

# KOOTENAY COOPERATIVE RADIO

## RULES OF THE COOPERATIVE

### PRELIMINARY

**1.1** In these Rules, unless the context otherwise requires, words importing the singular include the plural, and vice versa, and words importing persons include corporations.

“Act” means the *Cooperative Association Act*; and “Director”, “special resolution”, “general meeting”, “memorandum”, “officer”, and “Rules” have the meaning assigned to them in the Act.

“Association” and “Cooperative” both mean Kootenay Cooperative Radio.

“Board of Directors” means the governing body of the Cooperative.

“Consensus” refers to a non-adversarial decision-making process in which members work together until they arrive at a mutually satisfactory decision.

“The cooperative” means Kootenay Cooperative Radio.

“Working Group” means an ongoing committee appointed and so designated by the Board of Directors.

### MEMBERSHIP

**2.1** Any person over the age of 16 may make application in writing to the Board of Directors for membership, who may refuse or postpone it.

**3.1** Persons who are members of the Association shall be allotted one (1) share for membership in the Association. The Association may, by special resolution, from time to time vary the number of shares to be held pursuant to these Rules, to a maximum of 100 shares.

**4.1** The Board of Directors may also consent to withdrawal from membership in any other case where it seems just and equitable.

**4.2** Where a member is charged with conduct detrimental to the cooperative, the member may be expelled from membership by special resolution.

**4.3** A member may withdraw from membership in the cooperative by giving written notice to the directors of the member's intention to withdraw and surrendering any share certificates in respect of membership shares.

**4.4** The membership of a member ceases on the date the member has complied with the requirements under rule 4.3

**4.5** Notice to the cooperative of the death or bankruptcy of a member has the same effect as a notice of intention to withdraw.

## **SHARES**

**5.1** Shares in the cooperative shall be paid in full in cash.

**6.1** The Directors may make calls on the members for any money unpaid on their shares, and a call shall be deemed to have been made at the time when the resolution of the Directors authorizing the calls was passed. At the discretion of the Directors, the member may or may not be charged interest on the outstanding balance.

**7.1** Every person whose name is entered in the register of members shall, without payment, be entitled to a share certificate in a form approved by the Board of Directors. No shares will be issued jointly.

**8.1** Shares are not transferable, but may be redeemed by the Cooperative.

**9.1** On termination of membership, other than in the case of expulsion, a person shall not be entitled to any repayment or refund of any amount paid on account of shares.

**9.2** On termination of membership and repayment or refund of any amount paid on account of shares, as may be required by Rule 9.1, the share certificate of the member shall be deemed to be cancelled and the records of the Cooperative noted accordingly.

**9.3** On termination of membership any amount paid on account of shares and not required to be repaid or refunded in accordance with Rule 9.1, shall become part of the contributed surplus of the Cooperative.

**9.4** The cooperative will not issue investment shares.

## **FORFEITURE OF SHARES**

**10.1** If a member fails to pay any call on the day appointed for the payment thereof, the Directors may at any time thereafter serve a notice on him/her requiring payment within 30 days from the date of the notice of so much of the call that is unpaid.

**10.2** If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at that time thereafter, before payment required by the notice has been made, be forfeited by resolution of the Directors to that effect.

**10.3** A forfeited share may be sold or otherwise disposed of, or cancelled on such terms as the Directors think fit.

**10.4** A person whose share has been forfeited shall be suspended from the Association until he/she pays for the share.

## **GENERAL MEETING**

**11.1** The first General Meeting of The cooperative shall be held in the third month from the date of incorporation at such time and place as the Directors determine.

**12.1** A general meeting shall be held at least once in every year within four months of the end of the

financial year. Semi-annual or other periodic general meetings may be held as the Directors or members decide.

**13.1** The Directors may call a special general meeting when they think fit, in accordance with Section 150 of the Act.

**14.1** Every member shall be given 14 days notice of every annual and special general meeting, specifying place, day and hour of the meeting, and in the case of special business, the general nature of the business shall be given to every member.

**15.1** No business shall be transacted at a general meeting unless  $\frac{1}{4}$  of the membership or 25 members, whichever is the lesser, are personally present when the meeting proceeds to business, providing there shall never be less than 3 persons present.

**16.1** The Directors shall provide one of their number to serve as Chair at general meetings.

**17.1** If there is no Chair present within 30 minutes of the time appointed for holding a general meeting, the members present shall choose someone who need not be a member to preside as Chair for the meeting.

**18.1** If within 30 minutes from the time appointed for a general meeting a quorum is not present it shall be adjourned to the same day, time and place, one week later. If a quorum is not present within 30 minutes of the adjourned meeting, the members present shall form a quorum, providing there shall never be less than 3 persons present.

**19.1** The Chair may, with the consent of the meeting at which a quorum is present, adjourn the meeting. Business at an adjourned meeting shall be only that left unfinished at the meeting for which the adjournment took place.

**20.1** The order of business at a general meeting shall be at the discretion of the Chair, subject to ratification by the Directors and members.

## **VOTING**

**21.1** Unless otherwise required by these Rules or the Cooperative Associations Act, all meetings of the Association shall attempt to reach consensus on the issues and motions that come before them.

**21.2** Subject to Rule 21.1, if consensus is not reached at a meeting at which a decision is sought, then, at the discretion of the Board of Directors, or on the request of a member, a special meeting shall be called for the same day the next week at the same time and place.

**21.3** If consensus is not reached under Rule 20.1 the issue shall be resolved by  $\frac{3}{4}$  majority of votes, and the result shall be a decision.

**22.1** Every member present in person at a meeting shall have only one vote whenever a vote is taken, except as provided in Section 29 of the Act.

**23.1** There shall be no proxy voting at any meeting of the Association.

**24.1** In the case of vote by the show of hands, the results declared by the Chair shall be conclusive,

unless three (3) or more members before or during the declaration demand a poll, in which case a poll shall be taken immediately.

## **Directors**

**25.1** The number of Directors shall be not less than five nor more than eleven, but may be increased or reduced in an annual general meeting but the number shall never be less than five.

**26.1** The first Directors shall be those persons appointed by the subscribers to the memorandum who shall hold office until the conclusion of the first general meeting.

**27.1** At the first general meeting of the Association, half the Directors shall be elected to a one-year term, and half to a two-year term, and at subsequent elections, one-half of the board positions shall be filled annually for a two-year term. Any casual vacancy may be filled by the Directors and the appointment shall be valid until the next general meeting.

**27.2** The maximum number of consecutive years a Director can serve on the board is 5.

**28.1** The Association, may, by special resolution, remove any Director before the expiration of his/her term of office, and may appoint another person in his/her stead.

**29.1** Every Director must be a member of the Association and hold one share.

**30.1** A person shall cease to be a Director if:

- a) the person ceases to be a member or hold one share in the Association;
- b) the person is absent from three (3) consecutive meetings without consent of the Board of Directors;

provided that no Director shall vacate his or her office by reason of being a member for a company which has entered into contracts with or done any work for this Association; but the Director shall disclose the fact of such membership to the other Directors, and shall not vote in respect of that contract or work.

**31.1** The business of the Association shall be managed by the Directors, who may pay from its funds the expenses of its incorporation and may exercise all its powers, subject to the Act and these Rules.

**32.1** The Directors shall elect a Chair and Vice-Chair from their number, and may appoint a manager, secretary, and treasurer, whether from their own body or otherwise, as they think fit, and may prescribe their duties and fix their remuneration and dismiss them. The Vice-Chair shall exercise the powers of the Chair in his/her absence. The Chair, Vice-Chair, Secretary, and Treasurer will serve two-year terms.

**33.1** The Directors may delegate any of their powers to committees of their own number, and may cause to be formed such committees of the membership, as they see fit. Any committee so formed shall conform to any regulation the Directors may impose upon it. All committee meetings shall be open to the membership of the Association.

**34.1** The Directors shall cause minutes to be made in books provided for the purpose:

- a) of all appointments of officers made by them;

- b) of the names of the Directors present at each meeting of Directors or committee;
- c) of all resolutions and proceedings at all meetings of the Association.

**35.1** 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.

**36.1** The Directors shall receive no remuneration for their services, but will be reimbursed for all monies of their own spent by them while carrying out business of the Association, including loss of wages or salary.

**37.1** All meetings of the Directors shall be held in the Province of British Columbia, and a quorum for Directors' meetings shall be half the total number of Directors.

**38.1** The Directors may meet together for the dispatch of business, adjourn, and otherwise regular meetings as they see fit.

**39.1** At the discretion of the Directors, Directors' meetings may be open to all members of the Association.

**40.1** Where the subject of business for consideration by the Board of Directors is of a personal nature or where confidentiality is otherwise deemed by the Directors to be in the best interest of the Association or a member, the Directors may hold some meetings or parts of meetings in camera.

**41.1** A resolution signed by all Directors shall have the same force and effect as if passed at a duly constituted meeting of the Directors.

## **FINANCIAL**

**42.1** Every officer of the Association having receipt or charge of money shall before entering on duties give securities if considered necessary by the Board of Directors.

**43.1** The Directors shall not invest any part of the funds of the The cooperative exceeding the sum of \$5,000 on any one occasion without the sanction of an special resolution. Otherwise, the Directors shall invest and deal with any part of the funds of the Association not immediately required in such manner as they shall see fit.

**44.1** The Directors may, at their discretion, raise or borrow money for the purpose of the Association and secure payment thereof in a manner which they see fit, provided that if any security proposed to be given in the exercise of this power is intended to charge the whole, or substantially the whole of the undertaking of the Association, the power shall be exercised without an special resolution.

**45.1** The Directors shall cause true accounts to be kept of:

- a) all money received and expended and the matter for which that receipt and expenditure takes place, and
- b) the assets and liabilities of the cooperative.

**46.1** 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 be at all reasonable times open to the inspection of the members.

**47.1** One (1) or more auditors shall be appointed by The cooperative at its first annual general meeting, and at every annual general meeting thereafter, but a casual vacancy in the office of the auditor may be filled by the Directors.

**47.2** No Director may be appointed to act as auditor.

**48.1** Every member shall be supplied free of charge with a copy of the financial statements required by section 39(2) of the Act.

**49.1** The Directors shall report to the annual general meeting the state of the Cooperative's affairs. The cooperative will not pay dividends on its shares.

**50.1** Should any surplus be realized at the end of the Association's fiscal year, that amount shall be reinvested in the activities of the Association.

**51.1** A copy of the financial statements required by section 39(2) of the Act shall be made available to every member at least 14 days before the annual general meeting at which it is to be presented.

**52.1** No part of the property of the co-op is to be distributed to members while it is in operation.

## **DISPUTES**

**53.1** Any dispute between members, or between a member and any person aggrieved who has for not more than six months ceased to be a member, arising out of the affairs of the cooperative, shall first be discussed between the disputants themselves in the presence of a mutually agreed upon mediator who shall attempt to help the parties resolve the dispute in a manner acceptable to them both. In the event that such disputes are not satisfactorily resolved through mediation, they shall be submitted to the same arbitration process described in part 2 of this Rule.

**53.2** Any dispute arising out the affairs of the Association, between members, or any person aggrieved who has for not more than six months ceased to be a member, or any person claiming through such a member or person aggrieved under the Rules, and the Association or a Director, and not resolved under Rule 53.1 shall be referred to an arbitration committee of three persons at least two of whom shall be members of the cooperative.

**53.3** The arbitration committee shall have regard to applicable dispute resolution policies adopted by the cooperative and in force at the time the dispute arose.

**53.4** The decision of the arbitration committee shall be final and binding on all parties and may be enforced on application to the Supreme Court.

## **NOTICES**

**54.1** A notice given to the cooperative under the Act or these Rules shall 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 fax to a telephone number provided for that purpose, or

d) served in accordance with the Act.

**54.2** Where a notice is sent by post, service of the notice shall be effected by properly addressing, prepaying, and posting a letter containing the notice, and unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

## **THE SEAL**

**55.1** The seal of the Association shall not be affixed to any instrument except by the authority of a resolution of the Directors and in the presence of the chair and vice-chair or other person the Directors appoint for that purpose; and these 2 shall sign every instrument to which the seal of the cooperative is affixed in its presence.

**56.1** The Directors shall provide for the safe custody of the seal of the Association, which shall be deposited at its registered office.

## **ALTERATION OF RULES**

**57.1** The Rules may only be altered or added to by special resolution.

**58.1** Each member on being registered shall be furnished, on her or his request, and on payment of \$1, with a copy of the memorandum and the Rules of the Association.

## **SERVICE OF DOCUMENTS**

**59.1** A notice or other documents 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.

**59.2** A notice or other document served under section 59.1 is deemed received on the second day, not including Saturday and holidays, after the date of mailing.

**59.3** Service on the cooperative must be in accordance with the Act.