



## CHAPTER 48.

### An Act for the Relief of the Associated Growers of British Columbia, Limited.

[Assented to 19th December, 1924.]

**W**HEREAS the Associated Growers of British Columbia, Limited (hereinafter called the "Company"), was incorporated on the eighth of March, 1923, under the provisions of the "Companies Act," by the name of "Co-operative Growers of British Columbia, Limited": Preamble.

And whereas the Company after its incorporation executed contracts in the forms set forth in Schedules A, B, C, and D hereof, or to the like effect, which contracts in many cases had been executed by the local associations and the growers prior to the date of the incorporation of the Company; in some of which contracts the Company is described as "Co operative Growers of British Columbia, Limited," or the "Co-operative," and in others of which contracts the Company is described as "Associated Growers of British Columbia, Limited," or the "Associated":

And whereas many of the local associations formed under the "Co-operative Associations Act" became members of the Company without any extraordinary resolution as required by that Act:

And whereas some of the said contracts were signed by the growers prior to the respective dates of formation of the local associations:

And whereas in many cases no acceptance of application for membership in the local association was sent to the grower:

And whereas other formal defects have manifested themselves in respect of the formation and execution of the said contracts:

And whereas the great majority of the growers have adhered to the spirit of the said contracts, and it is desirable to cure all such formal defects:

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Therefore, His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:—

Short title.

1. This Act may be cited as the “Associated Growers of British Columbia, Limited, Relief Act.”

Defects in contracts  
under Schedules  
A, B, C, and D  
cured.

2. All formal defects in, and objections to the validity of, the said contracts arising out of the formation or execution of the said contracts shall be and the same are hereby cured, and without prejudice to the generality of the foregoing language all such contracts shall be valid notwithstanding the provisions of the “Co-operative Associations Act,” and notwithstanding the execution of the said contracts by the grower at a time prior to the incorporation of the Company or of the local association, or both, and notwithstanding failure to send the grower notice of acceptance of his application for membership in the local association.

Injunction granted  
under contracts  
similar to Schedules  
A, B, C, and D.

3. Whenever any contract in any of the forms set out in the Schedules hereto, or to the like effect, is produced to the Court and proved to have been signed by all parties thereto, and it is further proved that the grower has delivered any fruits or vegetables otherwise than in accordance with the provisions of such contract, the Court shall forthwith grant an interim injunction restraining the grower, his agents and servants, from delivering fruits or vegetables otherwise than in accordance with such contract, and the Court shall also make an interim order commanding and directing the grower to deliver the fruits or vegetables in accordance with the provisions of such contract, notwithstanding any defect in the formation, execution, or performance of the said contract, and unless the Court on the trial of the action shall be satisfied that any such contract was induced by fraudulent misrepresentation, the said interim injunction or order shall then be made permanent.

Waiver not to  
affect contracts.

4. No waiver by the Company or any local association of the performance of any part of his contract by any grower prior to the passage of this Act shall affect the validity of the contract of any other grower.

No action for  
past breaches.

5. No action shall hereafter be brought by the Company against any grower for any breach arising prior to the passage of this Act of any of the said contracts arising out of the delivery of fruits or vegetables otherwise than in accordance with such contract.

Pending litigation  
excepted.

6. Nothing in this Act contained shall prejudice or affect any litigation pending on the first day of November, 1924.

## SCHEDULE A.

## PRESENT MEMBERS OF EXISTING LOCALS.

The undersigned, being a producer of fruits or of vegetables, and a member of the Co-operative Association (hereinafter called the "Local") duly incorporated under the laws of the Province of British Columbia, for the purpose of encouraging and fostering production, for stabilizing markets, and for co-operatively and collectively handling the problems of growers of fruits and of vegetables and other pertinent questions, agrees that the Local shall become a member of the Co-operative Growers of British Columbia, Limited (hereinafter called the "Co-operative"), a company to be incorporated under the laws of the Province of British Columbia.

The undersigned further agrees that the Co-operative shall be the sole and exclusive marketing agent for all fruits and vegetables to be packed by or secured through the Local.

In consideration of the premises and for the express benefit of the Local and of the Co-operative, the undersigned further agrees:—

1. (a.) That wherever the word "Grower" is used herein it means any person or persons, partnership or corporation, engaged directly or indirectly, wholly or in part, in the production of fruits or vegetables.

(b.) That wherever the word "fruits" is used herein it means all fruits, and that wherever the word "vegetables" is used herein it means all vegetables, except potatoes grown for certified seed and by Government authority duly certified as such, and vegetables grown especially for drying, canning, or pickling, and except those vegetables especially grown for disposal outside the Co-operative under the terms of a contract between a Grower and a duly incorporated vegetable commodity association, whereof written notice shall have been given the Co-operative before the first day of June in any year.

2. The Local shall (a) become a member of the Co-operative; (b) become a party to a Marketing Agreement hereinafter referred to; (c) devote itself to the problems of packing fruits and vegetables for its members, and for such purposes it shall make a cross-contract with the Co-operative providing substantially that the Local shall handle, grade, pack, store, and deliver, in accord with the directions, rules, and regulations laid down by the Co-operative, all the fruits and vegetables delivered to it under the terms of this contract, and that the Co-operative shall have the sole and exclusive right to market, sell, or otherwise dispose of any and all such fruits and vegetables, whereof an account shall be rendered to the Local, which in turn shall account to the Growers for the net proceeds thereof.

3. The Local may include in its membership any landlord or lessor of land on which fruits or vegetables are grown (provided such landlord or lessor receives all or part of his rental in fruits or vegetables), or any tenant or lessee of such land.

4. It is hereby stipulated and agreed that certain real and personal property for the purpose of establishing, equipping, and maintaining adequate packing-houses, warehouses, or other plants necessary to handle, pack, warehouse, or store the fruits and vegetables, the subject of the activities of the Co-operative, shall be purchased, constructed, leased, or acquired, and after acquisition thereof be maintained, by a Holding Company to be incorporated under the laws of British Columbia, to be known as "Co-operative Growers' Packing Houses, Limited," which Company shall have power to issue first and second debentures in order to procure said properties. In each year proportionate deductions shall be made from the returns to each Grower as is provided for by said Marketing Agreement. When any part of such deduction shall have

been applied as to principal in reduction of first debentures, there shall thereupon be issued to said Grower fully paid-up shares of the common stock of the said Holding Company if such Grower's fruits or vegetables are packed in any packing-house operated by a Local leasing a house or houses owned by the said Holding Company. If his fruits or vegetables be packed elsewhere, second debentures shall be issued to such Grower. The first debentures being retired, the deductions to retire second debentures shall then continue to be made, but only from those Growers whose fruits or vegetables are packed in a house or houses operated by the Locals leasing houses owned by said Holding Company, and there shall thereupon be issued to said Growers fully paid-up shares of the common stock of the said Holding Company. The stock and the second debentures issued shall be of a par value equal to the deductions so applied. No stock shall be issued in respect of the amount of deductions of less than one dollar. No second debentures shall be issued in respect of the amount of deductions of less than ten dollars.

5. If by the thirtieth day of March, 192 , agreements shall have been executed by Growers of eighty per cent. of the fruit tonnage produced in the Okanagan, Similkameen, Grand Forks, Kootenay, Salmon Arm, and main line districts of British Columbia, including Lytton and points east thereof, in the form similar hereto or otherwise to like effect, in that the general scheme hereof is the subject thereof, this Agreement shall then, but not otherwise, become operative. If such percentage of signatures shall not have been procured at said date, notice in writing shall immediately be sent to each subscriber at his given address.

6. As to all matters of fact in connection herewith, whether percentage of tonnage, signatures, or otherwise, the certificate of the Chairman and the Secretary of the Organization Committee for the proposed Co-operative shall be conclusive.

7. It is stipulated and agreed that the Marketing Agreement hereunder written shall be, unless and until altered as therein provided, part and parcel hereof.

## MARKETING AGREEMENT.

THIS AGREEMENT, made in triplicate this                      day of                      , 192    ,  
Between

of (hereinafter called the "Grower"), of the first part;  
and

\_\_\_\_\_, a body corporate duly incorporated under the laws of British Columbia, with its registered office at \_\_\_\_\_, in said Province (hereinafter called the "Local"), of the second part;

and  
, a body corporate duly incorporated under the laws of  
the Province of British Columbia, with its registered office at the  
City of Vernon, in the Province of British Columbia (hereinafter  
called the "Co-operative"), of the third part.

WITNESSETH :—

1. The Grower is a member of the Local and is helping to carry on the express aims of the Local, as a member of the Co-operative for co-operative marketing, for minimizing speculation and waste, and for stabilizing fruit and vegetable markets in the interests of the Grower and the public through this and similar obligations undertaken by other Growers.

2. The Local is a member of the Co-operative and as such is obligated and bound and does by these presents obligate and bind itself to ship or

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otherwise dispose of said fruits and vegetables delivered to it as directed by the Co-operative and not otherwise.

3. The Co-operative agrees to dispose of at the best possible advantage, and the Grower agrees to consign and deliver in the manner, on the terms, and under the conditions hereinafter set forth, to the Local for the Co-operative, all of the fruits and all of the vegetables produced or grown by or for him, or in which he shall have any interest, at any place in British Columbia covered by the activities of the Co-operative or which may be otherwise acquired by him during the year 192     and every year after continually; provided that the Grower may give notice in writing of cancellation of this Agreement to Co-operative and Local at any time before and with effect from March first, 192     , and similarly in any fifth year thereafter, that he intends to sell or market or consign or deliver, directly or indirectly, for sale or marketing or consignment to any person, firm, or corporation whatsoever.

(a.) This Agreement shall not cover potatoes grown for certified seed and by Government authority duly certified as such; nor vegetables grown especially for drying, canning, or pickling; nor shall it cover those vegetables especially grown for disposal outside the Co-operative under the terms of a contract between a Grower and a duly incorporated vegetable commodity association, whereof written notice shall have been given the Co-operative before the first day of June in any year.

4. The Grower hereby appoints the Co-operative his sole and exclusive agent, and also as his attorney in fact, for the purposes hereinafter set forth, with full power and authority in its own name, in the name of the Grower, or otherwise, to transact such business and take such action as may be necessary, incidental, or convenient for the accomplishment thereof, coupling such appointment with a direct financial interest as the common agent and attorney in fact of all Growers hereunder, and without power of revocation for the full term hereof:

(a.) To dispose of any and all such fruits and vegetables in whatsoever way it shall judge to be to the best advantage of the Grower.

(b.) To pay or retain and deduct from the gross returns thereof such Growers' proper proportion of all brokerage, advertising, taxes, tolls, freights, legal expense, and all other proper charges, such as salaries, fixed charges, and general expenses of the Co-operative, and in addition the Co-operative may deduct one per cent. of the gross selling-price of such fruits and vegetables as a commercial reserve to be used for any of the purposes or activities of the Local and Co-operative.

(c.) In the event of the dissolution of the Co-operative, any then unused balance of the commercial reserve shall be distributed to the Locals in the same proportions in which it was contributed. In case of the withdrawal of any Local from the Co-operative, there shall be paid to said Local from the balance at credit of said commercial reserve one-third only of its proportionate share.

(d.) The Grower agrees that the Co-operative may settle any and all claims for damages which may occur to fruits or vegetables during transit or that may arise in connection with the exercise of any of the powers or authority herein granted.

(e.) The Grower agrees that the Co-operative shall deduct from all receipts for fruits or vegetables sold by it the sum of five cents per box of apples, pears, and of crab-apples, and two and one-half cents per crate, sack, or other package of all other fruits and of vegetables, the same to be applied in reduction of the debenture issue and the preference stock of the Holding Company referred to in the Membership Agreement, and to be made

annually until said debenture issue and said preference stock shall have been retired.

(f.) In case at any time the Grower shall fail to fulfil on his part the provisions of this Agreement or any of them, or shall fail to deliver the said crops to the Local as herein provided, it is further agreed by and between the parties hereto that the Local or the Co-operative shall be entitled, without legal process, to take exclusive possession and control of said crops, and to harvest, pack, and market the same according to the terms of this Agreement, or, at its option, to take any legal action to obtain possession thereof, or to have a receiver appointed with power to take exclusive possession and control of said crops and deliver the same to the Local as hereinbefore provided, or otherwise to dispose of the same as a Court having jurisdiction in that behalf may direct. If possession shall be taken of said crops in any manner by the Co-operative or the Local, there shall be retained out of the proceeds derived from the sale thereof, in addition to the sums heretofore provided for, all expenses incurred in connection therewith by the Co-operative or the Local.

5. From time to time the Grower shall furnish promptly any and all statistical data requested by the Local or by the Co-operative and on the forms provided for the purpose by the Local or by the Co-operative.

6. The Grower expressly warrants that he is now in a position to control said crops, and covenants to deliver same according to this Agreement, and that he has not heretofore contracted to sell, market, or deliver any of said fruits or vegetables to any person, firm, or corporation, except as is stated at the end of this Agreement, and any crops covered by any such existing Agreement shall be excluded from the terms hereof to the extent and for the time there indicated.

7. All fruits and vegetables shall be delivered by the Grower at a warehouse or packing-house of the Local or, if specially directed, at some other point if no greater expense is caused in so doing; such delivery to be made at the earliest reasonable time when ready or as directed by the Local.

8. The Co-operative shall from time to time make rules and regulations regarding harvesting, handling, delivering, standardizing, grading, classifying, and packing fruits and vegetables and other matters pertinent hereto, and shall provide inspectors to enforce said rules and regulations, and the Grower and the Local each agrees to observe and perform such rules and regulations and to accept the grading and standards established by the Co-operative. The determination of the Co-operative as to grades and standards shall be final.

(a.) The rules and regulations current at any time shall be deemed to be a part hereof as though embodied herein.

(b.) The Local by conforming to the rules therefor prescribed by the Co-operative shall have the right to pack or box fruits or vegetables under a distinctive brand. Any Grower who has hitherto packed his own fruits for disposal through a local or other agency and has used his own packing-house therefor may continue to use said packing-house and there pack his own fruits, either under his hitherto established individual or distinctive brand or otherwise, providing that before the first day of July in any year said packing-house shall have been designated to the Local and to the Co-operative and permission to pack there be specifically given by the Local and by the Co-operative. In such event all rules and regulations of the Local and of the Co-operative shall extend thereto.

(c.) Any loss that the Co-operative or Local may suffer on account of fruits or vegetables of inferior quality or standard shall be paid by the Grower thereof, and be deducted from his net returns hereunder, or if it

be impossible to determine the Grower thereof the Local pool shall bear the loss.

(d.) Fruits or vegetables unfit for shipment must be refused and rejected by the Local, and the manager of the Local shall be the sole judge of such unfitness. Such rejected fruits or vegetables may not be offered for sale elsewhere by the Grower.

9. The Grower hereby agrees that the Local may pool or mingle the fruits or vegetables of the Grower with fruits or vegetables of a like quality or grade delivered by other Growers, and that all fruits and vegetables delivered to the Local may be pooled by the Co-operative by grade and variety, and payments in respect thereof shall be made from time to time, as rapidly as possible, in due proportion, until the accounts of the pools are completely settled, and shall be so distributed, not later than the first day of June in the year following delivery of such fruits and vegetables.

10. The Grower further agrees that the Co-operative, after making the necessary deductions hereinabove provided, shall pay over to the Local all balances due to the said Local in accordance with the variety and grades of fruits and vegetables shipped from said Local. The Local shall thereafter, as soon as practicable, pay to the Growers the net balance due to them, after first deducting such Growers' proper proportional share of the total cost of handling, cartage, packing, warehousing, loading, and all other proper charges, including salaries, fixed charges, rents, and general expenses, incurred by the Local.

11. There shall also be retained, if deemed advisable, a reserve fund or funds necessary to meet contingencies or the better to enable the Local to finance or operate its business; there shall also be retained any moneys due the Local for material or supplies furnished or moneys advanced to the Grower or any other indebtedness or obligation due the Local, the same to be a first lien upon the balance due the Grower by the Local.

12. If this Agreement is signed by or on behalf of a copartnership, each and every member thereof shall be and be deemed to be a Grower, and in the event of the dissolution or termination of the said copartnership each member thereof shall be bound by the terms hereof.

13. This Agreement expressly covers the crops to be produced on the land owned or leased by the Grower located as generally described on the signature stub herein below, and in addition expressly covers any and all fruits and vegetables that the Grower may produce or acquire from or on any other land in British Columbia covered by the activities of the Co-operative, and more particularly defined in the Membership Agreement, whatsoever during the term hereof.

(a.) If the Grower transfers any or all of his fruit or vegetable land, or any or all the fruits or vegetables owned or controlled by him which are the subject of this Agreement, to any member of his family by blood relation or marriage, or to any trustee for himself, or any such member of his family, any such transferee shall be deemed to be a Grower and be bound by the terms of this Agreement.

(b.) Any transfer made by the Grower to any person, firm, or corporation whatsoever after March first of any year shall be conclusively deemed to be made subject to this Agreement and all its obligations for that calendar year, and the transferee shall be bound by the terms of this Agreement. If the Grower shall, except as referred to above, in good faith sell or transfer the said lands or any part thereof, and give written

notice of such sale to the Local and Co-operative, then this Agreement shall be cancelled, as to such lands so sold as on the first day of March following receipt of such notice.

14. It is agreed that the Grower may, subject to the terms of this Agreement, mortgage or pledge his interest in any of his crops, and the mortgagee or pledgee may file notice with the Local, and the said Local shall thereupon account to the mortgagee or pledgee for the net proceeds of any crop which may come into its hands, and after deducting any and all claims and liens which the Local may have upon the same shall remit the balance (if any) to the Grower.

15. This Agreement, although individual in expression, is one of a series either identical or generally similar in terms, and together with all such Agreements comprises one contract. The Local or the Co-operative shall be deemed to be acting with regard to all such Growers in all things it or they may lawfully do under the terms hereof, whether in legal proceedings or otherwise.

16. Inasmuch as it is now and always will be impracticable and extremely difficult to determine the actual damage resulting to the Local and the Co-operative should the Grower fail so to deliver his fruits and vegetables, the Grower hereby agrees to pay to the Local as liquidated damages for the breach of this contract, and not as a penalty, for all fruits and vegetables withheld, delivered, sold, consigned, or marketed by or for him other than in accordance with the terms hereof, twenty-five cents per package of all fruits and fifteen cents per crate, sack, or other package of vegetables. All parties agree that this contract is one of a series dependent for its true value upon the adherence of each and all of the Growers to each and all of the said contracts.

17. The Grower agrees that, in the event of a breach or threatened breach by him of any provision regarding delivery of fruits or vegetables, the Local shall be entitled to an injunction to prevent breach or further breach hereof, and to a decree for specific performance hereof according to the terms of this Agreement, and the parties agree that this is not a contract for personal services or demanding exceptional capacity or talents and will be the proper subject for the remedy of specific performance in the event of a breach or threatened breach hereof.

(a.) If any action or proceeding be successfully brought against any Grower in respect of any breach or threatened breach of any term or terms hereof, then the Grower shall pay the plaintiff in such action or proceeding solicitor and client costs, and the same shall be included in the judgment.

18. In the event of a breach or threatened breach on the part of the Grower of any term or terms hereof, and if the Local refuse or neglect to institute proceedings under paragraph 16 or 17 hereof, the Co-operative shall be at liberty so to do, using if necessary the name of the Local for that purpose. In such event any and all moneys recovered in any such proceedings shall be and become the moneys of the Co-operative.

19. The parties agree that there are no other conditions, promises, covenants, representations, or inducements in addition to or at variance with any of the terms hereof, and that this Agreement represents the voluntary and clear understanding of all parties wholly and completely.

20. It is hereby agreed by and between all parties hereto that, with the consent of the Local and of the Co-operative, on the thirtieth day of March, 192 , or quinquennially thereafter, any Grower may substitute for this Marketing Agreement another Marketing Agreement substantially in the same terms.



In witness whereof the parties hereto have hereunto set their hand and seal and corporate seals respectively.

*End of Marketing Agreement.*

8. It is expressly agreed that this instrument is one of a series substantially identical in terms, and that all such instruments shall be deemed one contract as if all the subscribers had signed only one such contract.

Signed, sealed, and delivered by the }  
Grower in the presence of— }

Sealed, delivered, and countersigned }  
by the of the Local in the }  
presence of— }

Sealed, delivered, and countersigned }  
by the of the Co-operative }  
in the presence of— }

Other contracts:

Description of land:

## SCHEDULE B.

### NEW MEMBERS OF EXISTING LOCALS.

The undersigned, being a producer of fruits or vegetables, for the purpose of encouraging and fostering production, for stabilizing markets, and for co-operatively and collectively handling the problems of fruit and of vegetable growers and of other pertinent questions, hereby applies to become a member of the Co-operative Association (herein called the "Local") established under the laws of British Columbia, known and described as the .

The undersigned agrees that his signature hereto shall be deemed an application for membership in the Local, and that his execution hereof shall be irrevocable. In addition to all other consideration therefor, he so agrees so as to induce other growers to execute agreements with the same object in view, for his benefit as well as for the general benefit of all growers and the public welfare. Acceptance of this application for membership shall be deemed duly effected upon mailing of notice of acceptance by the Secretary of the Local to the subscriber at his address noted below; whereupon this Agreement shall come into full force and effect. Mailing of such notice shall be conclusively established by the statutory declaration of the Secretary of the Local.

If the application of the undersigned for membership be accepted, he agrees that he will comply with all by-laws, rules, and regulations of the Local, and that he will faithfully carry out all obligations of membership in the Local.

And in consideration of the Local becoming a member of the Co-operative Growers of British Columbia, Limited (herein called the "Co-operative"), a company organized under the laws of the Province of British Columbia, which is to be the sole and exclusive marketing agent for all fruits and vegetables to be packed by or secured through the Local, the undersigned, in consideration of the execution of a similar Agreement by other Growers, containing similar obligations, for the express benefit of the Local and Co-operative, hereby agrees as follows:—

1. (a.) That wherever the word "Grower" is used herein it means any person or persons, partnership or corporation, engaged directly or indirectly, wholly or in part, in the production of fruits or vegetables.

(b.) That wherever the word "fruits" is used herein it means all fruits, and that wherever the word "vegetables" is used herein it means all vegetables,

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except potatoes grown for certified seed and by Government authority duly certified as such, and vegetables grown especially for drying, canning, or pickling, and except those vegetables especially grown for disposal outside the Co-operative under the terms of a contract between a Grower and a duly incorporated vegetable commodity association, whereof written notice shall have been given the Associated before the first day of June in any year.

2. The Local shall (a) become a member of the Co-operative; (b) become a party to a Marketing Agreement hereinafter referred to; (c) devote itself to the problems of packing fruits and vegetables for its members, and for such purposes it shall make a cross-contract with the Co-operative providing substantially that the Local shall handle, grade, pack, store, and deliver, in accord with the directions, rules, and regulations laid down by the Co-operative, all the fruits and vegetables delivered to it under the terms of this contract, and that the Co-operative shall have the sole and exclusive right to market, sell, or otherwise dispose of any and all such fruits and vegetables, whereof an account shall be rendered to the Local, which in turn shall account to the Growers for the net proceeds thereof.

3. The Local may include in its membership any landlord or lessor of land on which fruits or vegetables are grown (provided such landlord or lessor receives all or part of his rental in fruits or vegetables), or any tenant or lessee of such land.

4. It is hereby stipulated and agreed that certain real and personal property for the purpose of establishing, equipping, and maintaining adequate packing-houses, warehouses, or other plants necessary to handle, pack, warehouse, or store the fruits and vegetables, the subject of the activities of the Co-operative, shall be purchased, constructed, leased, or acquired, and after acquisition thereof be maintained, by a Holding Company incorporated under the laws of British Columbia, known as "Growers' Packing Houses, Limited," which Company shall have power to issue first and second debentures in order to procure said properties. In each year proportionate deductions shall be made from the returns to each Grower as is provided for by said Marketing Agreement. When any part of such deduction shall have been applied as to principal in reduction of first debentures, there shall thereupon be issued to said Grower fully paid-up shares of the common stock of the said Holding Company if such Grower's fruits or vegetables are packed in any packing-house operated by a Local leasing a house or houses owned by the said Holding Company. If his fruits or vegetables be packed elsewhere, second debentures shall be issued to such Grower. The first debentures being retired, the deductions to retire second debentures shall then continue to be made, but only from those Growers whose fruits or vegetables are packed in a house or houses operated by the Locals leasing houses owned by said Holding Company, and there shall thereupon be issued to said Growers fully paid-up shares of the common stock of the said Holding Company. The stock and the second debentures issued shall be of a par value equal to the deductions so applied. No stock shall be issued in respect of the amount of deductions of less than one dollar. No second debentures shall be issued in respect of the amount of deductions of less than ten dollars.

5. It is stipulated and agreed that the Marketing Agreement hereunder written shall be, unless and until altered as therein provided, part and parcel hereof.

MARKETING AGREEMENT.

(Here follows a Marketing Agreement similar to the Marketing Agreement included in section 7 of the contract as set out in Schedule A hereto.)

*End of Marketing Agreement.*

6. It is expressly agreed that this instrument is one of a series substantially identical in terms, and that all such instruments shall be deemed one contract as if all the subscribers had signed only one such contract.

Signed, sealed, and delivered by the }  
Grower in the presence of—

Sealed, delivered, and countersigned }  
by the                      of the Local in the }  
presence of—

Sealed, delivered, and countersigned }  
by the                      of the Co-operative }  
in the presence of—

Other contracts:

Description of land:

### SCHEDULE C.

#### ALL MEMBERS OF NEW LOCALS.

Whereas for the purpose of encouraging and fostering the business of producing and marketing fruits and vegetables co-operatively, for reducing speculation and for stabilizing markets, and for co-operatively and collectively handling the problems of fruit and vegetable growers and other pertinent matters, it is proposed that an Association (hereinafter called the "Local") shall be incorporated under the laws of British Columbia, the same to be known as .

And whereas it is proposed that the Local shall become a member of the Co-operative Growers of British Columbia, Limited (hereinafter called the "Co-operative"), a company incorporated under the laws of British Columbia, and which is to be the sole and exclusive marketing agent for all fruits and vegetables to be packed by or secured through the Local:

The undersigned Grower, in consideration of the premises and in consideration of similar obligations undertaken by other Growers, hereby agrees that an Organization Committee of five (5) persons shall be appointed by the Organization Committee of the proposed Co-operative, and such Committee shall be his representative to take such steps as it may deem proper to secure subscribers to similar agreements, and when an adequate number of subscribers is secured may take the necessary steps to incorporate said Local with the approval of the Co-operative. If, however, the Co-operative should not approve of such incorporation, then this shall be deemed to be an application for membership in the nearest existing, or most conveniently situated, Local, as designated by the Co-operative, to be granted upon terms to be stated between the Grower and such Local.

The undersigned further agrees to apply to become a member of the Local, and that his signature hereto shall be deemed to be an application for membership. He further agrees that his execution hereof shall be irrevocable, and that, in addition to all other considerations therefor, he so agrees so as to induce other Growers to execute agreements with the same object in view for his benefit as well as for the general benefit of all Growers and the general welfare.

Acceptance of this application for membership shall be deemed duly effected upon mailing of notice of acceptance by the Secretary of the Local to the undersigned at his address noted below. The mailing of such notice shall be con-

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clusively established by the statutory declaration of the Secretary of the Local, and upon mailing of said notice this Agreement shall come into full force and effect.

If this application for membership be accepted, the undersigned agrees that he will comply with all by-laws, rules, and regulations of the Local, and that he will faithfully carry out all obligations of membership in the Local.

The subscriber further agrees:—

1. (a.) That wherever the word "Grower" is used herein it means any person or persons, partnership or corporation, engaged directly or indirectly, wholly or in part, in the production or fruits or of vegetables.

(b.) That wherever the word "fruits" is used herein it means all fruits, and that wherever the word "vegetables" is used herein it means all vegetables, except potatoes grown for certified seed and by Government authority duly certified as such, and vegetables grown especially for drying, canning, or pickling, and except those vegetables especially grown for disposal outside the Co-operative under the terms of a contract between a Grower and a duly incorporated vegetable commodity association, whereof written notice shall have been given the Co-operative before the first day of June in any year.

2. The Local shall (a) become a member of the Co-operative; (b) become a party to a Marketing Agreement hereinafter referred to; (c) devote itself to the problems of packing fruits and vegetables for its members, and for such purposes it shall make a cross-contract with the Co-operative providing substantially that the Local shall handle, grade, pack, store, and deliver, in accord with the directions, rules, and regulations laid down by the Co-operative, all the fruits and vegetables delivered to it under the terms of this contract, and that the Co-operative shall have the sole and exclusive right to market, sell, or otherwise dispose of any and all such fruits and vegetables, whereof an account shall be rendered to the Local, which in turn shall account to the Growers for the net proceeds thereof.

3. The Local may include in its membership any landlord or lessor of land on which fruits or vegetables are grown (provided such landlord or lessor receives all or part of his rental in fruits or vegetables), or any tenant or lessee of such land.

4. It is hereby stipulated and agreed that certain real and personal property for the purpose of establishing, equipping, and maintaining adequate packing-houses, warehouses, or other plants necessary to handle, pack, warehouse, or store the fruits and vegetables, the subject of the activities of the Co-operative, shall be purchased, constructed, leased, or acquired, and after acquisition thereof be maintained, by a Holding Company to be incorporated under the laws of British Columbia, to be known as "Co-operative Growers' Packing Houses, Limited," which Company shall have power to issue first and second debentures in order to procure said properties. In each year proportionate deductions shall be made from the returns to each Grower as is provided for by said Marketing Agreement. When any part of such deduction shall have been applied as to principal in reduction of first debentures, there shall thereupon be issued to said Grower fully paid-up shares of the common stock of the said Holding Company if such Grower's fruits or vegetables are packed in any packing-house operated by a Local leasing a house or houses owned by the said Holding Company. If his fruits or vegetables be packed elsewhere, second debentures shall be issued to such Grower. The first debentures being retired, the deductions to retire second debentures shall then continue to be made, but only from those Growers whose fruits or vegetables are packed in a house or houses operated by the Locals leasing houses owned by said Holding Company, and there shall thereupon be issued to said Growers fully paid-up shares of the common stock of the said Holding Company. The stock and the

second debentures issued shall be of a par value equal to the deductions so applied. No stock shall be issued in respect of the amount of deductions of less than one dollar. No second debentures shall be issued in respect of the amount of deductions of less than ten dollars.

5. If by the thirtieth day of March, 192 , agreements shall have been executed by Growers of eighty per cent. of the fruit tonnage produced in the Okanagan, Similkameen, Grand Forks, Kootenay, Salmon Arm, and main line districts of British Columbia, including Lytton and points east thereof, in the form similar hereto or otherwise to like effect, in that the general scheme hereof is the subject thereof, this Agreement shall then, but not otherwise, become operative. If such percentage of signatures shall not have been procured at said date, notice in writing shall immediately be sent to each subscriber at his given address.

6. As to all matters of fact in connection herewith, whether percentage of tonnage, signatures, or otherwise, the certificate of the Chairman and the Secretary of the Organization Committee for the proposed Co-operative shall be conclusive.

7. It is stipulated and agreed that the Marketing Agreement hereunder written shall be, unless and until altered as therein provided, part and parcel hereof.

#### MARKETING AGREEMENT.

(Here follows a Marketing Agreement similar to the Marketing Agreement included in section 7 of the contract as set out in Schedule A hereto.)

#### *End of Marketing Agreement.*

8. It is expressly agreed that this instrument is one of a series substantially identical in terms, and that all such instruments shall be deemed one contract as if all the subscribers had signed only one such contract.

Signed, sealed, and delivered by the }  
Grower in the presence of— }

Sealed, delivered, and countersigned }  
by the                      of the Local in the }  
presence of— }

Sealed, delivered, and countersigned }  
by the                      of the Co-operative }  
in the presence of— }

Other contracts :  
Description of land :

SCHEDULE D.

TWO-PARTY AGREEMENT BETWEEN THE GROWER AND THE  
CO-OPERATIVE DIRECT.

THIS AGREEMENT IS TO BE USED IN OUTLYING DISTRICTS WHERE  
NO LOCALS CAN BE FORMED AT THE PRESENT TIME.

MARKETING AGREEMENT.

THIS AGREEMENT, made this                      day of                      , 192    ,

Between

of                      (hereinafter called the "Grower"), of the first part;

and

                    , a body corporate duly incorporated under the laws of the  
Province of British Columbia, with its registered office at the City of  
Vernon, in the Province of British Columbia (hereinafter called the  
"Co-operative"), of the second part.

Witnesseth that, in consideration of the premises, the parties hereto hereby  
agree to and with each other as follows:—

1. The Co-operative agrees to dispose of at the best possible advantage, and  
the Grower agrees to consign and deliver in the manner, on the terms, and  
under the conditions hereinafter set forth, to the Co-operative, all of the fruits  
and all of the vegetables produced or grown by or for him, or in which he shall  
have any interest, at any place in British Columbia covered by the activities of  
the Co-operative or which may be otherwise acquired by him during the year  
192    and every year after continually; provided that the Grower may give  
notice in writing of cancellation of this Agreement to Co-operative at any time  
before and with effect from March first, 192    , and similarly in any fifth year  
thereafter, that he intends to sell or market or consign or deliver, directly or  
indirectly, for sale or marketing or consignment to any person, firm, or corpora-  
tion whatsoever.

(a.) This Agreement shall not cover potatoes grown for certified seed and  
by Government authority duly certified as such; nor vegetables grown especially  
for drying, canning, pickling; nor shall it cover those vegetables especially  
grown for disposal outside the Co-operative under the terms of a contract  
between a Grower and a duly incorporated vegetable commodity association,  
whereof written notice shall have been given the Co-operative before the first  
day of June in any year.

2. The Grower hereby appoints the Co-operative his sole and exclusive agent,  
and also as his attorney in fact, for the purposes hereinafter set forth, with  
full power and authority in its own name, in the name of the Grower, or other-  
wise, to transact such business and take such action as may be necessary,  
incidental, or convenient for the accomplishment thereof, coupling such appoint-  
ment with a direct financial interest as the common agent and attorney in fact  
of all Growers hereunder, and without power of revocation for the full term  
hereof:

(a.) To dispose of any and all such fruits and vegetables in whatsoever way  
it shall judge to be to the best advantage of the Grower.

(b.) To pay or retain and deduct from the gross returns thereof such  
Grower's proper proportion of all brokerage, advertising, taxes, tolls, freights,  
legal expense, and all other proper charges, such as salaries, fixed charges, and  
general expenses of the Co-operative, and in addition the Co-operative may  
deduct one per cent. of the gross selling-price of such fruits and vegetables as

a commercial reserve to be used for any of the purposes or activities of the Co-operative.

(c.) In the event of the dissolution of the Co-operative, any then unused balance of the commercial reserve shall be distributed in the same proportions in which it was contributed.

(d.) The Grower agrees that the Co-operative may settle any and all claims for damages which may occur to fruits or vegetables during transit or that may arise in connection with the exercise of any of the powers or authority herein granted.

(e.) The Grower agrees that the Co-operative shall deduct from all receipts for fruits or vegetables sold by it the sum of five cents per box of apples, pears, and of crab-apples, and two and one-half cents per crate, sack, or other package of all other fruits and of vegetables, the same to be applied in reduction of the debenture issue and the preference stock of the Holding Company, and to be made annually until said debenture issue and said preference stock shall have been retired. When any part of such deduction shall have been applied as to principal in reduction of first debentures, there shall thereupon be issued to said Grower fully paid-up shares of the common stock of the Holding Company if such Grower's fruits or vegetables are packed in any packing-house operated by a Local leasing a house or houses owned by the Holding Company. If his fruits or vegetables be packed elsewhere, second debentures shall be issued to such Grower. The first debentures being retired, the deductions to retire second debentures shall continue to be made, but only from those Growers whose fruits or vegetables are packed in a house or houses operated by the Locals leasing houses owned by the said Holding Company, and there shall thereupon be issued to said Growers fully paid-up shares of the common stock of the Holding Company. The stock and the second debentures issued shall be of a par value equal to the deductions so applied. No stock shall be issued in respect of the amount of deductions of less than one dollar. No second debentures shall be issued in respect of the amount of deductions of less than ten dollars.

(f.) In case at any time the Grower shall fail to fulfil on his part the provisions of this Agreement or any of them, or shall fail to deliver the said crops as herein provided, it is further agreed by and between the parties hereto that the Co-operative shall be entitled, without legal process, to take exclusive possession and control of said crops, and to harvest, pack, and market the same according to the terms of this Agreement, or, at its option, to take any legal action to obtain possession thereof, or to have a receiver appointed with power to take exclusive possession and control of said crops and deliver the same to the Co-operative as hereinbefore provided, or otherwise to dispose of the same as a Court having jurisdiction in that behalf may direct. If possession shall be taken of said crops in any manner by the Co-operative, there shall be retained out of the proceeds derived from the sale thereof, in addition to the sums heretofore provided for, all expenses incurred in connection therewith by the Co-operative.

3. From time to time the Grower shall furnish promptly any and all statistical data requested by the Co-operative and on the forms provided for the purpose by the Co-operative.

4. The Grower expressly warrants that he is now in a position to control said crops, and covenants to deliver same according to this Agreement, and that he has not heretofore contracted to sell, market, or deliver any of his said fruits or vegetables to any person, firm, or corporation, except as is stated at the end of this Agreement, and any crops covered by any such existing Agreement shall be excluded from the terms hereof to the extent and for the time there indicated.

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5. Except as indicated below, all fruits and vegetables shall be delivered by the Grower at a warehouse or packing-house designated by the Co-operative or, if specially directed, at some other point if no greater expense is caused in so doing; such delivery to be made at the earliest reasonable time when ready or as directed by the Co-operative.

(a.) With the written permission of the Co-operative the Grower may pack his own fruits or vegetables. He may pack or cause them to be packed elsewhere than at his own packing-house or upon his own premises, but in such case shall receive written permission of the Co-operative to so pack in a packing-house which shall be designated to the Co-operative in writing before the first day of July in any year. In any case the rules and regulations of the Co-operative shall apply. Subject to the foregoing, the Grower shall deliver all fruits or vegetables as directed by the Co-operative.

6. The Co-operative shall from time to time make rules and regulations regarding harvesting, handling, delivering, standardizing, grading, classifying, and packing fruits and vegetables and other matters pertinent thereto, and shall provide inspectors to enforce said rules and regulations, and the Grower agrees to observe and perform such rules and regulations and to accept the grading and standards established by the Co-operative. The determination of the Co-operative as to grades and standards shall be final.

(a.) The rules and regulations current at any time shall be deemed to be a part hereof as though embodied herein.

(b.) Any loss that the Co-operative may suffer on account of fruits or vegetables of inferior quality or standard shall be paid by the Grower thereof, and be deducted from his net returns hereunder, or if it be impossible to determine the Grower thereof the pool shall bear the loss.

(c.) Fruits or vegetables unfit for shipment must be refused and rejected, and the packing inspector shall be the sole judge of such unfitness. Such rejected fruits or vegetables may not be offered for sale elsewhere by the Grower.

7. The Grower hereby agrees that the Co-operative may pool or mingle the fruits or vegetables of the Grower with fruits or vegetables of a like quality or grade delivered by other Growers, and that all fruits and vegetables delivered may be pooled by the Co-operative by grade and variety, and payments in respect thereof shall be made from time to time, as rapidly as possible, in due proportion, until the accounts of the pools are completely settled, and shall be so distributed, not later than the first day of June in the year following delivery of such fruits and vegetables.

8. The Grower further agrees that the Co-operative shall as soon as practicable pay to the Grower the net balance due to him, after first deducting such Grower's proper proportional share of the total cost of handling, cartage, packing, warehousing, loading, and all other proper charges, including salaries, fixed charges, rents, and general expenses, incurred by the Co-operative as well as the deductions hereinbefore referred to.

9. If this Agreement is signed by or on behalf of a copartnership, each and every member thereof shall be and be deemed to be a Grower, and in the event of the dissolution or termination of the said copartnership each member thereof shall be bound by the terms hereof.

10. This Agreement expressly covers the crops to be produced on the land owned or leased by the Grower located as generally described on the signature stub herein below, and in addition expressly covers any and all fruits and vegetables that the Grower may produce or acquire from or on any other land in British Columbia covered by the activities of the Co-operative whatsoever during the term hereof.



(a.) If the Grower transfers any or all of his fruit or vegetable land, or any or all the fruits or vegetables owned or controlled by him which are the subject of this Agreement, to any member of his family by blood relation or marriage, or to any trustee for himself, or any such member of his family, any such transferee shall be deemed to be a Grower and be bound by the terms of this Agreement.

(b.) Any transfer made by the Grower to any person, firm, or corporation whatsoever after March first of any year shall be conclusively deemed to be made subject to this Agreement and all its obligations for that calendar year, and the transferee shall be bound by the terms of this Agreement. If the Grower shall, except as referred to above, in good faith sell or transfer the said lands or any part thereof, and give written notice of such sale to the Co-operative, then this Agreement shall be cancelled as to such lands so sold as on the first day of March following receipt of such notice.

11. It is agreed that the Grower may, subject to the terms of this Agreement, mortgage or pledge his interest in any of his crops, and the mortgagee or pledgee may file notice with the Co-operative, and the said Co-operative shall thereupon account to the mortgagee or pledgee for the net proceeds of any crop which may come into its hands, and after deducting any and all claims and liens which it may have upon the same shall remit the balance (if any) to the Grower.

12. This Agreement, although individual in expression, is one of a series either identical or generally similar in terms, and together with all such Agreements comprises one contract. The Co-operative shall be deemed to be acting with regard to all such Growers in all things it or they may lawfully do under the terms hereof, whether in legal proceedings or otherwise.

13. Inasmuch as it is now and always will be impracticable and extremely difficult to determine the actual damage resulting to the Co-operative should the Grower fail so to deliver his fruits and vegetables, the Grower hereby agrees to pay as liquidated damages for the breach of this contract, and not as a penalty, for all fruits and vegetables withheld, delivered, sold, consigned, or marketed by or for him other than in accordance with the terms hereof, twenty-five cents per package of all fruits and fifteen cents per crate, sack, or other package of vegetables. The parties agree that this contract is one of a series dependent for its true value upon the adherence of each and all of the Growers to each and all of the said contracts.

14. The Grower agrees that, in the event of a breach or threatened breach by him of any provision regarding delivery of fruits or vegetables, the Co-operative shall be entitled to an injunction to prevent breach or further breach hereof, and to a decree for specific performance hereof according to the terms of this Agreement, and the parties agree that this is not a contract for personal services or demanding exceptional capacity or talents and will be the proper subject for the remedy of specific performance in the event of a breach or threatened breach hereof.

(a.) If any action or proceeding be successfully brought against any Grower in respect of any breach or threatened breach of any term or terms hereof, then the Grower shall pay the plaintiff in such action or proceeding solicitor and client costs, and the same shall be included in the judgment.

15. The parties agree that there are no other conditions, promises, covenants, representations, or inducements in addition to or at variance with any of the terms hereof, and that this Agreement represents the voluntary and clear understanding of all parties wholly and completely.

16. It is hereby agreed by and between all parties hereto that, with the consent of the Co-operative, on the thirtieth day of March, 192 , or quin-

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quennially thereafter, any Grower may substitute for this Marketing Agreement another Marketing Agreement substantially in the same terms.

In witness whereof the parties hereto have hereunto set their hand and seal and corporate seals respectively.

Signed, sealed, and delivered by the }  
Grower in the presence of— }

Sealed, delivered, and countersigned }  
by the                      of the Co-operative }  
in the presence of— }

Other contracts:

Description of land:

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VICTORIA, B.C.:

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