BRITISH COLUMBIA EGG MARKETING BOARD

STANDING ORDER

TABLE OF CONTENTS

SECTION

1	DEFINITIONS
2	LICENSING
3	AGENCIES
4	BOOKS, RECORDS AND INFORMATION
5	REPORTS
6	LEVIES AND FEES
7	QUOTA SYSTEM
8	MAXIMUM QUOTA
9	QUOTA TRANSFER & RELOCATION OF EGG PRODUCTION UNIT
10	EGG PRICES
11	INDUSTRIAL PRODUCT REMOVAL
12	LICENSED MARKETINGS/MARKETING FEES
13	CHICKEN HATCHING EGG MARKETINGS
14	COMMERCIAL HATCHING EGG (BREEDER FLOCKS) MARKETINGS
15	LAYERS
16	QUALITY STANDARDS
17	COMPLIANCE
18	PROHIBITIONS

SCHEDULE "A" BCMB APPROVAL RE QUOTA TRANSFERS/ISSUANCE SCHEDULE "B" STANDING OFFER TO PURCHASE

STANDING ORDER REVISIONS

MISCELLANEOUS

EGG INDUSTRY ADVISORY COMMITTEE

REVOCATION OF PREVIOUS ORDERS

PROCEDURES - ELECTION OF MEMBERS

19

20

21

22

23

BRITISH COLUMBIA EGG MARKETING BOARD

STANDING ORDER

It is the responsibility of each Registered Producer or other person subject to this Standing Order, to remain in good standing under the Standing Order and attention is drawn to the compliance provisions set out in Section 17.

PURSUANT to the "Natural Products Marketing (British Columbia) Act" and the "British Columbia Egg Marketing Scheme, 1967", as amended, and authority under the federal act the British Columbia Egg Marketing Board orders as follows in relation to the production or marketing of the regulated product:

SECTION 1

DEFINITIONS

In this and all other Orders of the Board, unless the context requires otherwise, the definitions contained in the Natural Products Marketing (B.C.) Act and the British Columbia Egg Marketing Scheme, 1967, shall have effect together with the following additional definitions:

- (a) "Act" means the Natural Products Marketing (BC) Act [RSBC 1996] Chapter 330 and all amendments thereto.
- (b) "Board" means the British Columbia Egg Marketing Board.
- (c) "Breaker" means any person who changes the nature of eggs into processed or manufactured product.
- (d) "Breeder" means Commercial Hatching Egg Producer.
- (e) "Chicken Hatching Egg Producer" means any Registered Producer or person who owns, leases, keeps or maintains a flock of breeder hens for the purpose of producing eggs intended to hatch chicks for meat production.
- (f) "Chick Hatchery Operator" means any person who owns, operates, or maintains hatching facilities for the purpose of hatching chicks for egg production purposes.
- (g) "Chick Sales Agent" means any person who markets chicks in the Province who maintains neither hatchery facilities nor hatching flocks.
- (h) "CEMA" means the Canadian Egg Marketing Agency.
- (i) "Commercial Hatching Egg Producer" means any Registered Producer or person who owns, leases, keeps or maintains a flock of breeder hens for the purpose of producing eggs intended to hatch chicks for egg production.
- (j) "Common Share" means a common share as defined by Section 248 of the Income Tax Act S.C. 1970-71-72 as amended.
- (k) "<u>Deliver or Delivered</u>" includes all transfers of a regulated product from a producer to a Breaker or an agency and includes transfers from a producer to himself in his capacity as a Breaker or agency.

SECTION 1 (cont'd)

- (I) "<u>Egg Production Unit</u>" means the land and buildings comprising a poultry farm at which a registered producer keeps or maintains layers owned by him and used for the purpose of producing eggs to be marketed in accordance with marketing quota or marketing permit.
- (m) "EXW" means Ex Works (EXW) as defined in the *Incoterms 1990*.
- (n) "Industrial Product" means regulated product delivered to a Breaker or regulated product designated by the Board as industrial product.
- (o) "Interior" means that part of the Province which excludes those areas defined as the Lower Mainland and Vancouver Island.
- (p) "<u>Layer</u>" as applied to chickens means laying hens and layers and any class of a female chicken hatched for the purposes of egg production that is aged nineteen (19) weeks or older."
- (q) "Lower Mainland" means that part of the Province bounded as follows: Commencing at the intersection of the 49th parallel of latitude with the 121st meridian of longitude, thence due north to the 50th parallel of latitude, thence due west to the 123rd meridian of longitude, thence due north to the 51st parallel of latitude, thence due west to the western boundary of the province, thence southerly and easterly along the western and southern boundaries of the Province to the point of commencement, but excluding Vancouver Island and all the other islands lying along the coast of the Province.
- (r) "Marketing" includes producing, buying, selling, disposing of and offering for sale or other disposition.
- (s) "Maximum Quota" means the maximum number of layers which at any time may be kept or maintained for the purposes of egg production directly or indirectly by a Registered Producer as determined or varied from time to time by resolution of the Board.
- (t) "Nest-Run Production" means unsorted eggs, produced by an identified flock over a period, and which meet the minimum weight requirement from time to time set by the Board and which have not been altered by the addition or removal of any eggs.
- (u) "Order" means the Standing Order of the British Columbia Egg Marketing Board.
- (v) "Permit" means permission given in writing by the Board to any person with regard to the marketing of the regulated product.
- (w) "Person" includes any partnership, firm or corporation.
- (x) "Producer-Grader" means any Registered Producer who grades his own production, has been issued a Producer-Grader licence by the Minister, and meets the conditions set out in Section 3 of the Shell Egg Grading Regulation of the B.C. Agricultural Produce Grading Act.
- (y) "Producer-Vendor" means any grower who produces and markets, offers for sale, sells, stores or transports all of any portion of the regulated product grown by him but does not process, market, offer for sale, sell, store or transport the regulated product grown by any other person.
- (z) "Pullet" means a female chicken raised for the purposes of egg production that is under the age at which it would be determined a layer.

SECTION 1 (cont'd)

- aa) "Pullet-Grower" means any person who grows or acts as a grower of chicks which are to be delivered as pullets.
- (bb) "Layer Quota" and "New Entry Layer Quota" mean the number of layers which may at any time be kept or maintained for the purposes of egg production by a Registered Producer as determined or varied from time to time by resolution of the Board.
 - "<u>Federal Quota</u>" means the quantity of eggs that a Producer is entitled under this Order to market in inter-provincial and export trade during a specified period of time.
 - "Provincial Quota" means the number of dozens of eggs that an egg producer is entitled to market in intra-provincial trade or to have marketed on the producer's behalf by the Board in intraprovincial trade, during a specified period of time.
 - "Quota" means Provincial Quota, Federal Quota or Layer Quota or any combination of them as the context requires.
- (cc) "Registered Grading Station Operator" means any properly licensed person who grades the regulated product by mechanical means or otherwise and who markets it.
- (dd) "Registered Producer" means any person who owns, keeps or maintains layers in an area to which the Scheme relates and who is registered under this Scheme.
- (ee) "Regulated Product" means layers and all classes of eggs of the domestic hen, including eggs wholly or partly manufactured or processed.
- (ff) "<u>Vancouver Island</u>" means that part of the Province consisting of Vancouver Island and all the other islands lying along the coast of the Province.

LICENSING

- (a) <u>Licence Issuance</u> No person shall keep or maintain for the purposes of egg production or grow or produce for marketing, pack, store, transport or market the regulated product within British Columbia unless he is qualified for and applies to and does obtain from the Board annually, one or more appropriate licences of the types hereinafter described:
 - 1. Registered Producer Licence.
 - 2. Producer-Vendor Licence.
 - 3. Producer-Grader Licence.
 - 4. Commercial Hatching Egg Producer (Breeder) Licence.
 - 5. Registered Grading Station Operator Licence.
 - 6. Processed Egg Station (Breaker) Licence.
 - 7. Chick Hatchery Operator Licence.
 - 8. Marketing Licence.
 - 9. Chick Sales Agent Licence.
 - 10. Temporary Restricted Quota Licence.

A separate licence must be obtained in respect of each Egg Production Unit, Chick Hatchery or Registered Grading Station, and by each Commercial Hatching Egg Producer. A Registered Producer licensed by the Board who operates also as a Producer-Vendor and/or Producer-Grader is required to apply for and obtain the appropriate licence from the Board.

- (b) Expiry Every licence issued by the Board shall expire on the last day of the year for which it was issued.
- (c) <u>Size Exemption</u> A person who keeps or maintains ninety-nine (99) layers or less shall be exempt from the requirement of obtaining a licence and registering as a Registered Producer provided that:
 - (i) No person shall keep or maintain, in concert with another person or persons, such layers in facilities contiguous to or a part of each other, such that in aggregate, the number of layers kept or maintained, would if kept or maintained by one person in such facilities, require that person to obtain a licence and register as a Registered Producer.
 - (ii) No Registered Producer shall permit a person exempt from the requirement of obtaining a licence to keep or maintain layers in the Egg Production Unit of or in facilities contiguous to or that ordinarily would constitute a part of the Egg Production Unit of the Registered Producer.
- (d) <u>Pre-1983 Exemption</u> Persons able to establish that they kept or maintained between 100 and 499 layers throughout the six month period ending August 31,1983 may apply for an exemption provided that:
 - (i) No person shall keep or maintain, in concert with another person or persons, such layers in facilities contiguous to or a part of each other, such that in aggregate, the number of layers kept or maintained, would if kept or maintained by one person in such facilities, require that person to obtain a licence and register as a Registered Producer.
 - (ii) No Registered Producer shall permit a person exempt from the requirement of obtaining a licence to keep or maintain layers in the Egg Production Unit of or in facilities contiguous to or that ordinarily would constitute a part of the Egg Production Unit of the Registered Producer.

SECTION 2 (cont'd)

- (iii) the layers must be kept and maintained at the person's egg production unit.
- (iv) the status cannot be transferred and expires upon the person's death or termination of the production of eggs for a period exceeding 36 weeks.
- (v) the person cannot by contract, lease, or otherwise enter into any arrangement with their exempt status.
- (vi) the person must be issued a licence or permit for exempt status by the Board by March 31, 1996.
- (vii) a registered producer cannot have exempt status.
- (e) <u>Validation</u> Licences authorized by the Board shall be validated by the signature of a duly authorized representative of the Board and are non-transferrable.
- (f) <u>Duplication</u> No person shall issue or use licences, permits, returns or any other documents purporting to be authorized by the Board or in a form the same as or similar to those authorized by the Board or calculated to mislead any person dealing with the regulated product which have not in fact been issued or approved by the Board or its duly authorized employee or representative.
- (g) The operator of a registered egg station or registered processed egg station shall, within ten days after receiving ungraded eggs,
 - (i) furnish to the person who shipped the ungraded eggs to the station a copy of the grading statement or statements of quantity and weight of eggs processed, and
 - (ii) make payment or final settlement for the eggs received.
- (h) Requirement of Licensee to Remit Levies and Fees Payable by Deduction Where:
 - (i) a Registered Producer is required to pay a levy to the Board by deduction of the levy amount from the proceeds payable by a licensee to the Registered Producer, or
 - (ii) where a person is required to pay a licence fee to the Board by deduction of the licence amount from the proceeds payable by a licensee to the person;

it is a condition of maintenance of the licence that the licensee remit the licence fee or the levy amount to the Board on account of the levy obligation of the Registered Producer or licence fee of the person.

AGENCIES

- (a) The Board derives its authority from the <u>Natural Products Marketing (B.C.) Act</u> and related regulations including the B.C. Egg Marketing Scheme, 1967, and from its orders and may exercise any of the powers vested in the Board by its orders and by the <u>Natural Products Marketing (B.C.) Act</u> and related regulations including the B.C. Egg Marketing Scheme, 1967, notwithstanding such power(s) may not be provided for in its orders.
- (b) <u>Designation of Agency</u> In addition to its powers in Section 11(1)(a) of the <u>Natural Products Marketing</u> (B.C.) Act (RS Chap.330) and in Sections 7(1) and 37 of the B.C. Egg Marketing Scheme, 1967 (B.C. Reg. 173/67), the Board may designate the agency to which a Registered Producer or Commercial Hatching Egg Producer shall deliver or market regulated product.
- (c) <u>Marketing Agency</u> The Registered Grading Station through which a Registered Producer's regulated product is marketed shall be deemed to be the agency through which that Registered Producer markets the regulated product.
- (d) <u>Change of Marketing Agency</u> A Registered Producer may change the agency through which the regulated product is marketed only in the manner prescribed by the Board.
- (e) <u>Trust of Producers' Monies</u> All monies and regulated product held by an agency for the account of a Registered Producer or the Board constitute a trust fund and shall be held in trust for the benefit of the Registered Producer or the Board and no agency shall appropriate or convert any part of such monies and product to a use not authorized by the trust.

BOOKS, RECORDS AND INFORMATION

- (a) <u>Inspection of Records</u> For the purpose of ascertaining whether the Order of the Board is being complied with, every person licensed by the Board, and every other person engaged in the production or marketing of regulated product shall, upon request, produce for inspection by the Board or any of its employees authorized by the Board for that purpose, all such books and records kept by him of matters relating to the production and marketing of the regulated product by him within British Columbia.
- (b) <u>Furnishing of Information</u> Every person licensed by the Board shall, upon request, furnish to the Board, any information relating to the production, grading, processing, storing, transporting and marketing by him of the regulated product within British Columbia and shall make specific answers to any questions submitted to him by any member or employee of the Board or any other individual duly authorized by the Board for that purpose.
- (c) <u>Inspection of Egg Production Unit, etc.</u> Every person who keeps or maintains layers shall permit any member or employee of the Board or person designated by it to inspect and examine the Egg Production Unit or other premises or a vehicle where regulated product is kept, for the purposes of determining whether or not there has been compliance with the orders of the Board or CEMA.
- (d) Registered Grading Station Audit Each registered grading station shall be audited by the BCEP a minimum of once every five years.

REPORTS

- (a) Report of Eggs Graded Each Registered Grading Station Operator shall weekly record and furnish to the shipper and to the Board in a form acceptable to it, information relating to each shipment of eggs received by him, including those eggs received from himself in his capacity as a Registered Producer.
- (b) <u>Producer-Vendor/Producer-Grader Report</u> Each Producer-Vendor or Producer-Grader shall weekly record and furnish to the Board, in a form prescribed by it, such information as the Board may require relating to his production or marketing of eggs.
- (c) Flock Placement Report Each Registered Producer shall prepare and furnish to the Board, in a form prescribed by it, information relating to his flock inventories.
- (d) <u>Chick Placement Permit</u> Producers must acquire an approved chick placement permit prior to requesting chicks from a hatchery. Each Chick Hatchery Operator shall ensure an approved Chick Placement Permit is received prior to setting eggs and record and furnish to the Board, in a form prescribed by it all sales and shipments of pullet chicks and started pullets made by him.
 - Each Pullet Grower shall ensure an approved Chick Placement Permit is received prior to acquiring chicks and record and furnish to the Board, in a form prescribed by it, all sales and shipments of started pullets made by him.
- (e) <u>Fowl Slaughter Report</u> Each person who operates a Government Registered Poultry Killing and Processing Plant shall furnish to the Board, monthly, in a form acceptable to it, information relating to the slaughter of layers received by him.
- (f) <u>Corporate Shareholding Report</u> Corporations holding Quota or Permit shall file with the Board annually or more frequently as the Board may require, a statement in a form acceptable to the Board, setting forth the names of its legal and beneficial shareholders and their shareholdings.
- (g) <u>Commercial Hatching Egg Production Report</u> Each Commercial Hatching Egg Producer shall furnish to the Board, monthly, in a form acceptable to it, information relating to his Breeder Flock size and Commercial Hatching Egg production.

LEVIES AND FEES

- (a) <u>Levy</u> A levy (the provincial levy) is hereby imposed on each Registered Producer of an amount per dozen from time to time fixed by the Board, on the number of dozens of eggs marketed by him excluding any eggs, if any, marketed by him in interprovincial and export trade.
- (b) <u>Levy-Layers</u> A levy is hereby imposed on each Registered Producer of an amount from time to time fixed by the Board for each layer which may be kept or maintained by the Registered Producer for a period less:
 - (i) The aggregate amount for that period fixed by the Board as the levy payable per dozen in respect of eggs marketed by him in intraprovincial trade, and:
 - (ii) If applicable, the amount for that period fixed by the Canadian Egg Marketing Agency as the federal levy payable per dozen in respect of eggs marketed by him in interprovincial and export trade.

(c) Payment of Levy

- Each Registered Producer who markets through a licensee of the Board is required to pay the levy by deduction from the proceeds payable by the licensee to the Registered Producer of the amount fixed by the Board and to instruct the licensee to deduct and remit the levy amount to the Board;
- (ii) The Board may establish a pre-paid instalment collection system for the collection of levy and permit Registered Producers to pay levy by instalments;
- iii) Each Registered Producer who does not market through a licensee of the Board is required to pay the levy direct to the Board within 7 days of the imposition of the levy.
- d) Remittance of Deductions Every licensee and agency shall prepare and file with the Board, a statement in a form acceptable to the Board showing the amount of levy deducted for the account of the Board from the account of a Registered Producer. The money so collected and deducted shall be forwarded to the office of the Board forthwith.
- (e) Over-Quota Levy A levy is hereby imposed in the amount of \$0.08 (eight cents) per day in respect of each layer kept or maintained by a Registered Producer or Commercial Hatching Egg Producer at any time in excess of the number of layers which may be kept or maintained by that Registered Producer or Commercial Hatching Egg Producer for the period in question. The levy shall be calculated and payable for the entire period for which excess layers are kept or maintained until such date as it is established to the Board's satisfaction that the excess layers have been disposed of by the Registered Producer or Commercial Hatching Egg Producer.

SECTION 6 (cont'd)

- (f) Abatement of Levy The Board may, on application to it, provide for abatement of levy payable under 6(b) above where the Registered Producer establishes to the satisfaction of the Board that owing to special circumstances, the Registered Producer is, for a period, unable to keep or maintain the number of layers which he is eligible to keep or maintain. No claim for levy abatement will be considered in respect of flock adjustments planned by a Registered Producer unless the Registered Producer notifies the Board of such planned adjustments in advance of the adjustment and obtains Board approval for the adjustment prior to the adjustment being undertaken, e.g. renovations or flock cycle adjustments. Exclusions from abatement include:
 - (i) claims for one week or less or less than \$100;
 - (ii) claims resulting from events generally considered as under management control such as unexceptional disease, mortality or extended turnaround;
 - (iii) claims where compensation can be obtained elsewhere, e.g insurance;
 - (iv) claims where the event in question gave rise to equivalent offsetting benefits. Exceptional effects of disease and catastrophe or acts of God are exempt from the one week exclusion.
- (g) <u>Interest on Outstanding Accounts</u> The Board may charge interest on any outstanding accounts at an amount determined by it from time to time.
- (h) The Board may continue to seek alternative financing mechanisms including price pooling, eggs by weight, segmented pricing, specialing and seasonal pricing to finance the removal of industrial product and for administrative purposes.
- (i) TRLQ Refundable Levy A portion of the levy imposed upon holders of Temporary Restricted Licence Quota of an amount from time to time fixed by the Board for each layer which may be kept or maintained by the Registered Producer may be refundable under Section 7(p)."

QUOTA SYSTEM

- (a) <u>Layer Quota</u> The Board shall determine the number of layers which may be kept or maintained for the purposes of egg production by each Registered Producer at a particular time and the Board shall issue and re-issue on a periodic basis a Layer Quota in such number of layers to each Registered Producer. Note: Some applications may require individual approval by the BCMB, see Schedule "A".
- (b) <u>Federal and Provincial Quota</u> The Board shall, in addition, determine the Federal Quota and Provincial Quota of each Registered Producer.
- (c) <u>Quantity of Federal Quota</u> The Federal Quota of a Registered Producer shall be a quantity of eggs equal to the Provincial Quota less a quantity equal to the quantity of eggs marketed by the Registered Producer in intra-provincial trade in the period.
- (d) <u>Quantity of Provincial Quota</u> The Provincial Quota allotted to a Registered Producer for a period shall be a quantity of eggs not exceeding the number of eggs determined by applying a conversion factor determined by the Board to the number of layers authorized under the Layer Quota.
- (e) <u>Permit Issue</u> The Board may issue a Registered Producer or person who files returns according to this order, and who complies with such orders and directions of the Board as are deemed by the Board appropriate, a Permit setting out the number of layers which at any time may be kept or maintained by him.
- (f) Quota Owned by the Board Quotas and Permits remain at all times the property of the Board.
- (g) Quota Adjustment The Board may, at any time, adjust the Quota or Permit of any Registered Producer or person on a basis which the Board deems appropriate.
- (h) Relation to Egg Production Unit Quota or Permit held by a Registered Producer shall relate to an Egg Production Unit, and no eggs shall be produced or marketed pursuant to the Quota or Permit held by a Registered Producer unless they are produced at the Egg Production Unit to which the Quota or Permit relates.
- (i) <u>Change of Location</u> The location of the Egg Production Unit to which a Quota or Permit relates shall not be changed without the consent of the Board.
- (j) Ownership by Partners If an Egg Production Unit is owned and operated by a bona fide partnership, the Board may issue a separate Quota or Permit to each partner in accordance with the shareholdings of each partner in the partnership, provided that the total of the Quotas or Quotas and Permits issued to the partners shall not exceed the sum of the Quota and Permit which would have been issued had the Egg Production Unit been operated by a single person or corporation.
- (k) <u>Security Interest</u> The Board may acknowledge the security interest of a recognized financial institution as hereinafter defined, in a Quota, Permit or layers by a letter of acknowledgement in a form acceptable to the Board. Except for recognized financial institutions holding a letter of acknowledgement, no person, including a mortgagee, execution creditor, receiver, receiver-manager, or trustee in bankruptcy, claiming a security interest in Quota, Permit or layers shall be recognized by the Board as being entitled to any interest in such Quota, Permit or layers.

(k) Security Interest (cont'd)

A recognized financial institution is:

- 1. a bank or wholly owned subsidiary of a bank listed in Schedules I or II of the Bank Act, (Chapter 46 of the Consolidated Statutes of Canada),
- 2. a trust company having a branch office in British Columbia,
- 3. a credit union that is a member of Credit Union Central of British Columbia, or
- 4. the Business Development Bank of Canada, Farm Credit Corporation or any other Crown lender.
- (I) <u>Unutilized Quota</u> It is a condition of the issue of Quota that a Registered Producer who fails to keep or maintain the number of layers for which he holds a Quota for 180 consecutive days may be cancelled pro tanto by the Board and the Board may reissue the cancelled portion. The Board may, in its discretion, upon good cause being shown, waive the provisions of this subsection in favour of any Registered Producer.
- (m) Transfer or issuance of Shares of Corporate Registered Producer A transfer or other disposition of common shares of a Corporate Registered Producer including an assignment, transfer in trust or transfer by operation of law arising other than on the death of a shareholder, or the issuance of additional common shares of the Corporate Registered Producer, shall require to be consented to by the Board and the provisions of Section 9 shall, with any necessary modifications, apply to such a transfer or issuance. Where there is a transfer or issuance of common shares without the consent of the Board having been obtained, the Quota or Permit of the Registered Producer may be subject to suspension or cancellation by the Board. For the purposes of determining whether there is a contravention of the rules regarding Maximum Quota, the holders of common shares in a corporate registered producer will be considered to hold the quota of the corporate registered producer in proportion to their holdings of common shares in the corporate registered producer.
- (n) Quota Credits Quota credits enable producers to recover lost production during a later flock cycle. Participants must apply to the Board in advance, in writing, if the term to earn credits exceeds fourteen days and have the support of their grading station. Quota credits for terms less than fourteen days will automatically be credited to the registered producer.

If moulting, the moult procedure used must be an approved Commercial Moult Programme and producers must follow Section of this Order. Only one moult per flock will qualify for credits. Moulting quota credits will be calculated from the field staff's count of the birds prior to entering the moult. The maximum credit for moulting is six weeks.

<u>Expiration and Transfer</u> - Quota credits expire in three years and may be transferred between registered producers. Applications to transfer must be received at least six weeks in advance.

However, effective December 26, 2004, quota credits will no longer be tradeable. Movement within the same ownership is not considered trading.

Levy must be paid while earning quota credits but there is no levy increase when quota credits are utilized.

Applications to use quota credits must be for a minimum of 13 weeks and must be received as far in advance as possible, at least seven days prior to using the credits.

(n) Quota Credits (cont'd)

Upon application, producers will be guaranteed the ability to utilize quota credits up to a maximum of 3% of their quota at each flock placement. Anything in excess of the 3% will be allowed if projections indicate space will be available.

Short placements may be included as an event eligible for quota credits provided that:

- (i) quota credits cannot exceed a maximum of 10 per cent of the flock being replaced;
- (ii) quota credits are only earned until the egg production unit's next flock placement
- (o) <u>Temporary Restricted Licence Quota (TRLQ)</u> The Board may establish a provincial pool of quota set aside to facilitate, as required, additional production of all types of certified specialty eggs pending the producer acquiring regular quota. Once regular quota is sourced, the TRLQ must be returned to the Market Responsive Allocation Pool (MRAP) pool. TRLQ may be issued for a maximum of seven years, with a progressive retirement commencing at the end of the fourth year. The Board may, at its discretion, issue TRLQ for non-specialty egg production (white and brown caged layers) to meet regional marketing opportunities.

The Board will accept applications in writing in advance and applicants must have the support of a federally inspected grading station who will market the product.

A record will be maintained for each TRLQ producer of the recoverable portion of levy/fees paid. These funds may be drawn upon at any time up to one half of the funds available until the final draw at which time the remaining funds may be drawn. Upon the instructions of the TRLQ holder and upon the approval of a quota transfer by the Board and retirement of an equal amount of TRLQ, a cheque for half the funds available will be issued to the transferee of the quota to the TRLQ holder. If the quota transfer is for less than one quarter of the original TRLQ allocation, the percentage of funds will be adjusted accordingly.

The Board may specify the type of production that may be produced with TRLQ.

There must be a signed agreement between the Board and the producer detailing the conditions under which the licence will be issued and eventually converted to regular quota.

By the end of year four, one quarter of the TRLQ originally issued must be replaced by regular quota or returned to the MRAP pool. Progressively thereafter, a quarter of the original TRLQ issuance must be replaced by regular quota or returned to the MRAP pool by the end of years five and six . At the end of year seven the producer will be granted the remaining quarter of the quota originally issued.

Any transferee of quota who has accessed the TRLQ recoverable levy or been granted TRLQ quota in the previous two years will be subject to a 40% back on that portion of the transfer. Any quota clawed back must be added to the MRAP pool.

The Board will process applications for TRLQ in the order received and review each annually.

Upon notification of the approval of an application for TRLQ, the applicant has one calendar year within which to submit the applicable documentation to enable the Board to issue the TRLQ licence. Failure to complete the application process and to be in production within the calendar year period may result in the approval being rescinded.

SECTION 7 (cont'd)

(o) Temporary Restricted Licence Quota (TRLQ) (cont'd)

The maximum TRLQ that may be applied for or held at any point in time is 5,000 layers.

Upon receipt of an application for TRLQ, the applicant's name will be added to the applicable listing and receive confirmation of receipt of their application and a copy of the listing.

Once approved, producers holding TRLQ become registered producers.

(p) <u>Changing Type of Production</u> - It is a condition of the issue of Quota or Permit that a Registered Producer who wishes to change the type of egg he is producing, must apply in writing to the Board in advance of making a change and the change must respond to market demand and include support from the grader, in writing.

MAXIMUM QUOTA

(a) Maximum Quota Transfer - Notwithstanding the provisions of Section 9, the Board will not approve the transfer of Quota or any portion thereof or the issue of Permit to any Registered Producer, if, following such transfer, the amount of Quota or the sum of Quota and Permit held by him, including Quota and Permit held by him indirectly in a corporate Registered Producer, is in excess of five per centum of all Quotas issued. If the sum of the Quota and Permit concerned is in excess of five per centum of all Quotas issued, the quantity of Quota and Permit held by him directly or indirectly shall be reduced to such an amount that, when added to the amount of Quota held by him shall not be in excess of five per centum of all Quotas issued. In determining amount of quota or permit held indirectly, the Board will take into account quota or permit held by a corporate registered producer in which the registered producer holds common shares, and combine that quota with any direct quota holding in the proportion that the common shares held by the registered producer is of the total common shares of the corporate registered producer. The Board retains the discretion to refuse to approve transfers of quota where, as a result of the transfer, the aggregate quota held directly and indirectly by the registered producer is in excess of five per centum of all Quotas issued.

QUOTA TRANSFER AND RELOCATION OF EGG PRODUCTION UNIT

- (a) <u>Transfer Consent</u> No Quota issued by the Board may be transferred in any manner whatsoever without the prior written consent of the Board.
- (b) <u>Transferor and Transferee Defined</u> In this section, the party by whom a Quota is transferred shall be known as the transferor and the party to whom a Quota is transferred shall be known as the transferee.
- (c) <u>Transferor Qualification</u> The transferor shall be a Registered Producer licensed by the Board, holding a Quota, or the estate of such a Registered Producer.
- (d) Applicant Qualification When considering an application for transfer or purchase of Quota or for the issuance of Permit, the Board shall take into account the experience in the egg industry of the applicant concerned and shall also take into account the conditions under which the applicant proposes to finance the Egg Production Unit or Quota concerned.
- (e) <u>Applicant Interview</u> The Board may require an applicant for the transfer or purchase of Quota to be interviewed by the Board prior to the approval of his application.
- (f) <u>Transfer Application</u> An application for transfer of Quota or relocation of an Egg Production Unit shall be made to the Board in writing in a form prescribed and furnished by it.
- (g) <u>Transfer Fee</u> An application for transfer of a Quota related to the sale of an Egg Production Unit, an application for transfer of a Quota related to the sale of Quota only, and an application for transfer of a Quota related to an incorporation of an Egg Production Unit shall be processed upon payment to the Board of a fee as determined by the Board from time to time.
- (h) <u>Transfer Approval</u> Approval or rejection of any application for the transfer and sale of Quota or relocation of an Egg Production Unit shall be by Board resolution. The Board may impose conditions upon the performance of which approval of a transfer of Quota will be given and the Board may give conditional approval of an application for transfer subject to the transferor and transferee complying with the conditions imposed.
- (i) <u>Partial Surrender on Transfer</u> Except as provided in subsection (j), the Board shall, as a condition of approval of a transfer, require the transferor to surrender to the Board, five per cent of the Quota applied for to be transferred to the transferee.
- (j) Exemption from Surrender Subsection (i) shall not apply:
 - (i) where the transferee and transferor are related persons or,
 - (ii) where the transferee also acquires the related Egg Production Unit.
 - (iii) where quota is transferred through the British Columbia Provincial Egg Quota Exchange Program.

- (k) Ownership Requirement The Transferee of a Quota shall have an interest in an Egg Production Unit as will be adequate for the production of eggs under the Quota to be held by that person.
- (I) <u>Re-Entry Restriction</u> No Registered Producer who has transferred or sold any of the Quota held by him to another person is eligible to be a transferee during the two-year period immediately following such transfer or sale, provided that such a Registered Producer may elect, once and no more than once, to be exempt from this restriction.
- (m) <u>Re-Transfer Restriction</u> The transferee shall not transfer or sell, separate from the Egg Production Unit, the quantity of Quota or a part thereof issued or transferred to or purchased by him for a period of two consecutive years or such lesser period of time that the Board deems appropriate.
- (n) <u>Financial Interest Restriction</u> In the event that the proposed transferee of Quota is or is to be advanced credit or a loan or a guarantee given in respect of the transfer by any person other than a recognized financial institution acknowledged by the Board, the Board may decline to transfer the Quota concerned.
- (o) Alien Restriction The Board may decline to approve the transfer or the sale of a Quota to a person who is not a citizen of Canada or not a permanent resident of Canada or, in the case of a body corporate, which is not controlled in Canada.
- (p) <u>Allied Interest Restriction</u> The Board may decline to approve the transfer or the sale of Quota to a person who, either directly or indirectly, has financial interests in the egg industry or a trade allied to egg production.
- (q) <u>Area Restriction</u> All quotas are fully transferable except that to be eligible to sell to another B.C. region, the quota must have been offered for sale, within their region, on at least two Provincial Quota Exchanges where all or a portion of the quota did not sell. Producers moving their own quota from one region to another are not eligible to transfer that quota until two years following the relocation date.
- (r) <u>National Quota Exchange Restriction</u> To be eligible to sell quota to another province through the National Quota Exchange, the seller must have Board approval and the quota must first have been offered for sale on a minimum of four Provincial Quota Exchanges where all or a portion of the quota did not sell.

EGG PRICES

- (a) Minimum Price The price or prices to be paid for regulated product shall be equal to or greater than the applicable minimum price fixed and published by the Board from time to time. The minimum prices fixed and published by the Board are EXW the farm-gate, and for greater certainty, the cost of supplying and maintaining flats, pallets, plywood or other packaging materials shall be borne by the purchaser.
- (c) <u>Timing and Manner of Making Payment</u> The purchase price payable for regulated product shall be paid by delivering directly to the Board, at the commencement of each such period as the Board may specify, a cheque made payable to the Board, in an amount equal to the purchase price of the regulated product so supplied during the previous period, without deduction, withholding or abatement of any kind except as may be expressly authorized or required by the Board.
- (d) Purchase of Regulated Product by the Board The Board may, in its discretion, purchase the regulated product and pick-up, package, process, including grading and breaking, store including cooling, ship, insure, export, sell or otherwise dispose of the regulated product and may vary such ownership from time to time and may pay or receive monies for the purchase or sale of the regulated product or any other transaction of the Board via electronic transfer, direct deposit systems and may vary such systems from time to time.
- (e) General Principles The Board will use the following general principles when setting prices:
 - (1) The aim of pricing is to return to B.C. producers the B.C. cost of production over time.
 - (2) Market conditions including consumption patterns must be considered when adjusting prices.
 - (3) Emphasize long-term trends and minimize the impact of transient market conditions.
 - (4) Changes in pricing policy will follow consultation with the BC Egg Processors' Council.
- (e) <u>Grade A pricing</u> The Board will consult with at least the four western provinces with the aim of using pricing to assist maintaining stable market conditions. Included in this consultation process will be the spreads between Grade A sizes.
- (f) Grade B pricing The Board will establish the price of Grade B eggs in accordance with market conditions.
- (g) Grade C pricing The Board will establish Grade C price based on a formula agreed upon in consultations with the Graders and the Breaker.
- (h) Grade A Pee Wee The Board will establish the price of Grade A Pee Wee eggs in accordance with market conditions.
- (i) <u>Specialty Egg pricing</u> The Board will establish the price of Grade A Jumbo, Extra Large and Large eggs in accordance with market conditions.
- (j) <u>Pricing Announcements</u> Before noon on Wednesday of the week prior to the Monday effective date of a price change, and pursuant to a motion of the Board, staff will advise all concerned parties of a price change.

INDUSTRIAL PRODUCT REMOVAL

- (a) <u>Determination of Industrial Product Removal</u> The Board shall determine periodically the quantity of eggs that are in excess of table market demand in the province.
- (b) <u>Assembly of Industrial Product Removal</u> All industrial product eggs shall be packed and shipped by an agency in accordance with the Board's directions.
- (c) <u>Purchase of Industrial Product Removal</u> The Board may designate itself as the agency through which industrial product eggs may be marketed and may establish the price, terms and conditions of such marketing.
- (d) <u>Disposition of Industrial Product Removal</u> CEMA is authorized to purchase and sell industrial product eggs within the province of British Columbia.
- (e) The Board may designate eggs in possession of the Board or an agency as industrial product.
- (f) The Board may require an agency to deliver industrial product from one agency to another or to the Board.
- (g) The Board may make orders respecting the production or marketing of industrial product. See Schedule B.

LICENSED MARKETINGS/MARKETING FEES

- (a) A person who is not a Registered Producer who markets eggs shall obtain a Marketing Licence as a condition of such marketing.
- (b) The fee for such licence shall be an amount fixed from time to time by the Board as an amount per dozen payable in respect of such marketing.
- (c) Where the person markets eggs through a Registered Grading Station Operator or Breaker, the licence fee shall be collected by the Registered Grading Station Operator or Breaker by deduction of the amount of the fee from the monies payable to him to the person and the fee so collected shall be remitted by the Registered Grading Station Operator or Breaker to the Board forthwith. In any other case the person shall pay the licence fee in accordance with the directions of the Board.
- (d) Where the person does not market its eggs through a licensee or agency, the person shall pay the amount of the fee direct to the Board as at the end of the month in which the eggs were marketed. Where marketings are from a flock of less than 99 layers, collection of levies may not be pursued when economically unfeasible.

CHICKEN HATCHING EGG MARKETINGS

- (a) <u>Chicken Hatching Egg Exemption</u> Chicken Hatching Egg Producers are exempt from the Standing Order and Directions of the Board in respect of the chicken hatching eggs marketed by them to Chick Hatchery Operators licensed by the Board subject to the conditions of this Section.
- (b) <u>Chicken Board Authority</u> All chicken hatching eggs marketed to Chick Hatchery Operators are subject to such Orders as are deemed necessary by the British Columbia Chicken Marketing Board to supply sufficient meat birds for the market requirements of that Board.
- (c) <u>Marketing Condition</u> Chicken hatching eggs that are not used for hatching purposes or that are unsuitable for hatching purposes shall not be marketed by any person for purposes other than the purpose of producing egg products wholly or partly manufactured or processed.

COMMERCIAL HATCHING EGG (BREEDER FLOCK) MARKETINGS

- (a) <u>Commercial Hatching Egg Exemptions</u> The Board may by resolution, exempt from compliance with the provisions of the Order, Commercial Hatching Egg Producers who market commercial hatching eggs in interprovincial or export trade or to Chick Hatchery Operators licensed by the Board.
- (b) Excess Marketing In the event that a Commercial Hatching Egg Producer is unable to market any of his hatching eggs to a Chick Hatchery Operator, such eggs may be marketed to or through a Registered Grading Station Operator or to a Breaker, provided the Commercial Hatching Egg Producer obtains a Marketing Licence, and provided no commercial hatching egg producer may market in any twelve month period, other than to a chick hatchery operator, more than the number of dozens of eggs per 1,000 chicks placed from a flock as determined from time to time by the Board.
- (c) <u>Breeder Flock Size</u> No Commercial Hatching Egg Producer may keep or maintain a breeder flock in number larger than the number of breeders determined by the Board from time to time as necessary for the production of the Commercial Hatching Egg Producer's exempt marketings plus a percentage as determined by the Board (from time to time).

LAYERS

- (a) <u>Disposal of Layers</u> No person shall sell or offer for sale or otherwise dispose of layers in a live condition other than as specified in the Board's Contract with McLeod's By-Products (1978) Ltd., or to a Registered Producer or Permit holder for the purpose of egg production.
- (b) <u>Designation of Agency</u> The Board may designate the agency through which a Registered Producer shall market layers.

QUALITY STANDARDS

- (a) <u>Issuance of Standards</u> The Board may, from time to time, set quality standards and monitor the quality of the product and performance of the egg production unit.
- (b) Coolers Every Registered Producer shall:
 - (1) maintain, at his egg production unit or in close physical proximity thereto, an egg storage room that is capable of:
 - (i) maintaining a controlled temperature of 10 degrees C. to 13 degrees C. (50-56 degrees F.) at all times of the year, and
 - (ii) showing his cooler is able to maintain the temperature within the accepted range (see section 16(b)(1)(i)) by supplying and installing a high/low temperature and humidity thermostat in his egg cooler which meets the HACCP requirements for graders to pick up eggs, and
 - (ii) accommodating his egg production until such time as he markets such production, and
 - (2) utilize at all times such egg storage room to cool and store all of his egg production,
 - (3) operate such egg storage room in a manner as to ensure proper cooling of his egg production and non-contamination of such egg production by any product that may affect such eggs, and
 - (4) keep such egg storage room clean and free of insects and rodents at all times.
- (c) <u>Egg Collection</u> Every Registered Producer shall allow a duly authorized representative of the Board to examine his egg storage room from time to time for the purpose of ascertaining compliance with the provisions of subsection (b) above.
- (d) Every producer shall collect into storage all eggs from his or her production unit every 24 hours minimum. Eggs not collected into storage every 24 hours minimum may be directed to the breaking industry at breaker prices under Section 16 of the Natural Products Marketing (B.C.) Act.

(e) Chicken Housing

(1) The cage environment (Table 1) provides protection from predators, from the social effects of large groups, and from the extremes of the outside environment. It also provides reliable access to feed and water. The caged environment also helps in eliminating the possibility of many diseases and parasitic infestations.

Space requirements increase as the birds approach their mature weight, and allowance must be made for this in providing cage, feed trough, and watering allocations. The following recommendations apply to laying birds housed in multiple bird cages (three or more adults).

Age (weeks)		ximum v weight	Cage (area/ in.²	e floor <u>/bird)</u> cm²	(leng	d trough th/bird) cm.	Water (birds/cup or nipple	
(MEGV2)	ID.	<u>g</u>		CIII	ın.	CIII.	or riippie	
0-8	1.4	650	34	220	1	2.5	15	
8-16	2.6	1200	40	260	2	5	10	
16-20	3.2	1450	47	300	3	8	6	
20-adult	3.5	1600	56.9	304	3.5	9	6	
20-adult	3.7	1700	60.4	357	3.5	9	6	
20-adult	4.0	1800	64	410	4	10	4	
20-adult	4.8	2200	70	450	4	10	4	

Table 1

Cage sizes for other weights may be determined by extrapolation.

Where only one or two adult birds occupy a single cage, larger dimensions must apply. Less than 20 cm wide x 40 cm deep (8 in. x 16 in.) is unacceptable for a single bird; for two birds, 30 cm wide x 40 cm deep (12 in. x 16 in.) should be regarded as the minimum size.

- (2) Cages should be designed to provide the chickens with a safe and comfortable environment. Cage height should permit standing chickens free head movement anywhere in the cage. The cage doors should be designed for easy insertion and removal of chickens. Cage floors must be designed and maintained to properly support the bird and maintain it in a healthy condition.
- (3) Proper building design and accessibility, as well as placement and appropriate use of cages and equipment, will greatly improve the humane handling of birds. Therefore, owners and managers of a caged-bird operation should ensure that:
 - (i) cage doors are wide enough and door openings are free from protrusions, permitting the removal of birds without causing injury (doors should not be less than 20 cm (8 in.) wide and 25 cm (10 in.) high); and
 - (ii) cage depth does not exceed 75 cm (30 in.)

(4) Facilities for and Handling of Caged Poultry

- (i) Owners and operators of poultry operations have a responsibility to provide facilities and equipment that make bird handling, loading, and unloading possible without causing unnecessary injury or suffering to the birds.
- (ii) Proper building design and accessibility to transport, as well as placement and appropriate use of cages and equipment, greatly improve the humane handling of poultry. Owners and managers of caged poultry operations should therefore ensure the following:
 - >> Appropriate access to loading and unloading areas of poultry houses is provided.
 - >> Loading and unloading areas and ramps are designed to permit proper bird handling.
 - >> Lights of appropriate brightness are provided in all loading and unloading areas. Ideally, lighting should be adjustable to facilitate both positioning of trucks and loading of the poultry.

- >> Poultry houses are easily accessible at each end of the cage rows.
- >> Poultry houses exceeding 100 m (328 ft) in length, in addition to the doors at each end, have side doors located halfway down each side of the building.
- >> Aisles between cages are not less than 75 cm (30 in.) wide to facilitate unobstructed movement of poultry.
- (iii) Building design incorporates a door for every 15 m (49 ft.) of building length, and doors on first, second and third floors are not less than 120 cm wide (48 in.) and not less than 200 cm (78 in.) high.

(5) Feed and Water

- (i) In normal circumstances, all chickens must have access to water at all times. Drinking water must be fresh and should originate from an uncontaminated source. When pen temperature is over 26, 28, or 30EC (70, 82, 86EF), any interruption of water supply should not exceed 12, 6, or 2 h respectively. The temperature of the drinking water should not exceed 30EC (86EF).
- (ii) In normal circumstances, all chickens must receive feed on a regular, daily basis. The diet must not contain ingredients that can cause illness or suffering. The producer must be prepared to replace immediately a diet proved harmful to the chickens or to marketed products.
- (iii) Chicken facilities must be equipped to prevent death caused by starvation or dehydration when normal supplies of feed or water are interrupted in emergency situations.
- (iv) Restrictions longer than those described in sections (i) and (ii) should be avoided, except in the case of controlled moulting. As a general rule, moulting programs should aim at a loss in body weight not exceeding 30% of the initial, premoult weight. Some increased mortality will result from the moulting procedure, but if mortality reaches 3% in 14 days, the program should be terminated or modified to avoid further losses. Chickens that have not been in good health should not be considered for controlled moulting. Chickens may not be moulted more than once.

(6) Attendants

- (i) Persons working with chickens must understand and accept their responsibility to prevent any form of avoidable suffering. Before they are assigned their duties, workers should be adequately instructed and proved knowledgeable of the basic needs of the chickens entrusted to their care. Attendants should be able to recognize obvious behavioural signs that indicate health problems and discomfort.
- (ii) Minimize excitement of the chickens. Movement of people and equipment within the pens should be quiet and smooth. Pen alterations should be avoided during the production cycle.
- (iii) It is highly recommended that workers, before entering a pen, give an easily perceptible signal to the chickens to prevent their being startled. This practice is particularly important when the light intensity or noise is greater outside the pen than inside. (One of the simplest signals, to which chicken scan become easily conditioned, is a consistent number of distinct knocks on the door just before entry.)

- (iv) Movement of equipment and personnel between buildings should be minimized, but if it is unavoidable, precautions should be taken to maintain sanitary conditions. On premises where strict sanitary measures (complete change of clothing after a shower) are not enforced, employees should generally avoid contact with poultry stock from other premises.
- (v) Admittance of visitors into the pen should be kept to minimum. Visitors must talk and move quietly.

(7) Supervision and Protection of Chickens

- (i) Chicken flocks should be observed at least twice each day. The physical arrangement of a chicken pen should permit easy inspection of all chickens.
- (ii) Sick or injured chickens must be promptly treated or killed humanely. Dead chickens must be removed immediately and disposed of in an appropriate manner or according to orders as they may apply.
- (iii) Confirmation or suspicion of a reportable disease must be brought immediately to the notice of an Canadian Food Inspection Agency veterinarian. Producers should minimize the transmission of both reportable and non-reportable diseases by advising appropriate parties e.g. Board staff, hatcheries, feed companies, graders.
- (iv) Chicken premises should have an emergency plan, and every attendant should be familiar with it.
- (v) Chickens should be protected from other animals. This protection should prevent both direct and visual contact with animals that cause fear in chickens.
- (vi) Precautions should be taken to minimize the presence of wild birds inside and around chicken buildings, as they may be carriers of infectious diseases.
- (vii) Rodent control on chicken premises should be continuing practice using appropriate, humane methods.

(8) Cleaning of Chicken Pens

- (i) Chicken pens must be cleaned periodically. The length of time between cleaning depends on the type of housing facilities, pen arrangement, ventilation system, and other factors that affect air quality in the pen. However, under all circumstances, piled excreta below raised floors or cages must be out of the chickens' reach.
- (ii) Litter quality in floor pens should be monitored daily. If the quality is inadequate (i.e. too wet), corrective measures should be taken promptly.
- (iii) The concentration of ammonia in the air should not exceed 25 ppm as a maximum level, in order to maintain an adequate level of air quality. At this level, discomfort to attendants is generally evident. If the concentration is found to exceed this limit, corrective measures must be taken immediately.

(9) Handling of Chickens

- (i) Handling can be stressful to chickens if conducted improperly.
- (ii) If possible, caged chickens should be inserted through cage doors head first and must be removed from the cage feet first, by both legs. They must never be handled by the head, neck, or one wing alone.

(10) Social Environment

- (i) the formation of a social hierarchy in a small group of chickens is normally associated with a temporary increase in aggressive behaviour as individuals compete to determine their position in hierarchy. To minimize readjustments in the hierarchy once formed, avoid movement of chickens between groups as much as possible. In large flocks, avoid disruptions that result in extensive movement of individuals around the pen.
- (ii) In some cases, beak trimming may be necessary to control feather pecking.

(11) Facilities and Handling of Loose-housed Poultry

Proper building design and accessibility to transport vehicles greatly improves the humane handling of loose-housed poultry. Owners and operators should therefore ensure the following:

- (i) Appropriate access to loading and unloading areas of poultry barns is provided.
- (ii) Loading and unloading areas and ramps are designed to permit proper bird handling.
- (iii) Building design discourages needless transfer of birds between handlers.
- (iv) Building design incorporates a door for every 15 m (49 ft.) of building length, and doors on first, second, and third floors are not less than 120 cm wide (48 in.) and not less than 200 cm (78 in.) high.
- (v) Feeders, drinkers, and heating pipes that are obstructions are lifted to ceiling height or removed before birds are loaded.
- (vi) Fans in use immediately adjacent to loading doors are turned off while birds are being loaded.
- (vii) When flooding problems occur in buildings, dry bedding is provided to prevent shipping wet birds.

(12) Catching and Loading

- (i) All members of catching and transporting crews should be properly instructed on and knowledgeable about the basis aspects of animal welfare and skilful in handling birds. Proper training and evaluation of personnel is the responsibility of the employer but supervision of a farm representative is the farm owner's responsibility.
- (ii) Feed to be available to birds until 12 h before shipping for the Lower Mainland area and 5 h for Vancouver Island and the Interior areas. The feed troughs should be empty at this time to allow the bird's digestive system to utilize the feed before slaughter.

- (iii) Careless catching of birds is a common source of injury. Injured birds are particularly susceptible to transportation stress. Not only is this inhumane and not to be tolerated but it also increases the loss of marketable product.
- (iv) Piling of birds in corners can cause injury or mortality. Steps must be taken to prevent this from occurring.

The two most common procedures that facilitate easier catching of loose-housed birds are lowering the light intensity in the pen or using blue bulbs to provide adequate illumination for humans but not for poultry; and corralling birds with a net or screen at the loading door.

Range birds can be loaded more easily by moving them in small groups.

- (v) When birds are transported in liners or bins, the design, construction and state of repair should allow the birds to be loaded, conveyed, and removed without injury. Birds should be loaded only into clean transporting liners and clean vehicles.
- (vi) The liner doors and the panels on liner trucks should be large enough to permit easy passage of birds, thus avoiding injury.
- (vii) The construction of the liners and bins should provide adequate, uniform ventilation but prevent protrusion of the head, wings, and legs of birds.
- (viii) When loaded into bins or liners, birds must be positioned to avoid smothering.
 - (ix) The number of birds per liner or bin depends on available floor space, body size of the birds, and prevailing environmental conditions at time of transport. Maximum density per liner or bin should permit all the birds to rest on the floor at the same time if they are evenly distributed. Birds should be able to move their heads freely when sitting on the floor.
 - (x) When birds are being transported in liners or bins, the driver should check the load for loose birds before departing.
- (xi) Covers should be used to protect birds in liners from wind, rain, and adverse weather conditions.
- (xii) Whenever possible during loading, birds should be protected from getting wet, excessive heat and excessive wind.
- (xiii) Eavestroughs should be continuous across loading areas to prevent birds from getting wet during transfer from building to truck.
- (iv) Birds should not be held in liners or containers for longer than 36 h unless they are provided with food and water.
- (xv) Ideally, liners with live birds should be moved in a horizontal position. If a conveyor is used for loading liners of live birds, the conveyor angle should prevent tilting of liners that causes birds to pile up. Liners should not be thrown or dropped. They should be moved smoothly during loading, transport, and unloading.

- (f) <u>PreGrade Tests</u> A producer will be paid fifteen (15) cents per dozen less than the posted nestrun price after the second pregrade failure on a moulted flock or a flock less than twelve months in lay, until a further CFIA inspection passes the eggs, or the flock is shipped out. Non-moulted flocks in excess of twelve months in lay will be subject to the fifteen (15) cents per dozen penalty after the first failure.
- (g) <u>Cooler Tests</u> A producer will be paid fifteen (15) cents per dozen less than his last grade-out if his cooler is found to be unable to maintain the temperature range required (see Section 16(b)(1)(i)) for in excess of 24 hours. The eggs may be directed to the Breaker until the producer can demonstrate that adequate cooler temperatures can be maintained.
- (h) <u>Salmonella Enteriditis Protocol</u> Following is the procedure to be followed to minimize the risk of Salmonella Enteriditis on laying facilities:
 - (1) All facilities are tested six to sixteen weeks prior to a replacement flock being placed in a barn;
 - (2) Visits are pre-arranged with the producer (if done separately from the normal bird count process);
 - (3) Locations tested are the egg roll-out area, packer and materials plus environment throughout the barn. All samples are pooled into one package and stored in a cooler to be delivered to the Government Lab.
 - (4) Samples gathered from egg contact areas (approximately 30 wipes):
 - (i) plastic trays (2-3 wipes)
 - (ii) egg collection cart (2-3 wipes per cart)
 - (iii) egg packer (5-6 wipes) in widely separated areas
 - (iv) elevator, belts, rollout mesh and bumpers (15-20 wipes) in widely separated areas

Wipes could contain dust, egg spillage, insect carcasses, feathers and rodent droppings.

- (5) Samples gathered from the barn environment (approximately 30 wipes):
 - (i) ceiling, walls and floors from widely separated areas
 - (ii) ventilation intakes and fan exhausts
 - (iii) top of water pipes
 - (iv) feeding trough elbows
 - (v) doorway perimeters

Wipes could contain dust, egg spillage, insect carcasses, feathers, cob webs and rodent droppings.

(6) Only the barn to receive a new flock is tested at this time.

- (7) Results of tests are received within two weeks and reported to the producer.
- (8) If tests are negative, the next test on the farm will be six to sixteen weeks prior to the next flock placement.
- (9) If positive for "Group D" type of salmonella is found:
 - (i) Samples are forwarded to CDC for typing of "Group D".
 - (ii) Eggs are immediately directed to the breaker
 - (iii) All barns on egg production unit are rested, both layer and pullet barns with samples separated by area, i.e. egg contact areas and environment
 - (iv) If found positive for Salmonella Enterititis:
 - >> producer may ship birds out immediately, with CEMA compensation based on their percentage under the Start Clean Stay Clean program or producer may continue to ship to the breaker until his replacement flock is ready
 - >> after birds are shipped out, all manure must be removed and the barn cleaned, disinfected and retested to determine the environment is negative prior to repopulating
 - >> if the barn is not depopulated following a positive test, three consecutive negative results must be obtained prior to the eggs being shipped to the table market (tests should be at least one month apart)
 - >> retesting of all layer barns will be done at least every two months for the life of the first replacement flock in that facility

COMPLIANCE

- (a) <u>Breach of Standing Order</u> Where in the opinion of a duly authorized representative of the Board, a Registered Producer or agency is contravening this order or any direction or resolution of the Board, the contravener shall be given a written notice specifying the breach and requesting rectification of it within a period of time of not less than ten days from the date of the notice.
- (b) <u>Failure to Remedy</u> If, in the opinion of the duly authorized representative of the Board, the contravention continues as at the expiry date of the notice, then the duly authorized representative of the Board shall refer the contravention to the Board for action by the Board.
- (c) <u>Notification by Board</u> Where a contravention is referred to the Board and the Board is satisfied that the contravention appears to have taken place, the Board shall notify the contravener in writing of the contravention and shall fix a time and place at which the contravener shall have an opportunity to be heard by the Board or a committee of the Board in respect of the apparent contravention.
- (d) <u>Hearing</u> At the hearing, the Board or committee of the Board after giving the contravener an opportunity to be heard, shall make a determination as to whether there has been a contravention and shall determine the action which the Board intends to take with respect to the breach.
- (e) <u>Notification as to decision and Appeal Rights</u> The Board shall notify the contravener in writing as to its decision and as to the rights of appeal of the contravener under the Natural Products Marketing (British Columbia) Act.

(f) Seizure of Regulated Product

Rev: Oct.1991

- (i) In addition to any other remedies available to the Board in respect of a contravention, the Board may cause a duly authorized employee or representative of the Board to seize any of the regulated product kept, transported, packed, stored or marketed in violation of any Order of the Board and such employee or representative may take and remove the whole of the regulated product seized by him or a sample thereof and deliver it to the Board.
- (ii) Upon seizing any regulated product, the employee or representative of the Board duly authorized so to do shall attach a seizure tag on, or at or near the location of the regulated product so seized and shall deliver a notice of such seizure in writing in such form as the Board may prescribe to any adult person in, upon or about the premises where the same is found or to any adult person who appears at the time of the seizure to be in charge of any place, premises or vehicle in, on or about or near which the regulated product is found.

SECTION 17 (cont'd)

- (iii) The owner of any regulated product seized pursuant to this Order may, within ten days after the seizure, apply to the Board by notice in writing for a hearing to show cause why the regulated product so seized should not be disposed of by the Board. Upon receipt of the notice a hearing shall be arranged at the convenience of the Board. The regulated product so seized shall not be disposed of until the hearing has been completed and then only in accordance with the Order of the Board. If notice requesting a hearing has been received, then upon the owner having been heard, or if no notice has been received within the time limit aforesaid, the Board may dispose of the regulated product as it sees fit by sale or otherwise, or the Board may, if in its opinion the offence was committed through inadvertence, return the regulated product so seized to the owner or order it to be sold through an agency for the account of the owner.
- (iv) Any regulated product seized pursuant hereto and ordered by the Board to be sold may be sold through an agency and the agency may charge and collect out of the proceeds of the sale the costs of processing, packing, storing and marketing, after having deducted and remitted to the Board any expenses of the Board arising out of or relating to the seizure and sale of such regulated product. The balance, if any, shall be paid to the person from whom the regulated product was seized.
- (v) Any of the regulated product seized pursuant to this Order may be placed in storage or processed and placed in storage in such a manner as to prevent spoilage arising out of the seizure. The cost of the processing and storage shall be deducted from the proceeds or paid by the owner of the regulated product as the Board may direct.
- (vi) Without the written authority of the Board, no person other than a duly authorized employee or representative of the Board shall move, destroy, sell or offer for sale any regulated product on which there has been placed a seizure tag or with respect to which a notice of seizure has been delivered.
- (g) <u>Cancellation</u> In addition to any other remedies available to the Board in respect of a contravention, the Board may cancel or suspend the licence and Quota or Permit held by a person determined by the Board to be in contravention of the Standing Order or any direction or resolution of the Board.

Rev: Oct.1991

PROHIBITIONS

- (a) <u>Prohibition of Unlicensed Production</u> No producer other than a producer exempt from licensing, shall engage in the production of regulated product unless he is the holder of a current licence issued by the Board.
- (b) <u>Prohibition of Unlicensed Marketing</u> No producer other than a Registered Producer, shall engage in the marketing of regulated product unless he is the holder of a Marketing License in accordance with Section 12.
- (c) <u>Prohibition of Production or Marketing Without Quota</u> No Registered Producer shall engage in the production of regulated product or the marketing of regulated product unless he is the holder of Quota issued by the Board.
- (d) <u>Prohibition of Production or Marketing by Breakers from deliveries by unlicensed Producers</u> No Breaker shall produce or market processed egg products from deliveries of regulated product made to the Breaker by an unlicensed producer unless such delivery is authorized by this Order.

EGG INDUSTRY ADVISORY COMMITTEE

(a) Committee

- (1) The Egg Industry Advisory Committee is established pursuant to Section 36 of the British Columbia Egg Marketing Scheme, 1967.
- (2) "Producers" to be appointed by the Board are defined in Section 1(dd) <u>Registered Producer</u> of the British Columbia Egg Marketing Board Standing Order.
- (3) "Processors" to be appointed by the Board are defined in Sections 1(c) <u>Breaker</u>, (x) <u>Producer-Grader</u>, (y) <u>Producer-Vendor</u> and (cc) <u>Registered Grading Station Operator</u>, of the British Columbia Egg Marketing Board Standing Order.
- (4) "Further persons" to be appointed by the Board are defined in Sections 1 (d) <u>Breeder</u>, (e) <u>Chicken Hatching Egg Producer</u>, (f) <u>Chick Hatchery Operator</u>, (g) <u>Chick Sales Agent</u>, (i) <u>Commercial Hatching Egg Producer</u>, (aa) <u>Pullet Grower</u>, of the British Columbia Egg Marketing Board Standing Order and in the <u>Interpretation Act (B.C.)</u>
- (5) Except as provided in A.13(i) and A.14(i) below, appointments to this committee will be for a three year term.
- (6) Appointees are limited to two terms (including the compressed terms in A.13(i) and A.14(i)) following which they must stand down for one term.
- (7) Each year of the term is the calendar year. The first calendar year is 1997.
- (8) An appointment may be revoked or rescinded by the Board in the event of an appointee's incapacity, conviction of a Criminal Code offence, non-compliance with the British Columbia Egg Marketing Scheme, 1967 or the British Columbia Egg Marketing Board Standing Order, bankruptcy, if membership in an industry sector ceases, or at the discretion of the Board.
- (9) An appointee's term ceases upon death or resignation.
- (10) An appointee's resignation to the Board and the Board's revocation or recision with reasons to the appointee must be in writing.
- (11) Where the term of a producer or processor ends, the Board shall appoint a replacement for the remainder of the term from names provided by the British Columbia Egg Producers Association or the British Columbia Egg Processors Council, as the case may be.
- (12) The Board's decision is final respecting the committee appointments.
- (13) The Board will appoint producers as follows:

Rev: May.2002

- (i) In year one, one producer designated for a three year term, one producer designated for a two year term, and one producer designated for a one year term.
- (ii) In each subsequent year, one producer will be appointed to replace the producer whose term expires from names provided by the British Columbia Egg Producers Association.

SECTION 19 (cont'd)

- (iii) The president of the British Columbia Egg Producers Association may represent producers in the event all three producer appointees are unable to attend a regularly scheduled meeting.
- (14) The Board will appoint processors as follows:
 - (i) In year one, one processor designated for a three year term, one processor designated for a two year term, and one processor designated for a one year term.
 - (ii) In each subsequent year, one processor will be appointed to replace the processor whose term expires from names provided by the British Columbia Egg Processors Council.
 - (iii) The president of the British Columbia Egg Processors Council may represent processors in the event all three processor appointees are unable to attend a regularly scheduled meeting.
- (15) The Board will appoint further persons.
- (16) All appointments shall be in writing and are at the pleasure of the Board.
- (17) Board and management may not be appointed to the Committee, nor chair its meetings.
- (18) The Board shall designate a Chair and Vice-Chair from among appointees; the Chair may rotate annually.
- (19) The Board shall designate an Executive Committee from amongst non-producer, non-processors members.
- (20) The Board shall make its requests to the British Columbia Egg Producers Association and British Columbia Egg Processors Council for names for appointments pursuant to Section 36 (1)(a) and (b) of the British Columbia Egg Marketing Scheme, 1967, in writing.

(b) Procedures

Rev: May.2002

- (1) The committee shall meet annually at a minimum.
- (2) Meetings shall be conducted in accordance with Roberts Rules except where varied by this Section of the Standing Order.
- (3) Meetings shall be held at the Board offices and the Board will provide its Board room and the secretariat, upon reasonable notice.
- (4) Producer and processor representatives shall be responsible for ensuring producer and processor attendance respectively at regularly scheduled meetings; in the event no producers and/or processors will attend, producer and/or processor representatives shall inform the president of their respective association or council who shall attend in their stead.
- (5) Minutes of meetings shall be kept and approved by the Committee.
- (6) A quorum shall be five appointees and shall include the Chair or Vice-Chair, one producer, one processor and two further persons. Voting shall be by simple majority.

SECTION 19 (cont'd)

(7) Meetings shall be regularly scheduled by the Committee, or at the call of the Chair on ten days notice, or at the request of at least three appointees including at least one producer, one processor, and one further person.

(c) Remuneration/Costs

- (1) The Board will provide its Board room and the secretariat at no cost.
- (2) The Board may at its discretion pay a per diem to Committee members.
- (3) The Board will pay out of pocket costs at rates provided for in the Board employee's union contract.

(d) Advice

Rev: May.2002

- (1) The Committee shall advise the Board in accordance with Section 36(2) of the British Columbia Egg Marketing Scheme, 1967 and such advice shall be in writing with assenting and dissenting reasons.
- (2) The Board shall consider the Committee's advice in accordance with Section 36(3) of the British Columbia Egg Marketing Scheme, 1967.
- (3) Requests of the Board and initiatives of the Committee shall be in writing.
- (4) The Board may request advice on matters other than pricing or production.
- (5) The Committee shall not be compelled to advise the Board on any matter.
- (6) The Committee shall not compel the Board to delay decisions pending advice.
- (7) The Board and members of the Committee function as integral components of an agricultural commodity industry with national, regional and provincial relationships. The Committee shall obtain sufficient information and explanations to ensure that its advice does not fetter the powers or rights of industry members; does not place industry members in positions of conflict; does not advantage industry members to the detriment of others; and does not interfere with industry members.

PROCEDURES - ELECTIONS OF MEMBERS

(a) The Board shall take all steps necessary to carry out the provisions of the British Columbia Egg Marketing Scheme, 1967 (Scheme) relating to elections of members, (B.C. Reg. 328/75 s.3(h));

These elections procedures add to and clarify those contained in:

- (i) B.C. Reg. 173/67 ss. 32,33,34;
- (ii) B.C. Reg. 328/75 ss. 3(d,e,f,g,h,i,j,k,o,p,q,r), 4(c,d,e);
- (iii) B.C. Order-in-Council #0134 deposited February 8, 1996.
- (b) The Board shall fix dates each year for receiving from registered producers:
 - (i) nominations of members;
 - (ii) ballots electing members.
- (c) The Board shall appoint an elections of members Returning Officer annually whose decisions are final except as provided in clause (q), and who together with scrutineers if appointed shall make the arrangements for and undertake the conduct of elections of members pursuant to these procedures including, but not limited to:
 - (i) fixing the forms of notices, nominations and ballots;
 - (ii) fixing the places for the return of nominations and ballots;
 - (iii) fixing any and all other procedural rules to be utilized or communicated respecting elections;
 - (iv) clarifying regional nominating and voting requirements in communications to registered producers;
 - (v) fixing delivery procedures for the return of nominations and ballots to the Returning Officer;
 - (vi) communicating with registered producers and nominees;
 - (vii) maintaining the strictest neutrality and confidentiality respecting nominations and ballots;
 - (viii) obtaining current copies of orders and registered producer lists including amendments and providing them as deemed necessary to registered producers;
 - (ix) obtaining other supplies as required;
 - (x) verifying that nominations and ballots returned are valid;
 - (xi) counting and tabulating ballots by nominee;
 - (xii) preparing and executing a statutory declaration swearing to the proper conduct of each election, the nominees and the number of ballots cast for each:
 - (xiii) communicating, excepting the numbers of votes, results to nominees and the Board following the tabulation of ballots:

- (xiv) attending at the annual general meeting each March and tabling:
 - >> notices respecting nominations and ballots;
 - >> the list of nominees;
 - >> names of members elected (no votes);
- (xv) destroying nomination forms and ballots immediately following the annual general meeting in accordance with clause (r) or delivering them to the British Columbia Marketing Board in accordance with clause (q)(i);
- (d) The British Columbia Egg Producers Association may appoint one or more scrutineers whose sole responsibility shall be to assist the Returning Officer.
- (e) In addition to nomination procedures contained in B.C. Order-in-Council #0134 s.18.1(2)(3), a notice giving the date, time and place for receiving nominations, and a nomination form shall be sent by ordinary mail to (i) each registered producer (eligible elector) in good standing within the region for which the nomination is necessary and to (ii) Egg Industry Advisory Committee members in the case of the non-registered producer member, at least 20 days prior to the nomination date; each nomination shall be:
 - (i) in writing;
 - (ii) completed properly and accepted by the nominee;
 - (iii) signed;
 - (iv) delivered to the Returning Officer not later than the date and time fixed in the notice.
- (f) In addition to voting procedures contained in B.C. Order-in-Council #0134 s.18.1(4)(5), a notice giving the date, time and place for receiving ballots and a ballot shall be sent by ordinary mail to each registered producer (eligible elector) in good standing within the region for which the poll is necessary at least 20 days prior to the election date; each "mailed ballot" shall be:
 - (i) in writing;

Rev: Jan.2003

- (ii) delivered to the Returning Office not later than the date and time fixed in the notice.
- (g) Elections will be by "mailed ballot" only; proxy voting is not permitted; the "date of record" for voting is the date ballots are mailed; except as provided in clause (m), the nominee with the highest number of votes shall be elected.
- (h) Each egg production unit, in the case of a partnership or corporation its duly authorized agent, identified by registered producer number (egg production unit number) shall be entitled to one vote at the "date of record".
- (i) Tie Votes B.C. Reg. 328/75 s.3(i) and 4(e).
- (j) Eligible electors, and the Egg Industry Advisory Committee in the case of a non-registered producer member, shall be deemed to have received any notice, nomination form or ballot from the Returning Officer which is posted to the last address registered with the Board; failure to receive any such notice, nomination form or ballot shall not invalidate any election.

- (k) In addition to eligibility of members contained in B.C. Reg. 328/75 s.3(o), no member shall hold office in any group, association or organization pertaining to the poultry industry without the express consent of the Board, such consent shall be solely at the discretion of the Board.
- (I) The office of member, in addition to procedures respecting member vacancies contained in B.C. Reg. 328/75 ss.3(d),(e),(f),(g), shall be vacated where a member:
 - (i) becomes a bankrupt;
 - (ii) is found to be of unsound mind;
 - (iii) is convicted of an indictable offence; or
 - (iv) sells his or her quota and egg production unit and is removed from the list of registered producers.
- (m) Where the office of member is vacated:
 - (i) B.C. Reg. 328/75 s.3(g) shall operate until the elections of members the following March when a member will be elected to complete the remainder of the three year term of the member vacating his or her office.
 - (ii) In the event of an election under clause (m)(i) to fill a Fraser Valley vacancy during a year in which an election is held in the Fraser Valley, the nominee receiving the second highest number of votes shall be elected to the vacated office.
- (n) In addition to provisions governing the term of office for members in B.C. Order-in-Council #0134 ss.18(1,2,3,4), 18.1(1) and 18.3, the commencement of the term for newly elected members and the expiry of the term for incumbent members is the adjournment of the annual general meeting each March. For purposes of this clause, the April, 1996 Fraser Valley, Vancouver Island elections will be read as the March, 1996 annual general meeting.
- (o) Officers

Rev: Jan.2003

- (i) B.C. Reg. 328/75 s. 3(b).
- (ii) B.C. Order-in-Council 0134 s. 18.2
- (p) Register of Producers
 - (i) B.C. Reg. 173/67 ss. 32,33,34.
 - (ii) B.C. Reg. 328/75 s. 3(r).
- (q) In addition to procedures respecting elections irregularities contained in B.C. Reg. 328/75 s.3(j); or if any doubt arises as to the validity of any election; or if all or the majority of the offices of member are vacant:
 - (i) The Returning Officer shall deliver nomination forms, ballots, notices and other materials and information respecting the election to the British Columbia Marketing Board; and

SECTION 20 (cont'd)

Rev: Jan.2003

- (ii) The British Columbia Marketing Board shall determine who are the members and their terms and may direct the holding of a special election pursuant to but not limited to these procedures where deemed advisable.
- (r) Except as provided in clause (q), nomination forms and ballots shall be destroyed by the Returning Officer immediately following the annual general meeting.
- (s) Registered producers are reminded that completed nomination forms and ballots are to be delivered directly to the Returning Officer and not to the Board offices, Board members or staff. Furthermore, all communications respecting elections of members are to be directed to the Returning Officer and not to Board members or staff.
- (t) Standing Order Section 20 is retroactive to February 8, 1996.

MISCELLANEOUS

(a)	No Waiver or Derogation - An agreement to waive or derogate from any of the requirements of this Standing Order is of no effect unless expressly approved in writing by the Board.						

STANDING ORDER REVISIONS

(a)	 Standing Order Revisions - all changes to the Standing Order must be by Board motion and rece two readings. 				

REVOCATION OF PREVIOUS ORDERS

THIS STANDING ORDER CONTAINING THE FOLLOWING SECTIONS SHALL COME INTO OPERATION ON THE 26^{TH} DAY OF FEBRUARY, 2002

Section	<u>Dated</u>
Table of Contents Section 1 Section 2 Section 3 Section 4 Section 5 Section 6 Section 7 Section 8 Section 9 Section 10 Section 11 Section 12 Section 13 Section 14 Section 15 Section 15 Section 17 Section 18 Section 19 Section 19 Section 20 Section 21 Section 22 Section 23 Schedule "A"	November 2002 February 2002 February 2002 June 1998 November 2003 July 2004 February 2002 October 2005 October 1991 February 2002 January 2003 February 2002 January 2003 October 1991 February 2002 January 2004 October 1991 October 1991 October 1991 June 1998 January 2003 May 2001 February 2002 February 2002 February 2002 February 2002 February 2002
Schedule "B"	February 2002

ALL STANDING ORDERS OF THE BOARD WITH DATES PRECEDING THOSE NOTED ABOVE ARE HEREBY REVOKED, SUCH REVOCATION NOT TO AFFECT ANY OFFENCE COMMITTED, ANY PENALTY INCURRED, ANY LICENCE OR QUOTA OR PERMIT ISSUED, NOR ANY ACTION TAKEN UNDER ORDERS SO REVOKED.

DATED AT ABBOTSFORD, BRITISH COLUMBIA, THIS 8TH DAY OF FEBRUARY, 2002.

Chair		 	

BRITISH COLUMBIA EGG MARKETING BOARD

SCHEDULE "A" (cont'd)

SCHEDULE "B"

STANDING OFFER TO PURCHASE

The B.C. Egg Marketing Board (BCEMB) is offering, as Agent for the Canadian Egg Marketing Agency (CEMA), to purchase industrial product eggs each week from grading stations or producer graders. This program will be continued each week for as long as the Board deems necessary. The following procedures applicable to industrial product offerings in B.C. are to be read in conjunction with CEMA's "Regulations and Guidelines", a copy of which is attached.

1. The Board agrees, as agent for CEMA, to purchase B.C. eggs of the following grades:

Canada Grade A Jumbo loose pack
Canada Grade A Large loose pack
Canada Grade A Large loose pack
Canada Grade A Medium loose pack

Canada Grade A Small loose pack

Canada Grade Nestrun

- 2. Eggs must be in skid lots of 48 or 60, times 15 dozens.
- 3. All eggs are to be packaged on clean plastic trays in skid lots unless otherwise directed.
- 4. A sheet of plywood must separate each layer of the skid (maximum five layers in height).
- 5. Each skid must have CDA approved skid tags showing grade, size, week number and <u>skid number</u> starting with 01 through to 999 and must be used consecutively with no duplicated numbers and corresponding with the Industrial Product Verification Form. (Tags for nestrun skids must also show the producer number.)
- 6. All product delivered to the breaker must be accompanied by a five-part CEMA Industrial Product Verification Form.
- 7. A CEMA release number must be obtained from the BCEMB prior to any product being delivered to the breaker. This number signifies CEMA's confirmation of their agreement to purchase the size and quantity of product offered and these cannot be varied without prior approval of the BCEMB.
- 8. An estimate for the current week and a pre-estimate for the following must be received by noon Tuesday from each station offering Industrial Product declaring:
 - (a) The number of equivalent 15 dozen boxes of each grade and size or nestrun.
 - (b) Estimated delivery date to breaker.
 - (c) Whether the station is long or short of any sizes of product
- 9. A confirmation of industrial product offered must be received by noon each Thursday. If the price remains unchanged the confirmation is extended until noon Friday and adjustments are allowed until 9:00 a.m. the following Monday. The confirmation must include:
 - (a) The number of equivalent 15 dozen boxes by grade and size or nestrun.
 - (b) Any payment adjustments for nestrun.
 - (c) Confirmation of any interprovincial movement and/or use of global import permits.
 - (d) Confirmation of any "trades" that did take place.
 - (e) A written confirmation to be sent by facsimile machine to the Board offices before 9:00 a.m. of the Monday following the week the product is declared. (Details of any nestrun payment adjustments must be included.)
- 10. The buyback prices will be as advised from time to time by the Board.
- 11. The Board may reject an offer or hold funds resulting from any tender if levies or reports are not current.
- 12. All product remains the property of the grader until delivered to the breaker, at which time it becomes CEMA's, subject to the terms and conditions of CEMA's "Regulations and Guidelines".
- 13. Invoices for industrial product should be provided to the Board offices by the Wednesday following the week of declaration. All things being in order, the invoices will be paid by the second Wednesday following the week of declaration.
- 14. It is the policy of the Board that graders who purchase eggs from out of province or are handling such eggs for the shell market, will not have their offers for the size purchased accepted for two weeks following the week of arrival of the out of province eggs (globals excepted). In addition, where the size purchased from out of Province is Extra Large, Large or Nestrun, 24 pounds per box or greater, it is the policy of the Board not to accept graders' offers for any of these sizes of product for two weeks following the week of arrival of the out of province eggs (globals excepted).