

Cooperative Association Act

Rules of the GULF ISLANDS FOOD CO-OP

Part 1 — Interpretation

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;
- "Association" means the **GULF ISLANDS FOOD CO-OP**;
- "board" or "the directors" mean the directors of the Association for the time being;
- "member" means a member of the Association;
- "regulation" means the regulations 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 Association 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.

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 1) Subject to Rule 10, Membership in the Association is open in a non-discriminatory manner to individuals, incorporated eligible organizations, and Indigenous First Nation entities who originate currently or traditionally from the islands of Pender, Mayne, Saturna or Galiano, plus other Gulf Islands of BC, Canada where mutually beneficial, and who are Food Producers or Active Supporters of food producers and local food security, and also willing and able to accept the responsibilities of membership.

2) Memberships may not be held jointly.

Application for membership

6 An individual or eligible organization that wishes to become a member must submit to the Association a written application for membership in the form provided by the Association for that purpose, and payment for the minimum number of membership shares required under Rule 8 for membership in the Association.

Age qualification

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

Minimum share requirement

8 Each member must, as a condition of membership, subscribe to one membership share.

Approval of applications for membership

9 Subject to Rule 10, the directors, or a person authorized by the directors to approve applications for membership, may approve or refuse an application for membership and may postpone consideration of an application for membership. **New members will only be approved such that the membership class of Southern Gulf Islands/SGI Food Producers (as below) constitutes a majority of the registered members of the Association.**

Membership Classes

10 On approval of an applicant's membership, the directors, or the person authorized by the directors to approve applications for membership, shall assign the member to one of the following classes of membership:

Class of Membership	Rights and Responsibilities
SGI Food Producers	<ul style="list-style-type: none">• Will be ordinarily resident on, or originating currently or traditionally from the Southern Gulf Islands (SGI) of Pender, Mayne, Saturna or Galiano (in BC, Canada);• Will be involved in food production, on a commercial or non-commercial basis;• Must always constitute a majority of the membership of the Association.
Additional Food Producers	<ul style="list-style-type: none">• Will be ordinarily resident on a Gulf Island in BC other than those included as SGI Food Producers;• Will be involved in food production, on a commercial or non-commercial basis.
Active Supporters	<ul style="list-style-type: none">• Will be an individual or organization not currently engaged in food production, but who wishes to actively support Gulf Island Food Producers and local food security;• May be ordinarily resident on a Gulf Island or elsewhere in BC.

Effective date of membership

11 Membership is effective on the day that the application for membership is approved under Rule 9.

Change in Membership Class

12 A member may be transferred from one class of membership to another by applying to the Directors for such a change, and such transfer will take effect when the Directors give their approval.

Withdrawal from Membership

13 A member may withdraw from membership in the Association by giving written notice of their intention to withdraw to the official email address of the Association.

Effective date of withdrawal

14 The membership of a member ceases on the date the member has complied with the requirements of Rule 13.

Notice of death or bankruptcy of individual member

15 Notice to the Association of the death or bankruptcy of an individual member has the same effect as a notice of intention to withdraw.

Notice of bankruptcy, liquidation or dissolution of eligible organization member

16 Notice to the Association 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.

Grounds for termination of membership

17 The Association may terminate the membership of a member in accordance with the Act if:

- (a) the member has engaged in conduct detrimental to the Association;
- (b) the member has not paid money due by the member to the Association within a reasonable time after receiving written notice to do so from the Association;
- (c) in the opinion of the directors, based on reasonable grounds, the member
 - (i) has breached a material condition of an agreement with the association, and
 - (ii) has not rectified the breach within a reasonable time after receiving written notice to do so from the Association; or
- (d) the member has not transacted any business with the Association for a period of 2 consecutive years.

Appeal of termination of membership

18 (1) A member whose membership is terminated for the reason set out in Rule 17 (d)

- (a) may appeal the termination in accordance with the Act, and
- (b) if he or she does so, the member continues to be a member of the Association despite a resolution of the directors terminating the membership, unless the members at the general meeting to which the appeal is brought confirm the termination of membership by a simple majority.

(2) The right of appeal of a person whose membership in the Association is terminated for a reason set out in Rule 17 (a) to (c) is governed by the Act.

Effect of withdrawal, termination or other cessation of membership

19 (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 Association to redeem the member's membership shares .

(2) The cessation of membership does not release the former member from any debt or obligation owed to the Association unless the instrument of debt or obligation states otherwise.

Register of Members

20 The Association must keep and maintain a register of members in accordance with the Act.

Part 3 — Shares

Authorized share structure

21 The authorized share structure of the Association is set out in the memorandum, and shall consist of an unlimited number of membership shares with a par value of ten dollars (\$10) apiece, and each member holding one share only. No investment shares shall be issued.

Payment for shares

22 Every member must purchase one membership share with a par value of \$10 on admittance to membership.

Failure to pay for shares

23 Membership shares may be purchased on call. If a member fails to pay for their share within 2 weeks of written request, their share may be forfeited and their name removed from the register of members.

No share certificates and member share register

24 The Association will not issue share certificates. In addition to the member register, a member share register shall be maintained. When a member buys a share, their name shall be entered in the share register.

Shares not transferable

25 Membership shares may not be transferred.

Share procedures on death, bankruptcy, liquidation or dissolution of a member

26 A person or legal entity entitled to the membership share of a deceased or bankrupt individual, or the membership share of a bankrupt, liquidated, or dissolved eligible organization, may, upon providing satisfactory proof of the foregoing, request that the directors redeem the share by refunding its price.

Association authorized to purchase and redeem its shares

27 Subject to the Act, the Association may, by a resolution of the directors, redeem any of its shares at the price and on the terms specified by the resolution.

Redemption of shares on termination or withdrawal of membership

28 Subject to the Act, if the Association terminates a membership, it must immediately redeem the member's share by refunding the price paid for it. If a member withdraws from membership, the Association must redeem the member's share within 4 months of the effective date of the withdrawal.

Part 4 — General Meetings of Members

Annual general meetings

29 The Association must hold its first and subsequent general meetings of members within the time provided by the Act. This includes a first general meeting within 3 months after the date of incorporation, and then one general meeting each calendar year, within 4 months of the fiscal year end.

Business at annual general meeting

30 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) election or appointment of directors;
- (e) appointment or waiver of appointment of an auditor.

Order of business at annual general meeting

31 The order of business at the first general meeting and at annual general meetings, to the extent appropriate in the circumstances, shall be as follows:

- (a) meeting to be called to order;
- (b) notice convening meeting to be read;
- (c) quorum to be confirmed;
- (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) election of directors and appointment of auditors (if any);
- (i) special business to be considered;
- (j) unfinished business to be considered;
- (k) new business to be considered.

Special business

- 32** (1) Any business other than business listed in Rule 31 is special business.
(2) Special business shall be approved by ordinary resolution of the members unless the Act or these Rules require otherwise.

Special general meetings

- 33** (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) Requisitioning of a special general meeting by members must be in accordance with the Act.

Time and place of general meetings

34 General meetings must be held at the time and place in British Columbia that the directors specify.

Meetings may be held electronically

- 35** Subject to the Act, a general meeting may be held using electronic communications, provided that:
- (a) All members participating in the meeting have the ability to hear the proceedings;
 - (b) All members participating have a means of providing their input;
 - (c) The convener of the meeting is located in British Columbia.

Provision for 2 or more general meetings for the same matters

- 36** (1) If it is not possible to hold one general meeting at a time when, or place where, enough of the membership is able to attend, 2 or more general meetings may be held at the times and the places in British Columbia that the directors specify in accordance with the Act.
(2) Votes taken at meetings referred to in subrule (1) must be by secret ballot.
(3) The sum of the total votes taken at the meetings referred to in subrule (1) determine whether a resolution considered at those meetings is adopted or rejected.

Record date

- 37** (1) The record date for any general meeting is the 7th day before the date of the meeting.
(2) Only those members whose names are entered in the register of members on the record date are entitled to vote at the general meeting.

Notice of general meetings of the Association

38 Notice of general meetings must be given to members and to the auditor of the Association, if any, in accordance with the Act and in any event at least 14 days before the meeting. Notice is sufficient if provided:

- (a) by email or mail addressed to a member's address in the register of members;
- (b) by personal delivery, or leaving the notice at the member's usual address; or
- (c) by fax or any other method of transmitting legibly recorded messages.

Financial statement

39 A copy of the financial statement that is to be placed before a general meeting must be provided to the members at least 10 days before the date set for the meeting, in the same manner as Rule 38.

Notice of special resolution

- 40** (1) If a special resolution is to be proposed at a general meeting, the notice of 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 in sufficient detail to permit a member to form a reasoned judgment.
- (2) If a notice under Rule 38 contains a summary of a special resolution as per subrule (1) (b), the notice must also state the place where the full text of that special resolution can be read or copied.

Meeting valid despite failure to give notice

41 The accidental omission to give notice of any general meeting to, or the non-receipt of any notice by, a member or person entitled to receive notice does not invalidate any proceedings at that meeting.

Quorum

42 The quorum for the transaction of business at a general meeting is 3 members entitled to vote.

Chair

43 The president or, in the absence of the president, the vice-president of the Association, shall preside as chair at every general meeting. If there is no chair present within 30 minutes after the time appointed for holding the meeting, the members present shall elect a member to chair the meeting.

Meeting procedures

44 At a general meeting, all motions shall be by ordinary resolution unless otherwise required by the Act or Rules. The directors shall appoint a member to act as secretary. The secretary must record the minutes of all resolutions and proceedings at the general meeting, as required by the directors.

Voting rights and restrictions

45 The right of members to vote at a general meeting and the restrictions on those rights are governed by the Act. Each eligible member has one vote. The Chair votes like an ordinary member. A person representing an eligible organization member must satisfy the Chair of a general meeting that they have authority to represent that organization, and then they may vote on behalf of the member organization and exercise the same rights at the meeting as if they were an individual member of the Association.

Part 5 — Directors

Duties of directors

46 The directors must manage the Association in accordance with the responsibilities, duties and powers set out in the Act, the regulation, the Association's Memorandum and these Rules.

Number and type of directors

- 47** (1) The Association must have,
- (a) in accordance with the Act, at least 3 directors, and
 - (b) not more than 12 directors, and at incorporation shall have 3.
- (2) The number of directors may be changed within the above limits by ordinary resolution of the members.
- (3) **A majority of directors must be from the SGI Food Producers member class (as per Rule 10).**

Qualifications of directors

48 In addition to rule 47 and the qualifications required by the Act, a majority of directors must be individuals who are not employees of the Association.

Election at annual general meeting

49 An election of directors must be held at each annual general meeting, to replace those directors whose terms of office have expired or will expire at the end of the meeting.

Directors elected according to number of votes

- 50** In an election of directors, the chair shall declare elected:
- a) **First, the candidates from the SGI Food Producers class of membership** who received the highest number of valid votes among candidates of their class, until a majority of the number of the available positions have been filled, and then
 - b) **The remaining candidates from any of the three classes of membership** with the highest number of valid votes, until all remaining available positions are filled.

Consent to act as director

51 For a director's election or appointment to be valid, they must consent in accordance with the Act.

Effect of vacancy on ability of directors to act

- 52** Despite any vacancy on the board, the continuing directors:
- (a) if and so long as the number of continuing directors constitutes a quorum of the board, may continue to function without filling the vacancy, or may appoint a qualified member to fill the vacancy; or
 - (b) if the number of continuing directors does not constitute a quorum of the board, they shall appoint directors for the purpose of increasing the number of directors to a quorum, or must call a general meeting to elect directors and for no other purposes.

Director terms and eligibility for re-election or re-appointment

53 Directors are elected for a 1-year term until the end of the next annual general meeting after their election or appointment. A director whose term is ending is eligible for re-election or re-appointment.

Director ceasing to hold office

54 A director ceases to hold office in accordance with the Act and these Rules.

Removal of director

55 The Association may by special resolution remove any director before the expiration of his or her term of office, and may by an ordinary resolution fill the vacancy created by the removal.

Part 6 — Meetings of Directors**Meetings of directors**

56 Subject to the Act and these Rules, the board of directors shall meet together at least three (3) times per year, and may adjourn and otherwise regulate their meetings as they consider appropriate.

Time and place of meetings

57 Meetings of the board must be held at the time and place in British Columbia that the board of directors or the President and any two directors decide is appropriate. Subject to the Act, a directors meeting may be held using electronic communications, provided that:

- (a) All directors participating in the meeting have the ability to hear the proceedings;
- (b) All directors participating have a means of providing their input;
- (c) The convener of the meeting is located in British Columbia.

Notice of Meetings

58 (1) At least 10 days' notice must be given for a directors' meeting, and is sufficient if provided:

- (a) by email or mail addressed to a member's address in the register of members;
- (b) by personal delivery, or leaving the notice at the member's usual address;
- (c) by fax or any other method of transmitting legibly recorded messages; or
- (d) by telephone to the director's telephone number as provided by them.

(2) A notice of a meeting of directors must specify the purpose of the meeting, plus the business to be transacted at the meeting if it is called to deal with an emergency or any of the following matters:

- (a) a question or matter requiring approval of the members;
- (b) filling a vacancy on the board;
- (c) filling a vacancy in the office of auditor;
- (d) issuing shares;
- (e) redeeming shares issued by the Association;
- (f) approving a financial statement of the Association;
- (g) making decisions that by the Act or these Rules are required to be made by a vote of greater than a majority of the directors.

Meeting of new board

59 If a quorum of directors is present, the directors elected at an annual general meeting may, without notice, may hold a meeting of the board immediately after that general meeting.

Notice of emergency meeting

60 In an emergency, the president of the Association may call a meeting of the directors by giving each director at least 48 hours written or oral notice of the meeting.

Meeting valid despite failure to give notice

61 The accidental omission to give notice of any meeting to, or the non-receipt of any notice by, a director does not invalidate any proceedings at that meeting.

Quorum of the board

62 A quorum of the board is a majority of the total number of directors currently elected by the Association, save that it may never be fewer than 3.

Chair

- 63** (1) The president of the Association or, in the absence of the president, the vice-president shall chair all meetings of the board.
- (2) If both the president and vice-president are absent from a meeting of the board, the directors present shall appoint one of their number to chair the meeting.

Voting at meetings

64 Questions arising at any directors meeting are to be decided by a majority of votes, unless the Act or these Rules require otherwise, and with the Chair voting like a regular director.

Minutes of directors' meetings

65 The minutes of the proceedings of the directors must be kept in accordance with the Act.

Transaction of business without a meeting

66 A resolution of the directors may be passed without a meeting in accordance with the Act, which requires written approval of the resolution by all directors. This approval may be by email or any other written message, and the resolution takes effect after all directors have provided such approvals.

Appointment of committees

67 The board may appoint one or more committees, consisting of the directors that the board considers appropriate to exercise the powers delegated to the committee, as authorized by the Act.

Act applies to directors and officers

68 The directors and officers of the Association are governed by the disclosure, conflict of interest, and indemnification rules set out in the Act.

Part 7 — Officers**Appointment of president and vice-president**

69 The board must appoint, by resolution, a president and a vice-president from among the directors. These officers shall be appointed for a 1-year term until the end of the next annual general meeting.

Appointment of other officers

- 70** (1) The board may appoint a secretary, a treasurer or other officers that the board finds necessary, including a description of their powers, responsibilities, term of office, and any remuneration;
- (2) The officers appointed under subrule (1) may be, but need not be, directors;
- (3) The board, in its discretion, may remove any officer of the Association, without prejudice to that officer's rights under any employment contract.

Part 8 — Finances**Borrowing powers**

71 For the purposes of the Association, the directors may borrow or raise money on behalf of the Association, including the issuance of debt securities as the directors consider appropriate.

Investment powers

72 Subject to any limitations adopted by the directors, and if applicable subject to Rule 73, the directors may invest the funds of the Association in the manner they consider appropriate.

Limitations on investing

- 73 (1) The directors must not invest any Association funds over \$30,000 at any one time without the prior approval by special resolution of the members, or unless the money is to be invested in securities in which trustees are permitted to invest trust funds under the Trustee Act.
(2) The Association must not provide loans on the security of its shares.

Auditor

- 74 (1) Subject to and in accordance with the Act, the directors shall appoint the first auditor (if any) and the members of the Association shall appoint subsequent auditors (if any).
(2) The duties and rights of the auditor are governed by the Act.

Accounting records

75 The directors must cause financial accounts to be kept in accordance with the Act.

Financial year

76 The financial year of the Association ends on the date fixed by the directors.

Use of surplus funds

- 77 The directors must apply surplus funds from the operation of the Association in a financial year:
(a) first, to retire all or a portion of any deficit previously incurred by the Association, as the directors determine is appropriate;
(b) second, to set aside a reserve to meet contingencies; and then
(c) apply all other surplus to carrying out the Association's purposes, with there being no patronage returns and no interest or dividends paid on membership shares.

Association notices, service, and execution of documents

78 A notice required to be given to the Association is sufficient if mailed to its registered office. Service by the Association may be by personal service or registered mail to the last known address. Documents of the Association may be executed by the signature of any 2 directors, or an officer and a director.

SUBSCRIBERS

Zorah Staar
Signature of Subscriber

ZORAH STAAR

Printed Name of Subscriber

SEPTEMBER 10, 2018
Date Signed

WITNESSES

N. McLarty
Signature of Witness

NEVAN MCLARTY

Printed Name of Witness

309 - 1694 Cedar Hill X Rd, Victoria, BC, V8P 2P7
Full Address of Witness

SEPTEMBER 10, 2018
Date Signed



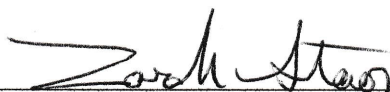
Signature of Subscriber

ROSALIND KEMPE

Printed Name of Subscriber

SEPTEMBER 22, 2018

Date Signed



Signature of Witness

ZORAH STAAR


Printed Name of Witness

309 - 1694 Cedar Hill X Rd, Victoria, BC, V8P 2P7

Full Address of Witness

SEPTEMBER 22, 2018

Date Signed



Signature of Subscriber

AMBER ALBRECHT

Printed Name of Subscriber

sept 21 2018

Date Signed



Signature of Witness

ZORAH STAAR

Printed Name of Witness

309 - 1694 Cedar Hill X Rd, Victoria, BC, V8P 2P7

Full Address of Witness

SEPTEMBER 21, 2018

Date Signed