





# A NEW GENERATION CO-OPERATIVE

This means we have 4 types of shares:

### **Membership Shares**

-must be an active farmer to be a member

### **Delivery Shares**

-must be a member to own delivery shares

#### **Investment Shares**

-anyone can own

## **Patronage Shares**

-issued to members based on grain deliveries

## **MEMBERSHIP BENEFITS**

Members are eligible for patronage dividends on their grain deliveries

Members can purchase delivery shares to earn cash dividends and enhance their patronage dividend rewards

Members can attend and vote on matters at AGM's and any other special member meetings

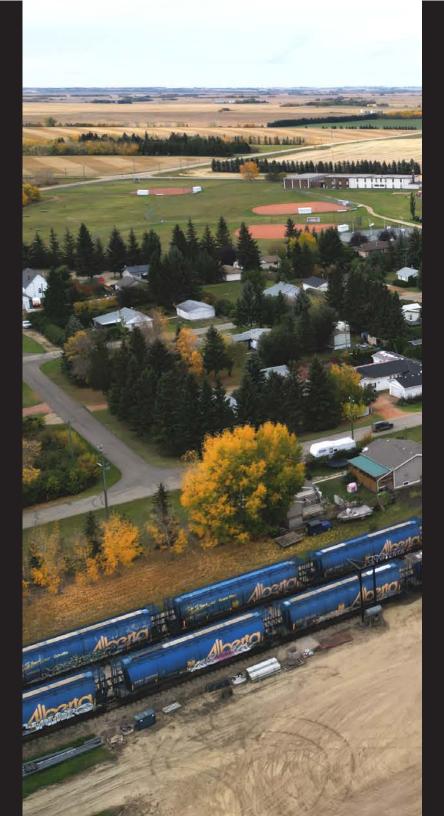
Members can put their name forward to sit on the Board of Directors and help shape the future of BRR

Shares cost \$1000 and their principal is guaranteed.

## **DELIVERY SHARES**

- -Receive annual cash dividends of 3.5%
- -Earn up to 10% in patronage dividends
- -Ideally suited for active producers who do regular business with BRR
- -Each share represents 100mt of annual deliveries, but there is no obligation on the shareholders behalf
- -Shares cost \$5000 and their principal is guaranteed.





## **INVESTMENT SHARES**

- -Receive annual cash dividends of 3.5%
- -Stay invested locally
- -Shares cost \$1000 or \$10,000 and their principal is guaranteed.

# **PATRONAGE DIVIDENDS**

The current **BRR** policy is to allocated ~ **50%** of annual profits to patronage

Delivery shares are first in line for patronage. If they receive their full allotment (\$500/share), then the balance of patronage will be allocated to members based on deliveries.

Patronage can be distributed through cash, tax deferred patronage shares, or a combination.

Tax deferred patronage shares are a tax expense for the co-op when issued, but are income for the member only when turned into cash.

These can't be turned into cash for at least 5 years from time of issuance.



# **CONTACT US**

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# **EXAMPLES**

Farmer Joe owns **4 Class B shares** and delivered **800mt** of grain to BRR between Oct 1, 2021 and Sept 30, 2022.

He earns \$10/mt x 800mt = \$8000 just for being a member

He will receive 20% (\$2000) in cash (taxable) and \$8000 in shares (not taxable until the shares are redeemed for cash)

His class B shares also pay him 3.5% regular cash dividends (\$700)

Farmer John owns 10 Class B shares and delivered 100mt to BRR last year

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**EXAMPLE** 

He earns \$10/mt x 100mt = \$1000 just for being a member

He earns  $5/mt \times 100mt = 500$ for delivering enough grain to fulfill his obligation on 1 B share

His class B shares also pay him 3.5% regular cash dividends (\$1750)



