THE SECURITIES ACT)	Order No. 5847
)	
Section 20(1))	January 21 2009

ORGANIC MEADOW CO-OPERATIVE INCORPORATED

WHEREAS:

- (A) Organic Meadow Co-operative Incorporated ("Organic Meadow") has applied to The Manitoba Securities Commission for an order under subsection 20(1) of *The Securities Act*, R.S.M. 1988, c. S50 (the "Act") that intended trades by Organic Meadows in its securities to certain residents of Manitoba are exempt from the registration and prospectus requirements of sections 6 and 37 of the Act;
- **(B)** Organic Meadow has represented to the Commission that:
 - 1. Organic Meadow was formed as a co-operative corporation under the laws of Ontario pursuant to the *Co-operative Corporations Act*.
 - 2. Organic Meadow is an organic farm products marketing co-operative which has 125 members. Organic Meadow markets dairy products, grain products, eggs and frozen vegetables on behalf of its members.
 - 3. The authorized capital of Organic Meadow presently consists of \$8,505,000 divided into 10,000 Membership Shares with a par value of one hundred dollars (\$100) each; 25,000 Class A Preference Shares with a par value of one hundred dollars (\$100) each; 25,000 Class B Preference Shares with a par value of one hundred dollars (\$100) each; 5,000 Class C Preference Shares with a par value of one dollar (\$1.00) each; and 2,500,000 Class D Preference Shares with a par value of one dollar (\$1.00) each.
 - 4. To become a member of Organic Meadow (a "Member") requires the purchase of ten (10) Membership Shares with an aggregate value of \$1,000, plus an additional ten (10) Class B Preference Shares with an aggregate value of \$1,000, for a total investment of \$2,000.
 - 5. Holders of Membership Shares are entitled to attend and vote at all meetings of members of the Co-operative and to receive such patronage dividends and dividends on Membership Shares as may be declared from time to time at the sole discretion of the Board of Directors.
 - 6. Holders of the various classes of Preference Shares are entitled to attend but not to vote as such at meetings of Members, but are entitled to vote on any amendment to the Articles of Incorporation of the Co-operative which would affect the rights, privileges, conditions, or restrictions of such Preference Shares.

- 7. Organic Meadow's By-laws restrict membership to organic farmers and require all producer members to make a one-time investment in Organic Meadow equivalent to the greater of ten per cent (10%) of their gross farm gate sales to the co-operative or ten (10) Membership Shares and ten (10) Class B Preference Shares. Members may make this investment, in the form of Class B Preference Shares of Organic Meadow, over a maximum period of 36 months.
- 8. As at March 31, 2008, the following shares of Organic Meadow have been issued and are outstanding:

Class of Shares	Number of Shares Issued and Outstanding	Aggregate Issue Price
Membership Shares	1,402	\$140,200
Class A Preference Shares	663	
Class B Preference Shares	8,415.94	
Class C Preference Shares	108	· ·
Class D Preference Shares	147,781	
Class Difference Shares	147,761	\$1,195,983
		\$1,195,983

- 9. All members of Organic Meadow receive the Co-operative's Annual Report and audited financial statements, as well as any current Offering Statement for the Co-operative and any Statements of Material Change which have been filed with and receipted by the Financial Services Commission of Ontario ("FSCO"). Organic Meadow will provide the same materials to any of its Manitoba members and prospective members.
- 10. Organic Meadow currently has approximately 125 members, all of whom are Ontario residents. Organic Meadow anticipates issuing memberships and shares to approximately 2-3 Manitoba producers annually for each of the next five years, with its total Manitoba membership expected to be between ten and fifteen members by 2013.
- 11. As an Ontario co-operative, Organic Meadow is exempt from the *Ontario Securities Act* but is required to file an Offering Statement with FSCO in order to issue securities in Ontario. Organic Meadow has a current Offering Statement which has been receipted by FSCO.
- 12. Organic Meadow is not and has never been a reporting issuer in Manitoba or any province in Canada and is not subject to any reporting issuer obligations.
- 13. Organic Meadow is not an exchange issuer.
- 14. Organic Meadow's securities are not listed or traded on an exchange or quotation system.

IT IS ORDERED:

- 1. That pursuant to subsection 20(1) of the Act the intended trades by Organic Meadow in Securities to Members resident in Manitoba in accordance with the provisions of the *Cooperative Corporations Act* (Ontario) and the Organic Meadow's Articles of Incorporation and By-Laws are exempt from the requirements of sections 6 and 37 of the Act, provided that:
 - (a) the *Co-operative Corporations Act* (Ontario) continues to apply to Organic Meadow:
 - (b) Organic Meadow provide to all Members in Manitoba a current Offering Statement of the Co-operative along with any Statements of Material Change which may be receipted from time to time by FSCO;
 - (c) Organic Meadow continue to provide Members in Manitoba with a copy of its Annual Report and audited financial statements, and any other information made available to its Ontario Members.
- 2. THAT pursuant to subsection 20(1) of the Act, any trade in Securities acquired under this order to another Member of Organic Meadow made in accordance with the provisions of the *Cooperative Corporations Act* (Ontario) and Organic Meadow's Articles of Incorporation and Bylaws is exempt from section 6 of the Act.
- 3. THAT the fee for this application is \$1,000.00.

BY ORDER OF THE COMMISSION

Deputy Director