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This document is ***not*** the official version of these regulations. The regulations and the amendments printed in the ***Royal Gazette*** should be consulted to determine the authoritative text of these regulations.

For more information concerning the history of these regulations, please see the ***Table of Regulations***.

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CHAPTER N-3

NATURAL PRODUCTS MARKETING ACT

DAIRY FARMERS OF PRINCE EDWARD ISLAND REGULATIONS

On the recommendation of the Prince Edward Island Marketing Council and under the authority of subsections 4(2) and (3) and section 29 of the *Natural Products Marketing Act* R.S.P.E.I. 1988, Cap. N-3, Council made the following regulations:

1. (1) In these regulations and the Board orders made under them — Definitions

(a) "Act" means the *Natural Products Marketing Act* R.S.P.E.I. 1988, Cap. N-3; — Act

(b) "Board" means the Dairy Farmers of Prince Edward Island as continued under section 2; — Board

(c) "Marketing Council" means the Prince Edward Island Marketing Council confirmed under subsection 2(1) of the Act; — Marketing Council

(d) "quota holder" means — quota holder

(i) a producer of milk to whom a quota for the marketing of milk has been fixed and allotted by the Board, or

(ii) a producer of cream who markets all cream produced in the form of cream separated on the producer's farm, and to whom a quota for the marketing of cream has been fixed and allotted by the Board,

but does not include a producer of milk or cream whose quota has been suspended or cancelled by the Board.

(2) The definitions found in the Act, the *Dairy Industry Act*, and the *Dairy Industry Act* Regulations (EC735/88) apply to these regulations with necessary modifications. — Adoption of definitions

(3) The Board may define any term used in a Board order if the term is not defined in the Act, the *Dairy Industry Act*, or the *Dairy Industry Act* Regulations. (EC215/04) — Additional definitions

DAIRY FARMERS OF PRINCE EDWARD ISLAND

2. (1) The Prince Edward Island Milk Marketing Board established under the Prince Edward Island Milk Marketing Regulations (EC48/85) is renamed and continued as the Dairy Farmers of Prince Edward Island. — Board continued

Purposes

(2) The Board

(a) is constituted as a commodity board under the Act for the promotion, control, and regulation of the marketing of milk in the province; and

(b) shall represent and protect the interests of the province's quota holders at the provincial and national levels.

Policies and process

(3) The Board shall, after consultation with the province's quota holders, create policies respecting the roles and responsibilities of the Board and its committees, including a process to be followed by the Board for responding to resolutions passed at annual and special meetings of quota holders.

Powers

(4) The Board has all the powers contained in subsection 4(3) of the Act.

Transfer of assets and liabilities

(5) The assets and liabilities of the Prince Edward Island Milk Marketing Board as constituted immediately before the coming into force of these regulations are hereby transferred to and become the assets and liabilities of the Board. (EC215/04; 420/09)

Head office

3. (1) The Board shall maintain a head office in the province.

Seal

(2) The Board shall adopt a common seal, the use of which shall be authenticated by the signature of the chairperson or other person as the Board may authorize by resolution.

Fiscal year

(3) The fiscal year of the Board shall commence on December 1 of each year and end on November 30 of the following year.

Records and annual audit

(4) The Board shall keep books of account, in accordance with generally accepted Canadian accounting principles, which shall be audited for each fiscal year by an auditor approved by the Board.

Audited financial statement, report

(5) A copy of the audited financial statement accompanied by a report of the operations of the Board shall be presented to the Board within four months of the close of the fiscal year at a regularly scheduled meeting or a special meeting called by the chairperson to consider the report. (EC215/04; 420/09)

Filing of information

4. The Board shall file with the Marketing Council

(a) a certified copy of the audited financial statement of the Board accompanied by the report of operations of the Board within five months of the close of the Board's fiscal year;

(b) a certified copy of all agendas, agreements, appointments, awards, minutes, orders, reports, resolutions and rules of the Board within seven days of the Board's approval of them; and

(c) where the Board appoints an agent, the agent shall file with the Marketing Council a certified copy of the audited financial statement and the annual report of the agent within five months of the close of the year of the agent. (EC215/04; 420/09)

Committees

5. (1) The Board shall establish and maintain the following committees:

(a) an Executive Committee composed of at least three Board members;

(b) a Farm Practices Committee composed of at least two Board members and at least three quota holders from more than one district;

(c) a Research Committee composed of at least two Board members and at least three quota holders from more than one district;

(d) a Producer Relations Committee composed of at least two Board members and at least three quota holders from more than one district;

(e) a Promotion Committee composed of at least four Board members;

(f) a Dairy Industry Planning Committee composed of at least four Board members and at least six members from dairy industry stakeholders.

Other committees

(2) The Board may establish and maintain other committees as it considers necessary to advise or assist it in its work.

No sub-delegation

(3) The Board shall not delegate any of its powers to any committees established

(a) by the Board; or

(b) under these regulations.

Membership

(4) Members of committees established under subsection (2) are not required to be Board members.

Term; re-appointment

(5) The Board

(a) shall make appointments of members to committees for one-year terms; and

(b) may re-appoint members to the same or different committees. (EC215/04)

REGISTER OF QUOTA HOLDERS

Register

6. (1) The Board shall maintain a current register, by district, listing quota holders and quota holder registration numbers.

Inspection

(2) The register maintained under subsection (1) shall be available for inspection by quota holders without charge during normal business hours of the Board.

Individual responsible

(3) Where the Board allots a quota to a corporation, partnership, syndicate or business group, the corporation, partnership, syndicate or business group shall notify the Board in writing of the name of, and any other details required by the Board regarding, the individual responsible, on behalf of the corporation or other entity, for the exercise of rights and responsibilities of a quota holder under the Act and these regulations.

Removal of name from register

(4) The Board shall remove from the register the name of every person who has ceased to hold a quota for a period of three months, either as a result of the person's own action or inaction. (EC215/04)

ELECTIONS TO THE BOARD

Composition of board of directors

7. (1) The Board shall be composed of nine members:

(a) two members shall be quota holders in the West Prince District;

(b) two members shall be quota holders in the Summerside District;

(c) three members shall be quota holders in the Charlottetown District;

(d) two members shall be quota holders in the Montague-Souris District.

Boundaries of districts

(2) The boundaries of the districts referred to in subsection (1) are those described in the Schedule.

Adjacent districts

(3) A quota holder residing within fifteen kilometers of a district boundary may apply to the Board to be assigned to an adjacent district.

Board may permit application

(4) Where the Board has received an application under subsection (3), and is of the opinion that the assignment of the quota holder is appropriate, the Board may assign the quota holder to the adjacent district.

Members

(5) The members of the Board shall be appointed or elected in accordance with sections 9 to 13. (EC215/04)

Eligibility to vote

8. (1) A person shall meet the following qualifications to be eligible to become a member of the Board or to vote for a person nominated for the Board:

(a) the person is listed on the register of quota holders maintained by the Board;

(b) the person is a resident of the district in which the election will be held;

(c) the person has been a resident of the province for not less than six months prior to the date of the election.

Votes

(2) Where there is a vacancy on the Board, one vote may be cast to fill the vacancy by

(a) each individual quota holder; or
(b) a person designated by the quota holder to cast the vote, where the quota holder is not an individual.

Eligibility for appointment or election

(3) A quota holder who holds the qualifications set out in subsection (1) is eligible to be appointed or elected to the Board. (EC215/04)

Returning officer

9. (1) Where an election to the Board is to be held, the Board shall appoint a returning officer.

Duties

(2) The returning officer shall
(a) not later than the second Saturday of January in each year in which an election is to be held, ensure that an election notice is
(i) published in at least two daily or weekly newspapers in circulation in each of the districts described in the Schedule for which an election is being held, or
(ii) mailed to each registered quota holder, at the most recent address provided by the registered quota holder, located in, or assigned to, the district for which an election is being held; and
(b) provide a nomination form to each quota holder who requests a nomination form.

Nomination form

(3) Every quota holder submitting a nomination form shall ensure that the nomination form
(a) is signed by at least five quota holders from the district where the vacancy has occurred; and
(b) is received by the returning officer not later than January 31 of the election year.

Nominations

(4) Nominations for Board members shall
(a) be in writing on a form prescribed by the Board;
(b) be signed by at least five quota holders of the appropriate district; and
(c) be postmarked or received by the returning officer not later than January 31 of the election year.

Notice of acceptance

(5) Acceptance of a nomination by the nominee shall be by notice in writing from the nominee to the returning officer and the notice shall accompany the nomination.

No nomination received

(6) If no nomination is received from a district for which an election is being held, the incumbent is deemed elected.

Single nominee

(7) If not more than one nomination is received from a district for which an election is being held, the nominee shall be deemed elected.

Close of register

(8) For the purpose of conducting an election, the register of quota holders shall be closed on January 31. (EC215/04; 412/12)

Mail-in ballots

10. (1) The returning officer shall cause mail-in ballots to be sent to eligible quota holders showing the candidates for the vacancies in the district.

Notice

(2) Failure by a quota holder to receive a mail-in ballot shall not invalidate any election.

Counterfoil

(3) The counterfoil of the mail-in ballot shall have the quota holder's name and registration number recorded on it.

Scrutineer

(4) Each candidate in an election is entitled to appoint one scrutineer to represent the candidate at the opening and counting of the mail-in ballots.

Return of mail-in ballots

(5) All mail-in ballots shall be returned by mail, with the counterfoil attached, to the returning officer and shall be received by the returning officer or postmarked not later than the last day of February.

Counting mail-in ballots

(6) The returning officer shall set a date for counting the mail-in ballots for the election. (EC215/04)

Witnesses

11. (1) The returning officer may appoint any persons necessary to witness the counting of the mail-in ballots.

Marketing Council witness

(2) The Marketing Council may appoint a witness to represent the Marketing Council at the opening and counting of the mail-in ballots.

Validity

(3) The failure of a person appointed under subsection (1) or (2) to witness the counting of the mail-in ballots shall not invalidate an election.

Valid ballots

(4) Mail-in ballots shall only be counted where

(a) the mail-in ballot is postmarked not later than the last day of February;

(b) the quota holder's name and registration number are recorded on the counterfoil; and

(c) the counterfoil is removed by the returning officer before it is placed in the ballot box.

Counting

(5) Mail-in ballots shall be opened and counted by the returning officer in the presence of the persons appointed under subsection (1) or (2).

Valid results

(6) A complete report of the results of the counting of the mail-in ballots, bearing the signatures of those present, shall be filed with the Board and the Marketing Council.

(7) The candidate receiving the greatest number of votes for each vacancy shall be deemed elected by the returning officer. Declaration

(8) In the event of two or more candidates for election receiving an equal number of votes, the returning officer shall cast a ballot for one of the candidates to complete the election and that candidate is deemed duly elected. (EC215/04) Casting vote

12. (1) Members of the Board shall be elected for a three-year term and shall assume office at the first meeting of the Board following the annual meeting of quota holders. Term of office

(2) The Board may declare vacant the office of any member of the Board who has been convicted of any offence under the Act or under the *Criminal Code* (Canada), has resigned or become ineligible, or who has failed to attend three consecutive meetings of the Board without reasonable cause. Vacancies

(3) The Marketing Council, after consultation with the appropriate district milk committee established under subsection 20(1), may appoint a quota holder from a district to fill the unexpired term of a member of the Board from that district whose office has been declared vacant pursuant to subsection (2). (EC215/04) Filling vacancy

13. (1) The Board shall, at the first meeting following the annual meeting of quota holders, elect from its members a chairperson, a vice-chairperson and a secretary. Officers

(2) The Board may also appoint a treasurer and other officers and employees as it deems necessary. (EC215/04) Other officers

14. The members of the Board shall represent all quota holders in the district in which the member was elected and act in the best interests of the quota holders in the province. (EC215/04) Duties of members

MEETINGS

15. (1) The Board shall call an annual meeting of quota holders, which shall be held within five months of the end of the Board's fiscal year. Annual meeting

(2) At the annual meeting, the Board shall present the audited financial statement for the preceding fiscal year along with the annual report of the Board. Financial statement

(3) Where the Board receives a request signed by at least 10% of the quota holders requesting that a special meeting of quota holders be held for discussion of matters respecting the operation of the Board, the Board Special meeting

shall call a special meeting of quota holders within 30 days of the receipt of the request.

Agenda

(4) A request for a special meeting shall include a suggested agenda.

Notice

(5) The Board shall give notice, including a copy of the agenda, of a special meeting under subsection (3), 14 days prior to the date of the meeting,

(a) by written notice to each quota holder sent by ordinary mail; or

(b) by publication in at least two daily newspapers in the province.

Discussion limited to agenda

(6) At a special meeting, only those matters contained in the agenda may be brought before the meeting. (EC215/04; 420/09)

FINANCE AND MANAGEMENT

Finance

16. (1) An order passed by the Board respecting

(a) the borrowing of money on the credit of the Board;

(b) the issuing, selling or pledging securities of the Board;

(c) the charging, mortgaging, hypothecating or pledging real or personal property of the Board; or

(d) the negotiating for securities or money borrowed, or other debt, obligation or liability of the Board

shall state the purpose for obtaining the money or incurring the debt.

Two-thirds majority

(2) No order referred to in subsection (1) is effective unless

(a) a meeting is held to consider the order; and

(b) at least two-thirds of the total members of the Board vote in favour of the order. (EC215/04)

Bond for treasurer

17. (1) The Board may require the treasurer to provide a bond for the faithful discharge of the duties of treasurer in any form and with any security the Board may determine.

Bonds for other officers

(2) The Board may require its other officers, employees and agents to provide bonds for the faithful discharge of their duties in any form and with any security the Board may determine.

Costs

(3) The Board shall pay the cost of bonds required under subsection (1) or (2). (EC215/04)

Investment

18. The Board shall not invest surplus funds of the Board other than in investment certificates of a chartered bank, trust company, credit union, or the provincial or federal government. (EC215/04)

Board may make rules

19. The Board may make rules governing the calling and conduct of meetings, the procedures for the transaction of its business and matters of management. (EC215/04)

DISTRICT MILK COMMITTEES

District milk committees

20. (1) The Board shall establish and maintain district milk committees in the West Prince, Summerside, Charlottetown, and Montague-Souris districts, with each district having the boundaries described in the Schedule.

Adjacent districts

(2) A quota holder residing within fifteen kilometers of a district boundary may apply to the Board to be assigned to the adjacent district.

Board may permit application

(3) Where the Board has received an application under subsection (2) and is of the opinion that the assignment of the quota holder is appropriate, the Board may assign the quota holder to the adjacent district.

West Prince, Summerside, Montague-Souris

(4) The West Prince, Summerside, and Montague-Souris milk committees shall each be composed of four quota holders in the district, as follows:

(a) two members elected at an annual meeting of the district held during the month of February of each year;

(b) two members of the Board representing that district.

Charlottetown

(5) The Charlottetown district milk committee shall be composed of six quota holders in the district, as follows:

(a) three members shall be elected at an annual meeting of the district held during the month of February of each year;

(b) three members shall be members of the Board representing that district.

Chairperson, secretary

(6) The members determined by clauses (4)(b) and (5)(b) shall include the chairperson and secretary of the district milk committee.

Terms of office

(7) Members of a district milk committee elected pursuant to clauses (4)(a) and (5)(a) shall serve two-year terms on a staggered term basis.

General meetings

(8) Each district milk committee shall hold at least two general meetings of its quota holders each year. (EC215/04)

GENERAL

Validity of actions

21. Notwithstanding any defect or irregularity in the appointment, election or qualifications of any member, the actions of the Board are as valid as if the Board and every member were duly qualified and had been duly appointed or elected. (EC215/04)

Liability

22. (1) No action shall be brought against any person who acts or purports to act in good faith under the authority of the Act, these regulations or a Board order.

Indemnity

(2) Members or officers of the Board and their heirs, executors and administrators, and assigns shall be saved harmless, and indemnified out of the funds of the Board, against all costs, charges and expenses the member or officer sustains or incurs with respect to any action, suit or proceeding brought, commenced or prosecuted against the member or officer, in respect of any act performed or authorized by the member or officer, in the performance or intended performance of the duties of the member's or officer's office; except any costs, charges or expenses that result from the member's or officer's wilful neglect or default. (EC215/04)

Remuneration

23. (1) Subject to the approval of the Marketing Council, the remuneration to be paid to members of the Board shall be any honoraria and daily allowances as the Board may from time to time determine.

Expenses

(2) The Board shall pay its members travelling or other expenses where the expenses were properly incurred by them in connection with the business of the Board.

Special services

(3) Subject to the approval of the Marketing Council, the Board may by resolution award special remuneration to members undertaking special services on behalf of the Board. (EC215/04)

Compliance with Act, regulations, orders

24. No person shall produce or market milk contrary to the Act, these regulations, or Board orders. (EC215/04)

SCHEDULE

West Prince District:

Shall be bounded as follows commencing at the intersection of the Bideford River and Bideford Road; thence southwestwardly along said road and Route # 166 to Route # 12; thence southwardly along said route to Port Hill Station Road (Route # 169); thence westwardly along said road to Allen Road (Route # 167); thence southwardly along said road to Canada Road (Route # 178); thence southwestwardly along said road to Northam Road (Route # 132); thence westwardly along said road to Western Road (Route # 2); thence southwardly along said road to Harmony Line Road (Route # 128); thence westwardly along said road and continuing westwardly and southwardly along Route # 11 to Rocky Point Road (St. Chrysostome); thence westwardly along said road to Egmont Bay; thence northwardly along said bay and Northumberland Strait to the Gulf of St. Lawrence at North Point; thence following the gulf southwardly to the eastern boundary of Lennox Island at Bideford River; thence westwardly along said river and Malpeque Bay to the intersection of Bideford River and Bideford Road to the point of commencement.

Summerside District:

Shall be bounded as follows commencing at the intersection of Bideford River and Bideford Road; thence eastwardly along said river and following the southern boundary of Lennox Island and Malpeque Bay to the Gulf of St. Lawrence; thence eastwardly along said gulf to New London Bay; thence southwardly along said bay and Stanley River to Route # 6 (Stanley Bridge); thence eastwardly along said route to Rattenbury Road (Route # 254); thence southwardly along said road to Route # 2; thence eastwardly along said route to Inkerman Road (Route # 231); thence southwardly along said road to Route # 13; thence westwardly along said route to Westmoreland River; thence southwardly along said river and Victoria Harbour to Northumberland Strait; thence westwardly along said strait and Bedeque Bay to Rocky Point Road (St. Chrysostome); thence eastwardly along said road to Route # 11; thence northwardly and eastwardly along said route and Harmony Line Road (Route # 128) to Western Road (Route # 2); thence northwardly along said road to Northam Road (Route # 132); thence eastwardly along said road to Canada Road (Route # 178); thence northeastwardly along said road to Allen Road (Route # 167); thence northwardly along said road to Port Hill Station Road (Route # 169); thence eastwardly along said road to Route # 12; thence northwardly along said route to (Route # 166);

thence northeastwardly along said Route # 166 and Bideford Road to Bideford River to the point of commencement.

Charlottetown District:

Shall be bounded as follows commencing on New London Bay at the intersection of Stanley River (Stanley Bridge) and Route # 6; thence northwardly along said river and New London Bay to the Gulf of St. Lawrence; thence eastwardly along said gulf to Savage Harbour; thence southwestwardly along said harbour to Queens and Kings County line; thence southwardly along said county line to the Dunphy Road (Route # 214); thence westwardly along said road to Avondale Road (Route # 216); thence southwestwardly along said road to Route # 3; thence eastwardly along said road to Vernon River; thence southwardly along said river to Orwell Bay; thence southwardly along said bay and Hillsborough Bay to Northumberland Strait; thence westwardly along said strait to Victoria Harbour; thence northwardly along said harbour and Westmoreland River to Route # 13; thence eastwardly along said route to Inkerman Road (Route # 231); thence northwardly along said road to Route # 2; thence westwardly along said route to Rattenbury Road (Route # 254); thence northwardly along said road to Route # 6; thence westwardly along said road to the intersection of Route # 6 and Stanley River (Stanley Bridge) to the point of commencement.

Montague-Souris District:

Shall be bounded as follows commencing where the Savage Harbour intersects the Gulf of St. Lawrence; thence eastwardly along the said gulf to the Northumberland Strait at East Point; thence southwardly and westwardly along said strait to Hillsborough Bay; thence northwardly along said bay and Orwell Bay to Vernon River; thence continuing northwardly along said river to Route # 3; thence westwardly along said road to Avondale Road (Route # 216); thence northwardly along said road to Dunphy Road (Route # 214); thence eastwardly along said road to Kings and Queens County line; thence northwardly along said county line to Savage Harbour; thence northeastwardly along said harbour to the Gulf of St. Lawrence to the point of commencement.