

THE CANADIAN SPECIAL CROPS ASSOCIATION  
INCORPORATED  
(THE “CORPORATION”)

GENERAL BY-LAW NO. 1/87

# PART I

## ORGANIZATION

### ARTICLE I – CONTRACT OF MEMBERS

The persons and firms or corporations who are now or who hereafter may be admitted to the privileges resulting from membership in the corporation, do agree and contract with each other and among themselves to be bound by, keep and observe, the By-Laws, and Trade and Arbitration Rules of the Corporation as well as such amendments and supplements thereto as may be from time to time hereafter adopted in accordance with the provisions hereof.

### ARTICLE II – SEAL

The Corporation shall have a corporate seal with the words “The Canadian Special Crops Association Incorporated” engraved thereon.

### ARTICLE III – OBJECTIVES

The objectives of the Corporation are hereby declared to be as follows:

- A) To encourage the merchandising of Canadian Special Crops;
- B) To acquire and distribute information respecting the special crops and to encourage the establishment and maintenance of uniformity in the business, customs and regulations among persons engaged in the said trade;
- C) To promote objects and measures for the advancement of trade and commerce respecting Canadian special crops and to fairly adjust, settle and determine controversies and misunderstandings between persons engaged in the said trade, or which may be submitted to arbitration as hereinafter provided; and in furtherance of these objectives, the Corporation is hereby empowered to make By-Laws, Rules and Regulations for the government and administration of the affairs of the Corporation, and further, to amend and repeal such By-Laws, Rules and Regulations.

### ARTICLE IV – HEAD OFFICE

The head office of the Corporation shall be situated in Winnipeg, in the Province of Manitoba.

### ARTICLE V – RE-LOCATION OF HEAD OFFICE

The Corporation may change the place within the Province or change the Province within which the Head Office is located, by resolution passed at any Special or Annual General meeting of members, providing that such a resolution receives a majority of two-thirds of the votes cast by the Voting Members.

### ARTICLE VI – INTERPRETATION OF DIRECTORS

Any word, phrase or procedure requiring clarification or amplification may be interpreted by resolution of the Directors, whose ruling on such matters shall be final and binding.

#### ARTICLE VII – PRECEDENCE OF STATUTE

If any government or any agency thereof, in Canada, having jurisdiction, issues an order, rule, directive, or law that conflicts with or modifies the requirements of this By-Law, it shall have precedence over and become part of the By-Law to the extent of its jurisdiction.

#### ARTICLE VIII – APPLICABLE LAW

In the case of any dispute arising out of this By-Law, the laws of the Province of Manitoba shall apply.

#### ARTICLE IX – FISCAL YEAR

The fiscal year of the Corporation shall be the twelve (12) months ending on the 31st day of *March* each year.

#### ARTICLE X – CORPORATE RECORDS

- A) A copy of the By-Laws and Trade and Arbitration Rules and of all amendments or supplements thereto and of any agreements in relation to the By-Laws and operation of the Corporation shall be kept by the Corporation at whose office they may be inspected by members during normal business hours of the Corporation.
- B) Any such amendments or supplements or agreements shall be incorporated in and thereafter form part of the By-Laws and the terms of such amendments, supplements or agreements shall be binding upon all persons who at the date hereof are members and all persons who may hereafter become members.

#### ARTICLE XI – ACCOUNTS AND RECORDS

- A) Proper books of account shall be kept by the Corporation.
- B) An independent audit of the accounting records of the Corporation shall, unless waived by the Voting Members, be made annually at the end of the Corporation's fiscal year by the Auditors of the Corporation.
- C) A record of the names and addresses of each member, past or present, and of each employee shall be maintained and kept up to date.
- D) Books of account and other records shall be kept at such place and by such person or persons as may be designated from time to time by the Board of Directors.
- E) Minutes of all General Meetings of members, of the Board of Directors and of committees shall be recorded and maintained *in hard copy or electronic form. (Amended- July 10<sup>th</sup>, 2006, AGM)*

#### ARTICLE XII – AUDITORS

- A) The auditors for the Corporation shall be a firm of Chartered Accountants appointed annually by the Voting Members at the Annual General Meeting.
- B) The remuneration to be paid to the Auditors shall be fixed by the Board of Directors.
- C) A temporary vacancy in the position of Auditors shall be filled by the Board of Directors.

#### ARTICLE XIII – BANKING, ETC.

- A) All cheques, bills of exchange or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time

to time be determined by resolution of the Board of Directors and any two of such officers or agents may endorse notes and drafts for collection on account of the Corporation through its bankers and endorse notes and cheques for deposit with the Corporation's bankers for the credit of the Corporation or the same may be endorsed "for collection" or "for deposit" with the bankers of the Corporation by using the Corporation's rubber stamp for the purpose. Any one of such officers or agents so appointed may arrange, settle, balance and certify all books and accounts between the Corporation and the Corporation's bankers and may receive all paid cheques and vouchers and sign all the bank's forms or settlement of balance and release or verification slips.

- B) The securities of the Corporation shall be deposited for safekeeping with one or more bankers, trust companies or other financial institutions to be selected by the Board of Directors. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the corporation signed by such officer or officers, agent or agents of the Corporation, and in such manner as shall from time to time be determined by resolution of the Board of Directors and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians of the Board of Directors shall be fully protected in acting in accordance with the directions of the Board of Directors and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

#### ARTICLE XIV – BORROWING

The Directors of the Corporation may without authorization of the members,

- A) borrow money on the credit of the Corporation;
- B) issue, reissue, sell or pledge debt obligations of the Corporation;
- C) give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
- D) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.

#### ARTICLE XV – WINDING UP

- A) By resolution passed by not less than two-thirds of the votes cast by Voting Members at a Special Meeting of members, duly called for the purpose, the winding-up of the Corporation may be ordered.
- B) Notice of such meeting together with notice of motion to consider such dissolution shall be mailed or delivered to each member not less than sixty (60) days before the date of such meeting.
- C) Following such resolution being passed, the Corporation in general shall:
  - 1) Order termination of operations and immediate closing of the register; and
  - 2) Resolve such other matters as may be deemed necessary.
- D) In the event that the Corporation is dissolved, the assets of the Corporation shall be sold for such amounts and on such terms as the Board of Directors shall approve, and the proceeds of sale shall be applied in the following order:
  - 1) to pay any expenses and outstanding obligations of the Corporation including obligations to employees for salaries; and
  - 2) to distribute any surplus remaining after the payment set out above, in such manner as shall be determined by the Board of Directors subject always to the Articles of Incorporation of the Corporation.

# PART II

## MEMBERSHIP

### ARTICLE XVI – CLASSIFICATION OF MEMBERS

The membership of the Corporation shall be divided into two (2) classes, namely Voting Members and Non-Voting Members.

#### **Voting Members**

(1) Only Voting Members shall be entitled to attend and vote at all meetings of members and Voting Members.

(2) Voting Members shall be Canadian individuals, partnerships, corporations or other legal entities engaged in the business of the export and/or merchandising of special crops and, at the discretion of the Board of Directors, may be required to hold a grain dealers license issued by the Canadian Grain Commission.

(3) The Board of Directors may establish from time to time one or more categories of Voting Members and determine their respective rights, privileges and obligations provided that such rights, privileges and obligations shall not conflict with or be inconsistent with the Articles, the By-Laws or the Act.

#### **Non-Voting Members**

(1) Subject to section (2) below, there shall be three categories of Non-Voting Members, namely Partner Members, Affiliate Members and Honorary Members:

“Partner Members” are members who shall be individuals, partnerships and corporations, including international companies and organizations, with an interest in the CSCA and interested in connecting with other CSCA Members.

“Affiliate Member” are members who shall be associations and other not for profit organizations with objectives that are similar to the Corporation.

“Honorary Member” are members who shall be individuals who, because of eminent service to the Corporation, shall be so designated by the Board of Directors.

(2) Notwithstanding the foregoing, the Board of Directors may establish from time to time one or more additional categories of Non-Voting Members and determine their respective rights, privileges and obligations provided that such rights, privileges and obligations shall not conflict with or be inconsistent with the Articles, the By-Laws or the Act.

### ARTICLE XVII – APPLICATION FOR MEMBERSHIP

- A) Every application for membership shall be in writing and in the case of a corporation, association or partnership shall designate an individual who is authorized by resolution of the directors or governing body of the corporation, partnership or association to represent it at meetings of the members of the Corporation and shall be upon a form prescribed by the Corporation.
- B) Each applicant for membership shall, by making the application, or in such other manner as the Board of Directors may determine, subscribe to, and agree to be bound by and agree to conform with the By-Laws and, in the case of Voting Members, the Trade and Arbitration Rules of the Corporation.
- C) Each applicant for membership, after payment of dues, shall be subject to approval of the

Board of Directors by a two-thirds vote. If any such application be rejected, for any reason whatsoever, then dues shall be returned to said applicant forthwith.

- D) The annual rate of dues for each respective class or category of membership shall be determined by the Board of Directors. There will be no dues required of an Honorary Member.

#### ARTICLE XVIII – WITHDRAWAL FROM MEMBERSHIP

Any member may withdraw from membership upon written notice filed in the office of the Corporation, and upon payment of all dues and other legal obligations owing to the Corporation at the time such notice is given; provided, that no resignation shall be accepted while any arbitration to which such member is a party is pending, or while an award of an Arbitration Committee relating to such member remains unsettled.

#### ARTICLE XIX – NON-PAYMENT OF DUES

No member who has failed to pay membership dues when due may vote or speak on any question in any meeting of the Corporation. Members in arrears two months or more shall cease to be members of the Corporation, such cessation to be reported to the Corporation in the next bulletin.

#### ARTICLE XX – DEFAULTING MEMBERS

- A) The following shall constitute events of default under the By-Laws of the Corporation which will result in the member who is the subject of the event of default being deemed to be a defaulting member (each a “**Defaulting Member**”):
- 1) Breach of or failure or refusal by a member to observe or comply with the By-Laws of the Corporation as determined in the sole opinion of the Board of Directors;
  - 2) Neglect or refusal by a member to comply with any direction or order of the Board of Directors made pursuant to the By-Laws;
  - 3) Neglect or refusal by a member to submit any matter of difference to arbitration under the By-Laws of the Corporation;
  - 4) Neglect or refusal by a member to comply promptly with the award of any Arbitrators Committee or the Board of Appeals made pursuant to the By-Laws of the Corporation;
  - 5) Neglect or refusal by a member to produce any evidence required in any investigation conducted under the By-Laws of the Corporation;
  - 6) Taking of any action or making of any public statement or remark by a member which, in the opinion of the Board of Directors, is derogatory to the good name or dignity of the Corporation or its members;
  - 7) Making any false statement in application for membership or in answer to any question asked by the Board of Directors or any member or committee thereof when applying for membership;
  - 8) Conviction by any court of any crime inimical to the objects of the Corporation;
  - 9) Bankruptcy or insolvency of a member, the filing against a member of a petition in bankruptcy, the making of an authorized assignment for the benefit of creditors by a member, the appointment of a receiver or trustee for a member or for any assets of a member or the institution by or against a member of any other type of insolvency proceedings under the *Bankruptcy and Insolvency Act* (Canada) or otherwise;
  - 10) Institution by or against a member of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of the member, or the death of a member if an individual; or
  - 11) Revocation or suspension of a Voting Member’s grain dealer’s license issued by the

Canadian Grain Commission.

- B) Where the event of default is any of the events listed in paragraphs 1 to 7 of paragraph A above, upon the giving of reasonable notice by the Board of Directors to the Defaulting Member of the event of default which has caused such member to become a Defaulting Member and an opportunity to be heard by the Board of Directors, the Board of Directors may elect to suspend, terminate or revoke the membership of any Defaulting Member of the Corporation, in its sole and absolute discretion and any such cessation of membership is to be reported to the Corporation in the next bulletin. Where the event of default is any of the events listed in paragraphs 8 to 11 of paragraph A above, the Defaulting Member who has suffered such event shall cease to be a member of the Corporation forthwith upon the occurrence of such event and such cessation of membership is to be reported to the Corporation in the next bulletin.
- C) The opinion of the Board of Directors shall be final and binding in determining any matter of fact or interpretation of these By-Laws, including without limitation, its determination of whether a member is a Defaulting Member.

# PART III

## MEETING OF MEMBERS

### ARTICLE XXI – ANNUAL AND OTHER MEETINGS OF MEMBERS

The Annual Meeting of the Corporation shall be held at such place, and at such time, *not later than six months following the close of the previous financial year*, as may be determined by the Board of Directors.

A Special Meeting of Voting Members may be called at a designated place by the President or by the majority vote of the Board of Directors.

At every Annual Meeting, in addition to any other business that may be transacted, the report of the Directors, the financial statement and the report of the Auditors, if any, shall be presented and a Board of Directors elected and Auditors appointed (unless the appointment of auditors is waived) for the ensuing year. Subject to the provisions of the By-Laws of the Corporation, the members may consider and transact any business, either special or general, without any notice thereof at any meeting of the members (except such notice as may be required by statute). The Board of Directors or the President or Vice-President shall have power to call at any time a general meeting of the members of the Corporation.

### ARTICLE XXII – NOTICE OF MEETINGS

Written, printed *or electronic notices*, in the form, in the form prescribed by Annex A hereto, stating the place, day, and hour of the meeting, (and in case of a Special Meeting the purpose(s) for which the meeting is called), shall be given to each member (and in the case of a Special Meeting, to each Voting Member) not less than twenty-one (21) consecutive days nor more than fifty (50) consecutive days before the date of the said meeting, provided that any meeting of members may be held at any time and place without such notice if all the Voting Members of the Corporation are present thereat or represented by proxy duly appointed, and at such meeting any business may be transacted which the Corporation at Annual or General Meetings may transact. *(Amended- July 10<sup>th</sup>, 2006, AGM)*

### ARTICLE XXIII – ERROR OR OMISSION IN NOTICE

No error or omission in giving notice of any Annual or General Meeting or any adjourned meeting, whether Annual or General, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For the purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of any member, director or officer shall be his last address recorded on the books of the Corporation.

Any meetings of the members or of the Directors of the Corporation may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any adjournment notwithstanding that no quorum is present.

### ARTICLE XXIV – ADJOURNMENTS

Any meetings of the members or of the Directors of the Corporation may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any adjournment notwithstanding that no quorum is present.



## ARTICLE XXV – QUORUM OF MEMBERS

All issues are decided by a simple majority vote of those Voting Members present in person or represented by proxy at any annual meeting. In no case can any meeting be held unless there are six (6) Voting Members present in person.

## ARTICLE XXVI – ELECTIONS

- A) At the Annual General Meeting of the Corporation there shall be elected by ballot, not fewer than three (3) nor more than fifteen (15) individuals who shall constitute the Board of Directors. Should an individual elected to the Board of Directors die, be suspended or expelled, become disqualified as a Director or resign, his membership on the Board of Directors shall cease and subject to the option of the Board of Directors in paragraph (F) of Article XXVIII, the remaining Voting Members may forthwith elect an individual to fill the vacancy.
- B) No individual shall qualify for election as a Director of the Corporation unless such individual is a Voting Member of the Corporation, or is a partner, officer or employee of a Voting Member of the Corporation (except in the case of the initial year of the Corporation).
- C) Nominations for the Board of Directors shall be made in writing by Voting Members of the Corporation between the period of fifty (50) consecutive days and twenty-one (21) consecutive days prior to date of holding said Annual Meeting, and shall be filed with the Corporation not later than twenty-one (21) consecutive days before the holding of said meeting.
- D) When nominations are being made it shall be the duty of the Voting Member nominating the candidate for any of the elective offices to obtain the written consent of such candidate to permit his name to be placed on the ballot. This consent being given, such candidate shall not later decline unless notice in writing is given by him to the Corporation at least two (2) business days prior to closing of nominations.
- E) If a sufficient number of individuals shall not have been so nominated, then the Board of Directors shall, within seven (7) business days thereafter, nominate a sufficient number of individuals to complete the number required for the said offices. All nominations shall be posted at the offices of the Corporation when received, and no person shall be elected to any office that has not been nominated.
- F) Immediately after the said nominations are closed, the Secretary of the Corporation shall cause to be mailed or delivered or provided at the Annual General Meeting a ballot paper on the form or in the manner approved by the Board of Directors to each Voting Member of the Corporation entitled to vote, and such ballot paper shall be returned signed by such Voting Member to the Corporation, so that the same reaches the Corporation not later than 1200 hours local time on the day upon which the said Annual Meeting is fixed to be held, and at which time the said ballot shall close.
- G) The Secretary of the Corporation, on receipt of all ballot papers, shall register the deposits of same in a book *or electronically*, and shall to be kept for such purpose, and shall immediately after the close of the ballot, hand over all ballot papers so deposited with, or received by the Corporation, to the Scrutineers nominated by the Board of Directors prior to the said Annual Meeting. The said Scrutineers, or a majority of them, shall inspect the ballots, determine the individuals elected, and make a report thereof at the Annual Meeting to the President, who shall declare the said individuals duly elected. The Corporation shall notify the said individuals of their election..
- H) In the event that only a sufficient number of individuals shall be nominated for the Board of Directors, there shall be no necessity to take a ballot, and the individuals so nominated shall be declared elected to the said offices at the said Annual Meeting in accordance with the said nominations.
- I) In the event that any ballot for any office results in a tie between two or more individuals,

then a ballot shall be held at the said Annual Meeting in respect of such tie, and the individual(s) receiving a majority vote shall be declared elected to such office.

- J) It shall be the duty of the Corporation to send a notice to every qualified member at least fifty (50) days prior to the date of the Annual Meeting for election of the Board of Directors, requesting nominations therefore and specifying the last date on which such nominations can be received by the Corporation under By-Laws of the Corporation.
- K) Within ten (10) days after election of the Board of Directors, the Board of Directors shall meet and shall appoint from amongst its number a President, a Vice-President, a Secretary and a Treasurer, who shall hold office during the term in which the Board of Directors shall continue to hold office.

## ARTICLE XXVII – VOTING OF MEMBERS

Subject to the provisions of the By-Laws of the Corporation, each Voting Member in good standing shall at all meetings of members be entitled to one vote and the Voting Member or its designated representative may vote by proxy. Such proxy need not himself be a member but before voting shall produce and deposit with the Secretary sufficient appointment in writing from his constituent or constituents. No Voting Member shall be entitled either in person or by proxy to vote at meetings of the Corporation unless he has paid all dues or fees, if any, then payable by him.

Non-Voting Members may attend but shall not have the privilege of voting at meetings of the members.

At all meetings of members, every question shall be decided by a majority of the votes of the Voting Members present in person or represented by proxy unless otherwise required by the By-Laws of the Corporation, or by law. Every question shall be decided in the first instance by a show of hands unless a poll be demanded by a Voting Member. Upon a show of hands, every Voting Member shall have one vote, and unless a poll be demanded a declaration by the Chairman that a resolution has been carried or not carried and an entry to that effect in the minutes of the Corporation shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes accorded in favour of or against such resolution. The demand for a poll may be withdrawn, but if a poll be demanded and not withdrawn the question shall be decided by a majority of votes cast by the Voting Members present in person or by proxy, and such poll shall be taken in such manner as the Chairman shall direct and the result of such poll shall be deemed the decision of the Corporation in general meeting upon the matter in question. In case of an equality of votes at any general meeting, whether upon a show of hands or at a poll, the Chairman shall be entitled to a second or casting vote.

# PART IV

## DIRECTORS AND OFFICERS

### ARTICLE XXVIII – DIRECTORS

- A) The conduct of all affairs of the Corporation including the establishment of policy not inconsistent with resolutions adopted by the membership, at its Annual Meeting, shall be within the powers and duties of the Board of Directors.
- B) The immediate past President of the Corporation shall be an ex-officio member of the Board of Directors, if not elected member.
- C) Number & Tenure:
  - 1) The Board of Directors of the Corporation shall consist of not fewer than three (3) and not more than fifteen (15) Directors.
  - 2) The term of office of each elected Director shall be three (3) years.
  - 3) In the case of the Directors in office immediately prior to the 2016 Annual General Meeting of the Corporation, those directors serving in their first 2-year term of office shall have such term of office extended by one (1) year (so as to equal three (3) years) and those Directors service in their second 2-year term of office shall have such term of office extended by two (2) years ( so that the total of their 1<sup>st</sup> and 2<sup>nd</sup> terms of office equals six (6) years).
  - 4) A Director may be elected by the Voting Members to only two (2) consecutive terms, but may be eligible for election to the Board of Directors after one year following his last term of elected service.
- D) The Board of Directors shall meet a minimum of once, at the time of the Annual Meeting of the Corporation. At other times the Board of Directors will meet on the call of the President. It shall be his duty to call a meeting of the Board of Directors at any time at the written request of three (3) Directors.
- E) A quorum for the transaction of business at any meeting of Directors shall consist of not less than fifty percent of the Directors provided that in no case can any meeting be held unless there are two (2) Directors present in person.
- F) Any vacancy occurring in the Board of Directors by reason of death, resignation, or disqualification of one or more Directors elected by the Voting Members, may be filled by the appointment of a new Director by the Board of Directors for the unexpired term.
- G) In addition to the Directors of the Corporation, the Board of Directors of the Corporation may approve up to five (5) persons to attend meetings of the board as non-voting observers only. The Directors of the Corporation shall be entitled to establish rules relating to the nature and extent of the involvement and participation of those persons having such observer status.

## ARTICLE XXIX – VOTING, BOARD OF DIRECTORS

Questions arising at any meeting of Directors shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a casting vote. All votes at any such meeting shall be taken by ballot if so demanded by any Director present, but if no demand be made, the vote shall be taken in the usual way by assent or dissent. A declaration by the Chairman that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

## ARTICLE XXX – POWERS AND DUTIES

- A) The Board of Directors may adopt such Rules and Regulations for the management of the affairs of this Corporation as it may deem proper, when not in conflict with the By-laws of the Corporation, including the establishment of policy not inconsistent with Resolutions adopted by the membership at its Annual Meeting. A majority vote of the Directors present at a meeting, shall be valid action of the Board of Directors. The Board of Directors shall have the following specific powers and duties:
- 1) It shall be the duty of the Directors, immediately after each annual election, to elect from their members a President, a Vice-President, a Secretary and Treasurer.
  - 2) The Board of Directors may employ a secretarial and administrative staff under such terms and conditions as, in their judgment, may be necessary to the proper conduct of the affairs of the Corporation.
  - 3) The Board of Directors shall have the power, after due notice and opportunity for hearing, to expel any member for conduct which, in the judgment of the Board of Directors, is contrary to the best interest of the Corporation. Without limiting the generality of the foregoing, neglect or refusal to submit the subject matter of a controversy to arbitration, or failure to comply with an award of an Arbitration Committee, shall be deemed by the Board of Directors to be improper conduct and grounds for expulsion.
- B) The President shall be the principal executive officer of the Corporation and shall, in general, supervise and manage all the activities and affairs of the Corporation. The President shall preside at all regular and special meetings of the Corporation and all meetings of the Board of Directors, and shall not be privileged to vote at such meetings, except in case of a tie vote. He may sign, with the Vice President or any other proper officer of the Corporation thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by Board of Directors or by these By-laws to some other officers or agent of the Corporation, or shall be required by law to be otherwise signed or executed. The President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.
- C) The duties of the Vice President shall be to perform the functions of the President in his absence, resignation, disability or death, and in the absence of the Vice President, the Treasurer shall so act. The Vice President or Treasurer shall be active in the performance of the duties of the President affecting the Corporation so that continuity of programs may be maintained.
- D) The Treasurer shall annually prepare and submit a budget to the Board of Directors covering operating expenses, shall supervise and account for the handling of all funds pertaining to the Corporation, and make such periodic financial reports as the Board of Directors may require.
- E) The Secretary shall be ex officio clerk of the Board of Directors. He shall attend all meetings of the Board of Directors and record all facts and minutes of all proceedings in the books kept for that purpose. He shall give all notices required to be given to members and/or to Directors. He shall be the custodian of the seal of the Corporation and of all books, papers, records,

correspondence, contracts and other documents belonging to the Corporation which he shall deliver up only when authorized by a resolution of the Board of Directors to do so and to such person or persons as may be named in the resolution, and he shall perform such other duties as may from time to time be determined by the Board of Directors.

#### ARTICLE XXXI – EXECUTION OF DOCUMENTS

Deeds, transfers, licenses, contracts and engagements or other instruments on behalf or in the name of the Corporation shall be signed by any two (2) officers or directors of the Corporation.

Notwithstanding any provisions to the contrary contained in the By-Laws of the Corporation, the Board of Directors may at any time by resolution direct the manner in which, and the person or persons by whom, any particular instrument, contract or obligations of the Corporation may or shall be executed.

#### ARTICLE XXXII – FIDUCIARY POSITION

Each officer, each member of the Board of Directors, each committee member and each employee of the Corporation shall act in a fiduciary capacity and stand in a fiduciary relationship to the Corporation and the members thereof in the execution of his duties in such capacity; and any information concerning the person or affairs of other members received by such person in the course of his duties shall neither:

- A) be divulged at any time, except as demanded by such duties; nor
- B) be utilized for the recipient's personal or commercial advantage.

#### ARTICLE XXXIII – REMUNERATION AND EXPENSES

- A) No member of the Board of Directors or of any committee thereof shall receive remuneration for his services, except in the case of:
  - 1) members of a Committee of Arbitration or of a Board of Appeals while sitting as such, and
  - 2) appointed officers who are also employees of the Corporation.
- B) No such member shall be precluded hereby from being reimbursed for actual expenses incurred directly by reason of such service
- C) Remuneration of the President, the Vice-President, the Secretary and the Treasurer shall be as determined by the Board of Directors from time to time.

#### ARTICLE XXXIV – COMMITTEES

The President shall, within thirty (30) days after his election, appoint any and all committees that he or the Board of Directors shall consider necessary for the conduct of the activities and affairs of this Corporation, except as may otherwise be provided in the By-Laws of the Corporation.

#### ARTICLE XXXV – VACATION OF OFFICE

The office of any committee member shall be vacated if the holder thereof:

- A) resigns by giving written notice to the Corporation;
- B) ceases for any cause to be a member in good standing
- C) dies or becomes a mentally incompetent person; or
- D) becomes bankrupt or suspends payment to his creditors or compounds with his creditors.

## ARTICLE XXXVI – INDEMNIFICATIONS OF OFFICERS AND DIRECTORS

Each Director or Officer, or former Director or Officer of the Corporation, and his legal representatives, shall be indemnified by the Corporation against liabilities, expenses, counsel fees and costs reasonably incurred by him or his estate in connection with, or arising out of, any action, suit, proceeding or claim in which he is made a party by reason of his being or having been, such Director or Officer; provided that in no case shall the Corporation indemnify such Director or Officer with respect to any matters as to which he shall be finally adjudged in any such action, suit or proceeding to have been liable for negligence or misconduct in the performance of his duties as such Director or Officer.

The indemnification as herein provided, however, shall apply also in respect of any amount paid in compromise of any such action, suit or proceeding of claim asserted against such Director or Officer (including expenses, counsel fees and costs reasonably incurred in connection therewith), provided the Board of Directors of the Corporation shall have first approved such proposed compromise settlement and determined that the Director or Officer involved was not guilty of negligence or misconduct, but in taking such action, any Director involved shall not be qualified to vote thereon, and if for this reason a quorum of the Board of Directors cannot be obtained to vote on such a manner, it shall be determined by the Voting Members at a Special Meeting. In determining whether or not a Director or Officer was guilty of negligence or misconduct in relation to any such matter, the Board of Directors or Voting Members may rely conclusively upon the opinion of independent legal counsel selected by such Board of Directors or the Voting Members. The right to indemnification herein provided shall not be exclusive of any other rights to which such Director or Officer may be lawfully entitled.

## ARTICLE XXXVII – NOTICE

Whenever under the provisions of the By-Laws of the Corporation, notice is required to be given, such notice may be given either personally or telegraphed or by depositing same in a post office or a public letter-box, in a prepaid, sealed wrapper addressed to the Director, Officer or member at his or their address as the same appears on the books of the Corporation. A notice or other document so sent by post shall be held to be sent at the time when the same was deposited in a post office or public letter-box as aforesaid, or if telegraphed shall be held to be sent when the same was handed to the telegraph company or its messenger.

## ARTICLE XXXVIII – AMENDMENTS

The By-Laws of the Corporation may be amended by a majority vote of the Voting Members present at any General Meeting, or by a two-thirds vote of the Board of Directors, but only upon the recommendation of the Rules Committee, and subject to an affirmative vote of a majority of the Voting Members present at the next General Meeting of the Corporation.

Alterations and amendments made by the Board of Directors shall take effect at such time as they may designate, and shall continue in force until approved or rejected by the Voting Members at General Meeting as hereinbefore provided. Notices of any amendments made by the Board of Directors shall be mailed to each Voting Member at least sixty (60) days prior to the General Meeting at which such amendments are to be voted upon.

## ARTICLE XXXIX – INTERPRETATION

In this By-Law and in all other By-Laws of the Corporation hereafter passed unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa, and references to persons shall include firms and corporations and "Act" shall mean The Corporations Act of Manitoba, S.M. 1976 C40 (Chapter C225 in the Continuing Consolidation of the Statutes of Manitoba) as amended from time to time or any Act that may hereafter be substituted therefor.

ARTICLE XL – SEVERABILITY

The invalidity or unenforceability of any provision of this By-Law shall not affect the validity or enforceability of the remaining provision of this By-Law.

Passed by the Board of Directors and sealed with the Corporate seal this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

\_\_\_\_\_  
(President)

\_\_\_\_\_  
(Secretary)

# ANNEX 1

## *Notice of Annual Meeting*

Notice is hereby given that the Annual Meeting of Members of THE CANADIAN SPECIAL CROPS ASSOCIATION will be held,

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(dates, place)

for the following purposes:

- 1) To receive the Reports of the Board of Directors together with the Balance Sheet, Statements of Income and Surplus, and the report of the ASSOCIATION'S auditors.
- 2) To elect members of the Board of Directors for the ensuing year.
- 3) To transact such other business as may properly come before the meeting.

By order of the Board of Directors.



# ANNEX 2

## *Nomination Form*

I hereby nominate \_\_\_\_\_

for the office of:

(check one)

- Board of Directors – 3 year term

and affirm that the said member has consented, in writing, to this nomination as provided in Part III of ARTICLE XXVI (D) of the By-Laws of the Corporation.

\_\_\_\_\_

(signature of nominator)

DATED

\_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

# ANNEX 3

## *Nomination Consent Form*

I, \_\_\_\_\_ of \_\_\_\_\_  
(first name, surname) (complete company name)

hereby consent to my name being placed on the ballot for election to the:

(check one)

- Board of Directors – 3 year term

\_\_\_\_\_

(signature of nominator)

DATED

\_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

# ANNEX 4

## *Ballot Paper*

For the Election of Board of Directors for 20 \_\_\_\_\_ to 20 \_\_\_\_\_

Place X beside the candidates you wish to elect.

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