

**DRAFT FOR APPROVAL - NAEGA Board of Directors January 31, 2017 – Miami, FL
Meeting Minutes**

Board Members in Attendance	NAEGA Member Company
1. Steve Smalley	Cargill, Inc.
2. Steve Campbell	Louis Dreyfus Company
3. Charlie Colbert	Zen-Noh Grain Corporation
4. John Griffith	CHS, Inc.
5. Tsuyoshi Nakano	Mitsui & Co.
6. Randal Ritchie	Gavilon Grain, LLC
7. Wesley Uhlmeyer	ADM
8. Holly Womack	CoBank
9. Ron Marshall	Toyota Tsusho America
10. Steve Strong	Bunge North America

Also attending were: Gary Martin, Ryan Olson – NAEGA; Carsten Bredin, Richardson International (by phone).

Steve Smalley, Chairman of the NAEGA Board of Directors, presided over the meeting beginning at approximately 8:00am Eastern Time in the Studio 2 Room of the Miami Beach EDITION Hotel in Miami, Florida. Proceeding through the proposed agenda:

1. The meeting was called to order. Antitrust and other compliance related commitments were reviewed and accepted.
2. All attendees self-identified. Charles Colbert identified himself as the proxy vote for David Smoot of Viterra. Wesley Uhlmeyer identified himself as the proxy vote for Augusto Bassanini. A quorum of Board members was recognized.
3. NAEGA President and CEO Gary Martin introduced the meeting and welcomed attendees to Miami. Gary recognized the Commodity Markets Council (CMC) for their hospitality in hosting NAEGA, and recommended that the Board consider further meetings in Miami each year in coordination with the CMC State of the Industry conference.
4. The Board reviewed the proposed agenda. Wesley Uhlmeyer proposed to add to the agenda discussion of creating a way to exchange bills of lading (BL) electronically for Mississippi River trade. Currently, exchanging BL in a string of contracts is costly and inefficient. Through coordination with NAEGA members this process can be improved. A motion was called for to add this item to the agenda. The motion was seconded and the minutes were approved unanimously.
5. Board Members moved on to review the minutes from the October 19, 2016 meeting of the Board of Directors in Portland, Oregon. No changes to the minutes were recommended. The minutes were approved unanimously.
6. The Board proceeded to consider the Board structure, the election of individuals to fill unexpired seats, the functioning of an executive committee, and the upcoming expiration

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of all Board seats at the March meeting of the Board of Directors in New Orleans.

7. President and CEO Gary Martin is still working on developing a draft policy on principles only voting that would serve as an effective executive committee for Board decisions. Gary will send a draft policy to the Board before the March 2017 Board meeting.
8. Regarding Board membership and structure, in the past, the Board has had terms that have been as short as 2 years or as long as the Board member's tenure at the company. It is ultimately the Membership's choice, at the recommendation of the current Board of Directors, on how the Board should structure itself. Some members suggested that the Board adopt revolving terms, each of which expire after either two or three years. Other proposed that the Board be divided into three classes with staggered terms of up to three years. Ultimately, the Chairman proposed that the Board create a nominating committee, made up of current members of the Board. The nominating committee would make recommendations for who should be elected to the Board of Directors at the March meeting, how long Board terms should be and how they should be structured.
9. There were no objections to the creation of a nominating committee. Chairman Steve Smalley proposed that the Board First Vice-Chair Steve Campbell should Chair the nominating committee. Board members Charlie Colbert, Wes Uhlmeier and Randy Ritchie were selected to join the nominating committee.
10. The Board moved on to consider the proposed budget and estimated final from 2016. The current budget for 2017 is preliminary, and President and CEO Gary Martin recommended that the Board wait and approve the 2017 budget at the March Board meeting in New Orleans. At this point NAEGA should have a better idea of 2017 member dues revenue and a final operating statement for 2016.
11. During consideration of the preliminary 2017 budget, some Board members raised concerns about the IGTC's impact on NAEGA finances and operations. The IGTC is beginning implementation of the November 2016 Business Plan, and has begun to invoice members for 2016 Member Dues and Corporate Stakeholder investments. Members were concerned that large contributions by the major grain companies to build up reserves in the IGTC takes away from IGTC association members' responsibility to contribute membership dues. It effectively encourages IGTC members to "free ride" on the contributions of large corporate stakeholders. Some Board members indicated that selling the IGTC internally was difficult for them because of their contributions to regional trade associations. The IGTC should work to encourage regional associations to contribute directly to IGTC.
12. Carsten Bredin of Richardson International joined the meeting by phone. Carsten has been recommended by Richardson to fill the unexpired Board term of Terry James. Carsten introduced himself and described his background and experience.

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13. The Board moved to consider filling of the two unexpired terms of Ron Williams, Columbia Grain and Terry James, Richardson International.
 - a. Carsten Bredin was nominated to fill Terry James's unexpired term.
 - b. Amer Badawi was nominated to fill Ron Williams's unexpired term.
14. A motion to nominate Carsten and Amer was floored and seconded. Amer and Carsten were elected to the Board unanimously to unexpired terms that will expire in March 2017.
15. The Chairman asked Gary to brief the Board on the NAEGA search for a legal counsel. NAEGA has been conducting a search for legal counsel following Marc Fleishacker's announced retirement at the October Board meeting. Final retainer for Marc's services was paid to Arent Fox in January. Currently, NAEGA's top needs in a legal counsel include: anti-trust compliance and ad-hoc issues that arise at the committee or policy level. Gary is currently developing a working statement for legal counsel and interviewing candidates.
16. During discussion of legal counsel the Board indicated its willingness to move forward with an ad-hoc legal structure in which members provide counsel to NAEGA for meetings and policy matters. Additional counsels could be sought to provide third-party review on such things as contracts as those needs arise. With the Board's guidance, Gary will move forward with pursuing ad-hoc legal counsel contributions from NAEGA members as those needs arise.
17. The Board moved on to discuss policy issues that are currently pressing in Washington. Currently, the new Administration poses both challenges and opportunities. In the North American trade, the Administration is committed to renegotiating the North American Free Trade Agreement (NAFTA) as early as May 2017. The Trump Administration has also pulled out of the Trans-Pacific Partnership (TPP) and taken a stronger line on political and economic relations with China. To get ahead of these rising challenges and opportunities, Gary would like to assemble two ad-hoc groups to discuss the benefits of NAFTA and what the industry would like to achieve during a potential renegotiation. Gary would like to assemble a similar group that will analyze trade with the Asia-Pacific region.
18. The Board considered these suggestions and a motion was raised to allow Gary to assemble these working groups to address policy with NAFTA and the Asia-Pacific. The motion was seconded and passed unanimously.
19. Looking forward to this year, the President moved to describe some of NAEGA's top priorities. The Contracts Committee is currently working to conclude discussion and revision of the NAEGA 2 Contract, which the Committee hopes to provide to the Board before the March 2017 Board Meeting. In anticipation that NAEGA will have a new NAEGA 2 2017 contract this year, NAEGA staff is preparing for a busy schedule of Contracts and Best Practices Seminars to educate membership and the industry about changes to the NAEGA 2 Contract. Currently, NAEGA is anticipating that seminars will

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occur in Kansas City, Portland, New Orleans, Minneapolis and Tokyo.

20. Meanwhile, NAEGA continues to address its participation in the U.S. Biotech Crops Alliance (USBCA). Staff and member representatives are working closely with the USBCA staff to develop a coherent business plan and budget for the Alliance. The Alliance continues to function simply as a tool for communication and interaction. On a policy level, USBCA's Domestic Working has been suspended and NAEGA continues to participate in the International Working Group. NAEGA anticipates that it will contribute funding to the Alliance this year on the condition that serious changes are made to the USBCA business plan and management structure.
21. Concluding discussion, President and CEO Gary Martin recommended to the Board that an Amstutz Award be given this year. The Amstutz Award is given to persons who have exhibited exceptional accomplishments in promoting export grain and oilseed trade from the United States. The principle criterion for giving the award is the special contribution the person has made in promoting export grain and oilseed trade from the United States. The President of NAEGA and an Amstutz Award Selection Committee made up of the President and the NAEGA Executive Committee (the Chairman, the Vice Chairman, and the Secretary/Treasurer) are responsible for identifying candidates for the Amstutz Award. The Board of Directors then convenes and ultimately names the Amstutz Award recipient. Gary requested nominations from the Board for the Amstutz Award. Warren Duffy, NAEGA Senior Adviser, was nominated for the Award. The Board agreed by consensus that Warren should receive the award and that it should be presented to him during the Members Meeting in March in New Orleans.
22. The Chairman called for other items to be brought forward for the good of the order. Wesley Uhlmeyer mentioned again his desire to have NAEGA address electronic BLs on the Mississippi River. It was agreed that NAEGA staff will consider and address this issue. The Chairman called for other issues to be raised. No other issues were raised and the meeting adjourned at approximately 11:00am Eastern time.