

**ARTICLES OF INCORPORATION OF AN ASSOCIATION LIMITED BY
MEMBERSHIP.**

PROVINCE OF PRINCE EDWARD ISLAND CO-OPERATIVE ASSOCIATIONS ACT.

**ARTICLES OF INCORPORATION OF
THE ISLAND MEDIA ARTS CO-OPERATIVE LIMITED.**

1st – The name of the association is The Island Media Arts Co-operative Limited.

2nd – The objectives for which the association is established shall be on a co-operative basis to:

a) Offer an atmosphere of participation, self-help and community involvement within and around the Media Arts.

b) Provide a pool of talent, resources, equipment and space to facilitate interest in the media arts and support of the media arts.

c) Stimulate market interest for Island artists and technicians and promote the use of Island media arts, artists and technicians in and through all media; as well, develop and use necessary and ensuing supportive technologies and art within all media.

d) Help improve the calibre of media art and expand media art knowledge, appreciation and skills through workshops by people knowledgeable in special areas, and provide facilities, services, instructions, skills or any other means and materials necessary to achieve these goals.

e) Serve as an information centre about conferences, concerts, festivals, publications and matters concerned with media art production, distribution and performance.

f) Provide an environment in which personal contact promotes an exchange of ideas and learning through the experience of others and unites all concerned peoples on Prince Edward Island who have interests in any facet of media art performance or appreciation.

3rd – The liability of the members is limited to membership fees.

4th – The membership fee is twenty five dollars per person per year for general membership and forty dollars a year for producer membership, subject to change or approval by the board annually. The Board may from time to time recognize meritorious service to the Co-operative through the award of a Lifetime Membership. Members so honoured have all annual membership fees in the Co-operative waived for life.

CONSTITUTION

NAME

The name of the association shall be The Island Media Arts Co-operative Limited.

REGISTERED OFFICE

1. The registered office of the association shall be located in Charlottetown in the province of Prince Edward Island.

FISCAL YEAR END

2. The fiscal year end of this association shall commence on the first day of April in each year and shall end on the 31st day of March of the next year following.

NO SHARE CAPITAL

3. There will be no share capital.

MEMBERSHIP

4. a) General membership in the association shall be open to all persons who are in agreement with the aims and purposes of the association. However, no person under the age of 16 shall be entitled to hold office or vote at meetings.

b) Application for Producer membership in the association shall be made in writing to the Board and no application shall be approved unless the applicant has been recommended by at least one other board member and is voted in by a majority of the board.

c) The board of directors shall review and evaluate applications for Producer membership at least on a quarterly basis. The board of directors shall provide reasons to the applicant if it rejects an application for Producer membership and shall record these in the minutes of the director's meetings.

d) The General membership fees are to be set at \$25.00 per individual per year while Producer membership fees are to be set at \$40.00 per individual per year and are subject to annual change or approval by the board. Members receive one vote and no votes are allowed by proxy.

e) Eligibility criteria for a Producer membership shall be established by the board and made known to applicants.

f) Membership in the association is not transferable.

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g) If, in the judgement of the board, a member has acted in a manner detrimental to the best interest of the association, the board may, and after due notice to such member exclude him/her from membership, in accordance with section 27, sub-section 2, of the Co-operative Associations Act.

(h) A person whose application for Producer membership has not been approved or a member who has been expelled by the association, shall have the right to appeal at the next general meeting.

(i) Membership fees shall not be refunded to an expelled member.

(j) The Constitution of the Co-operative shall be available to members at the association's website. A printed copy of the Constitution of the association shall be given to each member upon written request. A copy of the Act and the Regulations shall be kept at the registered office and shall be available for inspection by any member during normal business hours.

(k) Every member must obey the rules of the association as set down in the regulations, the by-laws, and the policies. Every member must abide by any decision ratified by either a general or special membership meeting or by the board of directors. S/He must also help to promote the aims and purposes of the association, the success of its business and the welfare of its member. By patronizing its business and by participating in its membership activities, s/he shall aim to promote the interest of fellow members in a spirit of mutual aid. Every member shall have an equal right to participate in annual or special meeting and to vote on all matters brought before such meetings, to patronize the place of business of the association and to share in the benefits of membership provided, however, that these provisions shall be subordinate to the Regulations.

(l) Every member who has met his/her obligations as regards membership fees as specified in the policies or the by-laws of the association and who has not, in other respects, been judged delinquent nor acting contrary to the interests of the association shall be qualified to vote and to participate in the meetings of the association.

RESERVES

5. (a) A general reserve shall be created by appropriations from retained earnings. The amount appropriated in each fiscal year shall be determined by the Board of Directors in accordance with prudent financial management practices. The general reserve shall be appropriated from retained earnings for the purpose of extraordinary losses or expenditures. Extraordinary losses or expenditures shall be included on the statement of earnings and a corresponding transfer will be made from the general reserve to retained earnings to reflect the fact that part or all of the general reserve back to retained earnings require the approval of the Inspector of Co-operatives.

MEMBER MEETINGS

6. (a) In accordance with section 28 of the Co-operative Association Act, the annual membership meeting shall be held as soon after the end of the fiscal year as is practicable and reasonable, at a time and place within the Province of Prince Edward Island as determined by the board of directors and specified in the call to the meeting.

(b) Notice of annual general meetings shall be posted prominently in the association's place of business and shall be sent to the electronic mail address of every member as registered on the books of association. Where no electronic mail address is available, paper notice may be sent. It is each member's individual responsibility to ensure that the address given the association is current and valid, and to ensure e-mail settings are configured to receive communications from the Association. Notice shall be sent at least ten calendar days prior to the meeting.

(c) Those members present in person and entitled to vote shall constitute a quorum for the transaction of business at any meeting of the members.

(d) Special meetings of the membership may be called at any time by the board of directors and such meetings must be called whenever a petition therefore is signed by at least thirty members or twenty percent of the members of the association (whichever is the lesser number) and presented to the board of directors. Notice of special meetings shall be given in the same manner as is provided for annual meetings in these by-laws and shall state time, place, and purpose of such meetings and the business to come before it, and no other business than that specified in the notice shall be transacted.

(e) The order of business for annual meetings of the association shall be as follows:

- 1) The meeting shall be called to order by the president or acting president.
- 2) Reading and disposal of the minutes of the previous annual general meeting.
- 3) Review of business arising out of those minutes.
- 4) Reports of officers.
- 5) Reports of auditors.
- 6) Consideration of financial statements.
- 7) Unfinished business.
- 8) Nomination and election of directors for the ensuing year.
- 9) Election of auditors.
- 10) New business.
- 11) Adjournment

... (Section 6 con't)

... (Section 6 cont'd)

(f) The membership meeting shall have the right and responsibility to:

- 1) Elect directors or members of committees and to remove them from office if, and when they are derelict in their duties.
- 2) Hear and pass upon the reports of officers and the general manager of the association and of any committees which are responsible to it.
- 3) Make the final decision regarding any major changes in the financial policy including the purchase or sale of real estate.
- 4) Determine what amendments shall be made in the by-laws.

(g) All meetings shall be governed by rules of order as determined from time to time by the board of directors.

(h) The financial statements laid before the members of the association at any special meeting or at an annual general meeting shall consist of at least the following:

- 1) Balance sheet
- 2) Statement of earnings
- 3) Statement of retained earnings (and, where applicable, statements of contributed surplus and reserves)
- 4) Statement of changes in financial position

THE BOARD OF DIRECTORS

7. (a) The management of the association shall be vested in a board of directors consisting of seven members, who shall be elected at the annual meeting. At least five of the directors shall be producer members. The board shall meet at least monthly and a majority shall form a quorum.

(b) No employee of the association shall hold office as a director.

(c) If a vacancy occurs in the board of directors by reasons of death or resignation or other cause the vacancy so created shall be filled by appointment by the remaining directors until the date of the next annual general meeting. All previous directors shall be eligible for re-election.

(d) Nominations for all candidates for election to the board shall be made by at least two other members.

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... (Section 7 cont'd)

(e) The order of business at all meetings of the board shall include:

- 1) Roll call
- 2) Reading of the minutes of the last meeting
- 3) Correspondence
- 4) Applications for membership
- 5) Reports of special committees
- 6) Manager's report (if any)
- 7) Monthly financial statement
- 8) Unfinished business
- 9) New business
- 10) Adjournment

(f) Special meetings of the board may be called by the president or by a notice in writing given to the secretary by any two members of the board two days before the date of such a meeting. The secretary shall notify all members of the board and only such business may be transacted at the special meeting as is named in the notice.

(g) The board may delegate any of its powers to one or more special committees of the board or to any other members of the association in good standing.

(h) It shall be the duty of the board to oversee general management of the affairs of the association and in particular to:

- 1) Act in applications for membership and withdrawal and expulsion of members.
- 2) Appoint or hire an Executive Director, define his/her responsibilities and provide him/her with overall direction.
- 3) Fix from time to time the salaries paid to the Executive Director and other employees of the association.
- 4) Lay before the annual meeting of the association a statement of the accounts of the association, duly audited, accompanied by a report on the position of the affairs of the association.
- 5) Acquire the facilities necessary to carry on the concerns and activities of the association.
- 6) Be responsible for the proper care of all properties and materials handled by the association and make all contracts entered into by or on behalf of the association for any of the objects for which it is formed.
- 7) Have charge of investments and designate the bank or credit union in which the funds of the association shall be deposited and take all reasonable steps necessary to ensure the existence of a system of control over the assets of the association.
- 8) Ensure economical working of the association's activities and concerns.
- 9) Maintain a direct and vital connection with other cooperative associations.

... (Section 7 (h) cont'd)

... (Section 7 (h) cont'd)

10) Foster the spirit of enthusiasm for cooperative effort both in the staff and in the members of the association and identify themselves with every good feature of co-operative endeavour.

11) Perform other duties as are provided in the Constitution and take such measures for the management of affairs of the association not provided to be taken by a general meeting and not inconsistent with the co-operative principals, the Co-operative Associations Act, Regulations of the Act and this Constitution.

(i) No member of the board shall be compensated for duties associated with board membership, but may be reimbursed for any expenses incurred by them in attending board meetings or any other official or authorized activity of the association.

(j) Any member of the board may be removed from office at any time by a two-thirds vote of a special meeting and his/her place may thereupon be filled by a majority vote.

(k) Should any legal action(s) be brought to bear against any member of the board or the Executive Director as the result of activities related to the execution of their duties the co-operative is committed to provide legal defense and in furtherance of this to maintain insurance (non-profit directors and officers liability) for same.

OFFICERS

8. (a) The board shall, at its first meeting following upon the annual meeting, elect its officers for the coming year. The officers shall be a president, a vice-president, a secretary and a treasurer. The offices of secretary and treasurer may be combined into the office of secretary-treasurer if it be convenient.

(b) Of the appointments the secretary, treasurer or secretary-treasurer may or may not be directors of the board.

(c) It shall be the duty of the President to:

- 1) Act as chair at all meetings of the association and of the board of directors.
- 2) Call special meetings of the association and of the board.
- 3) Countersign all cheques, notes, contracts, and drafts drawn by the association.
- 4) Certify by his/her signature all acts, orders and proceeding of the meetings and, in particular, sign all reports to be laid before meetings of the association, which shall be previously submitted to and approved by the board.
- 5) Perform such other duties as appertain to his/her office.

(d) In the absence of the President or his/her inability to act from any cause, the Vice President shall discharge the duties of the President. S/He shall also perform such other duties as may be assigned to him/her by the board.

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... (Section 8 cont'd)

(e) It shall be the duty of the Secretary to:

- 1) Summon and attend all meetings of the association and the board and of any special committee if so required by the board and to keep correct minutes of all meetings of the board and of the association.
- 2) Take charge of the seal of the association which shall, whenever used, be authenticated by signatures of the president and the secretary.
- 3) Have charge of the documents and other papers of the association and keep the list of members and conduct the correspondence of the association, subject to the control of the board.
- 4) Prepare with the treasurer and, if need be, the manager, all returns required to be made to the inspector.
- 5) Discharge such other duties as may be determined from time to time by the board.

(f) It shall be the duty of the Treasurer to:

- 1) Supervise the receipt and deposit of all monies paid into the association in whatever chartered bank the board may select and to give its receipt therefore.
- 2) Be responsible for the keeping of a proper set of books showing accurately all financial transactions of the association.
- 3) Present a detailed account of receipts and expenditures to the board when requested.

(g) All cheques or other negotiable instruments shall be signed on behalf of the association by two of: the Treasurer, the President, and the Executive Director. In no instance may any signing officer sign a cheque payable to themselves.

Executive Director

9. (a) The board shall appoint an Executive Director whose duties it shall be under the oversight of the board to:

- 1) Act as de facto Treasurer of the association when and where required, upon stipulation of the board.
- 2) Present a detailed account of receipts and expenditures to the board when so requested by it.
- 3) Perform such other duties as relate to his/her office.
- 4) Manage the business of the association.
- 5) Have custody of all the property, materials, and assets of the association and to be responsible therefore.
- 6) See that all materials, buildings and other assets of the association are at all times insured through insurance policies approved by the board.

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... (Section 9 cont'd)

- 7) Keep a full set of books and records which shall be open at all times to the board or to any officer of the association.
- 8) Prepare a report for the information of the board in such a format as it may, from time to time require.
- 9) Assist the board to take stock of all assets of the association in conjunction with any other person or persons appointed by the board at the end of each year, and such other times as the board may require, and to exhibit a complete inventory to the board as soon as it is reasonably possible thereafter.
- 10) Hand over to the treasurer vouchers and other evidence accounting for all monies received, disbursed, or deposited by him/her on behalf of the association.
- 11) Permit access to all books, records, and all the assets of the association to any auditor or auditors appointed by the board.
- 12) Deposit all funds in his/her possession to the bank or banks prescribed by the board, retaining only such amounts of funds on hand as may be approved by the board, deposit of such funds being within not more than one week of their receipt.
- 13) Discharge such other duties as may be required of him/her by the board.
- 14) On the termination of the Executive Director's employment, s/he shall turn over to his/her successor or to the board all property, books, papers and money of the association in his/her possession.

(a) The Treasurer, Executive Director or other officers or employees having custody of the funds or materials shall, if required, each give a bond with corporate security against possible loss. The association shall pay the costs of such bonds.

BORROWING

10.) The board of directors may and they are hereby authorized from time to time to:

(a) Borrow money upon credit of the association.

(b) Mortgage, hypothecate, charge or pledge all or any of the real or personal property undertaking and rights of the association with the sanction of an extraordinary resolution and subject to the approval of the Inspector.

12. (a) Where in a financial year at least two-thirds of the members of the association consent in writing the association is exempt from section 39 of the Co-operative Associations Act in respect of the year in which the consent is given.

(b) If two-thirds of the members do not consent to the exemption from section 39 of the Co-operative Associations Act the members shall, at each annual meeting, appoint an auditor or auditors to hold office until the next annual meeting and the auditor or auditors so appointed must be approved by the Inspector.

... (Section 12 cont'd)

... (Section 12 cont'd)

(c) Every auditor of the association has a right of access at all times to the books and accounts and vouchers of the association and is entitled to require from the directors and officers of the association such information and explanation as may be necessary for the performance of the duties of the auditors, and they are entitled to attend any annual or special membership meeting of the association at which any accounts which have been examined or reported on by them are to be laid before the association and to make any statement or explanation they desire with respect to the accounts.

(d) The association shall provide the Inspector with notice of all annual or special membership meetings accompanied by a copy of the agenda and for those meeting where financial statements are to be discussed, a copy of those financial statements.

FINANCIAL STATEMENTS AND SURPLUS FUNDS

13. (a) The financial statements laid before the members of the association at any special meeting or at an annual meeting shall consist of at least the following:

- 1) Balance sheet
- 2) Statement of earnings
- 3) Statement of retained earnings (and, where applicable, statements of contributed surplus and reserves).
- 4) Statement of changes in financial position.

(b) If upon the close of the fiscal year there is a net surplus indicated in the annual financial statement then said surplus shall be distributed as decided by the membership.

(c) No dividend, patronage refund or bonus shall be approved by the association in any financial year.

CREDIT POLICY

14. The credit policy of the association is as follows:

- (a) Payment shall be made in cash or by certified cheque or money order.
- (b) Or, as otherwise recommended by the board of directors and approved by the membership.

WITHDRAWAL FROM MEMBERSHIP

15. A member wishing to terminate his/her membership shall make written application to the board of directors and shall present the application at least seven days prior to the date on which the member wishes to withdraw. The board of directors will approve the withdrawal from membership.

DISTRIBUTION OF ASSETS UPON DISSOLUTION

16. If, for any reason, the operations of the association are terminated or wound up or are dissolved and there remains at that time, after satisfaction of its debts and liabilities, any property whatsoever, the same shall be paid to the Co-operative Union of PEI.

AMENDMENTS

17. The association may make, repeal or amend the by-laws at a special or annual meeting provided that:

(a) Notice of the proposed action is given in writing to the members at least ten days before the meeting.

(b) The aforesaid notice contains the exact wording of the proposed by-law(s), the exact wording of the by-law(s) to be repealed, the exact wording of the by-law(s) to be amended together with the exact wording of the by-law(s) incorporating the proposed amendment(s) as applicable.

GOVERNMENT

18. The association shall be governed in accordance with the Co-operative Associations Act and regulations made pursuant thereto as amended, from time to time, and these by-laws. In any instances where the by-laws do not provide governing rules for circumstances that may arise, the provisions of the Act and regulations shall apply. In all such cases, the regulations shall take precedence over the by-laws and the Act shall take precedence over the regulations.

ADOPTION

19. These by-laws were adopted at a membership meeting held Thursday, September 12,