

CWB BOARD OF DIRECTORS TELECONFERENCE MEETING – DECEMBER 1, 2006

DRAFT RESOLUTION

"WHEREAS the President & CEO of the Canadian Wheat Board has received notification from the Minister dated November 29, 2006 of the pending rescission of his appointment by Order in Council;

AND WHEREAS the board of directors of the CWB has fulfilled its responsibilities and obligations under the Canadian Wheat Board Act in relation to the appointment, compensation and performance assessment of the President & CEO, recognizing the governance significance of effectively fulfilling this function to both the organization and the well being of western Canadian farmers;

AND WHEREAS the board of directors has complete confidence in the abilities of Mr. Measner to fulfill his accountability to the board for the implementation of the approved strategic direction and the effective conduct of operations, as evidenced by its unanimous recommendation to reappoint him to the position in November, 2005;

AND WHEREAS the board of directors is concerned that the potential termination of Mr. Measner would put the Canadian Wheat Board at significant risk, particularly during this critical time in the CWB's history, and potentially jeopardizes the ability of the board to be held to account by western Canadian farmers;

BE IT RESOLVED THAT:

The board of directors of the Canadian Wheat Board demonstrate its support for the retention of the current President & CEO and communicate its concern regarding the pending rescission to the Minister for the CWB;

AND FURTHER RESOLVED THAT:

The board of directors recommend that the Minister reconsider this action in consultation with the board."

December 1, 2006

STATEMENT FROM THE BOARD OF DIRECTORS OF THE CANADIAN WHEAT BOARD

We, the board of directors of the Canadian Wheat Board (CWB), have today forwarded a resolution to the Hon. Chuck Strahl, Minister responsible for the CWB, expressing our support for the retention of our President and CEO, Adrian Measner.

We have asked that the Minister reconsider his actions in beginning a process on November 29, 2006 to terminate the appointment of Mr. Measner as President of this organization. We have asked that the Minister have consultations with the board before Mr. Measner's appointment is terminated, as this would put the CWB at risk during this critical time in its history and potentially jeopardize the ability of the board to be held to account by western Canadian farmers.

The resolution was passed at a special teleconference meeting this morning. Elements of the resolution include the following:

- That the board of directors has complete confidence in the abilities of Mr. Measner to fulfill his accountability to the board for the implementation of the approved strategic direction and the effective conduct of operations, as evidenced by its unanimous recommendation to reappoint him to the position in November, 2005;
- That the potential termination of Mr. Measner would put the Canadian Wheat Board at significant risk, particularly during this critical time in the CWB's history, and potentially jeopardizes the ability of the board to be held to account by western Canadian farmers;
- That the board of directors of the Canadian Wheat Board supports the retention of Mr. Measner and will communicate its concern regarding the pending rescission
- That the board of directors recommend that the Minister reconsider this action in consultation with the board.

In the letter to the Minister, we have emphasized Mr. Measner's importance and value to this organization and the farmers it serves. The letter, signed by board chair Ken Ritter, includes the following extract:

“With over 30 years experience in the international grain business, Mr. Measner is a career CWB employee who has served the organization well, particularly in the capacity of President since December 2002. Mr. Measner’s original appointment was made on the recommendation of the board, after a thorough and comprehensive search process, which included the expertise and advice of a professional executive search firm.

During his period of leadership as President of the CWB, Mr. Measner has consistently demonstrated his ability to manage the business effectively and bring sound judgment to bear on many difficult issues. In addition, his advice and guidance to the board has proved invaluable in assisting it in fulfilling its role and responsibilities to western Canadian farmers. Both the CWB’s foreign and domestic customers have come to highly respect Mr. Measner, and his strong leadership has built fruitful relationships in both these sectors.

An effective relationship between a board of directors and its CEO is critical to organizational performance and success. Such a relationship has been established at the CWB, and the board relies heavily on Mr. Measner’s management strengths, particularly during this challenging time in the CWB’s history. To terminate Mr. Measner at this time would pose undue risk to the CWB, as strong leadership is needed to guide the CWB through a period of change and evolution. Farmers need to be assured that their interests continue to be protected, and it is the board’s firm view that Mr. Measner will provide both continuity and stability.”

For more information, please contact:
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December 1, 2006

The Honourable Chuck Strahl, P.C., M.P.
Minister for the Canadian Wheat Board
Agriculture and Agri-Food Canada
Sir John Carling Building
930 Carling Avenue
Ottawa, ON K1A 0C5

Dear Minister Strahl:

Re: Letter Received by Adrian Measner – Dated November 29, 2006

Subsequent to the receipt of the above noted letter by Mr. Measner, and further to a CWB board meeting held on December 1, 2006 to discuss this issue, I wish to share the board's serious concern regarding the notification of your intention to terminate Mr. Measner's position as President of the CWB.

At the December 1st board meeting, the board passed the following resolution:

“WHEREAS the President & CEO of the Canadian Wheat Board has received notification from the Minister dated November 29, 2006 of the pending rescission of his appointment by Order in Council;

AND WHEREAS the board of directors of the CWB has fulfilled its responsibilities and obligations under the Canadian Wheat Board Act in relation to the appointment, compensation and performance assessment of the President & CEO, recognizing the governance significance of effectively fulfilling this function to both the organization and the well being of western Canadian farmers;

AND WHEREAS the board of directors has complete confidence in the abilities of Mr. Measner to fulfill his accountability to the board for the implementation of the approved strategic direction and the effective conduct of operations, as evidenced by its unanimous recommendation to reappoint him to the position in November, 2005;

AND WHEREAS the board of directors is concerned that the potential termination of Mr. Measner would put the Canadian Wheat Board at significant risk, particularly during this critical time in the CWB's history, and potentially jeopardizes the ability of the board to be held to account by western Canadian farmers;

BE IT RESOLVED THAT:

The board of directors of the Canadian Wheat Board demonstrate its support for the retention of the current President & CEO and communicate its concern regarding the pending rescission to the Minister for the CWB;

AND FURTHER RESOLVED THAT:

The board of directors recommend that the Minister reconsider this action in consultation with the board.”

As you will note, the board's concern regarding Mr. Measner's proposed termination is based both on the board's own confidence in and reliance on the leadership and management capabilities of Mr. Measner, as well as the potential risk this action would generate on the effective operations of the CWB.

With over 30 years experience in the international grain business, Mr. Measner is a career CWB employee who has served the organization well, particularly in the capacity of President since December 2002. Mr. Measner's original appointment was made on the recommendation of the board, after a thorough and comprehensive search process, which included the expertise and advice of a professional executive search firm.

During his period of leadership as President of the CWB, Mr. Measner has consistently demonstrated his ability to manage the business effectively and bring sound judgment to bear on many difficult issues. In addition, his advice and guidance to the board has proved invaluable in assisting it in fulfilling its role and responsibilities to western Canadian farmers. Both the CWB's foreign and domestic customers have come to highly respect Mr. Measner, and his strong leadership has built fruitful relationships in both these sectors.

An effective relationship between a board of directors and its CEO is critical to organizational performance and success. Such a relationship has been established at the CWB, and the board relies heavily on Mr. Measner's management strengths, particularly during this challenging time in the CWB's history. To terminate Mr. Measner at this time would pose undue risk to the CWB, as strong leadership is needed to guide the CWB through a period of change and evolution. Farmers need to be assured that their interests continue to be protected, and it is the board's firm view that Mr. Measner will provide both continuity and stability.

On behalf of the board of directors, I urge you to reconsider. In any event, I ask that you undertake to consult with the board prior to taking this action.

Ken Ritter
Chair, Board of Directors