



Membership Policy

SECTION 1 – PURPOSE, MISSION AND VISION

Our Purpose

The Canada Organic Trade Association (COTA) is a national non-profit membership-based trade association for the organic sector in Canada. COTA represents growers, processors, certifiers, farmers' and regional associations, organizations supportive of organic, distributors, importers, exporters, consultants, retailers and all actors along the organic value chain to:

- Enable all members of the organic sector to share a strong voice, ensure the protection of the organic sector and encourage its continued growth;
- Represent members to government on sector issues, market development and the need for strong organic standards and regulations;
- Maintain an active Canadian media presence, promoting the organic sector, educating the public and protecting organic product integrity;
- Raise public and government awareness of the organic industry through consumer initiatives, outreach and education campaigns; and
- Support members with the latest information on organic regulations and standards domestically and abroad, with advocacy and representation, by connecting and strengthening the organic business community, and through leadership in the organic sector.

Our Vision

Thriving, resilient communities and ecosystems rooted in organic's holistic principles and practices.

Our Mission

We promote and protect the organic sector and encourage the universal adoption of organic.

Our Values

- **Collaboration:** We thrive in environments that encourage cooperation, where all voices are heard, and valued.
- **Courage:** We are conscientious advocates; we persist with vigor and ingenuity in pursuit of our goals.
- **Adaptability:** We navigate unforeseen issues with resilience, with a view to the creation of new opportunities.

Our Statement of Principle

With farming as the foundation of organic, COTA acts as a cultivator, connector and advocate for organic in Canada and abroad.

General

Strong and reciprocal links with leading organizations and stakeholders in the organic sector are essential to the success of COTA. Therefore, membership is open to trade partners as well as associates from other parts of the industry including, but not limited to regional associations, business associates, government associates and non-profit associates.

The main reasons for being a COTA member are:

- Gain access to data insights;
- Gain market access;
- Receive member discounts and funding from programs;
- Use your a voice as a collective force to create positive change on regulatory, industry and governmental issues; and
- Make business connections.

This policy is a public document and is available on the website and upon request.

SECTION 2 – MEMBERSHIP CLASSES AND REQUIREMENTS

Membership Classes

As per the Canada Organic Trade Association Inc. By-Law, there shall be two (2) classes of membership in the Corporation:

- (i) **Class A** Trade members, which shall be voting members
- (ii) **Class B** Associate members, which shall be non-voting members

Class A voting membership shall be available only to Trade Members who have applied and been accepted for Class A voting membership in the Corporation.

Class B non-voting membership shall be available only to Associate Members who have applied and been accepted for Class B non-voting membership in the Corporation.

Membership Eligibility

Class A Trade members shall be individuals, businesses or organizations engaged in the production, distribution, certification and promotion of certified organic products and services required to produce them, and that generate all or part of their gross revenues from these activities. The members may include, but are not limited to, growers, livestock producers, certifiers, processors, manufacturers, distributors, cooperatives, importers, exporters, retailers, brokers, consultants, farm and livestock equipment manufacturers and input manufacturers.

Class B Associate members shall include individuals, organizations, businesses and government agencies that do not derive gross revenues from the products and services of the organic industry but who are supportive of principles consistent with those of organic agriculture.

Membership Title

Trade membership shall be bestowed to the entity for which dues are being paid on the company's sales from activity in the organic industry. Member companies with one or more organic sub-brands can include these brands in their membership and pay the appropriate dues level associated with their cumulative organic sales. They will be considered to hold one (1) membership and one (1) vote for all voting purposes.

In the case of a parent company based in Canada with one or more subsidiaries representing distinct legal entities, a membership should be obtained for each unique subsidiary entity generating revenue from its own business activity in the organic industry. Dues will be calculated based on the organic sales for the subsidiary only and one (1) vote will be allocated to each subsidiary.

In the case of a multinational company with multiple brands or subsidiaries under their portfolio, at least one of which carries certified organic products, each organic brand/subsidiary entity would have to obtain its own unique membership and pay dues associated with its business activity in the organic industry. The parent company has the right to maintain the billing and contact roles if desired, but the membership, for all intents and purposes, would be considered to be held by the subsidiary/brand and would be recognized accordingly in public recognition of COTA members.

Membership Requirements

As per COTA's operating By-Law, membership in the Corporation shall be available only to Trade and Associate Members committing to furthering the Corporation's purposes.

In order to be accepted as a member, an organization must:

- (i) Submit an application with all relevant organizational information, as outlined in the membership application;
- (ii) Agree to comply with COTA's Code of Ethics;
- (iii) Pay the current relevant membership dues as invoiced according to the policy;
- (iv) Actively support COTA's Vision, Mission, Values, Statement of Principle, and Purpose; and
- (v) Be accepted into membership by the process outlined herein.

Members must continue to be in good standing in regards to membership throughout the course of their membership. Good standing is defined as:

- (i) Keeping up to date with payments of member dues;
- (ii) Operators who qualify for certification as a trade member maintain their organic certification status (where applicable); and
- (iii) Refraining from activities that pose a reputational risk to COTA (including, but not limited to fraudulent activities, activities that could be construed as misleading or in contravention to the COTA Code of Ethics, etc.).

COTA reserves the right to request proof of organic certification at any time.

The Executive Director or Chief Executive Officer (CEO) of the organization will be responsible for either acting as the representative for their organization or appointing another suitable individual to serve as the representative for membership purposes. The appointed representative must be in good standing with the organization. The designated representative must commit to keeping up to date information shared by COTA to its membership to ensure they are well informed when operating and making decisions relating to the Corporation.

Membership Term

The term of all COTA memberships (Class A and Class B) shall be annual, subject to the policies of the Corporation.

COTA operates on a fiscal year beginning July 1st. All memberships will have a renewal date of July 1st of the current year to June 30th of the following year. Upon application, new memberships will be invoiced the prorated amount of their annual dues on the month their membership commences. The exception to this rule is for new members joining between January 1-June 30. New applications received within COTA's Q3 and Q4 periods will be subject to membership pro-rated for the remaining fiscal period as well as the next year's membership dues, invoiced at the same time.

All existing members will be notified in advance of their membership expiration in order to renew their membership without delay. Members will be provided a 60-day grace period to renew their membership and pay the relevant annual dues without losing their membership benefits. However, any member in a grace period who has not paid their annual dues for the next cycle will not be considered to be in good standing. They will not be eligible to nominate, stand for election or vote until such time as the member is in good standing again.

SECTION 3 – MEMBERSHIP DUES, TERMINATION AND DISCIPLINE

Membership Dues

All members (Class A and Class B) are required to pay the applicable dues amount for their membership, as referenced in the Membership Dues and outlined in the Membership Application and Renewal Form or agreed upon with the Corporation, in order to qualify as a COTA member and maintain good standing. Dues payments should be made upon application and annually, upon renewal to maintain membership status.

Membership dues levels for Trade members and certain Associate members are reflective of the member organization's organic sales activity. COTA relies on members to accurately identify the dues level relevant to their business upon application for membership, and to update this dues level as appropriate upon renewal.

In the case of a member subject to discipline which results in the expulsion or termination of their membership, the member organization will be reimbursed for their annual dues at a pro-rated amount.

Termination of Membership

In accordance with the By-Law of the Corporation, a membership may be terminated in any of the following ways:

1. The member dies, or, in the case of a member that is a corporation, the corporation is dissolved;
2. A member fails to maintain any qualifications for membership described in this document;
3. The member resigns by delivering a written resignation to the Corporation in which case such resignation shall be effective on the date specified in the resignation;
4. The member is expelled in accordance with the Corporation By-Law or by violating the membership policy or Code of Ethics;
5. The member's term expires and is not renewed within a 60-day period of expiration; or
6. The Corporation is liquidated or dissolved under the Act.

Subject to the articles of the Corporation, upon termination of membership, the rights of the member, including any rights in the property of the Corporation, automatically cease to exist. This includes the right to all use of a COTA Logo or COTA Member Logo on company websites or other materials. COTA reserves the right to request the removal of any COTA or COTA Member branded logos within 30 days of membership termination.

In the event of a merger or acquisition of a member organization, the new ownership must adhere to the Membership policy described herein and the COTA Code of Ethics. In order to dissolve or renew membership under the new corporate structure, COTA must receive notification in writing outlining new legal name, designated representative and key contacts of the organization. COTA will assume continued membership unless otherwise notified in the case of mergers or acquisitions.

In addition to the above, the following is required in the event of a merger of two (2) or more companies:

- (i) In the case where an existing member company acquires an additional organic brand or subsidiary, it is required that they reconfirm their level of sales activity in the organic industry in the case that amendments are required to their fees.
- (ii) In the case where a non-member company acquires an existing member company, it is required that the new ownership confirms the relevant level of sales activity in the organic industry, in the case that additional organic sales have been added, and that they recommit to the COTA Ethics Policy which the prior membership holding company had agreed to.
- (iii) In the case where two or more member companies merge, it is required that the new ownership confirms the new relevant level of sales activity in the organic industry.

COTA reserves the right to contact member organizations at any time to request information on the relevant contact information, legal name, designated organization representative and key contacts.

Discipline of Members

In accordance with the By-Law of the Corporation, the Board shall have authority to suspend, expel or deny any member from the Corporation for any one or more of the following grounds:

1. Violating any provision of the articles, By-Law or written policies of the Corporation, including the membership Code of Ethics;
2. Carrying out any conduct which may be detrimental to the Corporation as determined by the Board in its sole discretion;
3. For any other reason that the Board in its sole discretion considers to be reasonable, having regard to the purpose of the Corporation.

Dispute Resolution

In any dispute between COTA and any of its members (or former members) which relates to normal membership transactions and which cannot be resolved through informal negotiations, it shall be the policy of COTA to prefer the use of mediation whereby an impartial mediator may facilitate negotiations between the parties and assist them in developing a mutually agreeable settlement. Members are encouraged to cooperate in this process. In the event that mediation is not mutually agreeable or is unsuccessful in resolving such a dispute, both COTA and the member or former member are required to submit the dispute to binding arbitration by an arbitrator selected by independent counsel.

In the event that the Board determines that a member should be expelled or suspended from membership in the Corporation, the president, or such other officer as may be designated by the Board, shall provide twenty (20) days notice of suspension or expulsion to the member and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the president, or such other officer as may be designated by the Board, in response to the notice received within such twenty (20) day period. In the event that no written submissions are received by the president, the president, or such other officer as may be designated by the Board, may proceed to notify the member that the member is suspended or expelled from membership in the Corporation. If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the member concerning such final decision within a further twenty (20) days from the date of receipt of the submissions. The Board's decision shall be final and binding on the member, without any further right of appeal.

SECTION 4 – RIGHTS OF A MEMBER

Members shall have the rights described in the Act, By-Law and policies of COTA.

In accordance with the By-Law of the Corporation, each Trade member in good standing shall have the right to contribute to:

- (i) Nominate members for elected positions
- (ii) Contest elected positions
- (iii) Vote for elected positions
- (iv) Participate in Annual General Meetings and any Regular or Special Meeting of the Members
- (v) Vote on amendments to the COTA By-Law or Articles of Incorporation

Each Trade member in good standing shall receive one vote.

New applicant Trade members will be eligible to vote as long as they are considered in good standing at least 36 hours in advance of the voting process.

SECTION 5 – MEMBERSHIP APPROVAL PROCESS

Membership applications will be accepted throughout the year. A membership application and current dues schedule form shall be made available to all interested applicants from the COTA office.

An application for membership may be submitted at any time to the COTA office or online through the COTA website. The application will be approved or declined based on the criteria laid out in this document as soon as possible. In a case of doubtful eligibility, the application shall be referred to the Executive Committee of the Board for action. Admission to membership may be decided by a committee designated by the Board.