

FAQs for OFA's proposed bylaw change to election process for Executive Committee

OFA has sought legal advice and clarification on the intent of the *Corporations Act*. The proposed change to the election process brings OFA into compliance with the *Corporations Act*.

Q: What is the nature of the change being proposed?

- The proposed bylaw will change the way the OFA elects its President and two Vice-President positions.
- The executive officers will be elected by the members of the board of directors during a board meeting immediately following the Annual General Meeting.

Q: How will this affect my engagement with the OFA?

- It won't.
- Grassroots members will continue to vote for and elect 18 directors across the province, which ensures a strong connection between our farmers and the board of directors.

Q: Why is this issue of the election process coming up now?

- Coming out of the 2019 Annual General Meeting, questions were raised about the election protocols for the Vice President position. During research into our current practice, practices of other organizations and review of OFA's bylaws and the *Corporations Act*, it was discovered that our current practice is not in compliance with the *Act*.
- On the advice and recommendation of legal counsel, the board has concluded we have a legal obligation to bring our organization into compliance with the *Corporations Act* at this time.

Q: Does the Board of Directors support this proposed change?

- The board has engaged in several discussions around the board table on this subject. Following lengthy conversations and legal recommendations, as well as reviewing best practices and industry standards, a motion was put forward and the board voted in favour of implementing the proposed bylaw change.

Q: What happens if two-thirds of the membership supports the proposed bylaw change at the 2020 Annual General Meeting?

- The new bylaw will take effect immediately.

Q: What happens if two-thirds of the membership does not vote to pass the proposed bylaw change at the 2020 Annual General Meeting?

- If the proposed bylaw change is not passed by two-thirds of the membership, OFA would not be in compliance with the *Corporations Act*.
- The organization, as well as its officers, could be subject to a fine and other sanctions.

Q: If OFA is not in compliance with the *Corporations Act*, what are the ramifications?

- If deemed to be in non-compliance with the *Act*, OFA may be ineligible to access and apply for government funding programs as per eligibility requirements. For example, OFA may be considered ineligible for funding through the Canadian Agricultural Partnership (CAP) program.

Q: How will the election process for the Executive Committee be conducted?

- OFA has an established election process for the Executive Members and all board committees. Elections are conducted by secret ballot. The General Manager assumes the role of Elections Chair and OFA staff are appointed scrutineers. Nominations are taken from the floor. Where more nominations than positions occur, a vote takes place. Voting is by secret ballot, results are not revealed, only the successful candidate(s) is announced. Each director is given one vote.

Q: How do other organizations elect their Executive Committees?

- The proposed bylaw change follows industry standards that have been set across the province, including Grain Farmers of Ontario, Beef Farmers of Ontario, Dairy Farmers of Ontario, Ontario Pork, Chicken Farmers of Ontario, Ontario Sheep Farmers and Egg Farmers of Ontario and many others.
- Although these organizations are incorporated under a number of Acts, including the *Corporations Act*, the *Agricultural and Horticultural Organizations Act* and the *Farm Products Marketing Act*, what OFA is proposing with this change represents the best practices of like organizations across the province.

Q: Does the proposed bylaw change and election process impact local county federation boards?

- No, these proposed changes will not directly impact the election process of local county federation boards. We understand however, that several county federations have used this opportunity to review their own election processes and may adopt a similar model as to what is proposed here.

Q: How is the OFA's current electoral practice contrary to the *Corporations Act*?

- The *Act* in Section 289 states that "a board shall elect a President or Chair at its first meeting after the annual meeting and that it "may" elect other executive members"
- The *Act* does allow for direct election of the executive by the members, but only if that election takes place at a general meeting that is called specifically for the election of the executive.
- The *Act* is also clear that an Annual General Meeting, where the OFA held its elections in the past, cannot be considered a general meeting for the purposes of an election.
- In other words, the *Act* prohibits the election of officers at an Annual General Meeting.