

**Glen Valley Organic Farm Cooperative  
Memorandum of Association**

1. The name of the Cooperative is Glen Valley Organic Farm Cooperative.
2. The purposes of the Glen Valley Organic Farm Cooperative are to cooperatively preserve and steward organic farmland and to support farmers to grow good, clean and fair food for local communities.
3. Glen Valley Organic Farm Cooperative is restricted from exercising the following powers:
  - distribution of surplus to members.
4. The liability of a member of the Glen Valley Organic Farm Cooperative is limited in accordance with the Cooperative Associations Act.
5. Glen Valley Organic Farm Cooperative is permitted to issue an unlimited number of membership shares with a par value of \$5000 each.
6. Glen Valley Organic Farm Cooperative is a Community Service Cooperative. This provision is unalterable.
7. Glen Valley Organic Farm Cooperative will not issue investment shares. This provision is unalterable.
8. In the event that Glen Valley Organic Farm Cooperative winds up or dissolves, its properties after the satisfaction of its liabilities (including the redemption of all paid up shares), costs, charges and expenses properly incurred in the dissolution or winding up, must be transferred to or distributed among one or more organizations that are
  - a. Community Service Cooperative(s) or
  - b. Charitable organization(s) registered under the Income Tax Act (Canada).This provision is unalterable.

# Rules of Glen Valley Organic Farm Cooperative

## Part 1 — Interpretation

### Definitions

1 In these Rules:

"**Act**" means the Cooperative Association Act of British Columbia from time to time in force and all amendments to it;

"**adjourned meeting**" means the meeting to which a meeting is adjourned;

"**board**" or "**the directors**" mean the directors of the Cooperative for the time being;

"**consensus**" is a group decision-making process that seeks not only the agreement of most participants, but also the resolution or mitigation of minority objections;

"**Cooperative**" means the Glen Valley Organic Farm Cooperative;

"**member**" means a member of the Cooperative and includes a joint member;

"**regulation**" means the regulation under the Cooperative Association Act as made and amended from time to time;

"**Rules**" means these Rules and all amendments, additions, deletions or replacements from time to time in force and effect.

### *Cooperative Association Act definitions apply*

2 Subject to Rule 1, words and expressions defined in the Act as they read on the date these Rules become applicable to the Cooperative apply to these Rules, with the necessary changes, so far as applicable.

### Interpretation

3 Words in the singular form include the plural and vice versa and words importing a specific gender include the other gender and eligible organizations. "They" and "their" can be used to mean "he/she" and "his/her" respectively.

### *Cooperative Association Act governs*

4 If there is a conflict or inconsistency between the Act and the Rules, the Act governs.

## Part 2 — Membership

### Open membership

5 Membership in the Cooperative is open in a non-discriminatory manner to individuals and organizations who are in alignment with the vision, mission and values of Glen Valley Organic Farm Cooperative. Membership includes use of the services of the Cooperative to interested members who are willing and able to accept the responsibilities of membership.

### Application for membership

- 6 An individual or organization that wishes to become a member may submit a request for membership to the Cooperative. In order to be considered, the prospective member will receive an orientation by a current member, and attend a general meeting.

**Age qualification**

- 7 To be eligible for membership in the Cooperative, an individual must be at least 16 years of age.

**Approval of application**

- 8 The directors, or a person authorized by the directors to approve applications for membership, may approve an application for membership pending the purchase of the minimum number of membership shares under Rule 10, may refuse an application for membership, and may postpone consideration of an application for membership.

**Effective date of membership**

- 9 Membership is effective on the day that the application for membership is approved under Rule 8, and the minimum number of membership shares required under Rule 10 is purchased.

**Minimum share requirement**

- 10 Shares are designated as membership shares and each member must, as a condition of membership, purchase at least 1 (one) of those shares.

**Withdrawal from membership**

- 11 A member may withdraw from membership in the Cooperative by:
- (a) giving written notice, by post or e-mail, to the directors of the member's intention to withdraw and advising the Cooperative regarding their intentions with respect to Rule 34; and,
  - (b) surrendering any share certificates in respect of membership shares.

**Effective date of withdrawal**

- 12 The membership of a member ceases on the date the member has complied with the requirements of Rule 11.

**Notice of death or bankruptcy of individual member**

- 13 Subject to Rule 23 (2), notice to the Cooperative of the death or bankruptcy of an individual member has the same effect as a notice of intention to withdraw, and Rules 11, 12, 17 and 39 apply with the necessary changes, so far as applicable.

**Notice of bankruptcy, liquidation or dissolution of eligible organization member**

- 14 Notice to the Cooperative of the bankruptcy, liquidation or dissolution of a member that is an eligible organization has the same effect as a notice of intention to withdraw, and Rules 11, 12, 17 and 39 apply with the necessary changes, so far as applicable.

### **Grounds for termination of membership**

- 15** If a member of the Cooperative has
- (a) engaged in conduct detrimental to the Cooperative, and has not rectified the breach within a reasonable time after:
    - (i) having an opportunity to discuss the breach with the Directors and the membership of the Cooperative in a general meeting, and
    - (ii) subsequently receiving a notice from the Directors requiring the member to rectify the breach
  - (b) not paid money due by the member to the Cooperative within a reasonable time after receiving written notice to do so from the Cooperative, their membership may be terminated by motion of the Directors requiring the approval of  $\frac{3}{4}$  of the Directors entitled to vote. A member whose membership is terminated shall not be re-admitted to membership, except by a special resolution of the Cooperative.

[CAA, 1999, section 34]

### **Appeal of termination of membership**

- 16** The right of appeal of a person or organization whose membership in the Cooperative is terminated for a reason set out in Rule 15 is governed by the Act.

[CAA, 1999, section 37]

### **Effect of termination, withdrawal or other cessation of membership**

- 17** (1) When a member withdraws from membership or a membership is terminated or ceases for any reason, all rights and privileges attached to membership cease except the right to require the Cooperative to redeem the member's membership share(s), in accordance with Rule 39 or 40, whichever is applicable.
- (2) The cessation of membership does not release the former member from any debt or obligation owed to the Cooperative unless the instrument of debt or obligation states otherwise.

## **Part 3 — Joint Membership**

### **Joint membership**

- 18** Two or more individuals or eligible organizations may apply in accordance with Rule 6 to be joint members and, if the application is approved under Rule 8, the joint members hold the membership shares purchased in respect of the joint membership in joint tenancy.

### **Decision-making rights of joint members**

- 19** The decision-making rights of joint members are governed by the Act.

[CAA, 1999, section 42]

### **Business done by joint member**

- 20** Business done by one joint member is deemed to be business transacted by the joint members of the membership.

### **Joint members — liability and payments**

- 21** The liability of joint members for amounts due to the Cooperative in respect of the joint membership and the payment of amounts due to joint members from the Cooperative in respect of the joint membership are governed by the Act.

[CAA, 1999, section 42]

### **Withdrawal of joint membership**

- 22** (1) Joint members may withdraw from membership by complying with Rule 11.  
(2) The written notice required by Rule 11 (a) must be signed by all joint members.

### **Death of a joint member**

- 23** (1) On receipt of proof satisfactory to it of the death of one joint member, the Cooperative may treat the surviving joint member(s) as the owner(s) of the membership share(s) held by the joint members.  
(2) The death of one joint member does not have the same effect as a notice of withdrawal under Rule 11.

### **Entitlement of joint members to act as directors**

- 24** Only one joint member of a membership is entitled to be a director of the Cooperative at any one time unless that joint member or another of the joint members  
(a) is a member in their own right, or  
(b) is authorized to represent a member that is an eligible organization.

## **Part 4 — Share Structure**

### **Authorized share structure**

- 25** The authorized share structure of the Cooperative is set out in the Memorandum.
- 26** No member may hold less than one or more than 10 membership shares in the Cooperative.

## **Part 5 — Payment for Shares**

### **Payment for shares**

- 27** (1) Except as provided in this Rule, the Cooperative must not issue or allot membership shares unless the shares are paid for in accordance with the Act.  
(2) Membership shares are payable on call.

[CAA, 1999, section 52]

**Calls on unpaid amount of membership shares**

**28** The directors may make calls on the members for any of the money unpaid on membership shares and a call is deemed to have been made at the time when the decision of the directors authorizing the call was passed.

**Lien on membership**

**29** The Cooperative has a lien on a member’s membership shares for any debt due to it by the member.

**Part 6 — Share Certificates**

**Entitlement to share certificate**

**30** (1) Every person or organization whose name is entered in the register of members is entitled without payment to a membership share certificate, specifying the number of membership shares held by that person or organization and the amount paid up on those membership shares.  
(2) The Cooperative is not required to issue more than one certificate in respect of a membership share held by joint members, and delivery of a share certificate to one joint member is sufficient delivery to all.

[CAA, 1999, sections 42, 57, 64]

**Part 7 — Transfer of Shares**

**Requirements of instrument of transfer**

**31** (1) Members may transfer their membership share(s) only with the prior approval of the directors. The directors may refuse to assent to a transfer of any membership share not fully paid up on which the Cooperative has a lien.  
(2) An instrument of transfer of any shares in the Cooperative must be executed both by the transferor and the transferee, and  
(3) the transferor remains the holder of the shares until the name of the transferee is entered in the register of members.

**Form of transfer**

**32** Shares in the Cooperative may be transferred in the following form, or in another usual or common form approved by the directors:

I, .....[transferor], of ..... [address of transferor] in consideration of the sum of \$..... paid to me by ..... [transferee], of ..... [address of transferee], do transfer to the transferee ..... [number] shares in the Glen Valley Organic Farm Cooperative, for which certificates are attached, to be held unto the transferee or his or her personal representatives and assignees, subject to the conditions on which I held the same at the time of the execution; and I, the transferee, agree to take the shares subject to those conditions.

Signed on ..... (year, month, day)

(Signature of transferor).....

(Signature of transferee).....

(Signature of witness).....

- 33** The instrument of transfer must be accompanied by the Certificate of the membership share(s) to which it relates.

**In the case of withdrawal of membership**

- 34** Members or organizations who withdraw from membership in the Cooperative, subject to Rule 11, have the following options:
- (a) redeem their membership share(s) in the amount paid up on the membership share(s), or
  - (b) provide notice in writing that they wish to forfeit their membership share(s) and contribute them to the Cooperative in the form of a donation.

[CAA, 1999, section 56]

**Part 8 — Transmission of Shares**

**Procedure on death of a member**

- 35** The person entitled to the membership share(s) of a deceased member may, on providing proof satisfactory to the directors of the death of the member and the person's entitlement,
- (a) if the person is not a member, apply under Part 2 for membership in the Cooperative,
  - (b) if the person is a member, request that the directors register the membership in the member's name, or
  - (c) apply to the directors to redeem the shares.

**Registration of share prohibited if person entitled is not a member**

- 36** The Cooperative must not register a membership share in the name of the person entitled to a deceased member's shares unless
- (a) that person is a member, and
  - (b) the transfer has been authorized by the directors.

**Redemption of shares**

- 37** If the person entitled to the membership share(s) of a deceased member does not qualify for membership under Part 2 or the directors do not authorize the transfer of shares to that person, the Cooperative must, subject to the Act, redeem those shares by paying to that person, within one (1) year of the date on which the person provided the Cooperative with proof of their entitlement, the amount paid up on the share(s).

[CAA, 1999, section 66]

## **Part 9 — Redemption of Shares**

### **Cooperative authorized to purchase and redeem its shares**

**38** Subject to the Act and these Rules, the Cooperative may, by consensus of the membership at a general meeting, redeem any of its shares.

[CAA, 1999, section 66]

### **Redemption of shares on withdrawal of membership**

**39** Subject to the Act, if a member withdraws from membership, the period within which the Cooperative must redeem the shares of the former member is one (1) year from the effective date of the withdrawal.

### **Redemption of shares on termination of membership**

**40** A member whose membership is terminated by the Cooperative in accordance with Rule 15 shall be entitled to have their membership shares redeemed immediately.

[CAA, 1999, section 38]

### **Redemption of shares in all other cases**

**41** In all other cases, subject to Rule 43, redemption of membership shares will be carried out in the following order:

- (a) first to estate requests;
- (b) next to members of the Cooperative who resign because they cease to reside in the territory covered by it;
- (c) to all other cases as determined by the directors to be equitable and justifiable.

**42** Notwithstanding Rules 39, 40 and 41 if the Cooperative is unable to pay its liabilities as they become due in the ordinary course of business, or if a proposed redemption of membership shares, refund of amount paid on membership shares or prepayment of a loan would, in the opinion of the directors,

- (a) render the Cooperative unable to pay its liabilities as they become due in the ordinary course of business, or
- (b) cause the realizable value of the Cooperative's assets to be less than its liabilities,

no redemption, refund or prepayment will be made.

**43** Subject to Rule 42 and the Act, the directors may not suspend a redemption, refund or prepayment for longer than one (1) year unless the suspension is approved by a special resolution.

[CAA, 1999, section 38]

## **Part 10 — Register of Members**

### **Register of Members**

**44** The Cooperative must keep and maintain a register of members in accordance with the Act.

[CAA, 1999, section 124]

## **Part 11 — Meetings of the Cooperative**

### **Annual general meetings**

**45** An Annual General Meeting shall be held at least once in every calendar year within four (4) months after the financial year end at an hour and place prescribed by the Cooperative in general meeting, or, in default, determined by the directors.

[CAA, 1999, section 143]

### **Notice of annual general meeting**

**46** At least 14 days' notice shall be given to members of every Annual General Meeting and of every General Meeting at which a Special Resolution is to be proposed, specifying the place, day and hour of the meeting, and in the case of a Special Resolution, the general nature of that business.

### **Business at annual general meeting**

**47** At the first General Meeting and at each Annual General Meeting the following business must be considered:

- (a) report of the directors;
- (b) financial statement;
- (c) auditor's report, if applicable;
- (d) selection of directors;
- (e) appointment or waiver of appointment of an auditor.

### **Order of business at annual general meeting**

**48** The order of business at the first General Meeting and at Annual General Meetings, to the extent appropriate in the circumstances, must be as follows:

- (a) meeting to be called to order;
- (b) notice convening meeting to be read;
- (c) minutes of preceding annual general meeting to be read and adopted or amended and adopted as required;
- (d) business arising out of minutes to be considered;
- (e) reports of standing and special committees to be read;
- (f) financial statement to be placed before the meeting;
- (g) reports of directors and auditors to be read;
- (h) selection of directors and appointment of auditors;
- (i) special business to be considered;
- (j) unfinished business to be considered;

(k) new business to be considered.

### **Special general meetings**

- 49** (1) The calling of a Special General Meeting by the directors, either on their own initiative or in response to a requisition by the members, must be in accordance with the Act.
- (2) The requisitioning of a Special General Meeting by the members must be in accordance with the Act.
- (3) The directors may determine the order of business at a Special General Meeting.

[CAA, 1999, sections 150, 151, 152]

### **General membership meetings**

- 50** General membership meetings will be held as deemed appropriate by the directors and/or members.

### **Notice of general meetings of the Cooperative**

- 51** At least 7 days' notice of General Meetings shall be given to members.

[CAA, 1999, sections 122, 146]

### **Notice of special resolution**

- 52** (1) If a special resolution is to be proposed at a General Meeting, the notice under Rule 46 of that meeting must include
- (a) the full text of the special resolution, or,
  - (b) if the full text of the special resolution is too lengthy for convenient inclusion in the notice, a summary of the text in sufficient detail to permit a member to form a reasoned judgment concerning the special resolution.
- (2) If a notice under Rule 46 contains a summary of the text of a special resolution as provided in subrule (1) (b), the notice must also state the place where the full text of that special resolution can be read or copied.

### **Quorum**

- 53** The quorum for the transaction of business at a general meeting is 10 members, or 25% of the total number of members entitled to participate in decision-making at the meeting, whichever is less.

### **Requirement of quorum**

- 54** No business may be transacted at any general meeting unless a quorum is present at the commencement of the meeting, and if at any time during the meeting there is fewer than three (3) members personally present. Any business then in progress is suspended until there is a quorum present or until the meeting is adjourned or terminated as the case may be.

### **Lack of quorum**

- 55** (1) If, within one hour from the time appointed for a general meeting, a quorum is not present, the meeting,
- (a) if convened by requisition of members, must be dissolved, and
  - (b) in any other case, stands adjourned to the same day in the next week at the same time and place, unless the place of meeting is changed out of necessity.
- (2) If at the adjourned meeting referred to in subrule (1) a quorum is not present within 1/2 hour from the time appointed, the members present in person are deemed to constitute a quorum, providing there are at least three (3) members personally present at all times.

### **Minutes of meetings**

- 56** The directors must appoint a member to act as secretary at all General, Special and Annual General Meetings. The secretary shall record all decisions and proceedings from those meetings. These minutes are to be circulated by e-mail to members.

### **Meetings by conference telephone**

- 57** The Cooperative may permit members to participate in general meetings and participate in decision-making by telephone or other communications medium in accordance with the Act.

[CAA, 1999, section 149]

## **Part 12 — Decision Making at All Meetings**

### **Actions to be determined by consensus**

- 58** Every decision at meetings of the Cooperative shall be made by consensus, in accordance with the Cooperative's policy, unless otherwise required by the Act or these Rules.

### **Decisions by show of hands**

- 59** Unless otherwise provided in these Rules or the Act, every motion put to the membership for decision at a general meeting is to be decided on a show of hands unless one or more members participate in the meeting by telephone or other communications medium, in which event the decision-making must be conducted in a manner that adequately discloses the intentions of those members.

### **No Proxy**

- 60** There are no provisions in the Cooperative for participation in meetings by proxy. Only members present at meetings are able to make decisions in matters discussed at that meeting.

### **Declaration is proof**

- 61** A declaration by the chair that a motion has been carried or lost, and an entry to that effect in the minutes of the General Meeting is proof of the outcome of the motion, in the absence of evidence to the contrary.

## **Part 13 — Decision Making Rights of Members**

### **Decision making rights and restrictions**

**62** The right of a member or joint member to participate in decision-making at a general meeting and the restrictions on those rights, are governed by the Act.

[CAA, 1999, sections 40, 41, 42, 59, 60, 61]

### **Decision making rights of persons in representative capacity**

**63** A person who is not registered as the holder of a membership share but who is entitled to participate in decision making at a General Meeting as a representative of a organization-member, may participate in the same manner as if they were a member if, before the meeting at which they proposes to participate, they satisfy the directors of their right to participate at that meeting.

### **Executors or administrators as joint shareholders**

**64** If there are 2 or more executors or administrators of a deceased member in whose sole name membership shares stand, those executors or administrators are, for the purposes of decision-making at general meetings, deemed to be joint shareholders of the membership shares.

## **Part 14 — Directors**

### **Duties of directors**

**65** The directors must, individually and collectively, manage the business of the Cooperative in accordance with the responsibilities, duties and powers set out in the Act, the Cooperative Association Regulation and the Memorandum and these Rules, in alignment with the vision, mission and values of the Cooperative.

**66** The powers of the directors, subject to the Act and these Rules, are shared equally among each of the directors.

**67** Every director, in exercising their powers and performing their functions, shall act honestly and in good faith and in the best interests of the Cooperative, and shall exercise the care, diligence and skill of a reasonably prudent person.

### **Provision for committees**

**68** The directors may request the participation of members in carrying out any, but not all of their responsibilities. Likewise, members may offer their skills in the advancement of the Cooperative's vision, mission and values.

### **Directors responsible for Register of Members**

**69** The directors shall cause proper registers of the members and directors to be kept at the registered office, and shall in all other respects comply with the Act.

[CAA, 1999, section 76]  
[CAA, 1999, Part 6, Divisions 1, 2, 3]

### **Qualifications for directors**

**70** In addition to the qualifications required by the Act, the majority of directors must be individuals who are not employees of the Cooperative.

[CAA, 1999, sections 72,79]

## **Part 15 — Selection and Removal of Directors**

### **Selection at Annual General Meeting**

**71** At the Annual General Meeting, the directors must be selected by the members in attendance at the meeting. The selection of directors is to be made by consensus by the members present, pursuant to Rule 72.

### **Nomination of candidates**

**72** At each Annual General Meeting, for selection of the directors:

- (a) The total number of directors to be selected will be determined by consensus of the members and may include any or all members in good standing. The number of directors shall never be fewer than three (3). All directors must ordinarily be resident in British Columbia. Up to twenty per cent (20%) of the Board of Directors may consist of non-members.
- (b) Members, including the existing directors, must agree to serve as a director prior to their selection.
- (c) Directors are selected by the members, by consensus.
- (d) All directors will be named at the meeting.

[CAA, 1999, section 72]

### **Filling of casual vacancies**

**73** Any subsequent casual vacancy may be filled by the directors.

### **Staggered terms of office of directors**

**74** (1) In this section, "1st annual general meeting" means the first annual general meeting of the Cooperative following the adoption of these Rules.  
(2) The term of office of a director ends at the end of the Annual General Meeting at which a replacement is selected.  
(3) In the selection of directors held at the 1st Annual General Meeting, all directors must be selected for a term ending one year hence, at the 2nd Annual General Meeting.  
(4) In the selection of directors held at the 2nd Annual General Meeting,

- (a) if the Board has an even number of directors,
  - (i) half of the directors must be selected for a term ending two years hence, and

- (ii) the remainder must be selected for a term ending one year hence,  
or
  - (b) if the Board has an odd number of directors,
    - (i) a simple majority must be selected for a term ending two years hence, and
    - (ii) the remainder must be selected for a term ending one year hence.
- (5) In the selection of directors held at each subsequent general meeting, the directors are to be selected for two-year terms.

#### **Effect of vacancy on ability of directors to act**

- 75** Despite any vacancy on the board, the continuing directors
- (a) if and so long as the number of continuing directors does not fall below three, may continue to function without filling the vacancy and may appoint a qualified member to fill the vacancy, or
  - (b) if the number of continuing directors is less than three, they must appoint directors for the purpose of increasing the number of directors to three, or call a general meeting to address the deficiency.

#### **Directors eligible for selection again**

- 76** A person whose term as director is ending is eligible for re-selection for up to a maximum of three consecutive terms.

#### **Resignation of director**

- 77** A director may resign from office by notifying the remaining directors in writing of their resignation including the date and time that their resignation is to become effective. Another person may or may not be appointed as a director in their stead, pursuant to Rule 75.

#### **Removal of director**

- 78** A director may be removed from office before expiration of their term by consensus of the membership if they are deemed to be acting dishonestly and without good faith and not in the best interests of the Cooperative. Another person may or may not be appointed as a director in their stead, pursuant to Rule 75.

### **Part 16 — Meetings of Directors**

#### **Meetings of directors**

- 79** Directors meet as often as necessary to carry out their responsibilities, either in person or by telephone or other communications medium.
- 80** Decisions of the directors will be made by consensus and a log of such decisions including names of directors present, will be kept with the minutes of their meetings, and distributed to the membership in a timely manner.

#### **Quorum of directors**

**81** A quorum of the board is a majority of the total number of directors authorized by the Cooperative under Rule 72.

**Decision making by consensus at meetings**

**82** Questions arising at any meeting of the directors are to be decided by consensus of the directors, unless the Act or these Rules require otherwise.

[CAA, 1999, section 77]

**Part 17 — Officers**

**No officers**

**83** The Glen Valley Organic Farm Cooperative does not provide for officers within its governance structure.

**Part 18 — Indemnification of Directors**

**Cooperative to carry director's liability insurance**

**84** Subject to the Act, the Cooperative will at all times carry insurance to indemnify the directors and will indemnify the directors against costs of any action stemming from their duties as Directors, or the results of any action stemming from their duties as Directors or both, unless the director intentionally committed an illegal act or acted outside their duty of loyalty to the Cooperative or their fiduciary responsibility.

[CAA, 1999, Part 6, Division 3]

**Part 19 — Finances**

**Borrowing powers**

**85** The directors may, with the approval of the members, raise or borrow or secure the payment of money for the purposes of the Cooperative, but debentures must not be issued and the amount at any one time owing in respect to money raised, borrowed or secured must not exceed the amount of capital subscribed, without the sanction of a special resolution.

**Investment powers**

**86** The directors shall not invest any part of the funds of the Cooperative without prior approval from the members.

**Membership to determine remuneration and expenses**

**87** The Cooperative, in general meeting, shall determine remuneration, if any, of the directors, and the amount, if any, allowed them for expenses.

**Auditor**

- 88** Subject to and in accordance with the Act, the directors must appoint an auditor, if any. The general membership may, by consensus at the annual general meeting, waive the appointment of an auditor in any given year. Such waiver shall only be in force for the year for which the motion is passed. The duties and rights of the auditor are governed by the Act.

[CAA, 1999, Part 7]

### **Accounting records**

- 89** The directors shall cause true accounts to be kept of:
- (a) all money received by the Cooperative and expended on behalf of the Cooperative, and the matter for which that receipt and expenditure takes place;
  - (b) the assets and liabilities of the Cooperative.
- 90** The books of accounts shall be kept at the registered office of the Cooperative, and may for temporary purposes be kept at another place the directors think fit, and shall at all reasonable times be open to the inspection of the directors and members by request.
- 91** A copy of the financial statements may be made available to every member at least 14 days before the meeting at which they are to be presented.

[CAA, 1999, section 138]

### **Financial year**

- 92** The financial year of the Cooperative ends on the date fixed by the directors.

### **Use of surplus funds**

- 93** The directors must apply surplus funds arising from the operation of the Cooperative in a financial year as members determine appropriate, by consensus at a general meeting of the Cooperative, and subject to the restrictions placed on Community Service Cooperatives.

## **Part 20 — Dispute Resolution**

### **Disputes**

- 94** In the event of a dispute arising out of the affairs of the Cooperative, between a member and/or any person aggrieved who has not for more than six (6) months ceased to be a member, the Directors shall:
- (a) encourage the resolution of the dispute by the individuals themselves; and if this does not result in a resolution,
  - (b) cause a meeting to be organized where the disputants themselves, in the presence of, and with the help of, one or more mutually agreed upon third party member(s) of the Cooperative shall attempt to resolve the dispute in a manner acceptable to them all; and in the event that the dispute is still not satisfactorily resolved,

(c) refer the dispute to an arbitration committee of three (3). The directors and the member or other person aggrieved must each select one member of the Cooperative to the committee, and the third committee person shall be chosen by the two selected. The third person may be from within or outside the Cooperative, and may be a professional mediator. The decision of this committee is final and binding on all parties and may be enforced on application to the Supreme Court of British Columbia.

### **Procedure**

- 95** (1) Subject to these Rules, any meeting set up to resolve a dispute will be conducted in a manner the Cooperative considers appropriate, so long as each party is treated fairly and given full opportunity to present their case.
- (2) Each party to the dispute must submit to a meeting under Rule 94 (c) a written statement describing the nature of the dispute and a summary of the evidence the party intends to present at the hearing.
- (3) The arbitration committee must hold a hearing as soon as possible at a location that is convenient to all parties.
- (4) Each party to the dispute must attend the oral hearing, if any.
- (5) If all parties agree, the hearing may consist of an exchange of written statements or any other procedure.

### **Decision must be in writing and signed by committee members**

- 96** (1) The arbitration committee may make whatever decision it considers just having regard to the Act, the regulation, the memorandum of the Cooperative, these Rules and the evidence presented by the parties.
- (2) The decision must be in writing and signed by each member of the arbitration committee.
- (3) Within four (4) weeks of the date of the decision, the arbitration committee may vary a decision to correct a clerical or typographical error or omission, or a similar type of error or omission.

### **Costs of arbitration**

- 97** Both parties to an arbitration must each bear their own share of the costs, unless another provision has been made by the membership of the Cooperative.

## **Part 21 — Notices**

### **Notice to directors, members, and other persons**

- 98** Unless otherwise specified in the Act or these Rules, any notice required to be given to a director, member, or any other person must be in writing and is sufficiently given if it is
- (a) delivered personally,
  - (b) delivered to the person's last known address, as recorded in the Cooperative's register of members or other record of the Cooperative,
  - (c) mailed by prepaid mail to the person's last known address, as recorded in the Cooperative's register of members or other record of the Cooperative,

- (d) sent to the person by facsimile transmission to a telephone number provided for that purpose, or
- (e) served in accordance with Rules 100 and 101.

[CAA, 1999, section 147]

### **Notice to Cooperative**

- 99** Unless otherwise specified in the Act or these Rules, any notice required to be given to the Cooperative must be in writing and is sufficiently given if it is
- (a) delivered to the registered office of the Cooperative,
  - (b) mailed to the registered office of the Cooperative by prepaid mail,
  - (c) sent by facsimile transmission to a telephone number provided for that purpose, or
  - (d) served in accordance with the Act.

[CAA, 1999, section 28]

## **Part 22 — Service of Documents**

### **Service by the Cooperative**

- 100** (1) A notice or other document required by the Act to be served by the Cooperative may be served by
- (a) mailing it by registered mail to the last known address of the intended recipient, as recorded in the Cooperative's register of members or other record of the Cooperative, or
  - (b) personal service.
- (2) A notice or other document served under subsection (1) (a) is deemed received on the second day, not including Saturday and holidays, after the date of mailing.

### **Service on the Cooperative**

- 101** Service on the Cooperative must be in accordance with the Act.

A document or other record may be served on the Association by

- (a) leaving it at, or mailing it by registered mail to, the registered office the Association as recorded under this Act, or
- (b) personally serving a director of the Association.

[CAA, 1999, section 28]

## **Part 23 — Corporate Seal and Execution of Instruments**

### **No corporate seal**

- 102** The Directors of Glen Valley Organic Farm Cooperative shall not adopt a corporate seal for the Cooperative.

### **Execution of Instruments**

- 103** Instruments may be executed on behalf of the Association by:
- (a) any 2 directors
  - (b) one or more directors or other persons as determined by resolution of the directors.

#### **Part 24 — Records**

##### **Records of the Cooperative**

- 104** Retention of, and entitlement and access to, records of the Cooperative are governed by the Act.

[CAA, 1999, Part 8, Divisions 1, 2, 3]

#### **Part 25 — Alteration of Memorandum or Rules**

##### **Alteration of memorandum or Rules**

- 105** The Memorandum and Rules of the Cooperative may only be amended by Special Resolution.
- 106** Each member on being accepted into membership shall be furnished on their request with a copy of the Memorandum and Rules of the Cooperative, and with additional copies upon payment of a sum not exceeding the copying costs.

[CAA, 1999, Part 5, Division 1]