Seeds Canada

Ratification Package and Process

Frequently Asked Questions

Total Question Count: 67

Contents

General (Question Count: 11)	2
Amalgamation (Seeds Canada) Ratification Package and Process (Question Count: 4)	6
Seeds Canada Membership (Question Count: 6)	7
Seeds Canada Governance (Question Count: 16)	9
Affiliated Regional Seed Associations (Question Count 7)	14
Seeds Canada Service Delivery Model (Question Count: 8)	16
Seeds Canada Financials (Question Count: 5)	18
Seeds Canada Membership Fees (Question Count: 3)	20
Seeds Canada's Impact on My Business (Question Count: 7)	21

General (Question Count: 11)

Q1. What is the Seed Synergy Collaboration Project and who is involved in this Project?

A1. The Seed Synergy Collaboration Project ("SSCP") was formed to develop the vision for the next generation seed system in Canada, including the creation of a new National Seed Organization ("NSO") to be named Seeds Canada ("Seeds Canada") in English and Semences Canada ("Semences Canada") in French. The vision for the next generation seed system was articulated in the 2018 SSCP White Paper entitled, "The Next Generation Seed System in Canada", which is available at <u>www.seedsynergy.net</u>.

The SSCP consists of six major national seed industry organizations: the Canadian Seed Growers' Association (CSGA), the Canadian Seed Trade Association (CSTA), the Canadian Seed Institute (CSI), the Commercial Seed Analysts Association of Canada (CSAAC), the Canadian Plant Technology Agency (CPTA) and CropLife Canada.

The SSCP partners established an Oversight Committee to guide the development of Seeds Canada. Each organization has one representative on the Oversight Committee (with CSGA having an additional member to represent CSGA provincial branches). Members of the Oversight Committee are available on the Seed Synergy website at www.seedsynergy.net.

Q2. Why are the CPTA, CSGA, CSI, CSTA, and CSAAC proposing to amalgamate? Who made this decision?

A2. These organizations are proposing to amalgamate to deliver on the promise set out in the Seed Synergy White Paper to create a united national association that will support the Canadian seed industry in maintaining and growing its competitiveness in a constantly changing global seed market. The decision to pursue amalgamation was set by the boards of directors of each organization.

Seeds Canada will be a member-focused organization that will deliver a single, seamless window for the current and future services clients and members need.

Seeds Canada will bring together members from across the seed industry value chain, and from all four corners of the country, to create a united, powerful voice for regulatory modernization and the long-term sustainability of the industry.

Q3. Why is CropLife not one of the organizations amalgamating?

A3. While CropLife Canada holds a mandate to represent its members on specific areas of seed innovation it also holds a much broader mandate for plant science innovation in general beyond the seed sector. Given this broad mandate CropLife Canada is better positioned as a closely collaborating partner in the seed space rather than an amalgamating partner.

In this spirit, CropLife Canada has been a vital partner in the SSCP and in providing funding and expertise to the creation of Seeds Canada. While CropLife will not be amalgamating, it is

2

expected to enter into a Memorandum of Understanding with Seeds Canada to foster ongoing collaboration and coordination on implementing the vision for the next generation seed system in Canada.

Q4. What is Seeds Canada being created to do?

- A4. Seeds Canada will be the united national association that will support the Canadian seed industry in maintaining and growing its competitiveness in a constantly changing global seed market. The organization's purpose is to:
 - 1. Develop and provide services that help seed industry stakeholders remain competitive in both domestic and international markets for high quality seed;
 - 2. Advocate and deliver real benefits to the interests of the seed industry through seed industry collaboration, innovation, continued investment and trade;
 - 3. Provide efficient, effective and timely services for seed certification, quality assurance, innovative technology approvals and industry standards and assessment protocols development and administration;
 - Raise the efficiency, proficiency and professional standards of its members through comprehensive and relevant professional development programming and professional standards development and administration;
 - 5. Promote within Canada a competitive framework of intellectual property protection and services to its members;
 - 6. Facilitate cooperation among federal, provincial and territorial governments and seed industry stakeholders;
 - 7. Undertake other activities related to seed, crop value chains and the agri-food sector in Canada.

Q5. Why are the organizations proposing to amalgamate now?

A5. The Seed Synergy process began almost a decade ago and has been the subject of many discussions and studies by the major national seed organizations and its members. The SSCP partners believe the time for action is now to bring together members from across the seed industry value chain, and from all four corners of the country, to create a united, powerful voice for regulatory modernization and the long-term sustainability of the industry.

Q6. Why is the amalgamation and creation of Seeds Canada a good idea? How will it make my business better?

A6. Canada's seed industry is at risk of falling behind its international competition – putting at risk the sustainability of Canada's agri-food industry and food supply and the livelihoods of thousands across the country.

Seeds Canada will deliver for the industry a single streamlined national organization focused on members, not bureaucracy that is ready and able to:

- Foster a **globally recognized industry** that grows and innovates by bringing together seed industry stakeholders from **every region and all segments of the value chain**
- Deliver **best-in-class member and client services** delivered by professional staff working more closely together
- Ensure a **relentless focus on the efficiency, effectiveness, and timeliness** of seed certification and quality assurance
- Build a strong, united voice for Canada's seed industry that successfully advocates for industry needs and interests
- Focus on **excellence in professional development** for members across all segments of the seed industry value chain
- Strengthen the industry's **competitiveness** through access to **new**, **more innovative** varieties and technologies
- Use its greater capacity to shape and implement a **revitalized and modernized national seed system** that enhances **Canada's reputation as a global leader** in safe and reliable food

Q7. How will I have my say in whether or not I want my organization to be amalgamated into the new organization?

A7. Each amalgamating association/organization has set out its process for a ratification vote based on the rules set out in their respective corporate by-laws. You are encouraged to reach out to the seed association/organization that you are a member of to get the details on how your voting process will work and to obtain any additional information that you may need to inform your decision on how to vote.

Q8. Who do I contact if I have questions or concerns about the amalgamation?

A8. You will receive a complete ratification package from the seed association/organization that you are a member of that sets out the information related to the amalgamation, voting procedures for your own association/organization, and the information you will need on the amalgamation.

After reviewing the ratification package, you are encouraged to reach out to the seed association/organization that you are a member of to ask questions about the amalgamation and to obtain any additional information that you may need to inform your decision on how to vote.

In addition, the Seed Synergy website at <u>www.seedsynergy.net</u> has information and resources that may be helpful to you as you consider your vote.

Q9. What happens if one or more of the associations/organizations vote not to amalgamate?

A9. Seeds Canada is being created by, and for members, through the tireless efforts of industry leaders on the Seed Synergy Oversight Committee, SSCP partner organization staff, and SSCP partner organization members. The SSCP partner organizations, through their respective boards

of directors, believe that the creation of Seeds Canada is in the best long-term interests of their members and the industry.

However, in the event that one or more of the organizations do not ratify the amalgamation, the organizations that do approve amalgamation may proceed to amalgamate on their own, or they may choose to not proceed with the amalgamation at all.

Q10. If one or more of the amalgamating associations/organizations isn't successful in achieving a yes vote to ratify the amalgamation, could they hold another vote?

A10. The Amalgamation Agreement does provide for one or more of the amalgamating associations/organizations to hold a second vote provided that they have the agreement of the other amalgamating associations/organizations. If a second vote is agreed to by the amalgamating associations/organizations, the second vote must be completed by December 15, 2020.

Q11. Where can I go to get more information on this amalgamation process?

A11. After reviewing the ratification package, you are encouraged to reach out to the seed association/organization that you are a member of to ask questions about the amalgamation and to obtain any additional information that you may need to inform your decision on how to vote.

In addition, the Seed Synergy website at <u>www.seedsynergy.net</u> has information and resources that may be helpful to you as you consider your vote.

Amalgamation (Seeds Canada) Ratification Package and Process (Question Count: 4)

- Q1. I received a ratification package from my association/organization. What are the documents I am being asked to review and what am I being asked to vote on?
- A1. You are being asked to vote yes or no on the issue of your seed association/organization amalgamating to form Seeds Canada. Your ratification package will include the specific resolution being put forward to you by your seed association/organization as well as the following documents to inform your decision:
 - The Articles of Amalgamation
 - The Amalgamation Agreement
 - The Seeds Canada General By-law
 - The Inaugural Board of Directors of Seeds Canada (including biographical Information)
 - Information describing on the Articles of Amalgamation and the General By-law
 - The Seeds Canada Business Plan
 - Frequently Asked Questions on the Amalgamation and Seeds Canada Business Plan

Additional information and resources are available at the Seed Synergy website at www.seedsynergy.net.

Q2. If I belong to more than one seed association/organization involved in the amalgamation, can I vote more than once?

A2. Yes. If you are a member in good standing with more than one of the amalgamating seed associations/organizations, you will be eligible to cast a vote as a member in each organization.

Q3. What percentage of the membership has to vote in favour in order for my seed association/organization to amalgamate?

A3. Generally, a positive vote of two-thirds of the membership is needed. However, the thresholds that need to be achieved are specific to your seed association/organization. Please refer to your ratification package or contact your seed association/organization to obtain this information.

Q4. What happens after a successful vote?

A4. Upon a successful vote in favour of amalgamation of all five seed associations/organizations, the SSCP partners, through the Oversight Committee, will begin to prepare for the transition to Seeds Canada. The actual amalgamation and filing of the Articles of Amalgamation will likely not occur for several months, but upon the filing of the Articles, Seeds Canada will become operational. Once operational, the amalgamating organizations will cease to exist as independent entities.

Seeds Canada Membership (Question Count: 6)

Q1. Who can become a member of Seeds Canada?

A1. Seeds Canada will have three membership classes as set out in Article 3 (Members) of the Seeds Canada General By-law. Please *refer to Article 3 for the precise definitions* for each class of members. The three classes are as follows:

Seed Industry Business Class: Members are business entities (including sole proprietorships) who derive revenue from activities along the seed industry value chain. This class has voting rights (i.e., AGMs, SGMs).

Seed Industry Affiliate Class: Members that are business entities that do not own an asset that supports the seed industry value chain, but may be engaged in other activities, such as sponsorship, exhibitions, advocacy, etc. This class does not have voting rights except in limited circumstances.

Seed Industry Professional Class: Members that are individual professionals who provide support and/or quality assurance services. Includes seed analysts, individual consultants, seed growers, breeders, traders/sellers, distributors, graders, operators, and licensed seed crop inspectors. This class does not have voting rights except in limited circumstances.

While the Seed Industry Affiliate Class and the Seed Industry Professional Class do not have voting rights (in except of limited circumstances), they will be entitled to: (i) receive notice of meetings of members and attend meetings; (ii) access Seeds Canada's membership services; (iii) stand as candidates for governance positions.

Q2. What is meant by Seed Industry Affiliate Class and Seed Industry Professional Class do not have voting rights except in limited circumstances?

A2. These classes may having voting rights in such circumstances as set out in Article 13, section 13.2 of the Seeds Canada By-law.

Q3. If I am a member of one or more of the seed associations/organizations that are being amalgamated, will I automatically be eligible to become a member of Seeds Canada?

A3. Yes. All current members of the amalgamating organizations as of the date of amalgamation will be grandfathered into the appropriate Seeds Canada membership class. A membership form will be provided to confirm a member's desire to continue as a member of Seeds Canada and to confirm the membership class to which they will belong.

Q4. Why is membership in Seeds Canada voluntary? Won't this hurt the long-term sustainability of the organization?

A4. A founding principle agreed to by the SSCP is that membership in Seeds Canada will be strictly voluntary. This is to ensure that Seeds Canada is always working to deliver value to its members

7

and that members see it as a worthwhile investment of their hard-earned money and limited time to be a member of the organization.

- Q5. Will Seeds Canada allow new members (i.e., individuals or organizations that were not members of one or more of the amalgamating seed associations/organizations) to join?
- A5. Yes. As a member driven organization, Seeds Canada will be seeking to grow its membership base. New members will need to complete a membership application form and have their application approved by the Governance and Nominating Committee of the Seeds Canada Board of Directors.
- Q6. Right now, I have to maintain my credentials and/or take professional development in order to maintain my membership in my seed association/organization. Will this continue to be the case with Seeds Canada?
- A6. Yes. As an example, professional development and code of conduct requirements currently in place by CSAAC for its members will continue to be applied by Seeds Canada.

Seeds Canada Governance (Question Count: 16)

Q1. How will Seeds Canada be governed?

A1. Seeds Canada will be governed by a 15-member (moving to an elected 11 members over time) Board of Directors, identified in the ratification package, that has, at minimum, one representative from each of Seeds Canada's seven regions and one representative from each of the defined four value chain segments. Please see Article 5 (Directors) of the Seeds Canada General By-law in your ratification package.

Q2. Why does the Board of Directors have regional and value chain positions? Why not just have all board seats open to the best qualified and skilled people?

A2. The governance design for Seeds Canada is focused on balancing regional and value chain representation, policy and regulatory functions, and leading governance practices.

The Oversight Committee heard from its respective memberships that it was important that there be regional and value chain diversity on the Board of Directors to ensure that it is representative of the industry that Seeds Canada will serve.

This regional and value chain diversity will be matched with the skills and knowledge requirements (as set out in a Board Skills Matrix) to ensure that the Board is high functioning and expert in its oversight of Seeds Canada management.

Q3. How will the first Board of Directors be elected and who will serve as directors?

A3. The Oversight Committee designed and undertook a nomination process to solicit applications from seed industry professionals to serve on the first Board of Directors of Seeds Canada. Through this process, a 15-member Board of Directors has been assembled and the individuals and their qualifications are provided in the ratification package provided to members. The full list of directors and their respective terms of office can also be found at www.seedsynergy.net.

Q4. Will directors on the Seeds Canada Board be paid?

A4. The Seeds Canada General By-law provides for the remuneration of board directors. It will be up to the Seeds Canada Board of Directors to set any compensation for directors.

Q5. I noticed that there will be 15 directors on the Board and that the number of directors will go down to 11 over time. Why is the size of the Board changing over time?

A5. The SSCP Oversight Committee, on the advice of its advisors, decided to have 15 directors on the Inaugural Board of Directors to recognize that there will be considerable work required to launch and ramp up a new organization. Eight (8) directors will serve an initial two-year term and seven (7) will serve an initial three-year term.

Board elections will be held on a staggered basis, with the transition to an 11-member board beginning with the election held to replace those directors serving the initial two-year term. The 11-member board will always have seven regional and four value chain members.

Q6. How will the Board of Directors be elected in the future?

A6. Board elections will be held on a staggered basis (six seats are up for election in one year, and five seats the next year) to ensure continuity between election cycles. Board elections will be held at the Annual General Meeting of Seeds Canada.

Voting will be conducted through some combination of votes cast at the AGM and mail-in, telephonic, or digital balloting to ensure that all members have an ability to vote for the Board of Directors.

Seed Industry Business Class Members will be entitled to vote for the Board of Directors under the principle of One Member, One Vote. In order to cast a ballot, each Seed Industry Business Class Member will need to identify and register (with Seeds Canada) one individual authorized to cast a ballot. This individual will need to be identified and registered by a prescribed time in advance of the vote (time to be prescribed by the Board of Directors).

Q7. How will candidates for the Board be selected?

A7. For all board positions, the Governance and Nominating Committee struck by the Board of Directors will call, accept, and vet applications from Seeds Canada members in good standing, or individuals attached to Seed Industry Business Class and Seed Industry Affiliate Class members (e.g., employees, directors), that are interested in serving on the Board in either a value chain or regional position.

Any member (or individuals attached to Seed Industry Business Class and Seed Industry Affiliate Class members) may stand as a candidate for any Board position.

Application criteria and election rules will be set by the Governance and Nominating Committee and approved by the Board of Directors. Applications are expected to include an updated Curriculum Vitae, references, and other supporting documentation.

Nominees will be reviewed against a Skills and Competency Matrix to ensure that candidates that come forward cover the skills and experience required by the Board.

At least 30 days before the AGM, the Governance and Nominating will put forward a list of candidates to stand for the Board positions up for election.

Q8. The Seeds Canada General By-law says that if no suitable candidates are identified to fill a regional seat on the Board of Directors, that seat may become a "value chain" director seat. Why is this necessary?

A8. Should no suitable candidate put their name forward to fill a regional seat, such seat shall be declared a "value chain" seat by the Governance and Nominating Committee and a list of candidates will be put forward by the Governance and Nominating Committee for election to this "value chain" director seat. This was done to ensure that Seeds Canada members do not have to "settle" for a candidate and that members will have the opportunity to elect a board that has the skills and expertise needed to be high performing in exercising their fiduciary and oversight responsibilities.

Q9. How will candidates for election to the Seeds Canada Board of Directors be reviewed and vetted?

A9. Vetting criteria will be set and disclosed to all Seeds Canada members at the time that nominations are open for board elections. The intent of this vetting is to ensure that the principles of regional, value chain, and skills and knowledge diversity are satisfied in the lists of candidates set for each board position.

Q10. How will Seeds Canada ensure that all voices from within the seed industry are heard and respected?

A10. The governance structure of Seeds Canada has been designed to scale up or down to ensure that members are brought together to address issues of importance to them and the industry. The permanent committees set up under the Board of Directors are to reflect the regional and value chain diversity of the membership and each committee may establish sub-committees, task forces and working groups as required to deal with key matters.

The intent of this design is to ensure that Seeds Canada can bring all the different voices together to craft common positions that will enable it to be the one, national voice of the seed industry to government and other stakeholders.

Q11. How does the governance model for Seeds Canada ensure that no one group can control the organization?

A11. The Oversight Committee trusts in the diverse membership of Seeds Canada to make the right decisions when it comes to electing a Board of Directors from a list of highly qualified and diverse candidates that balances regional, value chain representation, and board skills and experience requirements.

The design of the governance structure positions the organization to bring all the different voices together to solve common challenges and to craft common positions that will enable it to be the one, national voice of the seed industry to government and other stakeholders.

Q12. Will the Seeds Canada governance structure not just entrench the status quo rather than creating a venue to grow the industry?

A12. No. Seeds Canada is designed to take the best of what was built in the amalgamating organizations/associations and build from there based on diverse perspectives of the future of the industry and leading governance and organizational design practices.

By coming together, Seeds Canada will create new value for members, clients, and the industry as a whole by:

- 1. Being a single streamlined national organization focused on members, not bureaucracy
- 2. Fostering a **globally recognized industry** that grows and innovates by bringing together seed industry stakeholders from **every region and all segments of the value chain**
- 3. Delivering **best-in-class member and client services** delivered by professional staff working more closely together
- 4. Ensuring a **relentless focus on the efficiency, effectiveness, and timeliness** of seed certification and quality assurance
- 5. Building a strong, united voice for Canada's seed industry that successfully advocates for industry needs and interests
- 6. Focusing on **excellence in professional development** for members across all segments of the seed industry value chain
- 7. Strengthening the industry's **competitiveness** through access to **new**, **more innovative varieties and technologies**
- 8. Using its greater capacity to shape and implement a **revitalized and modernized national seed system** that enhances **Canada's reputation as a global leader** in safe and reliable food

Q13. What will happen to the committees and working groups that currently exist in my seed organization once amalgamation happens?

A13. Specialized committees and/or their functions (e.g., Fruit and Vegetable Committee, Intellectual Property Committee, Seed Growers Committee, etc.) will be integrated into the committee structure set up by the Seeds Canada Board of Directors and/or Seeds Canada management.

Q14. What are the permanent standing committees of Seeds Canada's Board of Directors? What are their mandates?

A14. Seeds Canada will have a number of standing committees as set out in the Seeds Canada General By-law, including traditional committees like audit, governance and nominating, etc. However, there are three primary standing committees that are unique to Seeds Canada: The Seed Certification Committee; the Public Affairs and Advocacy Committee; and the Seed Testing and Quality Assurance Committee.

Please refer to the Seeds Canada Business Plan ("The Next Generation Seed Organization: Seeds Canada Business Plan") for details on the proposed mandate, responsibilities, and composition of each of these three standing committees.

- Q15. Seeds Canada will have responsibilities for the seed certification process and for undertaking advocacy activities with government. How will Seeds Canada ensure that the seed certification and other regulatory processes do not become politicized?
- A15. Seeds Canada will ensure the integrity of the seed certification process through clear mandates for the Seed Certification Committee and the Public Affairs and Advocacy Committees. These specifics are set out in the Seeds Canada Business Plan entitled, "The Next Generation Seed Organization: Seeds Canada Business Plan".

Q16. When will Seeds Canada hold its Annual General Meeting and where?

A16. The Annual General Meeting's timing and location will be set by the Seeds Canada Board of Directors consistent with the parameters set out in the Seeds Canada Articles and the Seeds Canada General By-law.

Affiliated Regional Seed Associations (Question Count 7)

Q1. What will the role of provincial seed associations be in Seeds Canada?

A1. To support structuring a regional presence for Seeds Canada, Seeds Canada's General By-law establishes a procedure and timeline to enable CSGA Provincial Branches to enter into an Affiliation Agreement with Seeds Canada. The process and rights and responsibilities associated with an Affiliation Agreement are set out in Article 5 of the By-law and in the Seeds Canada Business Plan included in the ratification package.

In order to trigger the affiliation arrangement, a CSGA provincial branch will demonstrate that it has amended its by-law governing membership criteria to open up membership to organizations and individuals from across the seed industry value chain (at a minimum to mirror those organizations and individuals who would qualify for membership in Seeds Canada) and indicate that it agrees to support Seeds Canada with member communications and engagement and assist in identifying candidates for various elected and unelected governance positions.

In exchange Seeds Canada would confer a Seed Industry Business Class Membership to the Affiliated Regional Seed Association, collect and remit an administration fee as set by the Association, and accept and appoint the Association's nomination for a regional position on the Seed Certification Committee (on demonstration that the Association undertook an open and fair nominating and vetting process for arriving at their nominee).

Q2. What will the relationship be between Seeds Canada and CSGA branches on amalgamation?

- A2. For the first three years of operation, or until a CSGA branch enters into an Affiliation Agreement (as discussed in Q1 above), the Board of Seeds Canada will act as if an Affiliation Agreement is in place with CSGA branches. This includes Seeds Canada collecting and remitting an administration fee as set by each of the branches and Seeds Canada appointing the branches nominees to serve in the regional positions on the Seed Certification Committee.
- Q3. Is the administration fees set by provincial branches a new charge on top of the acreage and membership fees CSGA provincial branches have being charging?
- A3. No. The administration fee will be an amalgam of the acreage and provincial branch membership fees that are currently levied. The revenue generated by this administration service fee will be collected and remitted by Seeds Canada to provincial branches to fund their operations.

Q4. The Quebec branch of CSGA has a different structure which may make it difficult for it to enter into an Affiliation Agreement with Seeds Canada. How will this be dealt with?

A4. In working on the design of the Affiliation Agreement, the Oversight Committee recognized that the Quebec branch has a different structure than the other CSGA branches. The Quebec branch and other industry stakeholders are being asked to work together to put forward a collaborative proposal for an entity to enter into an Affiliation Agreement with Seeds Canada. Under the

Seeds Canada General By-law, the Seeds Canada Board of Directors has the authority to enter into an Affiliation Agreement with other entities.

Q5. What will happen if a CSGA provincial branch doesn't want to enter into an Affiliation Arrangement with Seeds Canada?

A5. If a CSGA provincial branch does not enter into an Affiliation Agreement within the three year window provided in the Seeds Canada General By-law, it will not have the benefits of the Affiliation Agreement and Seeds Canada will not be under any obligation to continue to collect and remit any fees (as is currently performed by CSGA).

Q6. If a CSGA provincial branch enters into an Affiliation Agreement, will Seeds Canada members have to become members of the branches (or regional seeds associations)?

A6. No. Branches that enter into an Affiliation Agreement will be responsible for recruiting and retaining their own members and setting any fee to become such a member. For clarity, a member of Seeds Canada is not a member of a provincial association/organization (unless such member separately opts to do so on its own).

Q7. Will Seeds Canada have control over branches that enter into an Affiliation Agreement?

A7. No. Branches that enter into an Affiliation Agreement will become Affiliated Regional Seed
Associations, but they will continue to operate as autonomous entities with their own
governance, membership, staff, assets, finances, activities, and initiatives.

For clarity, Seeds Canada will not have control, or any role, in an Affiliated Regional Seed Association, or that Association's governance, membership, staff, assets, finances, activities, and initiatives.

Seeds Canada Service Delivery Model (Question Count: 8)

- Q1. What steps are being taken by the amalgamating associations/organizations to ensure that my business isn't interrupted and that the key services I rely on are available on Day 1 of Seeds Canada?
- A1. The Amalgamation Agreement requires the amalgamating associations/organizations to develop and begin to implement a 100-day plan for Seeds Canada. A primary focus of this implementation planning will be to ensure the continuity of current services to clients and members as of the first day that Seeds Canada begins operations.

Q2. Where will the Seeds Canada office be located? And if in Ottawa, what will happen to the staff working in other provinces?

A2. The Seeds Canada head office will be in Ottawa. It is expected that Seeds Canada will have staff operating in offices outside of the head office in Ottawa.

Q3. How many staff will Seeds Canada have? Will current staff from the amalgamating organizations have a job in the new organization?

A3. Staff will play an important role in ensuring that Seeds Canada achieves its objectives of becoming a unified voice for the Canadian seed industry, and maintaining the industry's strong position in a globally competitive market. The staffing complement will be determined by the management of Seeds Canada with a view to integrating current staff in the new organization.

Q4. Will services from Seeds Canada be available in French and English?

A4. Yes. Seeds Canada will deliver client and member services in both languages.

Q5. What services will Seeds Canada offer? Will I lose any services that I currently get from any of the existing seed associations/organizations?

A5. Seeds Canada will continue to offer the full suite of services that the amalgamating organizations currently provide to their members and clients. This will ensure business continuity for clients and members.

Q6. What is the difference between a "member service" and a "client service" as outlined in the Seeds Canada Business Plan?

A6. Seeds Canada will provide two types of services: Member Based Services and Client Based Services. This is to reflect the fact that membership will be voluntary in the organization and there are certain services the organization will deliver as a result of its delegated regulatory authorities and standards setting functions.

Member Based Services are services exclusive to members of Seeds Canada such as communications, professional development programming, and advocacy.

Client Based Services are services associated with seed industry regulation or operation (e.g., seed crop certification, RSE accreditation, and training for seed quality assurance activities) and non-seed services such as organic certification).

Q7. How are services going to be organized and delivered by Seeds Canada?

A7. Services will be delivered using a function-based service delivery model for Seeds Canada. The wide range of services offered by each amalgamating seed organization have been consolidated into five core service categories, or "Functional Groups", within which specific services are offered, and around which the organization is structured. For the details of this approach, please refer to the Seeds Canada Business Plan entitled, "The Next Generation Seed Organization: Seeds Canada Business Plan".

Q8. Will I have to be a member of Seeds Canada in order to get my Seed Crop Certificate?

A8. No. Seed Crop Certification will be a client service that is available regardless of membership in Seeds Canada.

Seeds Canada Financials (Question Count: 5)

Q1. How will Seeds Canada be funded upon its inception?

A1. Seeds Canada will be funded through a combination of client fee for service revenue and membership fees. All of the assets and liabilities of the amalgamating organizations will be transferred to Seeds Canada. The Pro Forma developed in the Seeds Canada Business Plan entitled, "The Next Generation Seed Organization: Seeds Canada Business Plan", shows that the new organization will have a healthy financial start.

Q2. Does it make financial sense to amalgamate? Are there efficiencies to be achieved?

A2. It does make financial sense to amalgamate. The demands on the industry and the services provided by the five amalgamating organizations are only growing. By coming together and combining resources, Seeds Canada will be able to deliver existing services more efficiently and will be in a better position to develop and deliver the new services (e.g., professional development, regulatory modernization) that members need. For example, the industry will only be supporting the activities of one Board rather than five, staff will no longer need to travel to attend the other seed association partners' annual and semi-annual meetings, and the office footprint can be reduced.

Q3. What is the cost of NOT amalgamating?

A3. The SSCP partners have invested hundreds of thousands of dollars over the last number of years to bring the industry to this point. Not amalgamating means that his investment is lost and the industry will have to try to do with five organizations what it is trying to achieve through one, which is: delivering existing services more efficiently and developing and delivering the new services (e.g., professional development, regulatory modernization) that members need.

Q4. Is each amalgamating organization financially secure? Is Seeds Canada taking on unmanageable financial liability?

A4. Each amalgamating organization is financially healthy, though there is a risk that some of the organizations will struggle more than others if amalgamation is not pursued. Based on the financial pro forma provided in the Seeds Canada Business Plan, Seeds Canada will start with a positive net assets balance and is forecast to be strong on an operating and balance sheet basis.

Q5. What impact has COVID-19 had on the financial viability of the amalgamating organizations, and on the modelling for the financial viability of Seeds Canada?

A5. The Seed Synergy Collaboration partners are still evaluating the potential impacts of the pandemic on the financial viability of their organizations. While there are some short-term financial implications for likely all of the association partners, if the pandemic subsides over the next few months, the organizations are optimistic the impacts will be manageable. Obligations associated with the pension programs and the status of the investment of reserves are being reviewed.

FAQ v6

Longer-term impacts are still being assessed. However, the pandemic underscores the need for an organization with greater scale and capacity to withstand economic events to ensure the continuity and quality of the services to its clients and members.

Seeds Canada Membership Fees (Question Count: 3)

Q1. What will I pay as a membership fee on Day 1 of Seeds Canada?

A1. Current members of the amalgamating organizations will be grandfathered in to Seeds Canada and will automatically be offered a membership.

Initially, those who qualify to be grandfathered in as members of the Seed Industry Business Class (being the voting class) will pay the same total amount of membership fees paid in the most recent fiscal year of the amalgamating associations/organizations. For clarity, if you are a member of more than one of the amalgamating associations/organizations, you will pay the aggregate of those membership fees as your initial Seeds Canada membership fee.

Those who qualify to be grandfathered in to one of the new non-voting membership classes will also pay the same total amount of fees that they paid in the most recent fiscal year to the amalgamating associations/organizations to which they were members. For example, current CSAAC members will be grandfathered into the Seed Industry Professional Class and will pay the same fee they paid to CSAAC on Day 1 of Seeds Canada.

For the specifics on the classes of members, please refer to the Seeds Canada General By-law, and for the membership fee structure, please refer to the Seeds Canada Business Plan entitled, "The Next Generation Seed Organization: Seeds Canada Business Plan".

A rationalized membership fee schedule will be developed by Seeds Canada in consultation with members within the first two years of operation.

Q2. What will new members to Seeds Canada pay on Day 1 of Seeds Canada?

A2. New members (i.e., those who are not current members of one of the amalgamating organizations at the time of amalgamation) will pay an interim fee as described in the Seeds Canada Business Plan.

Q3. Will I be paying more to be a member of Seeds Canada?

A3. No. Until Seeds Canada rationalizes its membership fee schedule, you will pay the same as what you were paying to each of your amalgamating association/organization in the most recent fiscal year.

A rationalized membership fee schedule is expected to be developed by Seeds Canada in consultation with members within the first two years of operation.

Seeds Canada's Impact on My Business (Question Count: 7)

Q1. How does this impact farmers right to save seed?

A1. The creation of Seeds Canada does not impact the right of farmers to save seed.

Q2. How is Seed Synergy connected to Value Creation?

A2. The issue of Value Creation is separate from the matter of the amalgamation and establishing Seeds Canada.

Q3. How will my personal information be kept private and confidential?

A3. Seeds Canada will have a comprehensive privacy and data security policy that is to be approved and overseen by the Seeds Canada Board of Directors. The development of this and other corporate policies will be one of the first matters to be dealt with by the Seeds Canada Board of Directors. Prior to amalgamation, each organization has its own privacy and data security policy that remains in place.

Q4. What will happen with the annual awards that each association currently has? Will recipients of past awards of each association be acknowledged somehow in Seeds Canada?

A4. It is anticipated that Seeds Canada will maintain annual awards and continue to acknowledge past recipients. This is particularly important as part of the mandate of Seeds Canada will be to further grow professional development for the industry and to celebrate and promote professional excellence.

Q5. Will US analysts be able to apply as a new member in the Professional class?

A5. Yes.

Q6. Will there still be an annual workshop for seed analysts as part of the annual meetings?

A6. AGM programming will be set by the professional staff and Board of Directors in consultation with the membership of Seeds Canada. The intent is to continue and build on sessions like the workshop for seed analysts to fulfil Seeds Canada's professional development mandate.

Q7. What will happen with the CSAAC Seal Program? Will grandfathered CSAAC Senior and Associate members that currently have a CSAAC Seal automatically be given a Seeds Canada Seal? Will these members have to pay for a Seeds Canada Seal?

A7. The CSAAC Seal Program will be carried over to Seeds Canada. CSAAC members that currently have a CSAAC Seal and that are grandfathered into Seeds Canada will be issued a Seeds Canada Seal after signing a new Seal Use agreement. Seeds Canada will cover the cost of issuing the new Seals for these members. Until a new Seeds Canada Seal is issued, CSAAC Seals will continue to be recognized.