



# Otter Co-op Policy #10: Equity Withdrawal



**Objective:** To provide for an orderly withdrawal of equity from the association this is clear and fair, provided that funds are available for repayment. The following order of priority will take place, based on date of application:

1. Death – To be paid to the estates of deceased members (transfer of equity to surviving family members would also be desirable). Share capital of estates will be repaid in full upon application by the executor or beneficiary. (Proper documents completed and filed). Definition of Proper Documents to be: Copy of “Executor Page” of a will as well as a Death Certificate.
2. Members who have reached the age of 65 years will be repaid in full upon application by the member by completing the proper documentation with proof of age. Minimum equity will be retained to maintain membership at the discretion of the member. Minimum equity retained to maintain membership is \$10.
3. Members withdrawing who have moved permanently from the district served by the association and who have established a permanent residence out from Otter Farm & Home Co-operative's trading area that is defined as follows: GVRD, Fraser Valley and Thompson/Okanagan Regions.

Members must complete a written application for withdrawal. In order for the application for withdrawal to be approved the following information and criteria must be met:

1. A waiting period of six months from the date the application for withdrawal received by the Co-operative must be served before application is taken to a Meeting of the Board of Directors.
2. Proof of new address must be provided. Proof of address will be in the form of a copy of a utility bill, driver's license or other forms which prove residency in the new locale.
3. Purchases during the waiting period of six months must not exceed \$100 in any one month.

Equity redemption for members who have left the trading area will be considered at each Meeting of the Board of Directors following the six month waiting period and the balance paid in full to the member once approved by the Board of Directors.

1. For companies (limited and other) partnership/businesses/organizations repayment program: The following order of priority will take place based on date of application and final approval by Board motion:
  - Companies (limited and other) partnership/businesses/organizations when they become bankrupt or cease operation. Upon the sale of a company, but not the sale of the shares in the Co-operative. Equity to be paid to the business after receiving a written legal position with proper documentation and each shall be submitted to the Board of Directors for Approval.
  - Companies (limited and other) partnership/businesses/organizations moving permanently from the district served by the Association as follows: Companies (limited and other) partnership/businesses/organizations must have established permanent residence outside of the Otter Co-op trading area. Equity redemption for companies (limited and other), partnership/businesses/organizations that have left the trading area will be considered annually at the November Board Meeting. Equity redemption for companies (limited and other) partnership/businesses/organizations that have left the trading area will be treated in the same manner as Members under Section 3 of this policy.
  - If a company is sold including the shares. Normal transfer of name will be processed after receiving a written legal position with proper documentation and each shall be submitted to the Board of Director for Approval and is not eligible for repayment.
2. Compassionate ground repayments will be considered at any regular Board Meeting.
3. To members on a general repayment program: The Board may consider a general repayment program providing that funds are available and that in their opinion the share capital of the association would not be impaired thereby. However, the Board may consider any alternate repayment based on current circumstances of the Association. For the purposes of this policy patronage allocation shall be defined as the member's proportionate share (based on purchases) of monies made available for distribution to members. Payments will be made by Co-op gift card or cheque as approved by the Board. Minimum value will be \$10.
4. An equity cap of \$25,000 can be owned by a member. Equity in excess of the cap will be paid along with the General Repayment Program.

# APPLICATION FOR WITHDRAWAL OF EQUITY

RETAIL Otter Farm & Home Co-operative DATE \_\_\_\_\_  
MEMBER NAME \_\_\_\_\_ MEMBER NUMBER \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
PHONE \_\_\_\_\_ EMAIL: \_\_\_\_\_

## REASON FOR WITHDRAWAL - (CHECK ONE AND COMPLETE DETAILS)

- ESTATE - ADMINISTRATORS ARE: NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
PHONE \_\_\_\_\_ EMAIL: \_\_\_\_\_
- MOVED - FROM THIS CO-OPERATIVE TRADING AREA  
ADDRESS \_\_\_\_\_  
PHONE \_\_\_\_\_ EMAIL: \_\_\_\_\_
- AGE (AS PER BYLAW): \_\_\_\_\_ BIRTH DATE \_\_\_\_\_  
YEAR MONTH DAY  
PROOF OF AGE SHOWN TO \_\_\_\_\_ (STAFF MEMBER'S SIGNATURE)
- NAME CHANGE \_\_\_\_\_
- OTHER (SPECIFY) \_\_\_\_\_

## IF 'ESTATE' OR 'MOVED' (APPLICANT TO CHECK ONE OF THE FOLLOWING AND SIGN):

- I REQUEST PAYMENT IN FULL, AND BY SO DOING, AM AWARE THAT I AM NOT ELIGIBLE FOR ANY PATRONAGE REFUNDS WHICH MAY BE ALLOCATED, AFTER PAYMENT IS MADE.
- REPAY ONLY AFTER ALLOCATION FOR THE CURRENT YEAR HAS BEEN DECLARED AND PROCESSED.
- RETAIN MEMBERSHIP FEE OF \$10.00  UNTIL AFTER CURRENT ALLOCATION

## TRANSFER EQUITY TO:

NAME \_\_\_\_\_ MEMBER NUMBER \_\_\_\_\_  
ADDRESS \_\_\_\_\_ BIRTH DATE \_\_\_\_\_  
City / Prov / Postal Code \_\_\_\_\_ SIN/BUSINESS No. \_\_\_\_\_  
EMAIL \_\_\_\_\_ Phone \_\_\_\_\_

The Co-op respects your privacy. The personal information in this form will be used to communicate with you and to administer the Equity and Cash Back Program. The Co-op requires your Social Insurance Number (SIN) because the law requires us to report patronage allocations for income tax purposes. Your date of birth is used to administer the overage policy with respect to the Equity and Cash Back Program.

I understand that by signing this application form, I am consenting to the collection of my personal information and to its use for the stated purposes.

APPLICANT'S SIGNATURE \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
PHONE \_\_\_\_\_ EMAIL: \_\_\_\_\_

## DATE APPROVED BY BOARD

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
DD / MM / YYYY

## FOR OFFICE USE ONLY

AMOUNT OF EQUITY \$ \_\_\_\_\_  
PAYMENT DUE PER POLICY \_\_\_\_\_  
DEDUCT - ACCOUNTS RECEIVABLE (IF ANY) \_\_\_\_\_  
- MEMBERSHIP FEE OF \$ \_\_\_\_\_  
TO BE RETAINED \_\_\_\_\_  
AMOUNT OF PAYMENT \$ \_\_\_\_\_

CHEQUE NUMBER \_\_\_\_\_