# MEMORANDUM OF ASSOCIATION
# BRITISH COLUMBIA CO-OPERATIVE ASSOCIATION

**1. Full Name of Association**

British Columbia Co-operative Association

**2. Purpose of Association**

The purpose of the BC Co-operative Association is to unite and empower co-operatives to thrive in British Columbia.

**3. Restrictions on Powers**

(a) No part of the income of the Association may be paid to or otherwise available for the benefit of any Member of the Association.

(b) No part of the assets or property of the Association may be paid or distributed to the Members of the Association during the existence of the Association or upon winding up or dissolution,

(c) No dividend or interest may be paid on membership shares.

**4. Authorized Share Capital**

The Association is permitted to issue unlimited membership shares with a par value of $10.

**5. Limited Liability**

The liability of a member or investment shareholder of the Association is limited in accordance with the Cooperative Association Act.

**6. Dissolution or Winding Up**

Section 196(1) of the Cooperative Association Act applies to the Association. This provision may not be altered.

**7. Community Services Co-operative**

The Association is a Community Services Co-operative. Section 178.1 of the Cooperative Association Act also applies to the Association.

For the purposes of Part 6 of this Memorandum, on dissolution, property must be transferred to or distributed among one or more of the following organizations:

(a) a community service cooperative;

(b) a charitable organization registered under the *Income Tax Act* (Canada)

This provision may not be altered

**RULES OF THE ASSOCIATION**
**REVISED JUNE 2025**

## ARTICLE 1 – GENERAL

### 1.01 Definitions

In these Rules:

(a) "Act" means the Cooperative Association Act of British Columbia from time to time in force and as amended,

(b) "Association" means British Columbia Co-operative Association,

(c) "Board of Directors" means the Board of Directors of the Association, and "Board" has the same meaning,

(d) "Delegate" means a person elected or appointed by a Member to represent it at Meetings of the Association,

(e) "Director" means a person elected or appointed under these Rules to serve on the Board.

Includes both “Director-at-Large” and “Sustaining Member Director.”

i. “Director-at-Large” means a Director elected or appointed from Class A members

ii. “Sustaining Member Director” means a Director appointed by a Class C member.

(f) "Dues" means the annual payment or contribution by the Member to the Association,

(g) "Meeting" means a general meeting or special meeting of the Members duly held under the Rules of the Association,

(h) "Member" means an entity that is a member of the Association,

(i) "Memorandum" means the Association's Memorandum of Association and all amendments, additions, deletions, or replacements from time to time in force,

(j) "National Association" means either Co-ops and Mutuals Canada, or the Co-operative Development Fund, a registered charitable organization, or the Co-operative Investment Fund supported by Co-ops and Mutuals Canada, or any other national co-operative association as designated by the Directors, as the context may require.

(k) "Rules" means these Rules and all amendments, additions, deletions, or replacements from time to time in force.

(l) “Run-off Vote” means a second-round election held when no candidate or option secures the required majority in the initial vote. Run-off voting is used to determine a clear winner by eliminating the candidate(s) with the lowest vote after each round of voting until a candidate is selected by a majority of votes.

### 1.02 Application of Definitions

Subject to Rule 1.01, words and expressions defined in the Act as they read on the date these Rules come into force apply to these Rules, with the necessary changes. If there is a conflict or inconsistency between the Act and these Rules, the Act governs.

## ARTICLE 2 – MEMBERS

### 2.01 Members

The Members of the Association are those eligible organizations which have been admitted as Members by the Board under these Rules and who have not withdrawn from membership or been terminated.

### 2.02 Admission of Members

The Board may admit as Members organizations which:

(a) apply for membership in the manner approved by the Board,

(b) subscribe for the required number of membership shares (which shall not be less than one),

(c) make any required payment for membership shares, as set by the Board from time to time, and

(d) in the opinion of the Board, qualify for membership under one of the classes listed in these Rules.

The required annual subscription for member shares will be determined by the Board.

### 2.03 Qualifications of Members

The Directors, or a person authorized by the Directors to approve applications for membership, may approve or refuse an application for membership based upon the eligibility criteria below and in accordance with the Co-op Act, and may postpone consideration of an application for membership. The Board may admit organizations into membership under the classes below:

(a) Class A Members, being co-operatives or credit unions incorporated in British Columbia or elsewhere, and carrying on business activities or operations in British Columbia,

(b) Class B Members, being eligible organizations carrying on business activities or

operations in British Columbia that share a commitment to advancing the cooperative form of business and do not qualify for membership in Class A.

(c) Class C, or Sustaining Members, being organizations otherwise eligible to be Class A members, who have agreed to contribute dues and purchase shares in the amount set for Sustaining Members as determined by the members.

### 2.04 Member Dues

Member dues will be set by the Board and reviewed as needed. Notwithstanding this provision, any increase of more than 10% in a given year must be approved by the general membership at an AGM.

### 2.05 Dues Arrears

Any member whose dues are in arrears will not be eligible to vote at the AGM. In addition, if the member is represented by a director on the Board, the director's voting rights on the Board shall be suspended until the unpaid dues are paid." Including the suspension language will make this provision consistent with Section 6.10.

### 2.06 Termination of Membership

The Board may terminate the membership of a Member on the grounds and according to the procedures set out in the Act.

### 2.07 Withdrawal from Membership

A Member may withdraw from membership by giving written notice to the Association. The notice is effective on the date given in the notice, or when it is received, if the notice gives no date. Notice to the Association of the bankruptcy, liquidation or dissolution of a Member has the same effect as a notice of intention to withdraw. In the event of the withdrawal of a member, annual dues paid by that member will not be returned.

## ARTICLE 3 – MEETINGS OF MEMBERS

### 3.01 Members Meetings

(a) Class A Members have one vote each.

(b) Class B Members have no vote.

(c) Class C Members have the same vote as if they were a Class A member.

(d) A Member wishing to vote at a Meeting of the Members must appoint a Delegate who is on their staff or board, and no Member can vote except by its Delegate(s) or Alternate(s).

(e) An Alternate may act in a Delegate's place at a Meeting of Members in the absence of the

Delegate or at the Delegate's written request.

(f) No person can be a Delegate or Alternate for more than one Member.

(g) Each Member must provide the Association with the name and address of its Delegate, and of its Alternate, if any, in writing, in the manner required by the Association and prior to the commencement of the meeting which the Delegate(s) and Alternate(s) are to attend, failing which the Delegate or Alternate may not be allowed to vote on behalf of the Member.

(h) The quorum for Meetings is 10% of the Class A and Class C Members whose Dues are not in arrears on the date that notice of the Meeting is given. Business can be conducted at a Meeting as long as there is a quorum.

(i) Voting by proxy is not allowed.

(j) Voting shall be accomplished through methods and means established by the Board and may include in-person, electronic transmission, and/or mail. Notice of the vote shall be posted in a conspicuous place at the Association and on its website and shall be delivered not less than 10 days prior to the end of the Voting Period.

Voting Periods shall be established by the Board as long as they fall within the Rules under the Act.

(k) Except where the Rules or the Act require a Special Resolution, any question coming before a Meeting will be decided by a resolution passed by a simple majority of the votes cast on the Resolution. In the event of a tie vote, the chair will not have a deciding or casting vote, and the proposed Resolution will fail.

(l) Meetings of Members will be chaired by the Board Chair or any person appointed by the Chair. A person appointed by the Board Chair to chair a meeting may be but is not required to be, a Delegate or a member of a Member.

**3.02 Annual General Meeting of Members**

(a) An Annual General Meeting of the Members must be held each calendar year before the last day of July.

(b) The order of business at annual general meetings, to the extent appropriate in the circumstances, must be as follows:

(i) meeting to be called to order;

(ii) notice convening meeting to be read;

(iii) minutes of preceding annual general meeting to be read and adopted or amended and adopted as required;

(iv) business arising out of minutes to be considered;

(v) reports of standing and special committees to be read;

(vi) financial statement to be placed before the meeting;

(vii) reports of directors and auditors to be read;

(viii) election of directors and appointment of auditors;

(ix) special business to be considered;

(x) unfinished business to be considered;

(xi) new business to be considered.

(c) The business of the Annual General Meeting will be conducted in the order approved by the Members at the Annual General Meeting.

**3.03 Other Meetings**

The Directors may call a Meeting of Members and must call a special Meeting of Members when requisitioned to do so in accordance with the Act.

**3.04 Notice of Meetings**

(a) Notice of the Annual General Meeting must be sent to each Member not less than 21 days before the Meeting.

(b) Notice of any other Meeting of Members must be sent to each Member not less than 14 days before the Meeting

## ARTICLE 4 – BOARD OF DIRECTORS

**4.01 Number of Directors**

The Board consists of at least 9 and not more than 13 people elected or appointed as set out in these Rules, including a number of Sustaining-Member Directors appointed by Class C members as described in these rules.

**4.02 Qualifications of Directors**

(a) At the time of their election and during their term of office, all Directors must be 18 years of age or older, ordinarily resident in British Columbia, and

(i) a member or Delegate of a Class A Member whose Dues are not in arrears, or

(iii) a Delegate of a Class C Member whose Dues are not in arrears.

(b) No person can be or remain a Director who:

(i) has been found by a court to be of unsound mind,

(ii) has the status of an undischarged bankrupt,

(iii) fails to meet or maintain any other qualification specified in the Act or in these Rules, or

(iv) ceases to be eligible due to the entity they represent on the Board

withdrawing from membership in the Association for any reason.

**4.03 Directors-at-large**

Nine directors are to be elected as Directors-at-large by delegates at an Annual Meeting, or appointed by the Board to fill a vacancy.

**4.04 Term of Office of Directors-at-large**

Directors-at-large serve for a three -year term, beginning at the end of the Annual Meeting when the Director-at-large takes office and ending at the close of the third Annual Meeting after that. When a Director-at-large is elected to fill a vacancy during a term, the Director will serve the balance of that term.

**4.05 Rotation of Directors-at-large**

(a) At each Annual General Meeting, three Directors-at-large must each be elected for a term of three years.

(b) Where there are no candidates for an office, the position is a vacancy and falls under article 4.11.

**4.06 Term Limits for Directors-at-large**

Directors-at-large may serve a maximum of four full three-year terms, plus any number of years where they served the remainder of a vacancy term to a maximum of 14 years.

**4.07 Sustaining Member Directors**

In addition to the elected Directors-at-large, and in accordance with Rule 4.02(a), each Class C member may appoint one of its delegates as a Director for a one-year term beginning at the close of the Annual Meeting when the Director is appointed and ending at the close of the following Annual Meeting, with a maximum of 4 Directors appointed under this Rule. Should there be more than 4 Class C members, the Class C members shall elect the Directors from amongst their Delegates in a manner prescribed by the Board Chair.

**4.08 Term Limits for Sustaining Member Directors**

Sustaining Member Directors serve at the discretion of the Class C Member who appoints them up to a maximum of 14 years.

**4.09 Nominations Committee**

Before each Annual General Meeting, the Board will appoint two or more people who are not seeking election to the Board to serve as a nominating committee. The Nominations Committee will seek candidates who are competent, qualified, and willing to stand for election to the Board and who reflect the diversity of co-operatives and credit unions in British Columbia. The Nominations Committee will carry out its duties so as to give the Delegates as broad a choice of representation as possible.

**4.10 Rules for Annual General Meeting Elections**

The Nominations Committee will oversee all elections at Annual General Meetings. The Committee shall call for nominations from members no later than 90 days prior to the Annual General Meeting, with all nominations to be received by the Committee within the timeframe

determined by the Nominating Committee. At the Annual General Meeting, the Committee shall announce the number of vacancies on the Board, their terms, and shall nominate all eligible candidates whose nominations were received within the nominations window. Elections will be by secret ballot. The Nominations Committee will count the ballots. Candidates receiving a majority of votes for the available positions will be declared elected.

In an election of directors, the chair must declare as elected the candidates who received the highest number of valid votes up to the number of directors to be elected. In the event of a tie between two or more candidates, the winner will be determined by a run-off vote. If the run-off vote results in a tie, the winner will be determined by lot.

Where the number of candidates for office is less than or equal to the number of vacancies, the candidate(s) and members will still vote on individual candidates, with only those candidates who receive a majority of yes votes being elected.

**4.11 Vacation of Office**

(a) The office of a Director is vacated when the Director:

(i) no longer qualifies for office under Rule 4.02 or the Act,

(ii) has been absent without notice from three consecutive regular Board meetings, in which case the office is vacated when the Board passes a resolution taking notice of the absences,

(iii) resigns by written notice,

(iv) is removed from office by a Special Resolution passed at a Meeting of Members held under the Act, or

(v) dies.

(b) Provided a quorum of Directors remains in office, the Board may fill any vacancy in the Board from among persons qualified to be Directors of the Association, but a Director so appointed only holds office until the close of the next Annual General Meeting. At that time, the members must elect an individual to serve for the remainder of the original term.

**4.12 Removal of Directors**

A Director may be removed by the decision of 2/3 of the remaining Directors for conduct contrary to the Association, behavior that creates a significant risk of reputational harm to the association, failure to follow Board policies, or an inability or refusal to perform the Director’s duties and responsibilities. If at any time a Director's organization ceases to be a Member of the Association, the Director will automatically be removed from the Board.

**4.13 Powers of the Board**

(a) The Board will manage or supervise the management of the business of the Association. The Board may exercise all the powers of the Association that the Act or these Rules do not require the Members to exercise. As permitted by the Act, the Board may delegate any of its powers by Resolution to a committee of Directors.

(b) To the extent permitted by the Act, and where not prohibited by the Rules or by Resolutions passed by the Members, the Board may

(i) borrow money on the credit of the Association,

(ii) issue, sell or pledge securities of the Association,

(iii) give guarantees,

(iv) use the property of the Association as security for a loan or repayment of a debt,

(v) invest the funds of the Association in the manner it considers appropriate, and

(vi) delegate the powers referred to in (i) through (v) by Resolution to any Director of the Association as the Board sees fit.

**4.14 Duties of Directors**

The Directors must manage the Association in accordance with the responsibilities, duties, and powers set out in the Act, the regulation, the memorandum, and these Rules.

**4.15 Insurance for Directors and Officers**

(a) The Association will purchase and maintain Directors and Officers insurance for any individual referred to in this Rule.

**4.16 Time and Place of Board Meetings**

Meetings of the Board may be held anywhere in British Columbia at any time the Board decides. The Board may hold meetings in any manner determined by the Chairperson as long as all persons participating in the meeting can communicate adequately with each other during the meeting.

**4.17 Notice of Board Meetings**

Board meeting notices will be sent by email or in writing at least five days before the meeting. The Board can pass a resolution to change this timing if needed. Directors can also unanimously agree in writing to waive the notice requirement.

**4.18 Quorum for Board Meetings**

The quorum to commence a Board meeting and to conduct business at that meeting is a majority of the Directors.

## ARTICLE 5 - OFFICERS

**5.01 Appointment, Removal, and Powers**

The officers of the Association are the Chairperson, Vice-Chairperson, Treasurer, Secretary, and Executive Director. These officers are appointed by the Board from among the Directors, except the Executive Director, who is hired by the Board. The Board may remove any officer from office by any procedure the Board decides that is not inconsistent with the Act or other applicable statute. The Board may appoint other officers as it determines necessary. Subject to the Act, the

Board may specify the powers of the officers appointed, and may vary, add to, or limit the powers of any officer.

**5.02 Duties of Chairperson**

The Chairperson will perform the duties, exercise the powers of the Chairperson, and perform any other duties that the Board assigns to the Chairperson.

**5.03 Duties of Vice-Chairperson**

The Vice-Chairperson will assist the Chairperson in the exercise of the Chairperson's duties and will perform any other tasks delegated to the Vice-Chairperson by the Chairperson or the Board. The Vice-Chairperson will perform the duties and exercise the powers of the Chairperson in the absence, disability, or refusal to act of the Chairperson.

**5.04 Duties of Treasurer**

The Treasurer will ensure that proper arrangements have been made for the management of the financial affairs of the Association. The Treasurer will report to the Board and Members on the Association's finances and perform other duties assigned by the Board.

**5.05 Duties of Secretary**

The secretary shall record the minutes of board meetings and execute any official documents of the association as may be required from time-to-time.

**5.06 Duties of Executive Director**

The Executive Director has the authority and responsibility to lead the Association and will perform the duties as assigned by the Board.

In addition, the Executive Director will ensure that:

(a) required notices of Board meetings and Members Meetings, and all other legally required notices are given,

(b) the corporate records of the Association are properly kept,

(c) notices and other documents are filed with governments as required.

## ARTICLE 6 – SHARES

**6.01 Payment for Shares**

The Board will set an initial fair-share investment fee for each Membership share. This investment is to be wholly separate from the annual dues owed by members (which are not refundable). No part of the funds of the Association shall be employed in liens upon the security of its shares.

**6.03 Redemption and Transfer of Shares**

(a) The Association may, by a resolution of the Directors, redeem any of its shares at the price, not to exceed the amount paid up on the shares, and on the terms specified by the resolution, and the Association may reissue its shares.

(b) Shares are non-transferable.

**6.04 Redemption of Shares on Cessation of Membership**

(a) Subject to these Rules and the Act, and provided no liens exist which the Association may have against such shares, the Association may, at the discretion of the Board, redeem the membership shares of an organization that withdraws from membership, whose membership is terminated, or whose membership ceases for any reason.

(b) The amount paid on redemption of a membership share must not exceed the amount paid up on the share.

(c) The Directors may defer redemption of membership shares for a period not exceeding three years from the date that membership ceases. If redemption is not made within 90 days from the date that membership ceases, interest shall be paid on the redemption amount at a rate, if any, to be determined by the Directors, not to exceed 8 per cent per annum, calculated annually not in advance from the date that membership ceases to the date when payment is made.

**6.05 Share Certificates**

The Association will not issue membership share certificates.

**6.06 No Interest on Membership Shares**

No dividend or interest will be paid on membership shares.

**6.07 No Distribution of Income or Assets to Members**

(a) Save as provided in the Memorandum, in this Rule and in the Act:

(i) No part of the income of the Association may be paid to or otherwise available for the benefit of any Member of the Association,

(ii) No part of the assets or property of the Association may be paid or distributed to the Members of the Association during the existence of the Association or upon winding up or dissolution,

(b) The Association, upon a Member ceasing to be a Member of the Association, may, if approved by the board, redeem the Member's membership shares by paying to that Member an amount not to exceed the initial investment amount paid on account of shares of the Association.

(c) The Association may distribute surplus of the Association by way of an adjustment or reduction of fees so long as the distribution is made to all in the same proportion as fees were paid.

(d) Nothing in this Rule shall prohibit the Association from paying any bona fide indebtedness and interest thereon to any Member.

(i) No payment made by the Association to a Member by way of payment of any indebtedness
or otherwise shall be made by way of issue of shares of the Association to the Member,

(ii) No payment by a Member to the Association by way of fees or for services shall be credited in whole or in part on account of the purchase of

shares of the Association.

(f) Nothing in this Rule shall prohibit a payment on dissolution or winding up in accordance with the Memorandum.

### 6.10 Unpaid Calls

If a call for annual dues is not paid on or before the date set for payment, the Member from whom the money is due will be considered inactive and will not be permitted a member vote, and if they have a representative on the Board, that Director will be suspended until the dues are paid.

## ARTICLE 7 – FINANCIAL YEAR

### 7.01 Financial Year

The financial year of the Association will begin on April 1 and end on March 31 of the following year.

## ARTICLE 8 – AUDITORS

### 8.01 Appointment of Auditor

At each Annual General Meeting the Members may, subject to the Act, waive the appointment of an Auditor by a special resolution of the members, or appoint an auditor to audit the accounts of the Association. If an auditor is appointed, the auditor will hold office until the close of the next Annual Meeting. The Board may fill any vacancy in the office of the auditor that occurs between Annual Meetings, subject to the provisions of the Act.

## ARTICLE 9 - NOTICES AND SERVICE OF DOCUMENTS

### 9.01 Notice to Directors, Members and Others

Unless otherwise specified in the Act or these Rules, any notice or other document required to be served on or given to a Director, Member or any other person must be in writing and is sufficiently served or given if it is:

(a) delivered personally,

(b) delivered to the last known address of the intended recipient, as recorded in the Association's register of Members or other record of the Association,

(c) mailed by prepaid mail to the intended recipient's last known address, as recorded in the Association's register of Members or other record of the Association, or

(d) sent to the intended recipient by facsimile transmission to a telephone number provided by the intended recipient for that purpose,

(e) sent via electronic mail to the address provided by the recipient, or typically used for correspondence between the member and the Association.

**9.02 Notice to Association**

Unless otherwise specified in the Act or these Rules, any notice or other document required to be served on or given to the Association must be in writing and is sufficiently served or given if it is:

(a) delivered to the registered office of the Association,

(b) mailed by prepaid mail to the registered office of the Association,

(c) sent by facsimile transmission to a telephone number provided by the Association for that purpose,

(d) sent via electronic mail to the address provided by the recipient, or typically used for correspondence between the member and the Association, or,

(e) served in accordance with the Act.

## ARTICLE 10 – CORPORATE SEAL AND EXECUTION OF DOCUMENTS

**10.01 Use and Custody of Corporate Seal**

The Directors may provide a seal for the Association and may determine its form, and the Directors must cause the seal to be stored in a safe place at the registered office of the Association.

**10.02 Execution of Documents**

(a) The impression of the seal on any document or instrument must be attested by the signature(s) of one or more Directors, officers, or other persons as determined by resolution of the Directors.

(b) Documents and other instruments may be executed by the Directors, officers, or other persons authorized by resolution of the Directors without the impression of the seal.

## ARTICLE 11 – AMENDMENTS TO RULES

**11.01 Amendments to Rules**

Rules can be made, amended or repealed by Special Resolution passed at a Meeting called for that purpose or at any Annual General Meeting of the Association.

**11.02 Amendments to Rules**

The Board may, in its sole discretion, amend these Bylaws to make revisions of a typographical, grammatical, clerical or administrative nature; provided that no such revision may be made that would substantially affect or impair the rights of any Member without a Member vote.

## ARTICLE 12 – DISTRIBUTION ON DISSOLUTION OR WINDING UP

### 12 Distribution on Dissolution or Winding Up

Subject to the Act and the Memorandum, on the dissolution or winding up of the Association, its property, after satisfaction of its liabilities, costs, charges, and expenses properly incurred in the dissolution or winding up, shall be transferred to or distributed among one or more other organizations each of which is either

(a) a community services co-operative incorporated under the laws of British Columbia or of Canada, whose purposes include purposes that are similar or complementary to those of the Association or

(b) a charitable organization registered under the Income Tax Act (Canada),

as the Board may decide by resolution. Any property transferred must be used in British Columbia to support co-operatives. This includes educating people about co-ops; encouraging, promoting, and developing co-operative projects; and providing services—through loans, guarantees, grants, or donations—to co-ops that help low-income individuals, seniors, the disadvantaged, or those with special needs.