

Egg Farmers of Ontario
By-Laws 2008

A By-Law relating generally to the transaction of the business and affairs
-of-

Egg Farmers of Ontario [hereinafter referred to as the Board]

BE IT ENACTED as a By-Law of Egg Farmers of Ontario, as follows ~

THE BOARD

1. Egg Farmers of Ontario, will be composed of eleven farmer-members, ten of whom will be elected by Egg [farmer] Councillors and one elected by Pullet [grower] Councillors, in accordance with the 'Rules of Procedure' identified in Schedule 1, hereto attached.
 - i Members of the Board are referred to as Directors.
 - ii Directors shall hold office from the 1st day of April in the year of election, until the 31st day of March the following year, or until the elected Director has ceased to be a quota holder [as at the 'Effective Date of the Sale'].
 - iii Where a Director elected or appointed to the Board dies, resigns, or ceases to be a quota holder before the Director's term has expired, the Directors may appoint an eligible farmer for the remaining term.

HEAD OFFICE

2. The head office of the Board shall be in the Province of Ontario, in the City of Mississauga, at 7195 Millcreek Drive, L5N 4H1, or at such other place therein as the Directors may from time to time determine.

FISCAL YEAR

3. The fiscal year of the local Board commences on the last Sunday of the past year, [except when January 1 is a Sunday at which time commences on such date], and terminates on the last Saturday of the current year.

SEAL

4. The seal, an impression whereof is stamped in the margin hereof, is the corporate seal of the Board.
 - i The Secretary shall have custody of the seal.

MEETINGS OF THE BOARD

5. The first meeting of the newly elected Directors shall be held in April. Thereafter, meetings of the Board shall be convened on the first Wednesday & Thursday of each month, or may vary according to a request by the Chair and agreement thereof by the Directors.
6. Subject to the foregoing, meetings of the Board shall be held from time to time at such place, at such time and on such day as the Chair or Vice Chair or any two Directors may determine and the Secretary, when directed or authorized by either of the said Officers or by any two Directors, shall give or cause to be given notice of the meeting.
- i Unless otherwise stated in the notice calling the meeting, meetings of the Board shall be held at the head office.
 - ii Notice of a meeting shall,
 - a] include the date and time of the meeting, and
 - b] be given ~
 - i] in writing by mail, email or facsimile, or
 - ii] orally, or by telephone;
 - iii] not fewer than five days before the date on which the meeting is held;
 - iv] notwithstanding the foregoing, notice of a meeting, if given by facsimile, orally, or by telephone, shall be given not less than eight hours before the time at which the meeting is to be held;
 - v] no notice of a meeting is required to be given, where, in addition to the Directors present, those absent waive notice of the meeting either before or after the meeting;
 - vi] notice in writing by mail or facsimile shall be sufficiently given if mailed or transmitted to a Director at his or her last address, as recorded in the books of the Board.

TRANSACTION OF BUSINESS OTHER THAN AT A MEETING

7. i The Board may transact a matter of business other than at a meeting called and conducted in accordance with the foregoing upon the condition that ~
- a] the Chair of the Board is of the opinion that the matter of business should be decided sooner than a meeting can be called;
 - b] the Chair submits the matter to be decided to the Secretary of the Board;
 - c] the Chair or Secretary submits the matter for decision to at least two-thirds of the Directors,
 - i by mail, email, or facsimile transmission, or
 - ii by telephone, or
 - iii orally, and
 - d] the Secretary makes a record in the Minute Book of the Board of the matter to be decided and the decision of each Director.

- ii Where the conditions prescribed in sub-paragraph i have been complied with and the record shows a majority of Directors in favour of, or against the matter of business, it shall be decided accordingly.
- iii Where the Secretary of the Board makes a record in the Minute Book under sub-paragraph i, the record shall be read and confirmed at the next meeting of the Board.

VOTES TO GOVERN

- 8. i All questions at a meeting of the Board shall be decided by the majority of the votes of the Directors present and in the event of a tie vote, the Chair of the meeting shall have the deciding vote.
- ii All votes at a meeting of the Board shall be taken by ballot, if so demanded by any Director present, but if no demand is made, the question shall be decided by a show of hands.

QUORUM

- 9. A majority of the Directors constitute a quorum for the transaction of business. Notwithstanding vacancies, the remaining Directors may exercise all the powers of the Board so long as a quorum of the Board remains in office.

MINUTES

- 10. Minutes of each meeting of the Board will be kept by the Secretary and approved at the next regular meeting of the Board.

CONFLICT OF INTEREST AT BOARD MEETINGS

- 11. i a] This part shall apply, notwithstanding any other provision contained in these By-laws to the contrary and where a conflict exists between this part and any other part of these By-laws or amendments thereto, this part shall govern.
- b] Prior to the Directors dealing with any matter properly brought before them at a meeting of the Board, each Director shall declare any real, potential or apparent conflict of interest with respect to the matter to be considered at such meeting. As well, in the event that a Director is perceived by any other Director of the Board to be in a real, potential or apparent conflict of interest with respect to the matter to be considered, the Directors shall thereupon determine by vote of a simple majority whether a conflict of interest exists having reference to the meaning of conflict of interest as set out herein.

- ii In the event that a Director declares or is determined to be in a conflict of interest, that Director shall forthwith excuse himself or herself from the meeting until the matter in question has been dealt with by the remaining Directors.
- iii In this part "Conflict of Interest" refers to real, potential or apparent conflicts of interest and includes the following ~
 - a] a contract or other financial arrangement entered into between the Board and any other person where that person:
 - i is a Director;
 - ii is a corporation, partnership or association in which a Director has a direct or indirect financial interest;
 - b] participating in Board deliberations or decisions concerning a corporation, partnership or association, in which the Director has a direct or indirect financial interest;
 - c] being placed or appearing to be placed under a personal obligation to any person or organization with which the Board has any dealings.

Providing that no conflict of interest exists, unless such dealing is specific to that Director, as opposed to dealing with egg and pullet farmers in general.

CONFIDENTIALITY

- 12. i Every Director has a duty to maintain the confidentiality of the Board's, confidential information which includes but is not limited to such things as Board deliberations and policy development discussions, impending price, quota policy or regulation changes, legal advice, deliberations and decisions on regulatory hearings before the Board, egg farmer personal information, personnel information such as employees compensation, discipline, etc., and such other information as may be specifically designated as confidential by the Board or the Chair.
- ii Every Director shall:
 - a] hold all confidential information in confidence and not discuss, communicate or transmit to others, or make any unauthorized copy of or use of any of the confidential information in any capacity, position or business unrelated to that Directors duties or responsibilities as a member of Egg Farmers of Ontario;
 - b] disclose or use confidential information only in furtherance of proper Board business as authorized by Egg Farmers of Ontario;
 - c] take all reasonable action that the Board may from time to time deem necessary or appropriate to prevent unauthorized use or disclosure of or to protect the interest of Egg Farmers of Ontario's interest in the confidential information.
- iii Confidential information does not include information that is well known or easily ascertainable to persons involved in the egg industry.

- iv It is recognized that a Director may be compelled by judicial or administrative proceedings to reveal confidential information but before doing so such Director shall report any such attempt to compel such disclosure to the Board and assist the Board in resisting and avoiding such disclosure to the extent permitted by law, or alternatively, allow the Board to obtain assurances that any such compelled disclosure shall receive confidential treatment.
- v Nothing in this policy is intended to interfere with the reasonable and appropriate communications between a Director, Councillors and egg farmers.
- vi Where it is alleged that any Director has violated this policy that allegation shall be filed with the Chair in writing together with evidence of the allegation and shall be considered by the full Board at an in camera session.

ORDER OF BUSINESS AT MEETINGS

- 13. i The order of business at a meeting of the Board shall be,
 - a] attendance and agenda approval;
 - b] approval of Minutes of the last meeting;
 - c] business arising out of the Minutes;
 - d] reports;
 - e] dealing with correspondence;
 - f] unfinished business, and new business.
- ii The order of business may be varied by the Chair.

ELECTIONS

- 14. i At the first meeting in April each year, the Directors shall appoint such farmer[s] as are necessary to complete the Board of Directors, in accordance with the 'Rules of Procedure' identified in Schedule 1 hereto attached.
- ii At the meeting mentioned in sub-paragraph i the Board shall, after appointment of any farmer[s] necessary to complete the Board, conduct its annual Board Elections of Officers, Committees & Representatives in accordance with the 'Rules of Procedure' identified as Schedules 2 & 2A hereto attached, or as otherwise approved by majority vote of the Board at a meeting without the necessity of prior notice of the proposed changes.

OFFICERS

- 15. i The Chair shall, when present, preside at all meetings of the Board, except at the elections of the Officers, Committees & Representatives.

- ii The Chair, when present, shall preside at any annual or special general meeting of egg and pullet farmers.
- iii The Chair shall act as liaison with the General Manager of the Board who will be charged with the general supervision of the business and affairs of the Board. The Chair will also perform such duties and exercise such powers as the Board may prescribe.
- iv During the absence of the Chair or his or her inability to act, the Chair's duties may be performed and his or her powers may be exercised by the Vice Chair. The Vice Chair shall also perform such duties and exercise such powers as the Board may prescribe.
- v Where the Chair and Vice Chair are absent from a meeting, the Board may elect a Chair for the purpose of that meeting from among the Directors present at the meeting.
- vi The Chair and Vice Chair of the Board shall hold office until their successors are elected.
- vii The Board shall appoint a General Manager and/or Secretary Treasurer.
- viii The same person may be appointed General Manager and Secretary Treasurer.
- ix The Board may appoint such other officers and employees as it deems necessary.
- x The Board shall not appoint a Director as an officer or employee thereof except for the positions of Chair, Vice Chair, which will be filled by Directors.
- xi The Chair is an ex-officio member of all Board Committees.

DUTIES OF THE GENERAL MANAGER

16. The Board may delegate to the General Manager full authority to manage and direct the business and affairs of the Board [except such matters and duties as by law must be transacted or performed by Directors] or may delegate to him or her any lesser power. The General Manager shall liaison with the Chair, conform to all reasonable and lawful orders given by the Board, and at all reasonable times give the Board all information it may require regarding the affairs of the Board.

DUTIES OF THE SECRETARY

17. The Secretary of the Board shall ~

- i attend all meetings of the Board and keep true Minutes thereof and shall send a copy of the Minutes to every Director prior to the next general Board meeting;
- ii conduct the correspondence of the Board;
- iii keep a record of,
 - a] all business transactions of the Board,
 - b] all orders, directions or determinations of the Board,
 - c] all reports of committees that are from time to time appointed by the Board,
 - d] all annual statements and financial and auditors' reports;
- iv maintain at the head office of the Board true copies of all regulations, orders and policy statements of the Board and an index identifying all regulations, including amendments, by subject matter, and will during the normal business hours of the Board
 - a] permit any person to inspect the copies and index without charge; and,
 - b] provide to any person, upon request, copies of the regulations, orders and policy statements; and
- v file with the Farm Products Marketing Commission such minutes, orders, directions, regulations, policy statements, reports, financial statements, appointments of agents and special statements, as may be required from time to time by the Commission through regulation;
- vi perform such other duties as may be prescribed from time to time by the Board.

DUTIES OF THE TREASURER

18. The Treasurer of the Board shall,

- i under the direction of the Board, provide for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Board;
- ii maintain separate accounts for the deposit of:
 - a] money received by the Board in trust for any other person; and
 - b] levies or charges imposed by the Board pursuant to powers exercised under authority granted under the Farm Products Marketing Act and the Commodity Board & Marketing Agencies Act;
 - c] keep full and accurate books of account in which will be recorded all receipts and disbursements of the Board;
 - d] prepare reports showing the financial position of the Board as the Board may direct from time to time; and
 - e] perform such other duties as may be prescribed from time to time by the Board.

OTHER OFFICERS AND EMPLOYEES

19. The duties of all other officers or employees of the Board shall be such as the terms of their engagement call or the Board requires of them. Any of the powers and duties of an officer to whom an assistant has been appointed by the Board may be exercised and performed by the assistant.

BORROWING

20. i A By-Law passed by the Board,
- a] for borrowing money on the credit of the Board;
 - b] for issuing, selling or pledging securities of the Board;
 - c] for charging, mortgaging, hypothecating or pledging all or any of the real or personal property of the Board, including books, debts and unpaid calls, rights, powers franchises and undertakings; or
 - d] to negotiate for any securities or any money borrowed, or other debt, or any other obligation or liability of the Board, shall state the purpose or purposes for which the money, credit, debt of liability are to be used.
- ii No By-Law referred to in subsection i is effective unless it is passed at a meeting of the Directors called for the purpose of considering the By-Law and not less than two-thirds of the Directors are present and vote in favour thereof.

INVESTMENT OF FUNDS

21. i Subject to section 18, the Board shall not invest any surplus funds of the Board other than in,
- a] bonds, debentures or other evidences of indebtedness,
 - i of or guaranteed by the Government of Canada,
 - ii of or guaranteed by the Government of any province of Canada,
 - iii of or guaranteed by the Government of the United Kingdom,
 - iv of any municipal corporation in Canada, including debentures issued for public, separate, secondary or vocational school purposes, or guaranteed by any municipal corporation in Ontario, or secured by or payable out of rates or taxes levied under the law of any province of Canada on property in that province and collectible by or through the municipality in which the property is situated;
 - a.1] bonds, debentures or other evidences of indebtedness of a corporation that are secured by the assignment to a trustee of payments that the Government of Canada has agreed to make, if those payments are sufficient to meet the interest as it falls due on the bonds, debentures or other evidences of indebtedness outstanding and to meet the principal amount of the bonds, debentures or other evidences of indebtedness upon maturity;
 - a.2] debentures of any loan corporation that is registered under the *Loan and Trust Corporations Act*;

- a.3] guaranteed investment certificates of any trust corporation that is registered under the *Loan and Trust Corporations Act*;
 - a.4] deposit receipts, deposit notes, certificates of deposits, acceptances and other similar instruments issued or endorsed by any bank listed in Schedule I or II to the *Bank Act* (Canada) or by any authorized foreign bank within the meaning of section 2 of the *Bank Act* (Canada);
 - a.5] term deposits accepted by a credit union as defined in the *Credit Unions and Caisses Populaires Act, 1994*; (O.Reg. 618/99),
 - b] investment certificates of a bank listed in Schedule I or II to the *Bank Act* (Canada) or of an authorized foreign bank within the meaning of section 2 of the *Bank Act* (Canada); (O.Reg. 618/99) and
 - c] paid up shares of,
 - i any credit union league to which the *Credit Unions and Caisses Populaires Act* applies; and
 - ii The Ontario Co-operative Credit Society.
- ii Notwithstanding the foregoing, the Board shall not invest its surplus funds in the investments listed above, unless the investment is in other respects reasonable and proper.

ANNUAL AUDITS

22. i The Board shall cause its accounts to be audited annually by one or more auditors within three months after the end of the fiscal year of the Board.
- ii The auditor shall make a report to the Board based on the accounts examined by him or her and on every balance sheet laid before the Board at a *General Meeting* and in the report shall state whether, in the auditor's opinion, the balance sheet referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the Board's affairs as shown by its books and the treasurer's financial statements.
- iii The Secretary of the Board shall file the report of the auditor.
- iv The Board Members shall announce the Auditors for the next fiscal year, at the *Annual General Meeting* of the Egg Farmers of Ontario.
- v For the purpose of completing the Annual Financial Statement, the threshold reporting amount for grants and other similar payments of money shall be \$1,000.00.
- vi Any grants or other similar payments that are less than the threshold reporting amount shall not be set out on an individual basis in the Egg Farmers of Ontario's Annual Financial Statement.

BONDING

23. i The Board shall require the Treasurer to furnish a bond for the faithful discharge of his or her duties in such form and with such security as the Board may from time to time prescribe.
- ii The Board may require such other officers and such employees and agents as the Board considers advisable to furnish bonds for the faithful discharge of their duties in such form and with such security as the Board may from time to time prescribe.
- iii The Board shall pay the cost of any bond or bonds required under subsections i & ii.

INDEMNITY OF DIRECTORS AND OFFICERS

24. i Every Director or Officer of the Board and his or her heirs, executors or administrators, and estate and effects respectively shall, from time to time and at all times, be indemnified and saved harmless out of the money of the Board, from and against any action, suit or proceeding that is brought, commenced or prosecuted against the Director or Officer in respect of any matter to which Section 3 [6] of the Farm Products Marketing Act applies.
- ii Where any Director or Officer of the Board or his or her heirs, executors or administrators or estate and effects receives any money from any person on account of any matter with respect to which the Director or Officer has already received money from the Board under subsection i, the Director or Officer shall forthwith pay to the Board the amount of money that he or she received respecting that matter from the Board or the amount of money that he or she received respecting that matter from the other person, whichever is the lesser amount.

REMUNERATION OF DIRECTORS

25. The Directors shall be paid such remuneration on a per diem basis as the Board may from time to time determine. In addition, the Board may from time to time award special remuneration to any Director of the Board who performs any special work or service for or undertakes any special mission on behalf of the Board outside of services ordinarily required of a Director.

The Directors shall also be paid such sums in respect of their out-of-pocket expenses incurred in attending meetings of the Board and committees or otherwise in respect of the performance by them of their duties as the Board may from time to time determine.

BANKING ARRANGEMENTS

26. The banking business of the Board, or any part thereof, shall be transacted with such bank, trust company or other firm or corporation carrying on a banking business as the Board may designate, appoint or authorize from time to time by resolution and all such banking business, or any part thereof, shall be transacted on the Board's behalf by such one or more Officers and other persons that the Board may designate, direct or authorize from time to time by resolution and to the extent therein, provided, including, but without restricting the generality of the foregoing, the operation of the Board's accounts; the making, signing, drawing, accepting, endorsing, negotiating, lodging, depositing, or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money; the giving of receipts for and orders relating to any property of the Board; the execution of any agreement relating to any such banking business and defining the rights and powers of the parties thereto; and the authorizing of any officer of such banker to do any act or thing on the Board's behalf to facilitate such banking business.

EXECUTION OF DOCUMENTS

27. Regulations, orders, contracts, documents or other instruments in writing requiring the signature of the Board may be signed by the Chair, Vice Chair, and the Secretary and all such regulations, orders, contracts, documents and instruments in writing so signed shall be valid and binding upon the Board, and all others affected thereby without any further authorization or formality. The Board shall have power from time to time by resolution to appoint any Officer or Officers, person or persons on behalf of the Board, either to sign contracts, documents or instruments in writing.

MEETINGS OF EGG AND PULLET FARMERS

28. i Annual Election Meetings
- a] The Board shall call annual zone meetings of the egg and pullet farmers, under the Plan, in each zone for the purpose of Councillors, Delegates and Directors' elections.
 - b] For the purpose of the annual zone meetings of the egg and pullet farmers, mentioned in sub-paragraph a], the Board determines the boundaries of each zone as listed in the 'Rules of Procedure' identified in Schedule 3 hereto attached, and Councillor & Delegate representation, to be elected in each zone as set out in the 'Rules of Procedure' identified in Schedule 4 hereto attached.
 - c] At the meetings mentioned in sub-paragraphs a] and b] the Board shall conduct its Councillors, Delegates and Directors' elections in accordance with the 'Rules of Procedure' identified as Schedules 5 [Zone Councillors] & 6 [Board Directors].
- ii Annual General Meeting

- a] The Board shall call an Annual General Meeting of the egg and pullet farmers, under the Plan.
 - b] The Annual Meeting of the egg and pullet farmers shall be held on or before the 31st day of March in each year, at such date and time, and at such place as the Board determines.
 - c] The Board shall present, at the Annual General Meeting referred to in sub-paragraph b], the Auditor's report referred to in subsection 22, ii, and shall announce the appointment of Auditors for the next succeeding annual meeting.
- iii The meetings referred to in sub-paragraphs i and ii, may be called by the Board
 - a] by giving written notice thereof to each farmer; or
 - b] by publication of a notice in at least one newspaper or magazine having a general circulation among the egg and pullet farmers.
29. i Where the Board receives a petition or request from at least ten [10%] per cent of the egg and pullet farmers [under the Plan] requesting that a special meeting of the egg and pullet farmers be held for discussion of matters respecting the operation of the Plan or of the Board, the Board shall call a special meeting of the egg and pullet farmers within thirty days of receipt of the petition or request.
- ii A petition or request shall contain or be accompanied by a statement of the matters for discussion at the special meeting.
 - iii The meeting referred to in subsection i may be called,
 - a] by giving written notice thereof to each farmer who is entitled to attend; or
 - b] by publication of a notice in at least one newspaper or magazine having a general circulation among the egg and pullet farmers.
 - iv Notice of the meeting referred to in subsection iii shall be given or published at least two weeks before the date of the meeting.

REVOCATION

30. All previous By-Laws are hereby revoked.

INTERPRETATION

31. In this By-Law and all other By-Laws of the Board, expressions used, unless the contra intention appears, shall have the same meaning as similar expressions in the Farm Products Marketing Act and Regulations as amended from time to time; words importing the singular number only shall include the plural and vice versa; words importing the masculine gender shall include the feminine and neuter genders; words importing persons shall include companies, corporations, partnerships and any number or aggregate of persons.

AMENDMENTS

32. i In accordance with section 3.1 of the Farm Products Marketing Act, the Board may make By-Laws not inconsistent with the Act or the Regulations made thereunder or those made under the Plan under which the Board is established as amended from time to time. No changes to By-Laws shall be made except at a meeting of the Board at which there is a quorum present and providing the Directors have been given prior notice of the proposed changes.
- ii Notwithstanding the foregoing, the Board, at a meeting referred to in any of the following Schedules may, by simple majority vote, vary any internal procedural matters not inconsistent with the Act or the Regulations.

EFFECTIVE DATE

33. This Regulation comes into force on the 9th day of January, 2008.

SCHEDULES

34. The following Schedules form part of this By-Law:

Schedule 1 -

Egg Farmers of Ontario By-Laws ~ Rules of Procedure, Board Composition

Schedule 2 -

Egg Farmers of Ontario By-Laws ~ Officers, Committees, & Representatives

Schedule 2A -

Egg Farmers of Ontario By-Laws ~ Officers, Committees, Representatives - Elections

Schedule 3 -

Egg Farmers of Ontario By-Laws ~ Zone Structure

Schedule 4 -

Egg Farmers of Ontario By-Laws ~ Councillor Representation

Schedule 5 -

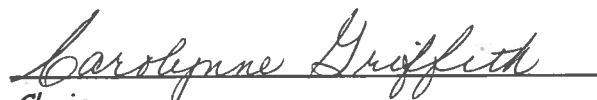
Egg Farmers of Ontario By-Laws ~ Councillors' Election Meetings

Schedule 6 -

Egg Farmers of Ontario By-Laws ~ Directors' Elections

ENACTED and confirmed by the Directors of the Egg Farmers of Ontario in their respective capacities as Directors and Members thereof, this 9th day of January, 2008.

WITNESS the corporate seal of Egg Farmers of Ontario


Chair


General Manager / Secretary / Treasurer