The Farm Products Marketing Act
(C.C.S.M. c. F47)

Laying Hen Quota Order, amendment*

Regulation  17/2013
Registered  February 21, 2013

Manitoba Regulation 128/98 amended
1   The Laying Hen Quota Order, Manitoba Regulation 128/98, is amended by this Order.

2   The definition of "transfer" in section 27 is replaced with the following:

   "transfer" includes a sale, assignment, gift, bequest, devolution, purchase, mortgage, declaration of trust, or change in legal or beneficial rights.

3   Section 32 is replaced with the following:

   Reduction of requirements re certain transfers
   32   The Board may establish policies from time to time reducing its requirements under section 28

   1. with respect to a change in the membership of a Hutterite Colony where that Hutterite Colony is a registered producer or is the sole legal and the sole beneficial owner of all of the issued shares of a corporation that is a registered producer:

   2. with respect to the transfer of shares of a corporation that is a registered producer

       (a) from an individual to a member of that individual's immediate family, or

       (b) listed on a public stock exchange unless 10% or more of the total outstanding shares of that class of the corporation are transferred, provided that this clause does not apply in respect of a series of transfers of shares within a period of 18 months by or to any one person that in the aggregate total 10% or more of the outstanding shares of that class of the corporation,

* This Order is made under the Manitoba Egg and Pullet Producers Marketing Plan Regulation, Manitoba Regulation 70/2005, and is Order No. 2, 2012 of Manitoba Egg Farmers.
(c) from a shareholder of the corporation (the "departing shareholder") to another shareholder of the corporation (the "continuing shareholder") provided that:

(i) the continuing shareholder is the legal and beneficial owner of at least 66 2/3% of the issued voting shares of the corporation prior to the proposed transfer, or

(ii) the shares being transferred by the departing shareholder represent 50% or less of the total issued voting shares of the corporation, and the shares being acquired by the continuing shareholder do not represent more issued voting shares of the corporation than are already held by the continuing shareholder,

and further provided this clause (c) does not apply unless

(A) the continuing shareholder and the departing shareholder have each held such shares for a minimum period of five years prior to the date of the proposed transfer,

(B) the Board has obtained the approval of the Manitoba Council to waive the requirements under section 28 without the necessity for the applicants to submit to the Board information relating to the consideration paid and received with respect to the proposed transfer.

For the purpose of this clause (c) the voting shares of the corporation must include a pro rata right, with all other voting shares issued by the corporation, to any and all dividends declared by the corporation and to a pro rata share of the assets of the corporation upon winding up of the corporation;

3. with respect to a change in the beneficial or legal ownership of an interest in a partnership that is a registered producer

(a) where the legal or beneficial ownership of an interest of such partnership is transferred to by an individual to a member of that individual's immediate family, or

(b) where a partnership interest is transferred from a partner of the partnership (the "departing partner") to another partner of the partnership (the "continuing partner") provided that

(i) the partnership interest of the continuing partner immediately prior to the transfer entitles the continuing partner to at least 2/3 of the profits of the partnership and makes the continuing partner responsible for at least 2/3 of the losses of the partnership, or

(ii) the partnership interest of the departing partner being transferred represents 50% or less of the entitlement of the partners to the profits of the partnership and 50% or less of the responsibilities of the partners for losses of the partnership, and the partnership interest being acquired by the continuing partner does not represent a larger entitlement to the profits of the partnership or a larger responsibility for the losses of the partnership than the partnership interest possessed by the continuing partner immediately prior to the transfer,
and further provided this clause (b) does not apply unless

(A) the continuing partner and the departing partner of each held such partnership interests for a minimum period of five years prior to the date of the proposed transfer, and

(B) the Board has obtained the approval of the Manitoba Council to waive the requirements under section 28 without the necessity for the applicants to submit to the Board information relating to the consideration paid and received with respect to the proposed transfer.

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May 2, 2012

**Manitoba Egg Farmers:**

Ed Kleinsasser
Chair

Cory Rybuck
General Manager

APPROVED

October 24, 2012

**Manitoba Farm Products Marketing Council:**

Ken Caldwell
Chair

Debora Durnin-Richards
Secretary

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