

**DENMAN ISLAND LOCAL TRUST COMMITTEE**

**BYLAW NO. 183**

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**A Bylaw to Authorize a Housing Agreement**

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WHEREAS the Denman Island Local Trust Committee is the Local Trust Committee having jurisdiction on and in respect of the Denman Island Local Trust Area, pursuant to the Islands Trust Act;

AND WHEREAS Section 905 of the Local Government Act and Section 29 of the Islands Trust Act permit the Local Trust Committee to enter into a housing agreement;

AND WHEREAS the Denman Island Local Trust Committee wishes to enter into a Housing Agreement;

NOW THEREFORE the Denman Island Local Trust Committee enacts in open meeting assembled as follows:

- 1. This Bylaw may be cited for all purposes as "Denman Island Housing Agreement Bylaw No. 183, 2008".
- 2. Any two Trustees of the Denman Island Local Trust Committee are authorized to execute an agreement in the form attached to this Bylaw with Triple Rock Land Cooperative.

READ A FIRST TIME this 18th day of March, 2008

READ A SECOND TIME this 18th day of March, 2008

READ A THIRD TIME this 15th day of April, 2008

APPROVED BY THE EXECUTIVE COMMITTEE OF THE ISLANDS TRUST this 5th day of August, 2008

ADOPTED this 28th day of October, 2008

\_\_\_\_\_  
**SECRETARY**

\_\_\_\_\_  
**CHAIRPERSON**

\_\_\_\_\_

## Housing Agreement

THIS AGREEMENT DATED FOR REFERENCE THE \_\_\_\_ DAY OF \_\_\_\_, 2008 is  
BETWEEN:

### TRIPLE ROCK LAND COOPERATIVE

Address

(the "Owner")

AND

### DENMAN ISLAND LOCAL TRUST COMMITTEE

2<sup>nd</sup> Floor, 1627 Fort Street

Victoria, B.C. V8R 1H8

(the "Trust Committee")

WHEREAS:

- A. The Owner is the registered Owner of those Lands situated on Denman Island and legally described as the South West ¼ of Section 17, Denman Island, Nanaimo District, Except that Part in Plan 14174 and Plan VIP77481 (the "Lands");
- B. The Owner is an association constituted under the Co-operative Association Act of British Columbia and has as its sole object the creation of a co-operatively owned and managed affordable housing community on Denman Island;
- C. The Owner applied to the Denman Island Local Trust Committee for a rezoning of the Lands by means of Denman Island Land Use Bylaw, 2002, Amendment No. 2, 2007 to permit the development of 15 co-operative housing units, accessory buildings, and a common house on the Lands;
- D. The Trust Committee may, pursuant to Section 29 of the *Islands Trust Act* and Section 905 of the *Local Government Act*, enter into an agreement with an owner of land that includes terms and conditions regarding the occupancy, tenure and availability to specified classes of persons of dwelling units located on the lands of the owner;
- E. The Owner and the Trust Committee wish to enter into this Agreement to provide for Co-housing Units on the terms and conditions set out in this Agreement; and
- F. The Trust Committee has, by bylaw, authorized the execution of this Agreement and the Owner has duly authorized the execution of this Agreement.

**THIS AGREEMENT** is evidence that in consideration of \$2.00 paid by the Trust Committee to the Owner, the receipt and sufficiency of which are acknowledged by the Owner, and in consideration of the promises exchanged below, the Trust Committee

and the Owner agree, 8 as a housing agreement between the Owner and the Trust Committee under s. 905 of the *Local Government Act*, as follows:

### **USE OF THE HOUSING UNITS**

1. The Owner covenants and agrees with the Trust Committee that, in perpetuity:
  - a. the Lands must not be used, and no building or structure may be constructed on the Lands, other than for **15 detached single family dwelling units** (the “Co-operative Housing Units”) **a common house and non-residential accessory buildings and structures** as defined in this Agreement and the Denman Island Land Use Bylaw, and any home-based business permitted in such dwelling units by the Land Use Bylaw;
  - b. the Lands must not be used and no building or structure may be constructed on the Lands except in accordance with any **Siting and Use Permit** issued by the Islands Trust; and
  - c. the Owner must at all times ensure that the Land is used and occupied in compliance with **all statutes, laws, regulations, and orders** of any authority having jurisdiction.
2. The **Lands shall not be subdivided** by subdivision plan, strata plan or otherwise howsoever.

### **HOUSING AGREEMENT TERMS REGARDING TENURE AND OCCUPANCY**

3. The Owner must **maintain its standing** as a co-operative under the Cooperative Association Act, and **must not amend** its Memorandum of Association, a copy of which is attached to this Agreement as Schedule A, without the written approval of the Trust Committee, which approval may be withheld if the Trust Committee in its absolute discretion considers that the proposed amendment would affect the tenure or occupancy of the Co-operative Housing Units.
4. The Owner **must not transfer the Lands**, other than to an association constituted under the Co-operative Association Act or other non-profit association incorporated under the Society Act, having as its object the co-operative ownership and management of affordable housing on Denman Island, and having rules of membership and share ownership substantially similar to the Rules attached to this Agreement as Schedule B.
5. The Owner **must not amend** Rules 5 through 23 of its rules of membership and share ownership as set out in Schedule B without the prior written approval of the Trust Committee, which approval may be withheld if the Trust Committee in its absolute discretion considers that the proposed amendment would affect the tenure or occupancy of the Co-operative Housing Units.
6. If on the **winding up or dissolution** of the Owner, any property remains after the satisfaction of all its debts and liabilities and the costs, expenses and charges of the winding up, that property must not be paid to or distributed among the members; and must be given or transferred to an institution
  - a. that has as its object the co-operative ownership and management of affordable housing on Denman Island; and
  - b. whose constitution prohibits the distribution of property among its members; and
  - c. that has been chosen by the members of the Owner and approved by the

Trust Committee at or before the time of dissolution.

7. No Co-operative Housing Unit shall be occupied by any person who is not a member of the Owner, the spouse, child or parent of such a member, the guest of such a member, or a person whose membership in the Owner is under consideration by the Owner pursuant to its rules of membership.
8. The **purchase price of a share in the Owner** may not exceed the acquisition price of the share, plus the lesser of any increase in the average CPI in the month in which the share is transferred over the month in which the share was acquired, and an increase of 2% annually.
9. The **purchase price of a Co-operative Housing Unit** upon any sale of the Unit in connection with a transfer of shares in the Owner may not exceed the depreciated replacement cost of the Unit. For the purpose of determining the depreciated replacement cost of a Unit, the member selling the Unit must have provided to the Trust Committee the certification of a member of the Appraisal Institute of Canada who is at arm's length from each member of the Owner, as to the depreciated replacement cost as of the date of the proposed sale. In the event of any failure of a member to provide a timely certification, the Trust Committee may in its sole discretion deem the Unit or improvement to have a depreciated replacement value determined by the Trust Committee.
10. For the purposes of this agreement, "CPI" means the all-items consumer price index for Victoria, British Columbia published by Statistics Canada.
11. The Owner must deliver to the Trust Committee prior to the transfer of any shares in the Owner and the closing of any sale of a Co-operative Housing Unit a completed **statutory declaration**, in the form attached as Schedule C, sworn by a director of the Owner and the member transferring shares and attaching a copy of the share transfer agreement and the agreement of purchase and sale for the Co-operative Housing Unit.

#### **DEFAULT AND REMEDIES**

12. The Owner agrees that any **breach or default** in the performance of this Agreement on its part must be **corrected**, to the satisfaction of the Trust Committee, within the time stated in any Notice of Default provided to the Owner by the Trust Committee.
13. The Owner agrees that the Trust Committee is entitled to obtain an order for **specific performance** of this Agreement and a prohibitory or mandatory injunction for any breach of this Agreement, in view of the public interest in restricting the use and occupancy of the Co-operative Housing Units.
14. The Owner further acknowledges that a breach of this Agreement may constitute a breach of the Trust Committee's **land use bylaw**.

#### **GENERAL PROVISIONS**

15. **Housing Agreement and Covenant.** The Owner acknowledges and agrees that this Agreement constitutes a housing agreement under s.905 of the *Local Government Act* and that the Trust Committee will register a notice of this housing agreement against title to the Lands.
16. **Assignment.** The Owner acknowledges that the Trust Committee may delegate or assign the administration and management of this Agreement to a third party, and in that event, any reference in this Agreement to the Trust Committee shall

be interpreted as a reference to that party provided that the Trust Committee has so advised the Owner.

17. **Indemnity.** The Owner shall indemnify and save harmless the Trust Committee and each of its elected officials, officers, directors, employees and agents from and against all claims, demands, actions, loss, damage, costs and liabilities for which any of them may be liable by reason of any act or omission of the Owner or its officers, directors, employees, agents or contractors or any other person for whom the Owner is at law responsible, that constitutes a breach of this Agreement.
18. **Release.** The Owner releases and forever discharges the Trust Committee and each of its elected officials, officers, directors, employees and agents and each of their heirs, executors, administrators, personal representatives, successors and assigns from all claims, demands, damages, actions or causes of action arising out of the performance by the Owner of its obligations under this Agreement.
19. **Survival.** The obligations of the Owner set out in sections 18 and 19 shall survive any termination of this Agreement.
20. **Trust Committee Powers Unaffected.** This Agreement does not limit the discretion, rights, duties or powers of the Trust Committee under any enactment or the common law, impose on the Trust Committee any duty or obligation, affect or limit any enactment relating to the use or subdivision of the Lands, or relieve the Owner from complying with any enactment.
21. **No Public Law Duty.** Where the Trust Committee is required or permitted by this Agreement to form an opinion, exercise a discretion, express satisfaction, make a determination or give its consent, the Trust Committee is under no public law duty of fairness or natural justice in that regard and the Owner agrees that the Trust Committee may do any of those things in the same manner as if it were a private party and not a public body.
22. **Notice.** Notice required or permitted to be served under this Agreement is sufficiently served if delivered in person or mailed to the postal address of the Owner or the Trust Committee, as the case may be, at the address set out above, and in the case of mailed notice shall be deemed to have been received on the third day following mailing.
23. **Enuring Effect.** This Agreement is binding upon, and enures to the benefit of parties and their respective successors and permitted assigns.
24. **Severability.** If any provision of this Agreement is found to be invalid or unenforceable it shall be severed from this Agreement and the remainder shall remain in full force and effect.
25. **Remedies and Waiver.** All remedies of the Trust Committee under this Agreement are cumulative, and may be exercised in any order or concurrently, any number of times. Waiver of or delay by the Trust Committee in exercising any remedy shall not prevent the later exercise of any remedy for the same or any similar breach.
26. **Sole Agreement.** This Agreement represents the entire agreement between the parties respecting the tenure, use and occupancy of the Co-operative Housing Units, and there are no representations, conditions or collateral agreements on the part of the Trust Committee other than those set out in this Agreement.

- 27. **Further Assurance.** The Owner must forthwith do all acts and execute such instruments as may be reasonably necessary in the opinion of the Trust Committee to give effect to this Agreement.
- 28. **Covenant Binding.** This Agreement is binding on the Owner and all persons who acquire an interest in the Lands.
- 29. **Limitation on Owner's Obligations.** The Owner is only liable for breaches of this Agreement that occur while the Owner is the registered owner of the Lands.
- 30. **No Joint Venture.** Nothing in this Agreement will constitute the Trust Committee as the joint venturer, agent or partner of the Owner or give the Owner any authority to bind the Trust Committee in any way.
- 31. **Deed and Contract.** By executing and delivering this Agreement the Owner intends to create both a contract and a deed executed and delivered under seal.
- 32. **Time of Essence.** Time shall be of the essence of this Agreement.

DENMAN ISLAND LOCAL TRUST COMMITTEE

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Authorized Signatory

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Authorized Signatory

TRIPLE ROCK LAND COOPERATIVE

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Authorized Signatory

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Authorized Signatory

**SCHEDULE A**  
**MEMORANDUM OF ASSOCIATION**  
**TRIPLE ROCK LAND CO-OPERATIVE**

1. The name of the Association is: Triple Rock Land Cooperative
2. The purpose of the association is:  
*To create a cooperatively owned and managed affordable housing community on Denman Island.*
3. Authorized Share Capital:  
  
The capital of the Cooperative consists of an unlimited number of membership shares, divided into shares of the following denomination: \$1000.00
4. The liability of a member of the Association is limited in accordance with the Cooperative Association Act.

**SCHEDULE B**  
**RULES OF THE ASSOCIATION**  
**TRIPLE ROCK LAND CO-OPERATIVE**

***Preliminary***

1. In these rules, unless the context otherwise requires, words importing the singular include the plural, and vice versa.
2. "They" and "their" can be used to mean "he/she" and "his/her" respectively.
3. "Act" means the *Cooperative Association Act*; and "call", "director", "special resolution", "Memorandum", "officer" and "Rules" have the meanings assigned to them by the Act.
4. "The Cooperative" and the "The Coop" mean "**TRIPLE ROCK LAND COOPERATIVE**".

***Membership***

5. Any person who supports the goals and objectives of the Triple Rock Land Cooperative may apply to become a member.
6. Potential members may make an application for membership in writing to the directors. The directors may require a trial period of residence or other type of participation, and may accept, postpone or refuse it.
7. Once an individual's application for membership is accepted by the directors, and upon purchasing a minimum of two shares, the individual becomes a member and is entitled to full privileges and responsibilities.
8. All members' financial responsibilities and liabilities are established according to the following guideline:  
total costs to the Cooperative of land purchase, and of all common expenses for permanent structures and changes to the shape and status of the land, including infrastructure, buildings, administration costs for legal help, consultants, professionals, rezoning, and other fees, divided by the number of members  
plus  
any amounts borrowed by the Cooperative for the member's residential dwelling or portion of residential dwelling  
plus  
total costs to the Cooperation of maintenance, short-term coverage of members' outstanding payments to the Coop, reserve fund, and other unforeseen expenses, divided by the number of members.



- 9.1 If a member is charged with conduct detrimental to the Cooperative, they may be expelled by an special resolution of the Cooperative at a meeting called especially for that purpose. Full particulars of the charge shall be lodged, in writing, with the directors, and the member so charged shall be furnished with a copy at least 14 days prior to the meeting. A member so expelled shall not be re-admitted to membership except by special resolution. Such a charge can only be made after an appropriate conflict resolution process has been carried out with no satisfactory outcome. This process must involve, if agreement cannot be otherwise reached, an outside mediator. At least six months must be given to come to a solution before a move to expel a member can be made, except in extraordinary situations (dangerous, destructive, or abusive behaviour; behaviour which may result in the collapse of the Coop).
- 9.2 Where a member has not made required payments due by the member to the Cooperative for a total of ten payments out of a two-year maximum period, they may be expelled by the Cooperative, based on consensus of all other members, at a meeting called especially for that purpose. Notice of such a meeting and its business must be provided to all members 14 days prior to the meeting.

### Shares

10. No member may hold less than two shares in the Cooperative.
11. Members may transfer their share(s) only with the approval of the directors. The directors may refuse to assent to a transfer of any share not fully paid up on which the Cooperative has a lien.
12. If a member dies or becomes insane or bankrupt, or makes an assignment for the benefit of creditors, the directors may either register the person entitled to the share(s) as a member, or redeem the share(s) by paying to the party entitled the amount paid up on the share(s). The person shall not be automatically entitled to become a member.
13. The instrument of transfer of any shares in the Cooperative must be executed both by the transferor and transferee, and the transferor remains a holder of the share(s) until the name of the transferee is entered in the register of members.
14. Shares in the Cooperative must be transferred in the following form, or in any usual or common form approved by the directors:

I, A.B. of ( ), in consideration of the sum of \$ ( ), paid to me by C.D., of ( ), ("the transferee"), do transfer to the transferee share(s) in the Triple Rock Land Cooperative, to hold unto the transferee, 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 share(s) subject to those conditions.

As witness our hands ( ) (month, day, year).  
 (Signature of witness) ( )  
 (Signatures of A.B. and C.D.) ( )

15. The instrument of transfer must be accompanied by the Certificate of the share(s) to which it relates.
16. No part of the funds of the Cooperative are to be employed in loans on the security of its shares.
17. Every person whose name is entered in the register is entitled without payment to a certificate of the Cooperative, specifying the shares held by that person and the amount paid.
18. The directors may make calls on the members for any money unpaid on their shares, and a call is deemed to have been made at the time when the resolution of the directors authorising the call was passed.

19. Members may withdraw from the Cooperative upon giving notice in writing to the directors. Members have the following options, on surrender of their share certificate:
  - i) redeem their share(s) in the amount paid up on the share(s), or
  - ii) provide notice in writing to forfeit their share(s) and contribute them to the surplus of the Cooperative in the form of a donation.
20. Members may withdraw from the Cooperative upon giving notice in writing to the directors. At this point their membership is available for purchase, according to the following conditions:
  - i) The Cooperative has a three month right-of-first-refusal period. Until the end of this period the membership cannot be sold, except to the Cooperative.
  - ii) If at the end of this three-month period, the Cooperative has not decided to purchase the membership as a group, the membership can be sold to a new member.
  - iii) If the Cooperative decides to purchase the membership of the outgoing member, they must provide legal notice of this by the end of the three-month period. They then have up to nine months in which to secure financing.
21. Redemption of shares will be based on the following criteria in descending order of priority:
  - i) estate requests;
  - ii) withdrawal by the member from the Cooperative if they cease to reside in the territory covered by it.
  - iii) other cases where it seems to the directors to be equitable and justifiable.
22. Where a proposed redemption of shares, refund of amount paid on shares or prepayment of a loan would, in the opinion of the directors, impair the financial position of the Cooperative, the directors may suspend the redemption, refund or prepayment.
23. The directors may not suspend a redemption, refund or prepayment for longer than one year unless the suspension is approved by special resolution.

#### ***Lien***

24. The Cooperative has a lien on a member's shares for any debt due to it by the member.

#### ***Annual General and Other Meetings***

25. The first general meeting shall be held within three months of the date of incorporation at a time and place the directors determine.
26. An annual general meeting shall be held once in every year at an hour and place prescribed by the Cooperative in general meeting, or, in default, determined by the directors.
27. Fourteen days' notice at the least of every general meeting, specifying the place, the day and the hour of meeting, and, in the case of special business, the general nature of that business, shall be given to every member.
28. Business shall not be transacted at a general meeting unless a quorum (a minimum of 5 members) is present at the time when the meeting proceeds to business, and unless at all times not less than 3 members are personally present.
29. If within one hour from the time appointed for a general meeting a quorum is not present, the meeting, if convened on a requisition, must be dissolved; in any other case it stands adjourned to the same day in the next week at the same time and place, and if at the adjourned meeting a quorum is not present within one hour from the time appointed, the members present form a quorum, providing there are at least three (3) members personally present at all times.

30. The order of business at the annual general meeting, according to circumstances, must be as follows:
- i) meeting to be called to order;
  - ii) minutes of preceding meeting to be read and disposed of;
  - iii) business arising out of minutes;
  - iv) reports of standing and special committees;
  - v) reports of directors and auditors;
  - vi) election of directors and auditors;
  - vii) special business;
  - viii) unfinished business;
  - ix) new business.

### ***Voting***

31. Consensus decision-making will be used by the Cooperative at all meetings, unless otherwise required by the Rules or the Act. Each member is entitled to one vote only, regardless of the total number of shares held.

### ***Directors and Officers***

32. The number of directors must not be less than 3, but may be increased in general meeting to include any or all members in good standing.
33. The first directors are the persons appointed by the subscribers to the Memorandum, and hold office until the first general meeting.
34. At the first general meeting and each annual general meeting, the directors must be elected by the members, but any casual vacancy may be filled by the directors.
35. At each annual general meeting, for election of the directors:
- i) the total number of directors to be elected will be determined by consensus among the members;
  - ii) members, including the existing directors, will step forward to indicate their willingness to stand for election or re-election to the positions available;
  - iii) members will be eligible to vote by means of a written poll;
  - iv) there will be one vote per member for each position available;
  - v) the votes will be counted by 2 people appointed at the meeting by the members;
  - vi) the newly elected directors will be announced at the meeting.
36. The powers of the directors, subject to the Act and these Rules, are shared equally among each of the directors.
37. 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 reasonable respectful person.
38. The business of the Cooperative must be managed by the directors, and the directors may pay from the Cooperative's funds the expenses of its incorporation and may exercise all its powers, subject to the Act and these Rules. No other managers will be appointed.
39. The directors may delegate any of their powers to committees consisting of members of their body as they think fit; any committee formed shall, in the exercise of the powers delegated, conform to any regulations that may be imposed on them by the directors.
40. The directors shall cause minutes to be made in books provided for the purpose

- i) of all appointments of officers made by them;
  - ii) of the names of the directors present at each meeting of directors or committee;
  - iii) of all resolutions and proceedings at all meetings of the Cooperative, the directors or any committee.
41. 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.
42. Subject to The Act, the Cooperative in general meeting shall determine the remuneration, if any, of the directors, and the amount, if any, allowed them for expenses.
43. The Cooperative may, by special resolution, remove any director before the expiration of their term of office, and may appoint another member in their stead.
44. Subject to the Act and these Rules, the directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they consider appropriate.
45. The minutes of the proceedings of the directors must be kept in accordance with the Act.
46. The board must appoint, by resolution, a president and a vice-president of the Association from among the directors.
47. Appointment of other officers
- (1) The board may appoint, by resolution, a secretary, a treasurer and other officers that the board determines are necessary.
  - (2) The officers appointed under subrule (1) may be, but need not be, directors.
48. (1) The board must determine the term of office and the remuneration of any officer it appoints.  
(2) The board, in its discretion, may remove any officer of the Association without prejudice to that officer's rights under any employment contract
49. Subject to the Act, the board may specify the powers, duties and responsibilities of the officers appointed, and may vary, add to, or limit the powers, duties, and responsibilities of any officer.

#### ***Financial Management***

50. The directors shall not invest any part of the funds of the Cooperative without prior approval from the members.
51. The directors may with the approval of the members, raise or borrow or secure the payment of money for the purposes of the Cooperative for the purchase of land, for payment of development costs and for the building of homes for its members up to but not exceeding \$1,000,000.00 without the sanction of a special resolution.
52. The directors must report to the general meeting the state of the Cooperative's affairs.
53. The directors shall cause true accounts to be kept of:
- i) all money received by the Cooperative and expended on behalf of the Cooperative, and the matter for which that receipt and expenditure takes place;
  - ii) the assets and liabilities of the Cooperative.
54. 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.

55. One or more auditors shall be appointed by the Cooperative at its first general meeting and at every annual general meeting after.
56. A copy of the financial statements required by the Act shall be made available to every member at least 14 days before the meeting at which it is to be presented.
57. The directors must apply surplus funds arising from the operation of the Association in a financial year as follows:
  - (a) first, to the reserves required by Rule 58;
  - (b) next, to retire all or a portion of any deficit previously incurred by the Association, as the directors determine is appropriate;
  - (c) last, to patronage returns or dividends as recommended by the directors.
58. **Reserves**  
The directors must set aside as reserves for meeting contingencies at least 10% of the surplus funds arising from the operations of the Association in each financial year until those reserves are equal to the following percentages of paid up share capital at the date of apportionment under Rule 57:
  - (a) if the paid up share capital is \$25 000 or less, 30%;
  - (b) if the paid up share capital is greater than \$25 000 but not greater than \$50 000, 20%;
  - (c) if the paid up share capital is greater than \$50 000 but not greater than \$100 000, 10%;
  - (d) if the paid up share capital exceeds \$100 000, the percentage, if any, determined by resolution of the members.

#### ***Disputes***

59. Any dispute arising out of the affairs of the Cooperative, between a member and/or any person aggrieved who has for not more than 6 months ceased to be a member, shall, in the event that such disputes are not satisfactorily resolved by the individuals themselves:
  - i) 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.
  - ii) In the event that such disputes are not satisfactorily resolved through mediation, they shall be referred by the mediator to a committee of 3 members of the Cooperative. A director and the member or other person aggrieved must each nominate one member, and the third must be chosen by the two nominated. The decision of the committee is final and binding on all parties and may be enforced on application to the Supreme Court.

#### ***Notices***

60. A notice under the Act or these Rules must be in writing, and may be given by the Cooperative to any member either personally or by sending it by registered post to their registered address.
61. Where a notice is sent by post, service of the notice must 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.
62. Unless otherwise specified in the Act or these Rules, any notice required to be given to the Association must be in writing and is sufficiently given if it is
  - (a) delivered to the registered office of the Association,
  - (b) mailed to the registered office of the Association by prepaid mail,
  - (c) sent by facsimile transmission to a telephone number provided for that purpose, or
  - (d) served in accordance with the Act.

### ***Service of Documents***

63. (1) A notice or other document required by the Act to be served by the Association may be served by
- (a) mailing it by registered mail to the last known address of the intended recipient, as recorded in the Association's register of members or investment shareholders or other record of the Association, 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.

### ***The Seal***

64. Should the Cooperative cause to have a Seal created for it, the name of the Cooperative must be engraved in legible characters on the Seal.
65. The Seal of the Cooperative must not be affixed to any instrument except by the authority of a resolution of the Cooperative, and in the presence of 2 people the directors appoint for this purpose; and these 2 people must sign every instrument to which the Seal of the Cooperative is affixed in their presence.
66. The directors must provide for the safe custody of the Seal of the Cooperative, which must be deposited at its registered office.
67. If the directors have not adopted a seal for the Association, instruments may be executed on behalf of the Association by the persons specified in Rule 65.

### ***Alteration of Rules***

68. These Rules may only be amended by special resolution.
69. Each member on being registered shall be furnished on their request and without charge, but not more than once annually with a copy of the Memorandum and Rules of the Cooperative, and with additional copies upon payment of a sum not exceeding 50 cents per copy.



Certificate of Incorporation No. CP

1897

COOPERATIVE SPECIAL RESOLUTION

Form 6

COOPERATIVE ASSOCIATION ACT (Sections 68 (2), 71 (2), 191 (3) (a) and 197 (1) (a))

Please type or print clearly

The following special resolution\* was passed by the undermentioned association on the date stated:

Table with 2 columns: FULL NAME OF ASSOCIATION (TRIPLE ROCK LAND COOPERATIVE) and DATE RESOLUTION PASSED (2007/9/16)

Resolution †.

It was moved and seconded to pass a special resolution adopting the following policy and adding it to our Memorandum

Dissolution Policy

(1) 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, must be transferred to or distributed among one or more other organizations that are

- (a) associations having a similar purpose to the association being dissolved or wound up, or (b) charitable organizations registered under the Income Tax Act (Canada).

(2) This position is unalterable.

(3) Neither this section nor a provision in the association's memorandum permitted by subsection (1) or (2) prohibits the association

- (a) from doing anything permitted under section 9 or 66, (b) subject to its rules, from repaying to a member amounts paid by the member for the member's membership shares, or (c) from paying money it owes to a member.

(4) An association that has included in its memorandum a provision described in subsection (2) must not issue any investment shares.

Motion carried.

† Insert text of special resolution

CERTIFIED CORRECT - I have read this form and found it to be correct.

Signature of a current Director, Officer, or Lawyer of the Association

Relationship to Association

DATE SIGNED YYYY / MM / DD

Handwritten signature

DIRECTOR

2008/09/03

Note:

- No special resolution altering the memorandum or rules has effect until accepted by the Registrar of Companies. Send, in duplicate, to the Registrar of Companies. Mailing Address: PO Box 9431 Stn. Prov Govt, Victoria BC V8W 9V3 Location Address: 2nd Floor - 940 Blanshard Street, Victoria BC together with applicable fee. Enquiries: 250 356-8673 Additional Information and forms are available on the Internet at: www.fin.gov.bc.ca/registries

**SCHEDULE C**  
**DENMAN ISLAND LOCAL TRUST COMMITTEE**  
**FORM OF STATUTORY DECLARATION**

<b>CANADA</b>	)	<b>IN THE MATTER OF A HOUSING</b>
	)	<b>AGREEMENT</b> with the Denman Island
<b>PROVINCE OF BRITISH COLUMBIA</b>	)	Local Trust Committee ("Housing
	)	Agreement")

I, \_\_\_\_\_, of \_\_\_\_\_, British Columbia, do solemnly declare:

1. That I am a member of the Triple Rock Land Co-operative or its successor in title to land legally described as the South West ¼ of Section 17, Denman Island, Nanaimo District, Except that Part in Plan 14174 and Plan VIP77481, and make this declaration to the best of my personal knowledge.
2. This declaration is made pursuant to the Housing Agreement in respect of the Co-operative Housing Unit described on the sketch plan attached to and forming part of this declaration.
3. On the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ I entered into an agreement to transfer one or more shares in the owner of the Lands Co-operative Housing Unit, a true copy of which is attached to this declaration, to \_\_\_\_\_ for a total purchase price of \$ \_\_\_\_\_ and no other consideration whatsoever.
4. Pursuant to an agreement of purchase and sale that will close on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ of which a true copy is attached to this declaration, I intend to transfer all of my right and title in the Co-operative Housing Unit to \_\_\_\_\_ for a total purchase price of \$ \_\_\_\_\_, and no other consideration whatsoever.
5. I make this solemn declaration, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and pursuant to the *Canada Evidence Act*.

<b>SWORN BEFORE ME</b> at _____, in	)	
the Province of British Columbia, this ____	)	
day of _____, 200__.	)	
	)	
	)	_____
	)	Signature of person making declaration
_____	)	
A Commissioner for Taking Affidavits for	)	
British Columbia	)	



I, \_\_\_\_\_, of \_\_\_\_\_, British Columbia do solemnly declare:

1. That I am a director of Triple Rock Land Co-operative or its successor in title to land legally described as the South West ¼ of Section 17, Denman Island, Nanaimo District, Except that Part in Plan 14174 and Plan VIP77481, and make this declaration to the best of my personal knowledge.
2. That Paragraphs 3 and 4 of the Statutory Declaration of \_\_\_\_\_ set out above correctly disclose the amount of consideration in respect of the share transfer and ownership transfers described in those paragraphs.
3. I make this solemn declaration, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and pursuant to the *Canada Evidence Act*.

**SWORN BEFORE ME** at \_\_\_\_\_, in \_\_\_\_\_ )  
the Province of British Columbia, this \_\_\_\_ )  
day of \_\_\_\_\_, 200\_\_\_. )  
\_\_\_\_\_) \_\_\_\_\_ )  
A Commissioner for Taking Affidavits for ) Signature of person making declaration  
British Columbia )  
)

**ATTACH SKETCH PLAN OF CO-OPERATIVE HOUSING UNIT BEING  
TRANSFERRED**