



MINUTES

Special General Meeting

Thursday, August 27, 2020, 11am ET

Call to Order

CSGA President, Joe Rennick, welcomed 104 members and 60 guests to the Special General Meeting (SGM) of Members and thanked all for attending at this very busy time of year. The Agenda for this virtual SGM was outlined by Joe who explained that more information on ratification and is available on the CSGA website and that, as SGM Chair, he would be guided by Robert's Rules of Order and advised by CSGA's legal counsel and an SGM parliamentarian.

Caroline Lafontaine, CSGA's Managing Director of Communications and Client Services and moderator for this online meeting, confirmed quorum and explained how this virtual SGM would work. Official language translation services were available and active CSGA members, who already received a unique ID number to access the secure voting platform, were reminded how to vote at this online meeting. Guests were welcomed to the meeting and all participants were invited to use the online 'chat' function to share questions and comments which were posted to the online meeting screen.

C. Lafontaine outlined the SGM program: a brief CSGA perspective and overview followed by a summary of the amalgamation proposal and then the CSGA amalgamation resolution. Member interventions, in support of the resolution and against the resolution, would then be heard. The voting window would be open from 11:00am ET to 12:40pm ET followed by a brief break. At 12:50pm ET, a representative from Computershare, the third-party agency ensuring voting integrity, would announce the results of the amalgamation ratification vote.

Agenda Approval

MOTION: Motion to approve the August 27, 2020 Special General Meeting agenda as presented to the membership.

Dale Connell moved, and Scott Horner seconded, approval of the following Agenda for this CSGA Special General Meeting of Members (SGM). **CARRIED**

1. Call to Order & Approval of Agenda
2. Amalgamation Ratification Overview
3. Questions & Answers on Amalgamation

4. Special Resolution and Discussion
5. Meeting break - last call for votes
6. Meeting resumes - with announcement of voting results and next steps
7. Adjourn

Amalgamation Ratification Overview: CSGA Perspective

CSGA President, Joe Rennick, and Executive Director, Glyn Chancey, summarized the Board and Staff perspectives on this amalgamation ratification. Highlights of their comments included:

Board: “Whatever the outcome of today’s vote, the Seed Synergy conversation will continue as it’s always been about how we can work together to advance the seed industry and Canadian agriculture. When our Board approved the Amalgamation Agreement, we considered what was in the best interest of the CSGA and its stakeholders. We concluded the benefits of this option outweigh the risks as long as seed growers choose to be active in the new organization. Should members *not* vote in favour of amalgamation, the conversation with our seed sector partners will *still* need to continue. There are many reasons but the most important is that the Government is launching its long-promised Seed Regulatory Modernization. We cannot afford to be divided at this critical juncture. Whether we join together and in what form, will impact how the government and others see us; a strong united seed sector able to lead, or a community divided that is not.”

Staff: “CSGA staff have always been guided by the CSGA Board, on this issue and others. However, on amalgamation, we also see the daily benefits of cooperation with the other organizations and the limits of what our staff and those of partner organizations can accomplish separately. This cooperation will continue whether we merge or not. But the benefits of amalgamation are clear at the operations level. The potential to do more with the same resources or even with fewer is compelling. The main risk is if seed growers do not participate in the new organization. The future is yours to define.”

Amalgamation Proposal Overview

Jonathan Nyborg, Past-President and Ratification Steering Committee chair first described the contents of the ratification package that is available on CSGA’s website and was mailed last July to CSGA members. Jonathan then presented a ratification package overview that summarized Seeds Canada’s purpose, membership structure, governance structure and the inaugural board of directors, service structure and its relationship with regional seed associations.

The Amalgamation Ratification Package included:

- Articles of Amalgamation: set out the purpose of the new Seeds Canada organization.
- Amalgamation Agreement: provides the legal terms and conditions for amalgamation of CSGA and its amalgamating partners, and the names and terms of the inaugural Board of Directors of Seeds Canada.

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- Seeds Canada General By-law: establishes the legal framework of Seeds Canada’s governance and business activities.
- Special Resolution of Members: specifies what members are being asked to vote on to approve the amalgamation and the creation of Seeds Canada.
- Seeds Canada Business Plan: sets out the initial business details to get Seeds Canada up and running.
- Frequently Asked Questions: provides answers to frequently asked questions from members on the amalgamation process and Seeds Canada.

Questions & Answers on Amalgamation

Responding to the one question received on the amalgamation proposal: ‘whether the CSGA Board would commit to not having a second vote and not merging if the vote was unsuccessful’; the SGM Chair replied that all options to move forward would likely be considered by the CSGA Board.

Special Resolution

Jonathan Nyborg, Past-President and Ratification Steering Committee chair, presented the following Special Resolution after explaining that:

- this Resolution had been recommended and approved by the CSGA Board of Directors,
- voting Yes on this resolution means you support the proposed amalgamation,
- voting No on this resolution means you do not support CSGA amalgamating into Seeds Canada, and
- following the reading of the following Special Resolution, members are invited to an open discussion of the Special Resolution.

SPECIAL RESOLUTION OF THE MEMBERS OF THE CANADIAN SEED GROWERS’ ASSOCIATION (the “Corporation”)

WHEREAS pursuant to Section 204 of the *Canada Not-for-profit Corporations Act* (“CNCA”) two or more corporations may amalgamate and continue as one corporation;

AND WHEREAS it is considered to be in the best interests of the Corporation and its members that Canadian Plant Technology Agency Inc. (“CPTA”), Commercial Seed Analysts Association of Canada Inc. (“CSAAC”), Canadian Seed Trade Association / L’Association Canadienne du Commerce Des Semences (“CSTA”), Canadian Seed Institute / Institut canadien des semences (“CSI”) and Canadian Seed Growers’

Association / Association canadienne des producteurs de semences (“CSGA”) (collectively, the “Amalgamating Corporations”) amalgamate under the CNCA.

NOW THEREFORE BE IT RESOLVED THAT

1. in accordance with the Corporation’s by-laws and the provisions of Section 206 of the CNCA, the amalgamation of the Corporation as one of the Amalgamating Corporations on substantially the terms set out in the Amalgamation Agreement including the Articles of Amalgamation and the General By-law which form part thereof, as may be amended from time to time (the “Amalgamation”) submitted to the meeting is authorized and approved;
2. the Amalgamation Agreement dated as of May 21st, 2020 between the Amalgamating Corporations as it may be amended from time to time (the “Amalgamation Agreement”), the actions of the directors of the Corporation in approving the Amalgamation and the Amalgamation Agreement and the actions of the directors and officers of the Corporation in executing and delivering the Amalgamation Agreement and causing the performance by the Corporation of its obligations thereunder are hereby confirmed, ratified, authorized and approved;
3. notwithstanding that the Amalgamation Resolution has been passed (and the Amalgamation approved and agreed to by the members of the Corporation), the directors of the Corporation are hereby authorized and empowered without further approval of any members of the Corporation (i) to amend the Amalgamation Agreement to the extent permitted by the Amalgamation Agreement, or (ii) not to proceed with the Amalgamation at any time prior to the Date of Amalgamation (as defined in the Amalgamation Agreement) in accordance with the provisions of the Amalgamation Agreement; and f
4. any one director or officer of the Corporation is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person’s opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.

Special Resolution Discussion

Questions and comments received on the Special Resolution, as well as answers provided by Chris Loreto of StrategyCorp (consultant for Seed Synergy project) and Jonathan Nyborg included the following:

- If the vote is unsuccessful, what are the Plan B options?
- Why pick seed growers' busiest time of year for this important vote?
- This is a great opportunity to have up to 8 growers on Seeds Canada's Board.
- How many votes are required for this Resolution to pass?
Answer: 2/3 of the votes cast.
- Doesn't merging run the risk of having only one grower on the Seeds Canada Board?
- Seems like an abuse of the democratic system to have a second vote and for the new Board to dismiss any member for any reason. Answers: A second vote is not an obligation in the Amalgamation Agreement but an option available to any of the amalgamating organizations if all the others agree. The proposed new Seeds Canada Board would have no unfettered authority to dismiss any member for any reason.
- Should the proposed Nominating Committee be allowed to screen out directors nominated by Branches to the Seeds Canada Board?
Answer: The Board would provide Branches with competency requirements for directors, and Branch nominees who met these requirements could not be screened out by the Nominating Committee.
- How were the 15 directors of the new Seeds Canada Board chosen?
Answer: Chris Loreto of StrategyCorp and Jonathan Nyborg of CSGA explained the democratic selection process and that the names of these directors was a legal requirement in the amalgamation ratification package.
- How do I vote at this meeting?
Answer: Caroline Lafontaine of CSGA repeated her explanation to members of the voting procedures for this Special General Meeting.

Meeting Break and Last Call for Votes

At 12:15pm ET, members were reminded that voting would be open until 12:40pm ET, and that this Special General Meeting would reconvene at 12:50pm.

Meeting Resumes with Announcement of Voting Results

At 12:50pm ET, Stephanie Tuss of Computershare, the third-party agency ensuring voting integrity, reported that:

- This Special Resolution required a minimum of 2/3 of the ballots cast in support to be passed;

- A total of 751 votes were cast, with 337 supporting the Resolution and 414 against.
- With 44.8 % in support of the Resolution and 55.1 % against, the Special Resolution is considered defeated.

Next Steps

CSGA President Joe Rennick and SGM Chair closed the meeting with the following comments:

“The CSGA Board of Directors’ proposal to amalgamate has not achieved the requisite level of member approval. The Board will now consider its options... abandon efforts to consolidate seed sector organizations and focus on becoming the best version of ourselves possible (CSGA 2.0) or re-engage with our amalgamation partners to reach a new Seeds Canada agreement with broader member appeal. Either way, it is important to remember that our amalgamation partners must also reflect and decide on the next steps for their organizations. Their next steps may influence the option we choose.

While our Board is disappointed with this outcome, we were prepared for it. The CSGA is no stronger or weaker as a result and we have detailed transition plans ready to implement, irrespective of whether we choose to re-engage with our amalgamation partners or not. We will continue keeping you informed of Board decisions on this. Should you have any questions or concerns, please reach out to me at seedtalk@seedgrowers.ca or call the office at (613) 236-0497 and ask for Caroline Lafontaine, our Managing Director of Communications and Client Services.

Finally, let me thank all of you who took the time to participate in this process and vote. We heard your voices, loud and clear.”

Adjourn

MOTION: André Lussier moved, and Ryan Murray seconded, adjournment of this Special General Meeting of Members on August 27, 2020.

CARRIED

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