



## **NOTICE OF ANNUAL GENERAL MEETING – June 20, 2013**

Notice is hereby given that the Annual General Meeting (AGM) of the Members of the Canadian Pallet Council/Conseil des palettes du Canada will be held on **Thursday, June 20<sup>th</sup>, 2013 at 9:00 am EST in the Muskoka Ball Room at the Toronto Airport Sheraton Hotel, 801 Dixon Road, Toronto, Ontario.**

See below for the Agenda, the 2012 AGM minutes and proposed by-law revisions.

Immediately following the formal AGM meeting there will be an informal discussion regarding the current status of the CPC. The CPC Board of Directors and staff will be available to have an interactive discussion with Members regarding the closure of the CPC.

During recent months, we have invested a great deal of CPC's limited resources in seeking solutions and at this point, the CPC Board and Management do not see a way to maintain a viable and meaningful organization for members, in light of all of the necessary service reductions due to loss of revenue. As a result, the termination of the organization by year end is anticipated and plans are underway to close the CPC. However, this is an issue for determination by the membership, and we need to hear members' views and consider any options, alternatives or suggestions that the members may have.

Sincerely,

Belinda Junkin  
President & CEO

Enclosures (3)

**CPC ANNUAL GENERAL MEETING**  
***Sheraton Toronto Airport Hotel***  
***801 Dixon Road, Toronto, Ontario***  
***Thursday, June 20, 2013***

**AGENDA**

1. Call to Order
2. Approval of Agenda
3. Approval of Minutes of April 24, 2012
4. Chair and President's Report
5. Financial Report
  - a) 2012 audited financial statements
  - b) Appointment of auditor for 2013
6. Committee Reports
  - a) User Support Team
  - b) Nominating Committee
7. Approval of By-law Revisions
8. Other Business
9. Termination

**Note:** Immediately following the close of the formal AGM meeting there will be an informal discussion regarding the current status of the CPC. The CPC Board of Directors and staff will be available to have an interactive discussion with Members regarding the anticipated closure of the CPC.

During recent months, we have invested a great deal of CPC's limited resources in seeking solutions and at this point, the CPC Board and Management do not see a way to maintain a viable and meaningful organization for members, in light of all of the necessary service reductions due to loss of revenue. As a result, **the termination of the organization by year end is anticipated and plans are underway to close the CPC.** However, this is an issue for determination by the membership, and we need to hear members' views and consider any options, alternatives or suggestions that the members may have.

**Canadian Pallet Council**  
**Annual General Meeting Minutes**  
***Sheraton Toronto Airport Hotel***  
***Muskoka Ballroom***  
***Toronto, Ontario***  
**Tuesday April 24, 2012**

**ITEM 1.0 CHAIRMAN'S REMARKS**

CPC Chair, Shawn Lacey [Metro Ontario Inc.] welcomed delegates to the 35<sup>th</sup> Annual General Meeting of the Canadian Pallet Council.

Mr. Lacey introduced the head table: Ms. Laura Young, [Laura C. Young, Barrister & Solicitor], Mr. Thomas Tomovic, [Saputo Dairy Products Canada G.P.] and Ms. Belinda Junkin, President and CEO.

**ITEM 2.0 APPROVAL OF AGENDA**

Mr. Lacey noted a quorum was present and called the 35<sup>th</sup> Annual General Meeting to order at 9:05 am, directing members to the Proposed Agenda.

Ms. Junkin advised that no "Other Business" had been filed with her in the past 30 days, as required within the By-Laws.

A motion to approve the Proposed Agenda of the 2012 Annual General Meeting as presented was made by Clint Sharples [Paramount Pallet Inc.], seconded by Jim McGrath [P & H Milling Group - Cambridge] and carried unanimously.

**ITEM 3.0 APPROVAL OF 2011 ANNUAL GENERAL MEETING MINUTES**

A motion to approve the minutes of the previous Annual General Meeting held on Tuesday, April 19, 2011 as presented was made by Suzy Teves [Loblaws Inc.], seconded by Ryan Scobie [Woodbridge Pallet Ltd.] and carried unanimously.

**ITEM 4.0 CHAIR'S REPORT**

Mr. Lacey presented the Chair's Report, advising that the Board of Directors had met on six occasions. The Executive Committee met on six occasions in addition to several conference calls as required in 2011.

Mr. Lacey presented the following items, which were approved by the Board during the last 12 months:

- Appointed CPC Executive Committee
- Received Interim Financial Reports
- Approved 2012 Membership Fees, Trademark Royalty Fees, CTSWEB User Fees and Enhanced Penalty Rates
- Approved 2012 CPC Budget
- Approved 63 New Memberships

A motion to accept the Chair's Report as presented by Mr. Lacey was made by Paul Simpson [Pallet Renew Inc.], seconded by Tina Rowsell [McCain Foods (Canada) (Florenceville)] and carried unanimously.

#### **ITEM 5.0 FINANCIAL REPORT**

Mr. Lacey called upon Mr. Thomas Tomovic, [Saputo Dairy Products Canada G.P.] to present the Financial Statements.

Mr. Tomovic drew the delegates attention to the Financial Statements included in the meeting information kits. These statements were prepared by the CPC Auditor, Mr. John Lillico, who reported that: *"In my opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Pallet Council as at December 31, 2011 and its financial performance and its cash flow for the year then ended in accordance with Canadian generally accepted accounting principles."*

Mr. Tomovic reviewed the 2011 Financial Statements.

#### **Statement of Financial Position**

As of yearend December 31<sup>st</sup> 2011, CPC Assets totaled \$1,505K which includes \$832K in Cash, Marketable Securities, and Prepaid expenses, plus \$672K for Deferred Project charges related to the ECT Project.

Total Liabilities, Reserves and other Fund Balances, total \$1,505K equals Total Assets; therefore the CPC's books are in order.

#### **Statement of Operations**

**Income** – Revenue for 2011 totaled \$2,651K – A decrease of 6% over prior year. Mr. Tomovic noted that CPC Revenue decreased over prior year due lower Membership and CTSWEB Fees, lower interest rates, reduced Trademark Royalties and a reduction in the grant from SDTC.

**Expenses** – Expenses for the year totaled \$2,207K – a decrease of 28% over 2010; resulting in a surplus of Revenues over Expenses of \$444K at year-end. Mr. Tomovic explained that incremental spending related to the ECT Project was more than offset by spending controls and the allocation of the ECT Project to the Balance Sheet. (This expense will be brought back into the Statement of Operations in future years as amortization).

The greatest change in expenses is within the PC and Software Development account which increased \$400K over 2010. In 2011, PC and Software Development reflected developmental costs related to the ECT Project.

All other expenses were reduced to match revenue.

#### **Statement of Financial Position**

As of December 31, 2011 the CPC Cash Reserve from Operations stands at \$1,077K.

A motion to accept the 2011 Financial Statements as presented by Mr. Tomovic was made by Clint Sharples [Paramount Pallet Inc.], seconded by Jim McGrath [P & H Milling Group - Cambridge] and carried unanimously.

**Appointment of Auditor:**

A motion to re-appoint Mr. John Lillico, CA, as Auditor for 2012 was made by Thomas Tomovic, [Saputo Dairy Products Canada G.P.], seconded by Clint Sharples [Paramount Pallet Inc.] and carried unanimously.

**ITEM 6.0 COMMITTEE REPORTS**

Mr. Lacey called upon Ms. Junkin to present the Committee Reports.

Ms. Junkin recognized the CTSWEB User Support Team (UST) who assisted with development and support for CTSWEB and have been an extremely valuable resource in defining CPC member requirements as part of the ECT Project and by providing support and encouragement to other CTSWEB users. She asked the UST committee members to stand and be recognized. This Committee consists of:

Rosabella Bottrell	Saputo Dairy Products Canada G.P.
Darrell Duncan	Armour Transportation Systems
Greg Hemeryck	Paramount Pallet Inc.
Vicki Kinnaird-Simms	Metro Ontario Inc.
Diane Lalonde	Provigo Distribution Inc.
Veena Palmer	Atlantic Packaging Products Ltd.
Linde Stiles	Sobeys Inc.
Suzy Teves	Loblaws Inc.
David Van Weston	Woodbridge Pallet Ltd.
Sami Ben-Khelifa	iLogic Inc. Client Services Manager
Alex Bird	VP Innovations & Sustainability
Chris Brown	CPC Consultant
Gord Bugden	CPC Ontario Representative
Mark Foley	CPC Director Member Services
Marc Kalukuta	CTSWEB Support Desk - iLogic
Huw Leonard	iLogic Inc. Chief Technology Officer
Kasia Pisz	iLogic Inc. CTSWEB Developer

**Nominating Committee**

The 2012 Nominating Committee consisted of:

Brad Henderson	Sobeys Inc.
Shawn Lacey	Metro Ontario Inc.
Doug Saunders	Vincor International Inc.
Thomas Tomovic	Saputo Dairy Products Canada G.P.
Belinda Junkin	Canadian Pallet Council

Ms. Junkin presented the Nominating Committee recommendations for the 2012 Board of Directors.

**CPC BOARD OF DIRECTORS for 2012 – 2013**

**Retailers and Wholesalers**

Rene Couture	Loblaws Inc.
Brad Henderson	Sobeys Inc.
Shawn Lacey	Metro Ontario
Scott Oliff	Matrix Logistics Services Limited
Nunzio Patriarca	SYSCO - Canada

**Manufacturers and Suppliers**

Carmel McLean-Spencer	Atlantic Packaging Products Ltd.
Tina Rowsell	McCain Foods (Canada) Florenceville
Doug Saunders	Vincor International Inc.
Todd Simpson	Coca-Cola Refreshments Canada Co.
Thomas Tomovic	Saputo Dairy Products Canada G.P.

**Third Party Warehouse & Logistics Companies**

*Larry Towers	Armour Logistics Services
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**Transportation Industry**

Jeff Wilder	Thomson Terminals Ltd.
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**Pallet Manufacturers and Repairs**

Heidi Doering-Simpson	Pallet Renew Inc.
Herman Long	Scotia Pallets Ltd.
Ryan Scobie	Woodbridge Pallet Ltd.
Clint Sharples	Paramount Pallet Inc.

**Association Memberships**

Errol Cerit	Food & Consumer Products of Canada (FCPC)
Bill Eggertson	Canadian Wood Pallet & Container Assoc. (CWPCA)

**\*denotes new**

**Officers for 2012**

Chair	Shawn Lacey, VP Logistics & Distribution, Metro Ontario Inc.
Past Chair	Brad Henderson, National Director Logistics, Sobeys Inc.
Vice Chair	Vacant
Treasurer	Vacant
Secretary to the Board	Belinda Junkin, President & CEO of Canadian Pallet Council

A motion to accept the slate of nominated CPC Directors as recommended was made Suzy Teves [Loblaws Inc.], seconded by Ali Amos [Cott Beverages Canada] and carried unanimously.

The newly appointed Directors stood and were recognized by the delegates.

**Resigning from the Board of Directors are:**

- Ralston Armour      Armour Logistics Services
- Kevin Augot        TDL Group Ltd.
- Kevin Frowd        High Liner Foods Incorporated
- Kevin McLeod      Maple Leaf Foods Inc.

**ITEM 7.0    OTHER BUSINESS**

There was no other business.

**ITEM 8.0    TERMINATION**

A motion to terminate the 35th CPC Annual General Meeting at Toronto was made by Ryan Scobie [Woodbridge Pallet Ltd.] seconded by Tina Rowsell [McCain Foods (Canada) (Florenceville)] and carried unanimously at 9:24 am.

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Secretary

## **NOTICE TO MEMBERS**

### **PROPOSED BY-LAW REVISIONS**

As required by the CPC by-laws, you are hereby presented with the proposed by-law revisions, which will be presented to the CPC Membership for approval at the 2013 Annual General Meeting at 9:00am EST on June 20<sup>th</sup>, 2013 at the Sheraton Toronto Airport Hotel and Conference Centre, 801 Dixon Road, Toronto.

The attached by-law revisions are designed to ensure that the governance of the organization is not impaired by the ongoing reduction in CPC membership, as well as the decreasing number of board members. Reduced quorum levels, for example, will ensure that governance decisions can continue to be made. These changes also reflect the reality, which is that the CPC has been operating with a smaller board of directors in recent years. Copies of the current by-laws (last revised April, 2010) are available online within the members' only section of the CPC website or from the CPC office. Any questions should be directed to the CPC office.



# PROPOSED BY-LAW REVISIONS MAY 30, 2013

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## Current

### **17. SPECIAL GENERAL MEETING**

17.01 A special general meeting shall be called at the request of **not less than eleven (11) members of the Board provided such request is not opposed by a greater number of members of the Board.**

## Current

### **19. QUORUM AT GENERAL MEETINGS**

19.01 Thirty (30) members, present in person or represented by their authorized representatives in person or by proxy, shall constitute a quorum at a general meeting.

## Current

### **24. BOARD OF DIRECTORS**

24.01 The property and business of the CPC shall be managed by the Board. The Board shall consist of the Chair of the Board, Vice-Chair, Treasurer, Immediate Past-Chair of the Board, if he or she is available, and **twenty-two (22)** other Directors who shall be elected by the membership. The Board shall have eight (8) Directors representing the Consumer Related Product Manufacturers/Suppliers, eight (8) Directors representing Consumer Related Retailers and Wholesalers, four (4) Directors representing the Pallet Manufacturers, Repair or Rental members, three (3) Directors representing the Transportation members and three (3) Directors representing the Third Party Warehousing industry. Vacancies on the Board shall not nullify the acts or functions of the Board as long as the Board consists of a minimum of **12 members.**

## Proposed Revision

### **17. SPECIAL GENERAL MEETING**

17.01 A special general meeting shall be called at the request of **either a majority of the directors of the Board, or the majority of the directors in attendance at a duly called meeting of the Board.**

## Proposed Revision

### **19. QUORUM AT GENERAL MEETINGS**

19.01 Thirty (30) members, present in person or represented by their authorized representatives in person or by proxy, shall constitute a quorum at a general meeting. **Notwithstanding the foregoing, if the number of members is 500 or less, 5% of such members shall constitute a quorum.**

## Proposed Revision

### **24. BOARD OF DIRECTORS**

24.01 The property and business of the CPC shall be managed by the Board. The Board shall consist of the Chair of the Board, Vice-Chair, Treasurer, Immediate Past-Chair of the Board, if he or she is available, and **up to** twenty-**six (26)** other Directors who shall be elected by the membership. The Board **may** have **up to** eight (8) Directors representing the Consumer Related Product Manufacturers/Suppliers, **up to** eight (8) Directors representing Consumer Related Retailers and Wholesalers, **up to** four (4) Directors representing the Pallet Manufacturers, Repair or Rental members, **up to** three (3) Directors representing the Transportation members and **up to** three (3) Directors representing the Third Party Warehousing industry. Vacancies on the Board shall not nullify the acts or functions of the Board as long as the Board consists of a minimum of **three (3) directors and a maximum of thirty (30) directors.**

## PROPOSED BY-LAW REVISIONS MAY 30, 2013

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### Current

#### 26.02 **ELECTED DIRECTORS**

Except for the President and the Immediate Past-Chair of the Board at the date of members sanctioning this By-Law, only members or their authorized representatives are eligible to be elected as a Director of the CPC.

### Proposed

#### 26.02 **ELECTED DIRECTORS**

Except for the President and the Immediate Past-Chair of the Board at the date of members sanctioning this By-Law, only members or their authorized representatives are eligible to be elected as a Director of the CPC. However if a director ceases to be a member or an authorized representative of a member, the director shall not be required to vacate the office for that reason.

### Current

#### 26.03 **PAST-CHAIR OF THE BOARD**

Except for the Immediate Past-Chair of the Board at the date of members sanctioning this By-Law, a Director on the Board, by reason of his/her status as Past-Chair of the Board as set out in By-Law 24 herein, must be an active member or authorized representative of an active member.

### Proposed

#### 26.03 ~~**PAST-CHAIR OF THE BOARD**~~

~~Except for the Immediate Past-Chair of the Board at the date of members sanctioning this By-Law, a Director on the Board, by reason of his/her status as Past-Chair of the Board as set out in By-Law 24 herein, must be an active member or authorized representative of an active member.~~

### Current

26.04 An Officer or a Director ceasing to be eligible as a member or representative of a member shall become ineligible to remain an Officer or Director. If the cause of ineligibility is change in employment, he/she may remain an Officer or Director only if he/she becomes forthwith a member, or representative of a member, of the same class of membership as previously held.

### Proposed

~~26.04 An Officer or a Director ceasing to be eligible as a member or representative of a member shall become ineligible to remain an Officer or Director. If the cause of ineligibility is change in employment, he/she may remain an Officer or Director only if he/she becomes forthwith a member, or representative of a member, of the same class of membership as previously held.~~

# PROPOSED BY-LAW REVISIONS MAY 30, 2013

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## Current

### **32. VACATING OF OFFICE**

32.01 Any Officer and any Director shall vacate his/her office if:

- a) he/she ceases to qualify as an Officer, or as a Director as set out in By-Law 26;
- b) he/she resigns his/her office by notice in writing to the Secretary;
- c) his/her office is declared by the Board to be vacated by reason of his/her inability or failure to attend to the CPC's business; the resolution for such declaration to be passed must receive the affirmative vote of not less than three quarters (3/4) of the Board members present;
- d) ~~he/she, or the partnership or company represented, resigns from membership, becomes bankrupt or makes an assignment for the benefit of creditors, or otherwise ceases to qualify as a member in the class of membership held; or~~
- e) he/she is deceased.

## Current

### **34. MEETINGS OF THE BOARD**

34.02 The Chair of the Board, the Vice-Chair of the Board or the President may, at any time, call a meeting of the Board. In their absence, or upon their refusal to act, any member of the Board may call a meeting of the Board upon being requested to do so, in writing, by ~~seven (7)~~ members of the Board.

## Current

### **37. QUORUM OF THE BOARD**

Seven (7) Directors present in person, by telephone or by other communications technologies, or duly represented in person, by telephone or by other communications technologies, shall form a quorum at any meeting of the Board. A representative of a Director is any person who is appointed by the Director, is employed by the same employer as the Director, and who the Board permits to attend on behalf of the Director.

## Proposed Revision

### **32. VACATING OF OFFICE**

32.01 Any Officer and any Director shall vacate his/her office if:

- a) he/she ceases to qualify as an Officer, or as a Director as set out in By-Law 26;
- b) he/she resigns his/her office by notice in writing to the Secretary;
- c) his/her office is declared by the Board to be vacated by reason of his/her inability or failure to attend to the CPC's business; the resolution for such declaration to be passed must receive the affirmative vote of not less than three quarters (3/4) of the Board members present **or:**
- d) he/she is deceased.

## Proposed Revision

### **34. MEETINGS OF THE BOARD**

34.02 The Chair of the Board, the Vice-Chair of the Board or the President may, at any time, call a meeting of the Board. In their absence, or upon their refusal to act, any member of the Board may call a meeting of the Board upon being requested to do so, in writing, by **a majority of the** members of the Board.

## Proposed Revision

### **37. QUORUM OF THE BOARD**

**The lesser of half of the Directors of the Board, or** seven (7) Directors present in person, by telephone or by other communications technologies, or duly represented in person, by telephone or by other communications technologies, shall form a quorum at any meeting of the Board, **but in no event shall a quorum be less than two (2) Directors.** A representative of a Director is any person who is appointed by the Director, is employed by the same employer as the Director, and who the Board permits to attend on behalf of the Director.