close for the day and leave the Market, and requiring the Market Participant to change its practices at future market sessions.
- If the Market Manager determines that the Market Participant should be suspended from participation, the Market Manager will refer the matter to the

Executive Director/CEO. The Executive Director/CEO has authority to and may in his or her discretion suspend a Market Participant for one or more market sessions. The Executive Director/CEO will notify the Market Participant of the recommended suspension, describing the reasons for the recommendation and advising the Market Participant of his or her right to speak with the Executive Director regarding the recommended suspension. The Executive Director will notify the Market Participant of his or her decision regarding the suspension. The suspension will take effect upon delivery of the notice of suspension.

- If the Market Manager determines that the Market Participant should be terminated from participation at an AIM Market for the current and or future years, the Market Manager and Executive Director/CEO will bring the matter before the AIM Board. The AIM Board has sole and final discretion in terminating participation privileges. The AIM Board will notify the Market Participant of the recommended termination, describing the reasons for the termination and advising the Market Participant of his or her right to speak with the Board regarding the recommended termination. The AIM Board will notify the Market Participant of its decision regarding the termination. The termination will take effect upon delivery of the notice of termination.
- The AIM Board may uphold, reverse, or modify suspension or termination decisions in its sole discretion. The AIM Board will seek to make a decision within the later of 15 days after the Market Participant's appearance before the Board. The Board's decision will be final and binding.

Other Grievances. Market Participants are welcome at any time to bring forward to the AIM Board any issues, grievances, concerns, or complaints they may have about market operations. Market Participants must present such issues and complaints in writing.

5.2 CONSUMER COMPLAINTS

Complaints Received by Market Participants. AIM expects Market Participants to resolve Consumer complaints promptly and courteously, including accepting returned products and providing refunds.

Complaints Received by AIM. AIM will advise Market Participants of written complaints AIM receives from Consumers about product quality, conduct, or unfair practices, and will take action as follows:

- For the first complaint, AIM Management will issue a written notice to the Market Participant, including the date, time, and nature of the complaint, as well as a copy of the original complaint.
- A second complaint from any Consumer may result in AIM Management bringing the matter before the AIM Board, which will determine the appropriate course of action, including taking the disciplinary actions set out above.
- A third complaint from any Consumer may result in a decision by the AIM Board to terminate permanently participation by the Market Participant in all AIM Markets and membership in AIM.

5.3 OTHER CONSEQUENCES OF DISCIPLINARY ACTION

Relevance to Future Participation. As provided in Section 2.3 of these Rules, a Market Participant's history of compliance with the Rules and applicable laws, with Consumer

complaints, and with AIM are factors that may be taken into consideration by AIM in approving applications for participation in future years.

5.4 CONSUMERS AND THE PUBLIC

Section 4 of the Rules provides guidelines for conduct at AIM Markets by all persons who engage in activities there, including Consumers and members of the public. Market Managers may advise such persons of those guidelines and direct them to comply or leave the premises in appropriate cases.

5.5 NO LIMITATIONS ON AIM RIGHTS

The process described in this Section 5 does not (i) limit AIM's ability to enforce its rights under these Rules; (ii) limit or qualify a Market Participant's obligation to comply with applicable law or the Rules; or (iii) limit AIM's right to notify and/or involve government authorities as it may determine.

5.6 NO REFUNDS OR OTHER CLAIMS UPON TERMINATION

Market Participants under no circumstances will be entitled, directly or indirectly, to any refunds, any direct, incidental, consequential, punitive, or other damages, any other forms of compensation or indemnity from AIM, or to obtain an injunction, specific performance, or other equitable remedy, as a consequence of suspension or termination from an AIM Market.

6. INSPECTIONS AND RECORDS

6.1 FARM AND PRODUCTION FACILITY VISITS

AIM may, upon reasonable notice to Market Participants, visit and inspect a Market Participant's farm or facility (including processing facilities, boats, workshops, and studios) in order to confirm that products being sold at AIM Markets are in production at the farm or facility in compliance with these Rules.

6.2 STALL INSPECTIONS AND RECORDS REQUESTS

Market Managers may, at any time with or without notice, inspect stalls for compliance with these Rules. Market Participants must provide to AIM upon AIM's request documents and records relating to current insurance coverages, permits and licenses, tax-exempt status, and other matters. Market Participants must cooperate with Market Managers in connection with these inspections and requests.

6.3 CONSEQUENCES OF VISITS OR INSPECTIONS

The presence of Market Managers or other AIM staff at a farm, facility, or stall will not limit or affect in any way the Market Participant's obligation to comply with these Rules. This section does not impose any duty on AIM to inspect farms, facilities, or stalls, report to Market Participants the results of any such inspection, or assume any liability of any kind arising from engaging or not engaging in such an inspection. As provided in Section 5, if as a consequence of a farm or facility visit AIM learns that a Market Participant is not acting in accordance with these Market Rules, AIM may take appropriate disciplinary action and/or notify relevant local, state and federal authorities. AIM will notify the Ag

Commissioner of the relevant county if AIM suspects that a Market Participant is not acting in accordance with Market rules.

7. FREE SPEECH ZONES

7.1 ACCESS AND ASSIGNMENT

Access. Each AIM Market has a single designated Free Speech Zone. Individuals wishing to use the Free Speech Zone must fill out a sign-in sheet which is available at the AIM website, and which the Market Manager will make available at the information booth in the market. AIM instituted these rules to both protect the safety of AIM's patrons and to guarantee the free speech rights of people who visit AIM Markets. Violation of any of these rules may result in an individual's removal from the market and/or a denial of later access to the Free Speech Zone at all AIM Markets.

Space Assignment. The Market Manager will assign space to an individual wishing to use the Free Speech Zone on the day requested. Spaces are limited; Market Managers will assign them strictly on a first-come, first-serve basis.

Non-Discrimination Policy. The Market Manager will not grant or deny space simply on the basis of the Market Participant's race, color, religion, gender, sexual orientation, or origin.

7.2 SET-UP AND CONDUCT

Set-Up Requirements. In setting up their space, individuals wishing to use the designated Free Speech Zone must comply with the following rules:

- Individuals may set up a card table or folding table no larger than six feet by three feet in their assigned space. Larger tables are not permitted because they impede the flow of traffic and create safety hazards during emergency evacuations.
- Because umbrellas and tents can cause injuries if they are not adequately set up and secured, individuals using the Free Speech Zone, like all Market Participants, are not permitted to set them up without providing the Market Manager with evidence of liability insurance coverage and naming AIM as additional insured. In addition, individuals using the Free Speech Zone must follow all set-up and tie-down requirements set out in these Rules.

Conduct. In conducting their free-speech activities, individuals using the Free Speech Zone must comply with the following rules:

- Individuals may not block or impede traffic flow around the entrance to the Market, around any designated exits, or in any fire lanes. Individuals may not block, restrict access to, or otherwise interfere with the operation of the Market or its vendors and must stay within their assigned space.
- Individuals must respect AIM patrons' right to privacy by not pushing unwanted materials on them.

- AIM encourages individuals using the Free Speech Zone to restrict their distribution of flyers and other material, both to cut down on waste and to avoid the buildup of trash that could impede the flow of traffic in the Market.
- To respect the right of all people in the Free Speech Zone to be heard and to allow our patrons to hear emergency evacuation alarms, AIM does not allow amplification equipment in the Free Speech Zone.
- Commercial activities are not permitted in the Free Speech Zone.

8. GENERAL REQUIREMENTS

8.1 COMPLIANCE WITH APPLICABLE LAWS

Every Market Participant at its sole cost and expense must comply with all applicable local, state, and federal laws, including, but not limited to, the Direct Marketing Rules, labor, employment, health, safety, weighing and labeling, and other laws applicable to the Market Participant's participation in AIM Markets. It is the sole responsibility of each Market Participant to ensure that its operations, including certification, sales, displays, set-up, and clean-up comply with such legal requirements.

8.2 INSURANCE

At all times when participating in any AIM Market, every Market Participant other than Entertainers must maintain, at its sole expense, commercial general liability insurance including products liability, blanket contractual liability, and personal injury coverage with a combined single limit of \$1 million per occurrence for bodily injury, including death and property damage. This policy must name AIM as an additional insured. Artisans are not required to purchase products liability insurance. In addition, every Market Participant must maintain automotive liability insurance for both owned and non-owned vehicles used by the Market Participants. Market Participants must provide evidence of these coverages to AIM in a form acceptable to AIM prior to commencing operations at any AIM Market and otherwise upon AIM's request as provided by Section 6.2 of these Rules.

8.3 INDEMNIFICATION

Each Market Participant will indemnify, hold harmless, defend, and protect AIM, its officers, directors, trustees, agents, volunteers, donors, and employees (together, "AIM Parties"), and relevant AIM Market site owners and operators from and against any and all claims, losses, damages, demands, suits, costs, and expenses, including attorneys' fees, penalties, judgments, or obligations and liabilities of every kind or character resulting from (i) any act or omission by the Market Participant, its employees, agents, or volunteers at any AIM Market (together, "Market Participant Parties") in connection with the Market Participant's activities and presence at an AIM Market, including, but not limited to, sale to and consumption by individuals of products sold by a Market Participant and operation and set-up by a Market Participant of its stall space, whether that claim involves product liability, consumer protection, health and safety, permitting, negligence or other tort, employment, tax, or any other matter; and (ii) any breach by the Market Participant of its obligations under these Rules.

8.4 ASSUMPTION OF RISK

Market Participants are aware that in participating in AIM Markets they may be exposed to personal injury, death, or damage to their property as a result of their activities, the activities of their employees, Consumers, volunteers, AIM staff, the materials or tools used, or the conditions under which Market Participants sell their products or otherwise participate in the AIM Markets. Market Participants acknowledge that there may exist hazardous conditions at AIM Markets. Market Participants understand that their safety is their own personal responsibility. With knowledge of these risks, Market Participants agree to accept any and all risks of personal injury, death, or damage to their property.

8.5 RELEASE AND WAIVER OF LIABILITY

Each Market Participant waives all claims against AIM Parties and site owners and operators with respect to or arising out of (i) any death or any injury of any nature whatsoever that may be suffered or sustained by Market Participant Parties from any causes whatsoever, except to the extent such injury or death is caused by gross negligence or willful misconduct of AIM Parties; or (ii) any loss or damage or injury to any property on or about any AIM Market belonging to the Market Participant Parties at any time during the Market Participant's participation at an AIM Market, except to the extent such injury or damage is to property not covered by insurance carried by the Market Participant and is solely caused by the gross negligence or willful misconduct of AIM Parties. Subject to the prior provisions, neither AIM Parties nor site owners or operators will be liable for damages of any nature whatsoever to Market Participant Parties caused by explosion, fire, theft, crime, or negligent behavior, by the interruption of any public utility service, by water, rain, or other substances leaking from, issuing from, or flowing into any part of any AIM Market, by natural occurrence, riot, court order, requisition or order of governmental body or authority, or for any damage or inconvenience which may arise through repair, maintenance, or alteration of any part of AIM Markets or market sites, or by anything done or omitted to be done by AIM Parties. In addition, each Market Participant waives any claims it may have against any AIM Party arising from any alleged goodwill created by the Market Participant for the benefit of AIM or from the alleged creation or increase of a demand for products, services, or other items available at AIM Markets.

8.6 TAXES; RELATIONSHIP

Market Participants are solely responsible for all tax returns and payments required by any federal, state, or local tax authority in connection with their participation in any AIM Market. Market Participants are solely responsible for their own disability, unemployment insurance, workers' compensation, and similar arrangements and contributions. Nothing in these Rules creates an employment, partnership, joint venture, fiduciary, or similar relationship between any Market Participant and AIM.

8.7 THIRD PARTY BENEFICIARIES

Except as specifically provided in Sections 8.3 and 8.5, these Rules are for the exclusive benefit of AIM and Market Participants and not for the benefit of any third party including, but not limited to, any employee, volunteer, family member, contractor, or customer of a Market Participant. AIM Parties are intended third party beneficiaries of Sections 8.3 and 8.5.

8.8 NO REPRESENTATIONS

AIM does not make any representations, warranties, promises, or guarantees of any kind to any Market Participant, including any about sales, profits, stall location, Consumer

traffic, product offerings, or otherwise. Market Participants make their own independent evaluation in deciding to participate in an AIM Market.

8.9 PUBLICITY

AIM may film, tape, photograph, and otherwise document Market Participants and AIM's operations at AIM Markets. AIM may use such materials including a Market Participant's likeness and voice on its website, in its publications, or through any other media, at AIM's sole discretion. AIM will use reasonable efforts to consult with and notify Market Participants of AIM's intent to film, tape, photograph, and otherwise document AIM's operations at AIM Markets.

8.10 NONWAIVER OF RIGHTS

Any waiver by AIM Management under these Rules must be in writing and signed by AIM Management. Failure, neglect, or delay by AIM Management at any time to enforce the provision of these Rules will not be considered a waiver of AIM's rights under these Rules. Waiver of any breach or provision of these Rules or failure to enforce any breach or provision of these Rules will not be considered a waiver of any later breach or the right to enforce any provision of these Rules.

8.11 MEMBERSHIP

AIM requires all Market Participants to pay "membership" dues and become "members" of AIM. The terms "membership" and "member" are used in an associational sense only; AIM does not have members within the meaning of Section 5056 of the California Nonprofit Public Benefit Corporation Law. Status as an AIM member does not entitle the individual or entity to vote in the election of directors to the Board of Directors or on any other matters, or to inspect any AIM accounting or other records, or to have any of the rights of a member within the meaning of Section 5056 of the Nonprofit Corporation Law.

9. AMENDMENTS AND SEVERABILITY

9.1 MODIFICATION

AIM may amend these Rules in its sole and absolute discretion without advance notice. AIM will provide all new Market Participants with a copy of the current Rules and will post a copy of the current Rules on the AIM website.

9.2 SEVERABILITY

The invalidation of any provision of these Rules, or of its application to any party, by judgment or court order, will not affect any other provision of these Rules or their application to any other party or circumstance, and the remaining portions of these Rules will continue in full force and effect, to the maximum extent permitted by law.

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