

**OAKLAND CANNABIS BUYERS' COOPERATIVE
STATEMENT OF CONDITIONS**

On May 19, 1998, United States District Judge Charles R. Breyer issued a preliminary injunction enjoining the Oakland Cannabis Buyers' Cooperative from engaging in the distribution of marijuana in violation of federal law. The Oakland Cannabis Buyers' Cooperative would like to assure all Members that the Cooperative will continue to operate in the good faith belief that it is not engaging in the distribution of cannabis in violation of law. Federal law excludes from the definition of "distribution" the joint purchase and sharing of controlled substances by users. As a Member of the Oakland Cannabis Buyers' Cooperative, you are a joint participant in a cooperative effort to obtain and share medical cannabis. Each transaction in which you participate is not a "sale" or "distribution," but a sharing of jointly obtained medical cannabis. If you make a payment to the Cooperative such payment is a reimbursement for administrative expenses and operations, which all Members who utilize the services of the Cooperative agree to share.

The medical cannabis, shared among the Members of the Cooperative may only be used by you for the medical purposes approved or recommended by your physician. Federal law recognizes that the sharing and use of cannabis is justified by medical necessity when reasonable alternatives are not available. At the present time, federal authorities refuse to enroll any additional patients in the federal program for the medical use of cannabis.