REPEALED

Repealed by M.R. 1/2014.
Date of repeal: 6 Jan. 2014

This version was current for the period set out in the footer below.

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ABROGÉ

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Regulation 175/90
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* This Order is made under the *Cream Marketing Plan Regulation* being Manitoba Regulation 134/90 and is Order 4/90 of The Manitoba Milk Producers' Marketing Board under that Regulation.

All persons making use of this consolidation are reminded that it has no legislative sanction. Amendments have been inserted into the base regulation for convenience of reference only. The original regulation should be consulted for purposes of interpreting and applying the law. Only amending regulations which have come into force are consolidated. This regulation consolidates the following amendments: 204/91, 250/92, 41/93.

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PART I

INTERPRETATION

Definitions

1 In this order:

"**dairy cows**" means cows kept by a producer for the purpose of marketing cream from such cows;

"**dairy year**" means the twelve month period commencing August 1st in each year and ending July 31st in the following year;

"**facility**" means any building, structure, equipment or land used in connection with the production of cream;

"**immediate family**" means an individual's grandfather, grandmother, father, mother, husband, wife, son, daughter, brother, sister, grandson, granddaughter, son-in-law, daughter-in-law, grandson-in-law and granddaughter-in-law;

"**maximum quota**" means a market sharing quota equal to 14,400 kilograms of butterfat per dairy year;

"**multi family unit**" means two or more persons who keep dairy cows, in partnership, or in circumstances where there is a sharing by them, whether familial, communal or otherwise, of facilities, labour or services provided directly or indirectly by all or any of them, or pursuant to a contract jointly or severally with the same corporation, firm or individual;

"**market sharing quota**" (M.S.Q.) means a quantity of cream, expressed in kilograms of butterfat per dairy year, allotted to a licenced producer by the Board;

"**new producer**" means a licenced producer whose market sharing quota has been allotted to him for a period of time of 6 months or less.

PART II

ALLOCATION OF M.S.Q.

Application for M.S.Q.
2 Any person may apply to this Board for an allotment of a market sharing quota. Every application shall be in writing in a form prescribed by this Board and must be signed by the applicant and forwarded to the head office of this Board at 36 Scurfield Blvd., Winnipeg, Manitoba, R3T 3N5.

Criteria for allotment of M.S.Q.
3 Each applicant for an allotment of a market sharing quota must meet the following criteria:

(a) the applicant must be the registered owner or the sole operator of a dairy farm which meets all of the requirements for buildings, equipment, operation, and herd health established by the Board from time to time,

(b) the applicant must be entitled to a direct support payment from the Canadian Dairy Commission for deliveries of cream.

M.R. 204/91

List to indicate M.S.Q.
4(1) Subject to the provisions of this Order, a licenced producer's market sharing quota shall be equal to the number of kilograms of butterfat per dairy year shown opposite his name on the list of licenced producers approved by the Board on the 27th day of June, 1990, as same may be amended from time to time to reflect alterations or additions or deletions to same.

4(2) The Board may also, by resolution, amend the list referred to in section 4 from time to time to increase or decrease the market sharing quota of licenced producers on a pro rata basis (or on such other basis as may be determined by the Board) to reflect the share of the estimated Canadian requirements for cream available for production in Manitoba in any dairy year or other period of time, or to otherwise allot to licenced producers a share of the market for cream available in Manitoba.

Temporary permits and lending

5(1) Any licenced producer may apply to the Board for a temporary market sharing quota. If the Board estimates that licenced producers will not, as a group, market the share of the estimated Canadian requirements for cream available for production in Manitoba in any dairy year, it may issue temporary market sharing quota to licenced producers for the balance of the dairy year.

5(2) In the event a licenced producer (the "applicant") estimates that he will be unable to market a quantity of cream equal to his market sharing quota in any dairy year, he may apply to the Board to have a portion of his market sharing quota temporarily reallotted to another licenced producer (the "recipient"). In the event the Board approves such application, a portion of the market sharing quota the applicant shall be temporarily reallotted to the recipient for the balance of the dairy year.

M.S.Q. not to exceed maximum quota

6 Notwithstanding anything set out in sections 4 and 5, the market sharing quota allocated to a licenced producer shall not exceed maximum quota.

PART III

REDUCTION OR CANCELLATION OF M.S.Q.

Reduction of M.S.Q. for undermarketings

7 A licenced producer who fails to market through the Board a quantity of cream equal to 85% of that quantity permitted under his market sharing quota during a dairy year shall have his market sharing quota reduced for the subsequent dairy year to an amount equal to 117.6% of the actual deliveries made by the producer during the previous dairy year, provided however that the Board may lessen the impact of this provision pursuant to the provisions of section 10.

Reduction of M.S.Q. for anticipated undermarketings

8 The market sharing quota of a licenced producer may be reduced for the balance of a dairy year if such producer's marketings during a portion of that dairy year are such that the Board anticipates that such producer will not market a quantity of cream during that dairy year equal to the total amount of cream he is entitled to deliver pursuant to his market sharing quota.

Cancellation of M.S.Q. for failure to market

9 Where a licenced producer fails to market cream produced by him for four consecutive calendar months, the market sharing quota allotted to such producer may be cancelled by this Board.

Relief from reductions and cancellations

10 The Board may exempt a licenced producer from the provisions of sections 7, 8, or 9 or otherwise modify the impact of same, if such licenced producer:

(a) is a new producer; or

(b) has received permission from the Board in writing, because of major repairs and/or renovations to his facility, to temporarily curtail cream marketing, provided a written application for such permission has been received by this Board at least one month in advance of the commencement of such major repairs and/or renovations; or

(c) was unable to market a quantity of cream because of a catastrophe. For the purpose of this clause a catastrophe must be a situation over which the producer has little or no control and which suddenly affects the production of his dairy cows. A catastrophe may include a severe illness or the death of a principal day to day operator of the cream production business, the sudden death of a significant portion of a dairy herd, the destruction of a producer's facilities by fire or some other cause beyond his control, a severe infection of the dairy cows in his herd of an uncontrollable disease or disease which requires the slaughter of the dairy cows by public health authorities. The producer must apply to the Board in writing as soon as reasonably possible following such event; or

(d) has received permission from the Board in writing, to reduce or close down his facility as a result of a notification to the Board in writing that he plans to offer the market sharing quota allotted to him on the Monthly Quota Exchange System under the *Manitoba Milk Marketing Quota Order* (Manitoba Regulation 175/91), subject to such terms and conditions as the Board may establish at the time such permission is granted; or

(e) has otherwise obtained permission from the Board in writing to reduce his marketings for a period of time, subject to such terms and conditions as the Board may establish at the time such permission is granted.

M.R. 41/93

Cancellation of M.S.Q. on retirement, death, winding up, etc.

11(1) The Board may cancel a market sharing quota in the event of the death of a licenced producer, the winding up or dissolution of a licenced producer that is a corporation, or the dissolution of a licenced producer that is a partnership.

11(2) The Board may also cancel the market sharing quota allotted to a licenced producer in the event a licenced producer receives permission from the Board under clause 10 (d), and fails to meet the terms and conditions established by the Board in granting such permission.

Cancellation of M.S.Q. on cancellation of licence or on registration

12(1) The market sharing quota of a person shall be automatically cancelled in the event he ceases to be a licenced producer.

12(2) In the event a licenced cream producer becomes an approved person under Schedule "B" of the *Milk Marketing Quota Order*, the market sharing quota of that person shall be

(a) reduced by an amount equal to 4,000 kilograms of butterfat per dairy year as of the conversion date; and

(b) be cancelled two months following the conversion date.

M.R. 250/92

Other reduction or cancellation of M.S.Q.

13 The Board may suspend, reduce or cancel, either on a temporary basis or on a permanent basis, a market sharing quota:

(a) as set out in this Order; or

(b) where a producer has failed to comply with any regulation, order, or directive of the Board; or

(c) where a producer has failed to comply with the Regulations under *The Dairy Act*, or where his dairy farm fails to meet the requirements for buildings, equipment, operation, and herd health set out in Part X of the Regulations made under *The Dairy Act*; or

(d) where a producer delivers cream that does not meet the standard of acceptable cream as defined by an order or regulation of the Board; or

(e) where a producer becomes insolvent or bankrupt or applies for a receiving order or has such an order made against it or takes a benefit from any Act would continue for the time being enforce for the relief of insolvent debtors, or if a receiver is appointed with respect to the facilities used by a producer; or

(f) if the Board has reasonable grounds for believing that such action is in the interests of Manitoba producers and the dairy industry.

PART IV

OWNERSHIP OF M.S.Q.

M.S.Q. owned by board

14 Market sharing quotas are the property of the Board.

M.S.Q. not transferable by producer

15 No person shall

(a) transfer, assign, or sell a market sharing quota to another person, or

(b) offer to transfer, assign, or sell a market sharing quota to another person, or receive payment for a market sharing quota, or offer to buy a market sharing quota from a producer, or make a payment to a producer for a market sharing quota.

Monthly quota exchange system proceeds non-transferable

16 No person shall offer to assign or assign a payment or an entitlement to a payment or an anticipated payment to the receipt of proceeds from a Monthly Quota Exchange System under the *Milk Marketing Quota Order* (Manitoba Regulation 175/91) to another person without the prior written consent of the Board.

M.R. 41/93

PART V

PROHIBITIONS

Prohibitions

17(1) Except as authorized by the Board in writing, no person shall market cream unless he has been allotted a market sharing quota by the Board.

17(2) No person to whom a market sharing quota has been allotted shall market cream other than cream taken from dairy cows in or on a facility situated on the location that has been specified by the Board for the milking of his dairy cows.

17(3) No person to whom a market sharing quota has been allotted shall milk dairy cows in or on a facility which is used by another person to milk dairy cows.

17(4) No person to whom a market sharing quota has been allotted shall market cream except to the processor designated by the Board to receive cream from him.

17(5) No person to whom a market sharing quota has been allotted shall market cream once that person begins marketing milk to the Board under the *Manitoba Milk Producers' Marketing Plan Regulation*.

PART VI

GENERAL

Effect of sharing

18 Where two or more persons keep dairy cows in partnership, or in circumstances in which there is a sharing by them whether familial, communal, or otherwise, of facilities, equipment, labour or services provided directly or indirectly by all or any of them, or pursuant to a contract jointly or severally with the same corporation, firm, or individual, for the purpose of this Order, the cream marketed by one of those persons may be treated by the Board as having been marketed by the other or others.

Acquisition of interests in excess of maximum quota prohibited

19 Notwithstanding anything contained in this Order, the Board will take appropriate action to prevent a person from acquiring control of or acquiring a direct or indirect interest in market sharing quotas in excess of maximum quota.

Step-transactions prohibited

20 Notwithstanding anything contained in this Order, the Board will take appropriate action to prevent a person from acquiring control of, or acquiring a direct or indirect interest in market sharing quotas through a process:

(a) that involves more than one application to the Board; or

(b) that does not disclose to the Board, in conjunction with an application to the Board for any re-allotment of a market sharing quota, particulars of all contemplated or proposed future transactions which may involve

(i) a subsequent re-allotment of a market sharing quota, or

(ii) a future change in the legal or beneficial ownership of an entity, or

(iii) an application to transfer a market sharing quota from one facility to another facility.

PART VII

CHANGES IN BENEFICIAL OWNERSHIP OF OF LICENCED PRODUCERS

Special definitions

21 In this Part,

"**controlling party**" means a person who directly or indirectly is the legal or beneficial owner of an aggregate of more than 50% of any class of the issued shares of, assets of, or interest in an entity;

"**entity**" includes an association, partnership, body corporate, trust or other organization;

"**substantial holder**" means a person who directly or indirectly is the legal or beneficial owner of an aggregate of 10% or more of any class of the issued shares of, assets of, or interest in an entity;

"**transfer**" includes a sale, purchase, mortgage, declaration of trust, or any change in legal or beneficial ownership or rights whatsoever.

Transfers by a substantial holder

22 In the event all or part of the beneficial or legal ownership of an interest of a substantial holder in an entity that is a licenced producer is transferred by the legal or beneficial owner of such interest, the Board may cancel or reduce the market sharing quota of such licenced producer unless the parties to such transfer have requested in writing that the Board waive this provision and have each provided the Board, by Statutory Declaration and Certificate in a form acceptable to the Board, with full particulars Board, with full particulars of the proposed transfer, and any other information with respect to the assets and liabilities of the entity at the effective date of such transfer, and the Board has in its discretion waived this provision either conditionally or unconditionally.

Grounds for non-waiver re transfers

23 The provisions of section 22 will not be waived by the Board if the Board has reasonable grounds for believing that as a result of such transfer a person would have a direct or indirect interest in a market sharing quota or quotas for any dairy year which aggregate in excess of maximum quota.

Bankruptcy or receivership of a controlling party

24 In the event a controlling party in an entity that is a licenced producer becomes bankrupt or applies for a receiving order or has a receiving order made against it or takes the benefit of an Act for the time being in force for the relief of insolvent debtors, or if a receiver is appointed with respect to any interest of the controlling party in such licenced producer, the Board may cancel or reduce the market sharing quota of such licenced producer unless the licenced producer or the trustee or receiver requests in writing that the Board waive this provision and provides the Board, by Statutory Declaration and Certificate in a form acceptable to the Board, with full particulars of such happening and the Board has in its discretion waived this provision either conditionally or unconditionally, provided however that the Board will only waive such discretion on a temporary basis, and on terms and conditions, in order to allow the Trustee in Bankruptcy or Receiver reasonable time to dispose of such interest in the controlling party.

False or misleading information re transfers

25 In the event that the Board has reasonable grounds for believing that any information provided to it by Statutory Declaration or Certificate is false or misleading, or that any conditions established by the Board in waiving the provisions of section 22 or section 24 have not been met by the parties, the Board may cancel or reduce the market sharing quota of the licenced producer whether or not the provisions of section 22 or section 24 have been previously waived by the Board.

Reduction of requirements re certain transfers

26 The Board may establish policies from time to time reducing its requirements under section 22:

(a) with respect to the transfer of shares of a corporation;

(i) from an individual to a member of his immediate family, or

(ii) 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 eighteen (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; and

(b) with respect to a change in the beneficial or legal ownership of an interest in a partnership that is a licenced producer where the legal or beneficial ownership of an interest in such partnership is transferred from an individual to a member of his immediate family; and

(c) with respect to a change in the membership of a Hutterite Colony where that Hutterite Colony is a licenced producer or is the sole legal and the sole beneficial owner of all of the issued shares of a corporation that is a licenced producer.

PART VIII

ASSOCIATION OF LICENCED PRODUCERS

Deemed association

27 In this Part, a person is deemed to be associated with another person if:

(a) one person is an entity of which the other person is an officer, director or substantial holder; or

(b) one person is an entity of which the other person is a partner; or

(c) one person is an entity that is controlled, directly or indirectly, by the other person; or

(d) both persons are entities and one entity is controlled, directly or indirectly, by the same individual or entity that controls, directly or indirectly, the other person; or

(e) both persons are members of a voting trust where the trust controls or operates or has an interest in the other person; or

(f) both persons are associated within the meanings of clauses (a) to (e) with the same person.

Association of licenced producers

28 In the event that a licenced producer becomes associated with another licenced producer, the Board may cancel or reduce the market sharing quotas of such licenced producers unless the licenced producers have requested in writing that the Board waive this provision and have each provided the Board, by Statutory Declaration and Certificate in a form acceptable to the Board, with full particulars of all persons having a direct or indirect interest in such licenced producers and the Board has in its discretion waived this provision either conditionally or unconditionally.

Grounds for non-waiver re association

29 The provisions of section 28 will not be waived by the Board if the Board has reasonable grounds for believing that as a result of such association a person would have a direct or indirect interest in a market sharing quota or quotas which aggregate in excess of maximum quota.

False or misleading information re association

30 In the event that the Board has reasonable grounds for believing that any information provided to it by Statutory Declaration or Certificate is false or misleading, or that any conditions established by the Board in waiving the provisions of section 28 have not been met by the parties, the Board may cancel or reduce the market sharing quota of the licenced producers whether or not the provisions of section 28 have been previously waived by the Board.

PART IX

RE-ALLOTMENT OF M.S.Q.

Complete farm sales

31 In the event a licenced producer sells the land, buildings, and equipment used by him for producing and marketing cream (herein called the "dairy unit"), the Board may re-allot the market sharing quota used in association with the dairy unit to any purchaser.

The applicants will each be required to provide a Statutory Declaration in a form acceptable to the Board setting out the information specified therein. All agreements between the licenced producer and the purchaser (including a detailed listing of all assets included in such sale) shall be appended to such Statutory Declaration.

In the event that the Board has reasonable grounds for believing that any information provided in such Statutory Declaration is false or misleading, the Board may reduce or cancel the market sharing quota in question, whether or not such quota was re-allotted.

The purchaser of the dairy unit will be required to give to the Board a written undertaking, in a form satisfactory to the Board, to maintain the legal and beneficial ownership of the dairy unit and to maintain continuous cream production from such dairy unit for a minimum of 2 years after final approval of the re-allocation of the market sharing quota following the completion of registration of ownership of the dairy unit in the purchaser's name. In the event the Board has reasonable grounds for believing that such undertaking has not been adhered to by the purchaser, the Board may cancel or reduce the market sharing quota in question.

Lease of a complete farm

32 In the event a licenced producer leases the land, buildings, and equipment used by him for producing and marketing cream (herein called the "dairy unit"), for a term not to exceed two (2) years in length, the Board may temporarily re-allot the market sharing quota used in association with the dairy unit to any lessee for the term of the lease.

The applicants will each be required to provide a Statutory Declaration in a form acceptable to the Board setting out the information specified therein. All agreements between the licenced producer and the lessee (including a detailed listing of all assets included in such lease) shall be appended to such Statutory Declaration.

In the event that the Board has reasonable grounds for believing that any information provided in such Statutory Declaration is false or misleading, the Board may reduce or cancel the market sharing quota in question, whether or not such quota was temporarily re-allotted.

At the end of the lease term such quota will automatically be re-allotted by the Board back to the lessor. Any extension or renewal of a term of a lease will be treated as a new lease.

Bankruptcy or receivership of a licenced producer

33 Notwithstanding clause 13 (e), where a person who is a licenced producer becomes a bankrupt or applies for a receiving order or has such an order made against him or takes the benefit of any Act for the time being in force for the relief of insolvent debtors, or if a receiver is appointed with respect to the facilities of a licenced producer, the Board may, upon written request of the Trustee in Bankruptcy or the Receiver, temporarily re-allot to the Trustee in Bankruptcy or Receiver the market sharing quota allotted to such producer upon terms and conditions as may be established by the Board at the time of such temporary re-allotment.

Re-allotment of M.S.Q. on death, disability or retirement

34 In the event of the death, disability or retirement of an individual who is a licenced producer, the Board may, on written request of such licenced producer or of the personal representative of such deceased licenced producer, re-allot the market sharing quota allotted to such licenced producer to the heir or designated member of such licenced producer's immediate family

(a) who becomes the owner of the cream production and marketing business carried on by the licenced producer and of the land, buildings, and equipment used by the licenced producer for producing and marketing cream, or

(b) who becomes the owner of the cream production and marketing business carried on by the licenced producer and of any assets owned by such licenced producer in connection with such business, and becomes entitled to possession of the land and buildings used by such licenced producer in connection with such business as the successor in possession to such licenced producer.

The applicants will be required to provide a Statutory Declaration in a form acceptable to the Board setting out the information specified therein.

In the event that the Board has reasonable grounds for believing that any information provided in such Statutory Declaration or application is false or misleading, the Board may cancel or reduce the market sharing quota in question, whether or not such quota was re-allotted.

M.R. 204/91

Re-allotment of M.S.Q. on establishment of family partnership

35 Where an individual who is a licenced producer enters into a partnership with a member of his immediate family, the Board may, on written request of such licenced producer, re-allot the market sharing quota allotted to such licenced producer to such partnership

(a) which becomes the owner of the cream production and marketing business carried on by the licenced producer and of the land, buildings and equipment used by the licenced producer for producing and marketing cream, or

(b) which becomes the owner of the cream production and marketing business carried on by the licenced producer and of any assets owned by such licenced producer in connection with such business, and becomes entitled to possession of the land and buildings used by such licenced producer in connection with such business as the successor in possession to such licenced producer.

The applicants will be required to provide a Statutory Declaration in a form acceptable to the Board setting out the information specified therein.

In the event that the Board has reasonable grounds for believing that any information provided in such Statutory Declaration or application is false or misleading, the Board may cancel or reduce the market sharing quota in question, whether or not such quota was re-allotted.

M.R. 204/91

Re-allotment of M.S.Q. on establishment of a corporation

36 Where an individual who is a licenced producer incorporates a corporation controlled by himself and/or members of his immediate family, or where the partners who are licenced producers incorporate a corporation owned by themselves in the same proportion as they owned interests in the partnership, or where a licenced producer which is a corporation incorporates a wholly owned subsidiary, the Board may, on written request of such licenced producer, re-allot the market sharing quota allotted to such licenced producer to such corporation or subsidiary

(a) which becomes the owner of the cream production and marketing business carried on by the licenced producer and of the land, buildings and equipment used by the licenced producer for producing and marketing cream, or

(b) which becomes the owner of the cream production and marketing business carried on by the licenced producer and of any assets owned by such licenced producer in connection with such business, and becomes entitled to possession of the land and buildings used by such licenced producer in connection with such business as the successor in possession to such licenced producer.

The applicants will be required to provide a Statutory Declaration in a form acceptable to the Board setting out the information specified therein.

In the event that the Board has reasonable grounds for believing that any information provided in such Statutory Declaration or application is false or misleading, the Board may cancel or reduce the market sharing quota in question, whether or not such quota was re-allotted.

M.R. 204/91

Partial and complete re-allotment of M.S.Q. to related persons

37 The Board may, upon application of a licenced producer in writing, (herein called "the applicant") re-allot all or a portion of the market sharing quota allotted to such applicant to another person (herein called "the recipient") in the following circumstances:

(a) with respect to an individual applicant, where the recipient is a member of such applicant's immediate family;

(b) with respect to a partnership applicant, where all partners in the partnership are members of the same immediate family and where the recipient is a member of that immediate family;

(c) with respect to a corporation applicant, where all legal and beneficial shareholders in such applicant are members of the same immediate family and where the recipient is a member of such immediate family;

(d) with respect to a Hutterite Colony applicant (or a corporation applicant which is a wholly owned subsidiary of a Hutterite Colony) where the recipient is a wholly owned subsidiary of such applicant, or a daughter-Hutterite Colony, or a corporation wholly owned by a daughter-Hutterite Colony. For the purpose of this provision a daughter-Hutterite Colony shall mean a Hutterite Colony recently created as a result of the division of the assets and the membership of a Hutterite Colony;

provided that no such re-allotment will be made until a recipient has established a separate facility owned or solely operated by him in which to keep dairy cows.

The applicants will each be required to provide a Statutory Declaration in a form acceptable to the Board setting out the information specified therein and in the event that the Board has reasonable grounds for believing that any information provided in such Statutory Declaration or an application is false or misleading, the Board may cancel or reduce the quota in question, whether or not such quota was re-allotted.

The Board will not approve the re-allotment of a market sharing quota pursuant to the above provisions if such re-allotment would result in the balance of a market sharing quota retained by the applicant being less than 300 kilograms of butterfat per dairy year unless all of the market sharing quota allotted to such applicant is re-allotted pursuant to the above provisions.

Re-allotment of M.S.Q. on merger of licenced producers

38 In the event two or more licenced producers (the "applicants") wish to merge their dairy operations and carry on cream production and marketing activities at the dairy farm of one of them, the Board may, upon application of such applicants re-allot the market sharing quota allotted to such applicants to a corporation or partnership formed by the applicants to carry on cream production and marketing activities at such dairy farm on a merged basis.

The applicants and the corporation or partnership formed by them (the "recipient") will each be required to provide a Statutory Declaration in a form acceptable to the Board setting out the information specified therein, and in the event that the Board has reasonable grounds for believing that any information provided in such Statutory Declaration or any application is false or misleading, the Board may cancel or reduce the quotas in question, whether or not such quotas were re-allotted.

In approving the re-allotment of quotas under this provision, the quotas allotted to all but one of the applicants will be reduced by a Transfer Assessment equivalent to 15% of such quotas. Any such Transfer Assessment shall be credited to the Transfer Assessment Pool established under Schedule "A" of the *Milk Marketing Quota Order* (Manitoba Regulation 175/91).

M.R. 41/93

Re-allotment and maximum size

39 No quota will be re-allotted to an applicant corporation or partnership if:

(a) any beneficial shareholder of such applicant corporation or any beneficial owner of the assets of such applicant partnership is:

(i) a licenced producer, or

(ii) a beneficial shareholder in a corporation which is a licenced producer, or

(iii) a beneficial owner of the assets of a partnership which is a licenced producer that has been allotted a market sharing quota or quotas which are equal to or aggregate in excess of maximum quota, or

(b) the Board has reasonable grounds for believing that as a result of such re-allotment a person would directly or indirectly control or have an interest in market sharing quota which aggregate more than maximum quota.

PART X

MONTHLY QUOTA EXCHANGE SYSTEM

Monthly quota exchange system applicable

40 Market sharing quotas may be cancelled and re-allotted by the Board in accordance with Schedule "A" of the *Milk Marketing Quota Order* (Manitoba Regulation 175/90).

M.R. 41/93

PART XI

FACILITIES

M.S.Q. to be allotted for a facility

41 In allotting a market sharing quota to a licenced producer, the Board may specify the location of the facility in which the producer's dairy cows, or any portion of such dairy cows, must be milked.

Standards for equipping and operating facilities

42 It is a condition of the allotment of a market sharing quota to any registered producer that the facilities of that producer shall at all times meet all of the requirements for buildings, equipment, operation and herd health for dairy farms as may be established by the Board from time to time.

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Relocation of facilities

43 A licenced producer may make application to relocate his cream production and marketing activities to a new location. In conjunction with any such application such licenced producer shall provide to the Board such information as the Board may require and such consents which the Board may request from secured creditors of such licenced producer.

Emergency relocation

44 The Board may allow a licenced producer to temporarily relocate his dairy cows to another location in the event of an emergency even if the licenced producer is not the licenced owner or the sole operator of the facility on that new location.

Examination of facilities

45 It is a condition of the allotment of market sharing quota to a licenced producer that such licenced producer allow any duly authorized representative of the Board to examine his facility from time to time. Prior to such examination, the Board will give reasonable notice to such licenced producer of its intention to conduct such examination.

PART XII

EXEMPTION AND REPEAL

Extract from plan

46 This order is subject to the provisions of section 13 of the Plan which presently read as follows:

Non-application

14 This regulation does not apply to:

(a) cream which is used by the producer of that cream for or consumption or to manufacture or produce products which are consumed by that producer and his immediate family or anyone of them;

(b) cream which is used by a multi-family unit for consumption by members that multi-family unit and the immediate family of any member of that multi-family unit, or which is used to manufacture products which are consumed by members of that multi-family unit and the immediate family of any member of that multi-family unit;

(c) cream which is marketed by the producer of that cream to or through the Board in accordance with the orders and regulations made under the *Manitoba Milk Producers' Marketing Plan Regulation*;

(d) cream which is produced and processed by the University of Manitoba, and which is consumed on the Campus of the University of Manitoba;

(e) cream which is produced and processed by the Rockwood Institution, and which is consumed by the employees and inmates of the Rockwood Institution or Stony Mountain Penitentiary on the site of such institution or penitentiary.

Effective date

47 This regulation comes into force on the date it is filed with the Registrar of Regulations, except Part X which comes into force on the 1st day of August, 1990.

July 6, 1990

THE MANITOBA MILK PRODUCERS' MARKETING BOARD:

Louis Balcaen
Chairman

C.J. Knockaert
Vice-Chairman

APPROVED

July 26, 1990

THE MANITOBA NATURAL PRODUCTS MARKETING COUNCIL:

Howard Motheral
Chairman

Gordon MacKenzie
Secretary

SCHEDULE "A"

Repealed.

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The Queen's Printer
for the Province of Manitoba