

November 29, 2022

Mr. Armand Vander Meulen

Re: Conflict of Interest

Dear Armand,

The BC Vegetable Marketing Commission (BCVMC) Members have met to discuss whether you are in a real or perceived conflict of interest, and/or whether you have failed to act in accordance with your fiduciary obligations to the Commission, by pursuing and lobbying for a separate regulatory body for greenhouse vegetables in your capacity as Chair of the BC Greenhouse Growers' Association (BCGGA). The BCMVC Chair and Vice Chair met with you to discuss this matter and as part of the BCVMC Members' deliberations the following documents were reviewed and discussed:

- BCFIRB Letter – "Commission Member Conflict of Interest and Request for Information", November 8, 2022
- Your Letter to Debbie Etsell, BCVMC Chair – "Response to FIRB letter", November 22, 2022
- BCGGA Letter to Minister Popham – "Creation of a new agricultural commodity board", September 26, 2022

Commission Members also considered the BCVMC Code of Conduct which clearly states that all Commission Members must "act in a manner to enhance and maintain the reputation of the Commission". It also requires Commission Members to act in good faith and in a courteous and respectful manner. Statements made in your correspondence are not upholding the BCVMC's Code of Conduct and can be detrimental to the Commission. Statements of particular concern include:

- You have referred to the Commission's structure as "inherently dysfunctional" and made repeated references to serious allegations which have been found by the BCFIRB to be baseless. This does not show support of the BCVMC or your fellow Commissioners.
- You have made comments that there is duplication between the BC Greenhouse Growers' Association and the Commission, which should not be the case as the two organizations have distinctly different mandates and purposes.
- Reference to "individuals with little or no knowledge and experience in the subject industry" does not recognize the significant efforts put in by the Commission to establish Advisory Groups and to mitigate any perceived conflict of interest by those making decisions. This shows a disrespect for the skills and abilities each Commissioner brings to support the BCVMC.

Commission Members, after reviewing and discussing the information presented, have concluded that you have breached the BCVMC's Code of Conduct; failed to act in accordance with your fiduciary obligations to the Commission, and that you are in real or perceived conflict of interest, by pursuing a separate greenhouse regulatory body. This pursuit is not part of the BCVMC strategic plan and could be detrimental to the BCVMC.

It appears from your correspondence that you believe that the Conflict of Interest obligations imposed on Commission members are satisfied by merely making declarations and signing the form at the start of a Commission Member's tenure. This is not the case and it is incumbent upon all Commission Members to actively manage their Conflicts of Interest - whether real or perceived - and ensure that any potentially competing responsibilities do not negatively impact their duties to the Commission.

It is clear to the BCVMC that your fiduciary duties are divided as you are working towards, and loyal to, a separate scheme for the BC Greenhouse Growers. This is not a Strategic Initiative or goal of the BCVMC. While you are free to pursue this objective in your capacity Chair of the BCGGA, the objective is fundamentally in conflict with the Commission's interests. It is also significant that your response to the FIRB letter sent to the Chair of Commission was copied to the BCGGA. There is an obligation to maintain confidences with respect to Commission affairs, and the failure to do so here underscores your divided loyalties.

This conflict is not manageable. It is simply not tenable for a person to maintain a position as a member of the Commission, while simultaneously working against the Commission's interests (and without the Commission's knowledge). The Commission has therefore decided that you will no longer be permitted to receive information from the Commission that would be subject to the obligation of confidentiality owed by Commission members, and that you will no longer be permitted to participate in any further meetings, discussions or decisions, for so long as you maintain an executive position with the BCGGA, and for so long as you wish to pursue objectives that are inconsistent with the Commission's objectives. If you wish to receive confidential information from the Commission and participate in further Commission meetings, discussions or decisions, then it will be incumbent on you: (a) to resign from your position with the BCGGA; (b) to formally retract the position advanced by you to the Minister, as that position is fundamentally misaligned with the Commission's objectives; and (c) to refrain from taking any positions, or pursuing any objectives, that are inconsistent with the Commission's objectives.

Regards



Debbie Etsell, Chair

BC Vegetable Marketing Commission
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