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Cooperative Association Act

COOPERATIVE ASSOCIATION REGULATION

[includes amendments up to B.C. Reg. 112/2010, May 1, 2010]

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Definitions

- 1 In this regulation:

"Act" means the *Cooperative Association Act*;

"appellant" means a person who intends to appeal under section 37 (3) of the Act, or who has commenced such an appeal;

"filing fees" means the cost of filing the notice of appeal required by section 37 (4) of the Act or an application for an order under section 172.1 of the Act;

"monthly housing charge" means the amount a member must pay to the housing cooperative each month for the use, occupation or enjoyment of residential premises in the housing cooperative.

Persons exempt from definition of "director"

- 2 For the purpose of section 1 (1) of the Act, the following persons are exempt from the definition of "director":
 - (a) a lawyer, accountant or other professional if his or her primary participation in the management of the association is the provision of professional services to the association;
 - (b) a trustee in bankruptcy who participates in the management of the association or exercises control over its property, rights and interests primarily for the purpose of administering the estate of the association;
 - (c) a receiver, receiver manager or secured creditor of the association who participates in the management of the association or exercises control over its property, rights and interests primarily for the purpose of enforcing a debt obligation of the association.

Criteria to be considered by registrar

- 3 For the purpose of section 2 (2) of the Act, the following are the prescribed criteria the registrar must take into account:
 - (a) the number of members of the association;
 - (b) the nature and extent of the association's assets and liabilities;
 - (c) the manner by which the association is carrying out its purpose;
 - (d) funding received by the association, directly or indirectly, from the government of British Columbia or of Canada;
 - (e) the memorandum and rules of the association;
 - (f) any circumstances the registrar considers relevant.

Conditions for housing association if member appeals termination

- 4 (1) If the members of a housing cooperative confirm the termination of a membership under section 37 (2) (b) of the Act, the housing cooperative must comply with the following conditions:
 - (a) attach to the notice required by section 37 (2.1) (a) (ii) one copy each of Forms 59, 59B and 59C of Appendix A of the Supreme Court Rules, B.C. Reg. 221/90;
 - (b) at the written request of the appellant, if the appellant is not in arrears for any monthly housing charge, issue to the appellant the amount of the filing fees made payable to the court registry in which the notice of appeal is to be filed.
- (2) If there is a dispute between the appellant and the housing cooperative respecting the amount of the monthly housing charge, the amount of the monthly housing charge referred to in subsection (1) (b) is the amount of that charge that is not in dispute.

(3) The request under subsection (1) (b) must be made within 10 days after the day the appellant is served with the notice under section 37 (2.1) (a) (i) of the Act.

(4) If the appellant fails to make the request under subsection (1) (b) within the period set out in subsection (3), the housing cooperative may, but need not, issue the amount of the filing fees.

(5) If the housing cooperative has issued an amount under subsection (1) (b) and the court upholds the decision of the members to terminate the appellant's membership, the amount paid under subsection (1) (b) is a debt due to the housing cooperative from the appellant.

Annual report

5 (1) For the purpose of section 126 (1) of the Act, the following information is prescribed as the information that must be contained in the annual report:

- (a) full name of the association;
- (b) incorporation number;
- (c) date of annual general meeting for that year;
- (d) full physical address, including postal code, of the registered office;
- (e) full names and residential addresses, including postal codes, of the directors.

(2) For the purpose of section 126 (2) of the Act, the following information is prescribed as the information that must be contained in the annual report:

- (a) full name of the extraprovincial association;
- (b) British Columbia extraprovincial registration number;
- (c) anniversary date of registration in British Columbia;
- (d) full names and residential addresses, including postal codes, of the directors.

[en. B.C. Reg. 265/2008, s. 1.]

Fees association may charge for copies

6 (1) For the purpose of section 132 of the Act, the amount prescribed that an association may charge for a copy of a record is 25 cents per page.

(2) For the purpose of section 142 (2) of the Act, the amount prescribed that an association may charge for each additional copy of the association's memorandum and rules is 25 cents per page.

Amount of unpaid liability requiring creditor's consent

7 For the purpose of section 197 (1) (c) (ii) of the Act, the amount prescribed of an unpaid claim for which written consent to a provision for payment is required is \$200.

Fine for continuing offence

- 8 For the purpose of section 201 (3) of the Act, the amount prescribed for each day that an offence under section 199 (d) of the Act continues is \$50.

Date of compliance for pre-existing associations

- 9 For the purpose of section 214 (2) of the Act, the date by which a pre-existing association must change its memorandum and rules is January 31, 2003.

Matters that must be provided for in rules of association

- 10 For the purpose of section 13 (2) of the Act, the following matters are prescribed as those that must be provided for in the rules of an association, in addition to the matters that, under the Act, must be provided for in those rules:
- (a) with respect to membership in the association,
 - (i) setting the terms of admission,
 - (ii) specifying the rights and, if any, the obligations and limitations of membership, and
 - (iii) designating classes of membership, if more than one, and the rights and, if any, the obligations and limitations attached to each class;
 - (b) with respect to shares of the association,
 - (i) specifying, if applicable, the maximum number of membership shares that a person or eligible organization may hold,
 - (ii) specifying whether, and if so how, investment shares may be transferred and a form of transfer,
 - (iii) providing for the transmission of shares on the death or bankruptcy of an individual member, and
 - (iv) setting out the effect on the ownership of shares of the bankruptcy, liquidation or dissolution of a shareholder that is not an individual;
 - (c) with respect to directors and officers of the association,
 - (i) specifying the number of directors,
 - (ii) setting out restrictions, if any, on the powers of directors,
 - (iii) providing for the conduct of meetings of the directors,
 - (iv) setting the terms of office of directors and officers,
 - (v) providing for the appointment and removal of officers, and
 - (vi) setting out the powers and duties of officers;
 - (d) with respect to the financial management of the association,
 - (i) setting out the borrowing powers of the association,
 - (ii) setting out the investment powers of the association,
 - (iii) providing for the distribution of surplus funds, and

- (iv) providing for the redemption of shares at the option of the association, if applicable;
- (e) with respect to general meetings of the association,
 - (i) convening and holding general meetings, and
 - (ii) setting out voting rights and procedures for persons attending in a representative capacity;
- (f) with respect to meetings of investment shareholders or of investment shareholders of a particular class of investment shares,
 - (i) convening and holding meetings of investment shareholders or of investment shareholders of a particular class of investment shares, and
 - (ii) setting out voting rights and procedures for persons attending in a representative capacity;
- (g) the giving of notice to the association;
- (h) the service of documents by the association;
- (i) the execution of documents and the use and custody of the seal of the association, if any.

Fees

- 11** For the purpose of section 210 of the Act, a person must pay to the registrar the amount set out in Column 2 of Schedule A for the service or matter set out opposite in Column 1 of that Schedule.

Rules

- 12** For the purpose of section 13 (1) of the Act, Schedule B is prescribed as the form of rules that an association may adopt.

Forms

- 13** The forms in Schedule C are prescribed for the purposes of the Act and this regulation.

Publication on website

- 14** For the purposes of the provisions of the Act that authorize the registrar to publish a notice in a prescribed manner, the registrar may publish the notice by including it on a website maintained by or on behalf of the government.

[en. B.C. Reg. 265/2008, s. 2.]

Schedule A

[am. B.C. Regs. 265/2008, s. 3; 112/2010, App. s. 5.]

Column 1	Column 2
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1	For incorporation or amalgamation, including filing of memorandum and rules, or restoration of association	\$250.00
2	For a certified true copy or extract	\$25.00
3	For a search conducted using BC OnLine information service using a person's own computer terminal	*\$7.00
4	For a search conducted using BC Online information service by a person using a computer terminal provided by the government	*\$8.00
5	For a search conducted by government personnel except a search made as part of the registrar's review of an application to hold or reserve a name	\$10.00
6	For registration, amalgamation or restoration of an extraprovincial association	\$250.00
7	For filing or registering any notice, return or other document required by the Act	\$20.00
8	For a copy of, or extract from, a document for every page or part of a page	\$0.50
9	For pre-vetting of documents to be filed with the registrar	\$100.00
10	For filing an annual report	\$30.00
11	For filing and certification of resolutions as required by the Act	\$70.00
12	For changing the name of an association or extraprovincial association	\$100.00
13	For a continuation under section 183 or 187 of the Act	\$300.00
14	For the search of a maximum of 3 names, on application for approval or reservation of a name	*\$30.00
15	For a priority service, when offered	*\$100.00

*. A further operator charge of \$1.50 plus G.S.T. is applicable to any BC Online search conducted by anyone other than government personnel.

Schedule B – Form of Rules

The rules adopted by an association may be in this form, a modified form of these Rules or in another form altogether. These Rules will accommodate an association that is not a housing cooperative and that has share capital consisting of membership shares with par value and investment shares that may be issued only to members. Please review these Rules carefully to determine whether they will meet the needs and objectives of your association. Whatever the form of rules adopted, they must address each matter required by section 10 of the regulation and must be read in conjunction with and subject to the *Cooperative Association Act*.

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