

**MANITOBA [REDACTED] GROWERS ASSOCIATION INC.**

**BY-LAW NO. 1/2019**

A by-law relating generally to the transaction of business and affairs of:

**MANITOBA [REDACTED] GROWERS ASSOCIATION INC.**

**CONTENTS**

<b>Section One INTERPRETATION .....</b>	<b>- 2 -</b>
<b>Section Two BUSINESS OF THE ASSOCIATION .....</b>	<b>- 3 -</b>
<b>Section Three BORROWING, SECURITIES AND INVESTMENTS .....</b>	<b>- 4 -</b>
<b>Section Four MEMBERSHIPS .....</b>	<b>- 5 -</b>
<b>Section Five MEETINGS OF MEMBERS .....</b>	<b>- 8 -</b>
<b>Section Six DELEGATES .....</b>	<b>- 11 -</b>
<b>Section Seven CROP COMMITTEES .....</b>	<b>- 18 -</b>
<b>Section Eight DIRECTORS .....</b>	<b>- 19 -</b>
<b>Section Nine EXECUTIVE AND OTHER COMMITTEES .....</b>	<b>- 25 -</b>
<b>Section Ten OFFICERS .....</b>	<b>- 26 -</b>
<b>Section Eleven PROTECTION OF DIRECTORS, OFFICERS, DELEGATES AND OTHERS .....</b>	<b>- 28 -</b>
<b>Section Twelve NOTICES .....</b>	<b>- 29 -</b>
<b>Section Thirteen DISSOLUTION .....</b>	<b>- 30 -</b>
<b>Section Fourteen EFFECTIVE DATE AND AMENDMENT .....</b>	<b>- 30 -</b>

BE IT ENACTED as a by-law of the Association as follows:

## Section One

### INTERPRETATION

**1.01 Definitions.** In the by-laws of the Association, unless the context otherwise requires:

"**Act**" means *The Corporations Act* (Manitoba), and any statute that may be substituted therefor, as from time to time amended;

"**appoint**" includes "elect" and vice versa;

"**articles**" means the articles of the Association as from time to time amended or restated;

"**Association**" means the corporation incorporated under the Act and named Manitoba                      Growers Association Inc.;

"**authorized crops**" means corn, flax, sunflower, barley, spring wheat and winter wheat crops and such other crops over which the Association will have authority, as provided for in a regulation adopted by virtue of *The Agricultural Producers' Organization Funding Act* (Manitoba) and any statute that may be substituted therefor, as from time to time amended;

"**board**" means the board of directors of the Association;

"**by-laws**" means this by-law and all other by-laws of the Association from time to time in force and effect;

"**Corn Committee**" has the meaning given to such term pursuant to section 7.04 of these by-laws;

"**Crop Committee**" means any of the Corn Committee, Flax Committee, Sunflower Committee, or Wheat and Barley Committee;

"**Crop Groups**" has the meaning given to such term pursuant to section 4.04 of these by-laws;

"**Delegate**" means an individual who has been elected as a delegate to a Crop Committee in accordance with these by-laws;

"**Eligible Crop Member**" means an individual who is a Member, or an Eligible Person, of the corresponding Crop Group;

"**Eligible Person**" has the meaning given to such term pursuant to section 4.03(a) of these by-laws;

“**Flax Committee**” has the meaning given to such term per section 7.06 of these by-laws;

“**Ineligible Individual**” has the meaning given to such term, as applicable, pursuant to section 6.05 or section 8.06 of these by-laws;

“**meeting of Members**” includes an annual meeting of Members and a special meeting of Members;

“**Members**” has the meaning given to such term per section 4.01 of these by-laws;

“**recorded address**” means in the case of a Member that Member’s address as recorded in the Members’ register; and in the case of a director, officer, auditor or member of a committee of the board, that individual’s latest address as recorded in the records of the Association;

“**signing officer**” means, in relation to any instrument, any person authorized to sign the same on behalf of the Association by section 2.05 or by a resolution passed pursuant thereto;

“**Sunflower Committee**” has the meaning given to such term pursuant to section 7.05 of these by-laws;

“**Wheat and Barley Committee**” has the meaning given to such term pursuant to section 7.03 of these by-laws;

save as aforesaid, words and expressions defined in the Act have the same meanings when used herein; and words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

## Section Two

### BUSINESS OF THE ASSOCIATION

**2.01 Undertaking of the Association.** The Association shall restrict its undertaking as set out in its articles. All profits or other accretions to the Association shall be used in furthering its undertaking. The board may take such steps as they may deem requisite to enable the Association to receive donations and benefits for the purpose of furthering its undertaking.

**2.02 Registered Office.** Until changed in accordance with the Act, the registered office of the Association shall be at the City of Winnipeg in the Province of Manitoba and at such location therein as the board may from time to time determine.

**2.03 Corporate Seal.** The Association has no seal.

**2.04 Financial Year.** Until changed by the board, the financial year of the Association shall end on the last day of July in each year.

**2.05 Execution of Instruments.** Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Association by any one (1) member of the Executive Committee and any other director. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed.

**2.06 Financial Arrangements.** The financial business of the Association including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, credit unions, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such financial business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the board may from time to time prescribe or authorize.

**2.07 Voting Rights in Other Bodies Corporate.** The signing officers of the Association may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Association. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the officers executing such proxies or arranging for the issuance of voting certificates or such other evidence of the right to exercise such voting rights. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

### **Section Three**

## **BORROWING, SECURITIES AND INVESTMENTS**

**3.01 Borrowing Power.** Without limiting the borrowing powers of the Association as set forth in the Act, the board may from time to time:

- (a) borrow money upon the credit of the Association;
- (b) issue, reissue, sell or pledge bonds, debentures, notes or other evidence of indebtedness or guarantee of the Association, whether secured or unsecured; and
- (c) mortgage, hypothecate, pledge or otherwise create an interest in or charge upon all or any property (including the undertaking and rights) of the Association, owned or subsequently acquired, by way of mortgage, hypothec, pledge or otherwise, to secure payment of any such evidence of indebtedness or guarantee of the Association.

Nothing in this section limits or restricts the borrowing of money by the Association on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Association.

**3.02 Delegation.** The board may from time to time delegate to such one or more of the directors and officers of the Association as may be designated by the board all or any of the powers conferred on the board by section 3.01 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

**3.03 Safe Keeping of Securities.** All securities owned by, or belonging to, the Association, shall be lodged (in the name of the Association) with a chartered bank, a credit union, or a trust company, or in safety deposit box or, if so authorized by resolution of the board, with such other depositories, or in such other manner as may be determined from time to time by the board.

## **Section Four**

### **MEMBERSHIPS**

**4.01 Membership.** The individuals who are Members of the Association on the date of this By-law is passed shall continue as Members until the expiry of their term of office as a director of the Association at the conclusion of the first annual meeting of Members held after July 31, 2020.

Except as otherwise provided in this section, each person engaged in the business of producing and marketing authorized crops in Manitoba and who has paid fees to the Association on any one or more authorized crops produced and on any one or more authorized crops marketed by such person in the previous fiscal year of the Association pursuant to a regulation made under *The Agricultural Producers' Organization Funding Act* (Manitoba) (the "**Funding Act**") which designates the Association as the representative organization of producers of authorized crops shall be a Member of the Association for the subsequent two (2) fiscal years of the Association.

Notwithstanding the provisions set out above, upon receipt by the Association of a Member's application for a refund under the Funding Act, the Member's membership shall automatically terminate and such person shall not be eligible to be a Member of the Association during that fiscal year or during the subsequent fiscal year of the Association.

A former Member may apply for reinstatement as a Member by paying to the Association an amount equal to the amount refunded to that Member in the two (2) immediately preceding years.

**4.02 Types of membership.** There shall be two (2) types of membership, namely:

- (a) Members; which shall be open to every person engaged in the business of producing and marketing authorized crops in Manitoba and who has met the requirements of section 4.01;
- (b) Associate Members; which shall be open to any person involved in the industries directly related to the production and marketing of authorized crops, who supports the objectives of the Association, who has applied to become an Associate

Member and whose application for such membership has been approved by the board of directors, and who has paid the membership fee for Associate Members as set out in section 4.07.

#### **4.03 Voting.**

- (a) In the case of an individual who is a Member, the individual shall be entitled to one vote at each meeting; in the case of a corporation which is a Member, the corporation may designate a director and shareholder of that corporation to be an “**Eligible Person**” to represent it at meetings of the Association and such Eligible Person shall be entitled to one (1) vote at each meeting of Members of the Association; and in the case of a partnership which is a Member, the partnership may designate a partner in that partnership to be an “**Eligible Person**” to represent it at meetings of the Association and such Eligible Person shall be entitled to one (1) vote at each meeting of Members of the Association. In the case any other type of person which is a Member, that Member may designate an individual to be an Eligible Person to represent it at meetings of the Association and such Eligible Person shall be entitled to one (1) vote at each Meeting of Members of the Association.
- (b) Associate Members shall be entitled to receive any newsletter issued by the Association but shall not be entitled to notice of any meetings of the Association, or to attend or to speak at such meetings of the Association without the approval of the chair of such meeting, or to vote at such meetings, or to be elected as a director of the Association.

**4.04 Groupings of Members.** For the purposes of these by-laws, Members shall be divided into groups (herein called “**Crop Groups**”, with each being a “**Crop Group**”), in relation to each of the authorized crops, namely:

- (a) Corn crops;
- (b) Flax crops;
- (c) Sunflower crops; and,
- (d) Barley, spring wheat, and winter wheat crops.

**4.05 Assignment of Members to a Crop Group(s).** In anticipation of the election of Delegates prior to the first annual meeting of Members to be held after July 31, 2020, a Member shall be assigned to a Crop Group if that Member has paid fees to the Association, Manitoba Corn Growers Association Inc., Manitoba Flax Growers Association Inc., The National Sunflower Association of Canada Inc., Manitoba Wheat and Barley Growers Association Inc., or Winter Cereals Manitoba Inc. on an authorized crop, produced or marketed by such person, in the previous fiscal year of the Association. In anticipation of the election of Delegates prior to the annual meeting of Members to be held after July 31, 2022 and in anticipation of each annual meeting of Members thereafter, a Member shall be assigned to a Crop Group if that Member has

paid fees to the Association on an authorized crop, produced or marketed by such person, in the two (2) previous fiscal years of the Association.

**4.06 List of Members in Each Crop Group.**

- (a) In July (or such other month as determined by written resolution of the board) of each year, in accordance with the conditions provided for at section 4.05, the Association shall prepare an initial list assigning the Members into any one or more Crop Groups. For clarity and greater certainty, subject to the conditions provided for in section 4.05 being satisfied, a Member may be listed in one or more Crop Groups.
- (b) A Member may notify the Association in writing of any error in such list. The Association shall make any necessary changes, but no such changes may be made to the lists during the period beginning on the 31<sup>st</sup> day of August (or such other date as determined by written resolution of the board) and ending on the 16<sup>th</sup> day of December (or such other date as determined by written resolution of the board) of each calendar year.
- (c) Notwithstanding the above clause (B) of this section 4.06, in the event a person ceases to be a Member or an Eligible Person, the Association shall amend the list referred to in this section by deleting therefrom the name of such former Member or Eligible Person.

**4.07 Membership Fees.**

- (a) The membership fee payable by a Member from time to time shall be an amount equal to the fee payable by that person on that person's production and marketing of authorized crops pursuant to the Funding Act and must be paid on all marketing of authorized crops by that person in the previous fiscal year of the Association as well as current fiscal year of the Association. If the Association has not received a fee from a Member for two (2) consecutive fiscal years of the Association the membership of that Member shall automatically terminate.
- (b) The membership fee for Associate Members shall be that amount prescribed by the board of directors from time to time.

**4.08 Termination of Membership.** The membership of a Member in the Association is not transferable and terminates and ceases to exist:

For Members:

- (a) as provided in section 4.01, upon receipt by the Association of a Member's application for a refund under the Funding Act;
- (b) as provided in section 4.07, if the Association has not received a fee from the Member for two (2) consecutive fiscal years of the Association;
- (c) upon the death of the Member who is an individual;

- (d) upon the dissolution of a corporation, a partnership, other person which is a Member; or
- (e) otherwise in accordance with these by-laws.

For Associate Members:

- (a) after the end of a fiscal year of the Association for which the person last paid the applicable membership fees.

**4.09 Other Cancellation or Suspension of Membership.** The board may cancel or suspend the membership of a Member by resolution for cause, or where the directors otherwise are of the opinion that such cancellation or suspension is in the best interests of the Association. Such Member shall receive at least seven (7) days' notice of the meeting of the board at which such resolution is to be considered, together with a statement of the grounds upon which the membership of the Member is proposed to be terminated, and such Member shall be entitled to appear, either personally or by or with an agent or counsel, to make submissions at the meeting.

## **Section Five**

### **MEETINGS OF MEMBERS**

**5.01 Annual Meetings.** The annual meeting of Members of the Association shall be held at such time in each year and, subject to section 5.03, at such place as the board, or the chair may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

**5.02 Special Meetings.** The board, or the chair shall have the power to call a special meeting of Members at any time.

**5.03 Place of Meetings.** Meetings of Members shall be held at a place in Manitoba as the board may determine.

**5.04 Notice of Meetings.** Notice of the time and place of each meeting of Members shall be given in the manner provided in section 12.01 not less than 21 nor more than 50 days before the date of the meeting to each director, to the auditor and to each Member who at the close of business on the record date, if any, for notice is entered in the Members' register. Notice of a meeting of Members called for any purpose other than consideration of the financial statements and auditor's report, and reappointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the Member to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting. A Member may in any manner waive notice of or otherwise consent to a meeting of Members.



**5.05 List of Members Entitled to Notice.** For every meeting of Members, the Association shall prepare a list of Members entitled to receive notice of the meeting, arranged in alphabetical order. Eligible Persons appointed by partnerships which are members and by corporations which are members shall be included on such list and will be treated as “Members” for the purpose of paragraphs 5.08 to 5.13 inclusive. The Members listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given. The list shall be available for examination by any Member during usual business hours at the registered office of the Association or at the place where the meeting is held.

**5.06 Chair, Secretary and Scrutineers.** The chair of any meeting of Members shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: the chair, or the vice-chair. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chair. If the secretary of the Association is absent, the chair of the meeting shall appoint some person, who need not be a Member, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be Members, may be appointed by a resolution or by the chair with the consent of the meeting.

**5.07 Persons Entitled to be Present.** The only persons entitled to be present at a meeting of Members shall be individuals who are Members and Eligible Persons designated by partnerships and corporations which are Members, the directors and auditors of the Association and others who, although not entitled to vote, are entitled or required under any provisions of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

**5.08 Quorum.** A quorum for the transaction of business at any meeting of Members shall be those persons present in person, from time to time, each being a Member entitled to vote thereat.

**5.09 Right to Vote.** At any meeting of Members every individual present who is named in the list referred to in section 5.05, shall be:

- (a) entitled to one (and only one) vote, relative to any question that is put to Members of the Association as a whole; and
- (b) entitled to one vote, in the event the Member is a member of such Crop Group, relative to any question that is put to Members of a given Crop Group.

**5.10 Votes to Govern.** At any meeting of Members every question shall, unless otherwise required by the articles or by-laws or by law, be determined by the majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a poll, the motion shall be lost.

**5.11 Show of Hands.** Subject to the provisions of the Act and subject to sections 5.12, 5.13, and 5.14 herein, any question at a meeting of Members shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon

a show of hands every individual who is present and entitled to vote at the meeting shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chair of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the Members upon the said question.

**5.12 Ballots.** Subject to sections 5.13, and 5.14, on any question proposed for consideration at a meeting of Members, and whether or not a show of hands has been taken thereon, any individual who is present and entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the chair shall direct, including but not limited to an electronic ballot, undertaken in accordance with those procedures, rules, and processes established by the board from time to time and with the results of the electronic ballot to be reported during the meeting of Members. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present and entitled to vote shall have one vote upon the question, and the result of the ballot so taken shall be the decision of the Members upon the said question.

**5.13 Mail-In or Electronic Ballot.** Subject to the provisions of the Act and notwithstanding sections 5.11 and 5.12 herein, at the discretion of the board, and in accordance with those procedures, rules, and processes established by the board from time to time, voting may take place in advance of the meeting of Members by mail-in or electronic ballot and, for clarity, in such circumstances, no vote shall therefore be taken in accordance with sections 5.11 and 5.12. Votes shall be counted on the day of the meeting of Members, with the results to be reported during that meeting.

**5.14 Hybrid / Other Means.** Subject to the provisions of the Act and notwithstanding sections 5.11 and 5.12 herein, at the discretion of the board, and in accordance with those procedures, rules, and processes established by the board from time to time, votes undertaken at a meeting of Members may be undertaken by way of any combination of the methods provided for in sections 5.11, 5.12, and/or 5.13 and, additionally, any other means or methods not otherwise provided for herein, which demonstrate, in the opinion of the board, comparable levels of reliability, certainty, and exactness to those methods provided for in sections 5.11, 5.12, and 5.13.

**5.15 Adjournment.** If a meeting of Members is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting if the time and place of the adjourned meeting is announced at the original meeting.

**5.16 Resolution in Writing.** A resolution in writing signed by all the Members entitled to vote on that resolution at a meeting of Members is as valid as if it had been passed at a meeting of the Members unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditors in accordance with the Act.

**5.17 Rules of Order.** In the case of a question or dispute over procedure to be followed in the conducting of a vote or carrying on the business of a meeting, the latest edition of Robert's Rules of Order shall be followed except where inconsistent with these by-laws.

**5.18 Electronic Meeting.** Where the Association has adequate facilities and at the discretion of the board, by way of resolution, Members may participate in a meeting of Members by telephone or electronic means. All participants, however, must be able to communicate adequately with each other. Members participating in such meetings are deemed to be present, including for the purposes of quorum.

## **Section Six**

### **DELEGATES**

**6.01 Election and Term.** Notwithstanding any other provision in this By-law, the directors of each of Manitoba Corn Growers Association Inc., Manitoba Flax Growers Association Inc., The National Sunflower Association of Canada Inc., Manitoba Wheat and Barley Growers Association Inc., and Winter Cereals Manitoba Inc. who hold office within said entities at the time this By-law is enacted shall be the Delegates. One half of the Delegates' terms will expire prior to the annual meeting of Members held in 2021 and the other half of the Delegates' terms will expire prior to the annual meeting of Members held in 2023.

(A) Prior to the annual meeting of Members held in 2021, in accordance with the election process provided for at section 6.02, Eligible Crop Members of the:

1. Corn Crop Group shall elect four (4) Delegates to the Corn Committee;
2. Flax Crop Group shall elect four (4) Delegates to the Flax Committee;
3. Sunflower Crop Group shall elect four (4) Delegates to the Sunflower Committee; and
4. Wheat and barley Crop Group shall elect five (5) Delegates to the Wheat and Barley Committee,

for a term of four (4) years until the conclusion of the annual meeting of Members to be held after July 31, 2024.

(B) Prior to the annual meeting of Members held in 2023, in accordance with the election process provided for at section 6.02, Eligible Crop Members of the:

1. Corn Crop Group shall elect four (4) Delegates to the Corn Committee;
2. Flax Crop Group shall elect four (4) Delegates to the Flax Committee;
3. Sunflower Crop Group shall elect four (4) Delegates to the Sunflower Committee; and

4. Wheat and barley Crop Group shall elect five (5) Delegates to the Wheat and Barley Committee,

for a term of four (4) years until the conclusion of the annual meeting of Members to be held after July 31, 2026.

- (C) Commencing with the expiry of the terms of office of Delegates elected for the terms described in clauses (A) and (B) of this section 6.01, the term of office of Delegates shall be four (4) years with such term commencing at the conclusion of the annual meeting of Members at which they took office, and continuing until their successor takes office.

**6.02 Election Process.** Prior to the annual meeting of Members to be held after July 31, 2020, and prior to each annual meeting of Members thereafter at which the election of a Delegate is required, Delegates shall be elected to replace those Delegates whose term of office is to expire in accordance with the following process:

1. **Returning Officer** - Prior to the 1<sup>st</sup> day of November (or such other date as determined by written resolution of the board) of the year prior to the year in which the office of a Delegate is to expire, the board shall appoint a returning officer to conduct the election.
2. **List** - Prior to 14<sup>th</sup> day of November (or such other date as determined by written resolution of the board) of each such year the secretary of the Association shall provide to the returning officer the list of individual Members and Eligible Persons as of November 1<sup>st</sup> (or such other date as determined by written resolution of the board) of that year, with the list also specifying their respective membership(s) within each Crop Group, and that list shall conclusively determine the eligibility of those entitled to hold office as a Delegate for a given Crop Committee and to vote in the election in relation to each Crop Group.
3. **Re-Election** - Retiring Delegates, if qualified, shall be eligible for re-election, provided however that no individual who has been a Delegate for two (2) consecutive four (4) year terms shall be eligible for re-election.
4. **Nominations** - Nominations for the office of Delegate shall be submitted to the main business office of the Association on or after the 1<sup>st</sup> day of September (or such other date as determined by written resolution of the board) and not later than 4:30 p.m. C.S.T. on the 1<sup>st</sup> day of November (or such other date as determined by written resolution of the board) in that year.

All such nominations shall be delivered by the Association to the returning officer conducting the election.

The returning officer conducting an election shall not accept a nomination unless:

- (i) the nominee is an individual Member or an Eligible Person and is not an Ineligible Individual;
  - (ii) the nominee is an Eligible Crop Member for the corresponding Crop Committee;
  - (iii) the nomination is in the form set out in Schedule "A" attached hereto, as same may be modified from time to time by a resolution of the board;
  - (iv) the nomination bears the signature and mailing address of at least five (5) Eligible Crop Members who are members of the Crop Group that corresponds to the Crop Committee for which the nominee is being nominated as a Delegate;
  - (v) the nomination bears the signature and mailing address of the nominee indicating the nominee's acceptance of the nomination; and
  - (vi) the nomination was received at the main business office of the Association, not later than the time specified in this section.
5. **List of Nominees** - Where the returning officer conducting an election is satisfied that nominations are complete, the returning officer shall forthwith provide each nominee with a list of the nominees. That list shall conclusively determine the nominees for the election.
6. **Withdrawal of Nominee** - A nominee may withdraw the nominee's nomination by Notice in writing to the returning officer delivered or mailed so that it is received at the main business office of the Association not later than the 5<sup>th</sup> day after the date of the delivery or mailing to the nominee of the list of nominees.
7. **Election by Acclamation** - Where not more than the number of persons to be elected as a Delegate to the corresponding Crop Committee as there are nominees, the returning officer shall declare such nominees elected as Delegates to the corresponding Crop Committee by acclamation.
8. **Holding of Election** - Where more persons are candidates for election as a Delegate to the corresponding Crop Committee than persons to be elected, the returning officer shall conduct an election for the applicable Crop Committee(s). The returning officer shall advise the secretary of the Association of the holding of the election.
9. **Deputies** - Where the returning officer is to conduct an election the returning officer may appoint such deputy returning officers and other persons as the returning officer considers necessary to conduct the election.

10. **Voting** - In accordance with the voting instructions and procedures established by the board, as of the 15<sup>th</sup> day of November (or such other date as determined by written resolution of the board) and no later than 4:30 p.m. C.S.T. on the 15<sup>th</sup> day of December (or such other date as determined by written resolution of the board) prior to the annual meeting of Members, each Eligible Crop Member may cast a ballot (whether by way of mail or electronic means) for the election of a Delegate(s) to a corresponding Crop Committee.
11. **Extension of Times and Dates** - Notwithstanding the specific times and dates set out in the above process, such times and dates may be extended to later times and dates acceptable to the returning officer and approved by a resolution of the board in order to deal with a force majeure or other extenuating circumstance.
12. **Counting of Votes** - On or before the 20<sup>th</sup> day of December (or such other date as determined by written resolution of the board) prior to the annual meeting of Members, all ballots cast by Eligible Crop Members shall be counted by the returning officer in accordance with a procedure acceptable to the returning officer and approved by a resolution of the board.
13. **No Scrutineers** - Candidates may not designate scrutineers to be present at the place where the ballots are counted.
14. **Election Results** - On or before the 22<sup>nd</sup> day of December (or such other date as determined by written resolution of the board) prior to the annual meeting of Members, the returning officer shall declare those candidates receiving the greatest number of votes, up to the number of Delegate positions to be filled for each Crop Committee, to be elected and shall notify the candidates for each Crop Committee and the Eligible Crop Members of each Crop Group of such results.
15. **Tie** - In the case of a tie between or among candidates to be elected to a given Crop Committee, the Delegates for that same Crop Committee who have already been elected and the Delegates for that same Crop Committee whose terms of office do not end at or before the annual meeting of Members will determine which of the tied candidates is to be elected. As and if applicable, in the case of a further tie, the deadlock shall be broken by the chair, who shall cast the deciding vote.
16. **No Invalidation** - The proceedings in any election shall not be invalidated by reason of any omission or failure unless it can be shown that omission or failure unless it can be shown that such omission or failure could have reversed the result of such election.
17. **Taking Office** - Each Delegate elected as provided in this section shall take office as of the 1<sup>st</sup> day of January (or such other date as determined by written resolution of the board) prior to the annual meeting of Members and shall hold office until the Delegate's successor takes office.

**6.03 Removal of Delegates.** Subject to the provisions of the Act, Eligible Crop Members of the corresponding Crop Group may by ordinary resolution passed at a special meeting of the Eligible Crop Members of the corresponding Crop Group called for the purpose of considering same, remove any Delegate of the corresponding Crop Group from office and the vacancy created by such removal may be filled at the same meeting.

**6.04 Vacation of Office.** A Delegate ceases to hold office when such individual: (a) dies; (b) is removed from office by the Eligible Crop Members of the corresponding Crop Group; (c) is absent from two (2) consecutive meetings of the Crop Committee to which they have been elected, unless individual's absence is due to illness or other emergency which prevented such individual from attending or unless such absence is excused or consented to by the other Delegates of the Crop Committee; (d) ceases to be qualified for election as a Delegate; (e) announces or otherwise declares their candidacy for election as either a federal member of Parliament or of the provincial legislature; or (f) such individual's written resignation is sent or delivered to the Association, or if a time is specified in such resignation, at the time so specified, whichever is later.

**6.05 Other Vacation of Office.** A Delegate shall also cease to hold office if the Delegates of a Crop Group pass a resolution by a majority of at least 2/3 (two-thirds) of the votes cast stating that the Delegate has:

- i) failed to adhere to the provisions of section 6.18 of this by-law dealing with conflict of interest, or that the Delegate has failed to provide a Disclosure Statement or to make a disclosure as required in such Disclosure Statement;
- ii) failed to adhere to the provisions of section 6.19 of this by-law dealing with confidentiality, or that the Delegate has failed to provide a satisfactory Undertaking as required by subsection 6.19(b) or has breached such Undertaking, or
- iii) failed to adhere to the provisions of section 6.20 of this by-law dealing with miscellaneous duties and obligations of Delegates and has breached such duties and obligations;

and determining that such Delegate is an "Ineligible Individual".

**6.06 Vacancies.** Subject to the Act, in the event of a vacancy on a Crop Committee, the remaining Delegates of that Crop Committee may appoint an Eligible Crop Member to fill the vacancy for the balance of the term of the whose cessation of office caused the vacancy.

**6.07 Action by a Crop Committee.** A meeting of Delegates shall be deemed for all purposes to be and have all the powers of a meeting of Members. Subject to section 6.08, the powers of a Crop Committee may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the Delegates entitled to vote on that resolution at a meeting of the Crop Committee. Where there is a vacancy in the Crop Committee, the remaining Delegates may exercise all the powers of the Crop Committee so long as a quorum remains in office.

**6.08 Electronic Meeting.** A Delegate may participate and vote in Crop Committee meetings by telephone, electronic or other means that permit all participants to communicate adequately with each other. A Delegate so participating in such meeting is deemed to be present at the meeting.

**6.09 Place of Meetings.** Meetings of a Crop Committee may be held at any place in Manitoba or at such other place as may be determined by the Crop Committee.

**6.10 Callings of Meetings.** Meetings of a Crop Committee shall be held from time to time and at such place as the Crop Committee or any two Delegates may determine.

**6.11 Notice of Meeting.** Notice of the time and place of each meeting of a Crop Committee shall be given in the manner provided in section 12.01 to each Delegate not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of the Delegates of each Crop Committee need not specify the purpose of or the business to be transacted, except where the business to be transacted relates to any proposal to submit to the Members of the Crop Group any question or matter that would require the approval of such Members. A Delegate may in any manner waive notice of or otherwise consent to a meeting of the board.

**6.12 First Meeting of New Crop Committee.** Provided a quorum of Delegates is present, the Crop Committee may without notice hold its first meeting immediately after any newly-elected Delegates take office.

**6.13 Adjourned Meeting.** Notice of an adjourned meeting of a Crop Committee to be held within 48 hours from the time the original meeting is adjourned is not required if the time and place of the adjourned meeting is announced at the original meeting.

**Regular Meetings.** Each Crop Committee shall meet at least three (3) times per year. A Crop Committee may appoint a day or days in any month or months for regular meetings of the Crop Committee at a place and hour to be named. A copy of any resolution of the Crop Committee fixing the place and time of such regular meetings shall be sent to each Delegate forthwith after being passed, but no other notice shall be required for any such regular meeting except where the purpose thereof or the business to be transacted thereat needs to be specified.

**6.15 Appointment.** The Delegates of each Crop Committee shall from time to time elect a chair, who shall be (i) elected from among their numbers and (ii) a director of the Association elected by the Delegates of that Crop Committee.

**6.16 Chair.** The chair of any meeting of a Crop Committee shall be the chair, or in the absence of the chair, the Delegates present shall choose one of their number to be acting chair for the purposes of that meeting.

**6.17 Votes to Govern.** At all meetings of a Crop Committee every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chair of the meeting shall not be entitled to a second or casting vote.



**6.18 Per Diem Honorariums and Reimbursement for Expenses.** The Delegates may by resolution of the Eligible Crop Members of the corresponding Crop Group receive per diem honorariums for attending meetings of the Crop Committee, or any other meeting as may be determined by the Crop Committee from time to time, and may be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the Crop Committee or otherwise associated with representing the Crop Committee.

**6.19 Conflict of Interest.**

- (a) The Guidelines annexed hereto and marked Schedule “B” shall govern the interpretation and application of this section.
- (b) Within a reasonable period of time following the election of an individual as a Delegate of a Crop Committee, and prior to February 1<sup>st</sup> (or such other date as determined by written resolution of the board) in each calendar year thereafter, each Delegate shall disclose in writing to the other Delegates of their Crop Committee and the board all business, commercial or financial interests where such interest may conceivably be construed as being in actual or potential conflict with the Delegate’s duties and responsibilities as a Delegate and shall execute an Undertaking in such form as may be approved by the board with respect to how the Delegate proposes to avoid any conflict or appearance of conflict with that Delegate’s duties and responsibilities as a Delegate of a Crop Committee.
- (c) Each Delegate who may become interested in a business, commercial or financial interest which interest may conceivably be construed as being an actual or potential conflict with the Delegate’s duties and responsibilities as a Delegate of a Crop Committee shall disclose in writing to the other Delegates of their Crop Committee and the board all business, commercial or financial interests where such interest may conceivably be construed as being in actual or potential conflict with the Delegate’s duties and responsibilities as a Delegate of a Crop Committee and shall execute an Undertaking in such form as may be required by the board with respect to how the Delegate proposed to avoid any conflict or appearance of conflict with that Delegate’s duties and responsibilities as a Delegate of a Crop Committee.
- (d) The failure to make the disclosure as required under this section or the failure to provide an Undertaking as required under this section, or the breach of such an Undertaking, by a Delegate shall be grounds for the passage of a resolution by the board under section 6.05 stating that the Delegate has failed to adhere to the provisions of this section dealing with Conflict of Interest, determining that such Delegate is an Ineligible Individual, and causing the office of that Delegate to be automatically vacated.

## **6.20 Confidentiality.**

- (a) The Guidelines annexed hereto and marked Schedule “C” shall be adhered to by each Delegate.
- (b) Within a reasonable period of time following the election of an individual as a Delegate, that individual shall execute an Undertaking in a form satisfactory to the board with respect to not disclosing information relating to the Crop Committee of a confidential nature provided to the Delegates of the Crop Committee, which Undertaking shall reflect the Guidelines set out in Schedule “C”.
- (c) The failure to provide an Undertaking as required under this section or the breach of such an Undertaking by a Delegate shall be grounds for the passage of a resolution by the board under section 6.05 stating that the Delegate has failed to adhere to the provisions of this section dealing with confidentiality, determining that such Delegate is an Ineligible Individual, and causing the office of that Delegate to be automatically vacated.

## **6.21 Miscellaneous Duties and Obligations of Delegates.**

- (a) The Guidelines annexed hereto and marked Schedule “D” shall be adhered to by each Delegate.
- (b) The failure to adhere to the Guidelines set out in Schedule “D” shall be grounds for the passage of a resolution by the board under section 6.05 stating that the Delegate has breached the duties or obligations owed by that individual, determining that such Delegate is an Ineligible Individual, and causing the office of that Delegate to be automatically vacated.

## **Section Seven**

### **CROP COMMITTEES**

**7.01 Constitution of Crop Committees.** There shall be a Wheat and Barley Committee, a Corn Committee, a Sunflower Committee, and a Flax Committee, which shall be standing committees. The chair shall be *ex officio*, a member of each such committees but shall not be included in the numbers referred to in sections 7.03 to 7.06 below.

**7.02 Quorum of Crop Committees.** The quorum for the transaction of business at any meeting of the Delegates of a Crop Committee shall consist of a majority of the number of Delegates constituting the Crop Committee from time to time or such greater number of Delegates as the Crop Committee may from time to time determine.

**7.03 Wheat and Barley Committee.** The Wheat and Barley Committee shall be comprised of 10 Delegates and shall review and advise the board as to (i) recommendations for research or market development issues and needs that are specific to spring wheat, winter wheat, and barley crops, (ii) feedback received from

Eligible Crop Members producing and/or marketing such crops, and (iii) such other matters as may be deemed appropriate in relation to such crops.

**7.04 Corn Committee.** The Corn Committee shall be comprised of eight (8) Delegates and shall review and advise the board as to (i) recommendations for research or market development issues and needs that are specific to corn crops, (ii) feedback received from Eligible Crop Members producing and/or marketing such crops, and (iii) such other matters as may be deemed appropriate in relation to such crops.

**7.05 Sunflower Committee.** The Sunflower Committee shall be comprised of eight (8) Delegates and shall review and advise the board as to (i) recommendations for research or market development issues and needs that are specific to sunflower crops, (ii) feedback received from Eligible Crop Members producing and/or marketing such crops, and (iii) such other matters as may be deemed appropriate in relation to such crops.

**7.06 Flax Committee.** The Flax Committee shall be comprised of eight (8) Delegates and shall review and advise the board as to (i) recommendations for research or market development issues and needs that are specific to flax crops, (ii) feedback received from Eligible Crop Members producing and/or marketing such crops, and (iii) such other matters as may be deemed appropriate in relation to such crops.

**7.07 Qualification.** No person shall be qualified for election as a Delegate if that person is less than 18 years of age; if that person is of unsound mind and has been so found by a court in Canada or elsewhere; if that person is not an individual; or if that person has the status of a bankrupt; or if that person is an employee of the Association or has contracted directly or indirectly, to provide services to the Association. A Delegate must be an Eligible Crop Member. An Ineligible Individual is not qualified to be elected a Delegate.

## **Section Eight**

### **DIRECTORS**

**8.01 Number of Directors and Quorum.** The board shall consist of eleven (11) directors elected in accordance with this section. The quorum for the transaction of business at any meeting of the board shall consist of a majority of the number of directors constituting the board from time to time or such greater number of directors as the board may from time to time determine.

**8.02 Qualification.** No person shall be qualified for election as a director if that person is less than 18 years of age; if that person is of unsound mind and has been so found by a court in Canada or elsewhere; if that person is not an individual; or if that person has the status of a bankrupt; or if that person is an employee of the Association or has contracted directly or indirectly, to provide services to the Association. A majority of the directors shall be residents of Canada. A director must be a Delegate of the corresponding Crop Committee. An Ineligible Individual is not qualified to be elected a director.

**8.03 Election and Term.** Notwithstanding any other provision in this By-law, the directors in office at the time this By-law is enacted shall continue to hold office until the conclusion of the annual meeting of Members held in 2021.

(A) Prior to the annual meeting of Members held in 2021, in accordance with the election process provided for at clause (D) of this section 8.03:

1. The Delegates of the Flax Committee shall elect one (1) director from among their numbers for a term of one (1) year until the conclusion of the annual meeting of Members to be held after July 31, 2021 and one (1) director from among their numbers for a term of three (3) years until the conclusion of the annual meeting of Members to be held after July 31, 2023.
2. The Delegates of each of the Sunflower Committee shall elect one (1) director from among their numbers for a term of one (1) year until the conclusion of the annual meeting of Members to be held after July 31, 2021 and one (1) director from among their numbers for a term of three (3) years until the conclusion of the annual meeting of Members to be held after July 31, 2023.
3. The Delegates of the Corn Committee shall elect one (1) director from among their numbers for a term of one (1) year until the conclusion of the annual meeting of Members to be held after July 31, 2021 and two (2) directors from among their numbers for a term of three (3) years until the conclusion of the annual meeting of Members to be held after July 31, 2023.
4. The Delegates of the Wheat and Barley Committee shall elect two (2) directors from among their numbers for a term of one (1) year until the conclusion of the annual meeting of Members to be held after July 31, 2021 and two (2) directors from among their numbers for a term of three (3) years until the conclusion of the annual meeting of Members to be held after July 31, 2023.

(B) Prior to the annual meeting of Members held in 2022, in accordance with the election process provided for at clause (D) of this section 8.03:

1. The Delegates of the Flax Committee shall elect one (1) director from among their numbers for a term of two (2) years until the conclusion of the annual meeting of Members to be held after July 31, 2023.
2. The Delegates of each of the Sunflower Committee shall elect one (1) director from among their numbers for a term of two (2) years until the conclusion of the annual meeting of Members to be held after July 31, 2023.

3. The Delegates of the Corn Committee shall elect one (1) director from among their numbers for a term of two (2) years until the conclusion of the annual meeting of Members to be held after July 31, 2023.
  4. The Delegates of the Wheat and Barley Committee shall elect two (2) directors from among their numbers for a term of two (2) years until the conclusion of the annual meeting of Members to be held after July 31, 2023.
- (C) Commencing with the annual meeting of Members held after July 31, 2023, the term of office of directors shall be two (2) years with such term commencing at the conclusion of the annual meeting of Members at which they took office, and continuing until their successor takes office.
- (D) Prior to the annual meeting of Members to be held after July 31, 2021, and prior to each annual meeting of Members thereafter at which the election of a director is required, directors shall be elected to replace those directors whose term of office is to expire in accordance with the following process:
1. Prior to the 21<sup>st</sup> day of January (or such other date as determined by written resolution of the board) of the year in which the office of a director is to expire, in accordance with the voting instructions and procedures established by the board, the Delegates of each Crop Committee shall elect their respective, corresponding Crop Group's directors from among their numbers.
  2. In the case of a tie between or among candidates to be elected, the deadlock shall be broken by the chair, who shall cast the deciding vote.
  3. At the annual meeting of Members at which the election of a director is required, the chair shall declare the names of the directors that have been elected by the Delegates of each Crop Committee.
  4. The proceedings in any election shall not be invalidated by reason of any omission or failure unless it can be shown that omission or failure unless it can be shown that such omission or failure could have reversed the result of such election.
  5. Each director elected as provided in this section shall take office at the conclusion of the annual meeting of the Members following the holding of the election and shall hold office until the director's successor takes office.

**8.04 Removal of Directors.** Subject to the provisions of the Act, the Delegates may by ordinary resolution passed at a special meeting of the Delegates called for the purpose of considering same, remove any director from office and the vacancy created by such removal may be filled at the same meeting.

**8.05 Vacation of Office.** A director ceases to hold office when such individual: (a) dies; (b) is removed from office by the Delegates; (c) is absent from two (2) consecutive

meetings of the board, unless individual's absence is due to illness or other emergency which prevented such individual from attending or unless such absence is excused or consented to by the board; (d) ceases to be qualified for election as a director; (e) announces or otherwise declares their candidacy for election as either a federal member of Parliament or of the provincial legislature; or (f) such individual's written resignation is sent or delivered to the Association, or if a time is specified in such resignation, at the time so specified, whichever is later.

**8.06 Other Vacation of Office.** A director shall also cease to hold office if the board passes a resolution by a majority of at least 2/3 (two-thirds) of the votes cast stating that the director has:

- i) failed to adhere to the provisions of section 8.20 of this by-law dealing with conflict of interest, or that the director has failed to provide a Disclosure Statement or to make a disclosure as required in such Disclosure Statement;
- ii) failed to adhere to the provisions of section 8.21 of this by-law dealing with confidentiality, or that the director has failed to provide a satisfactory Undertaking as required by subsection 8.21(b) or has breached such Undertaking, or
- iii) failed to adhere to the provisions of section 8.22 of this by-law dealing with miscellaneous duties and obligations of directors and has breached such duties and obligations;

and determining that such director is an "Ineligible Individual".

**8.07 Vacancies.** Subject to the Act, in the event of a vacancy in the board, a quorum of those directors from the same, corresponding Crop Group may appoint an Eligible Crop Member, who is of the same Crop Group as the director who ceased to hold office, to fill the vacancy for the balance of the term of the whose cessation of office caused the vacancy.

**8.08 Action by the Board.** The board shall manage the business and affairs of the Association. Subject to sections 8.09 and 8.10, the powers of the board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office.

**8.09 Canadian Majority.** The board shall not transact business at a meeting unless 25% of the directors present are residents of Canada, except where

- (a) a director who is a resident of Canada and who is unable to be present approves in writing or by telephone or other communications facilities the business transacted at the meeting; and
- (b) a majority of directors who are residents of Canada would have been present had that director been present at the meeting.

**8.10 Electronic Meeting.** A director may participate and vote in board meetings by telephone, electronic or other means that permit all participants to communicate adequately with each other. A director so participating in such meeting is deemed to be present at the meeting.

**8.11 Place of Meetings.** Meetings of the board may be held at any place in Manitoba or at such other place as may be determined by the board.

**8.12 Callings of Meetings.** Meetings of the board shall be held from time to time and at such place as the board, the chair, or any two directors may determine.

**8.13 Notice of Meeting.** Notice of the time and place of each meeting of the board shall be given in the manner provided in section 12.01 to each director not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified, including any proposal to:

- (a) submit to the Members any question or matter requiring approval of the Members;
- (b) fill a vacancy in the office of auditor;
- (c) issue securities;
- (d) approve any annual financial statements; or
- (e) adopt, amend or repeal by-laws.

A director may in any manner waive notice of or otherwise consent to a meeting of the board.

**8.14 First Meeting of New Board.** Provided a quorum of directors is present, the board may without notice hold its first meeting immediately following an annual meeting of Members of the Association.

**8.15 Adjourned Meeting.** Notice of an adjourned meeting of the board to be held within 48 hours from the time the original meeting is adjourned is not required if the time and place of the adjourned meeting is announced at the original meeting.

**8.16 Regular Meetings.** The board shall meet at least four (4) times per year. The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

**8.17 Chair.** The chair of any meeting of the board shall be the chair, or in that director's absence the vice-chair. If no such officer is present, the directors present shall choose one of their number to be chair.

**8.18 Votes to Govern.** At all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chair of the meetings shall not be entitled to a second or casting vote.

**8.19 Per Diem Honorariums and Reimbursement for Expenses.** The directors may by resolution of the Members receive per diem honorariums for attending meetings of the board or any committee thereof, or any other meeting as may be determined by the board from time to time, and may be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof or otherwise associated with representing the Association.

**8.20 Conflict of Interest.**

- (a) The Guidelines annexed hereto and marked Schedule “B” shall govern the interpretation and application of this section.
- (b) Within a reasonable period of time following the election of an individual as a director of the Association, and prior to March 31<sup>st</sup> (or such other date as determined by written resolution of the board) in each calendar year thereafter, each director shall disclose in writing to the other directors all business, commercial or financial interests where such interest may conceivably be construed as being in actual or potential conflict with the director’s duties and responsibilities as a director and shall execute an Undertaking in such form as may be approved by the board with respect to how the director proposes to avoid any conflict or appearance of conflict with that director’s duties and responsibilities as a director of the Association.
- (c) Each director who may become interested in a business, commercial or financial interest which interest may conceivably be construed as being an actual or potential conflict with the director’s duties and responsibilities as a director of the Association shall disclose in writing to the other directors all business, commercial or financial interests where such interest may conceivably be construed as being in actual or potential conflict with the director’s duties and responsibilities as a director of the Association and shall execute an Undertaking in such form as may be required by the board with respect to how the director proposed to avoid any conflict or appearance of conflict with that director’s duties and responsibilities as a director of the Association.
- (d) The failure to make the disclosure as required under this section or the failure to provide an Undertaking as required under this section, or the breach of such an Undertaking, by a director shall be grounds for the passage of a resolution by the board under section 8.06 stating that the director has failed to adhere to the provisions of this section dealing with Conflict of Interest, determining that such director is an Ineligible Individual, and causing the office of that director to be automatically vacated.



### **8.21 Confidentiality.**

- (a) The Guidelines annexed hereto and marked Schedule “C” shall be adhered to by each director.
- (b) Within a reasonable period of time following the election of an individual as a director of the Association, that individual shall execute an Undertaking in a form satisfactory to the board with respect to not disclosing information relating to the Association of a confidential nature provided to the directors of the Association, which Undertaking shall reflect the Guidelines set out in Schedule “C”.
- (c) The failure to provide an Undertaking as required under this section or the breach of such an Undertaking by a director shall be grounds for the passage of a resolution by the board under section 8.06 stating that the director has failed to adhere to the provisions of this section dealing with confidentiality, determining that such director is an Ineligible Individual, and causing the office of that director to be automatically vacated.

### **8.22 Miscellaneous Duties and Obligations of Directors.**

- (a) The Guidelines annexed hereto and marked Schedule “D” shall be adhered to by each director.
- (b) The failure to adhere to the Guidelines set out in Schedule “D” shall be grounds for the passage of a resolution by the board under section 8.06 stating that the director has breached the duties or obligations owed by that individual, determining that such director is an Ineligible Individual, and causing the office of that director to be automatically vacated.

**8.23 Report.** The board shall submit or cause to be submitted to the annual meeting of Members and any other general meeting of the Members a report as to the affairs of the Association. In addition, it shall be the responsibility of the board to keep the Members informed as to the affairs of the Association and to encourage interest, discussion and support on the part of the Members by presenting periodic reports to the Members as to the affairs of the Association and its activities.

## **Section Nine**

### **EXECUTIVE AND OTHER COMMITTEES**

#### **9.01 Executive Committee.**

- (a) The board may appoint an Executive Committee from time to time. The Executive Committee shall include the chair of the Association and the chair of each Crop Committee. The members of the Executive Committee must be able to meet on a

regular basis. The Executive Committee shall from time to time prepare agendas for meetings for the board and ensure that the members of the board have sufficient information and alternatives available to them in order to deal with the matters included on such agendas.

- (b) During the intervals between the meetings of the board, the Executive Committee shall possess and may exercise (subject to any restrictions which the board may from time to time make) all of the powers of the board in the management and direction of the day to day operation of the Association (save and except only such acts as must by the Act or the articles be performed by the board itself) in such manner as the Executive Committee may deem best in the interest of the Association in all cases in which specific direction shall not have been given by the board. All actions of the Executive Committee shall be reported to the board at the meeting next succeeding such actions and shall be subject to revision or alteration by the board; provided that no acts or rights of the parties shall be affected or invalidated by any such revision or alteration.

**9.02 Advisory Committees.** The board may from time to time appoint such committees as it may deem advisable, but the functions of any such committees shall be advisory only.

**9.03 Transaction of Business.** Subject to the provisions of section 9.04, the powers of the Executive Committee or any other committee may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in Manitoba or at such other place as may be determined by the board.

**9.04 Electronic Meeting.** A member of the Executive Committee or any other committee may participate and vote in committee meetings by telephone, electronic or other means that permit all participants to communicate adequately with each other. A member so participating in such meeting is deemed to be present at the meeting.

**9.05 Procedure.** Unless otherwise determined by the board, each committee shall have the power to fix its quorum at not less than a majority of its members and to regulate its procedure.

## **Section Ten**

### **OFFICERS**

**10.01 Appointment.** The board may from time to time elect from among their numbers a chair, a vice-chair, and a secretary. The board may also from time to time appoint such other officers as the board may determine. Such other officers may but need not be a director. One person may hold more than one office. The board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers such powers as it may deem appropriate.

**10.02 Chair.** The chair shall preside at all meetings of the Members of the Association, and shall preside at meetings of the directors, and of the Executive Committee. The chair shall be an *ex officio* member of all committees appointed by the board. The chair shall perform such other duties as are incident to the office of chair of the Association or as may be required from time to time by the board.

**10.03 Vice-Chair.** The vice-chair shall, in the absence of the chair or the chair's inability from any cause to act, discharge the duties of the chair. Should the office of the chair become vacant, the vice-chair shall act until such time as the directors may appoint a successor. The vice-chair shall carry out such duties as the board may assign to that individual.

**10.04 Secretary.** The secretary shall attend and be the secretary of all meetings of the board and of the Members of the Association, and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat; that director shall conduct or cause to be conducted the correspondence of the Association; the secretary shall give or cause to be given, as and when instructed, all notices to Members of the Association, directors, officers, and auditors; the secretary shall be the custodian of all books, papers, records, documents and instruments belonging to the Association, except when some other officer or agent has been appointed for that purpose; and the secretary shall have such other powers and duties as the board may specify.

**10.05 Powers and Duties of Other Officers.** The powers and duties of all other officers shall be such as the terms of their engagement call for or as the board may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board otherwise directs.

**10.06 Variation of Powers and Duties.** The board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

**10.07 Term of Office.** The board, in its discretion, may remove any officer of the Association, without prejudice to that officer's rights under any employment contract. Otherwise each officer appointed by the board shall hold office until that officer's successor is appointed.

**10.08 Conflict of Interest.** An officer shall disclose that officer's interest in any material contract or proposed material contract with the Association in accordance with section 8.20.

**10.09 Agents and Attorneys.** The board shall have the power from time to time to appoint agents or attorneys for the Association in or outside Canada with such powers of management or otherwise (including the power to subdelegate) as may be thought fit.

**10.10 Fidelity Bonds.** The board may require such officers, employees and agents of the Association as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the board may from time to time determine.

## **Section Eleven**

### **PROTECTION OF DIRECTORS, OFFICERS, DELEGATES AND OTHERS**

**11.01 Limitation of Liability.** Every director, officer, and Delegate of the Association in exercising such person's powers and discharging that person's duties shall act honestly and in good faith with a view to the best interests of the Association and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director, officer, or Delegate shall be liable for the acts, receipts, neglects or defaults of any other director, officer, Delegate, or employee, or for any loss, damage or expense happening to the Association through the insufficiency or deficiency of title to any property acquired for or on behalf of the Association, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Association shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Association shall be deposited, or for any loss occasioned by any error of judgement or oversight on such person's part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of such person's office or in relation thereto; provided that nothing herein shall relieve any director, officer, or Delegate from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

**11.02 Indemnity.** Subject to the limitations contained in the Act, the Association shall indemnify a director, officer, or Delegate, a former director, officer, or Delegate or a person who acts or acted at the Association's request as a director or officer of a body corporate of which the Association is or was a shareholder or creditor, and that person's heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by that person in respect of any civil, criminal or administrative action or proceeding to which that person is made a party by reason of being or having been a director, officer, or Delegate of the Association or such body corporate, if

- (a) such person acted honestly and in good faith with a view to the best interests of the Association; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, such person had reasonable grounds for believing that such person's conduct was lawful.

The Association shall also indemnify such person in such other circumstances as the Act permits or requires.

**11.03 Insurance.** The Association may purchase and maintain insurance for the benefit of any person referred to in section 11.02 against such liabilities and in such amounts as the board may from time to time determine and are permitted by the Act.

## **Section Twelve**

### **NOTICES**

#### **12.01 Method of Giving Notices.**

- (a) Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the articles, the by-laws or otherwise to a Member of the Association, director, officer, auditor or member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to that person's recorded address or if mailed to that person at that person's recorded address by prepaid ordinary or air mail, or if sent to that person at that person's recorded address by any means of prepaid transmitted or recorded communication or by fax or e-mail if the method of sending or giving permits the individual to have easy access to the notice and to retain it in a permanent form. A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or transmitted. The secretary may change or cause to be changed the recorded address of any Member, director, officer, auditor or member of a committee of the board in accordance with any information believed by that person to be reliable.
- (b) Notwithstanding clause (a) of this section 12.01, notices in writing of the date, time, and place of any meeting of Members may be (i) published on the Association's website, (ii) sent by way of electronic delivery, (iii) published in any industry publication(s) for authorized crops, and/or (iv) published, sent, or delivered using any type of media as determined by the board, by resolution, with any one of such methods to be deemed acceptable for giving said notice.

**12.02 Computation of Time.** In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

**12.03 Undelivered Notices.** If any notice given to a Member pursuant to section 12.01 is returned on three (3) consecutive occasions because that Member cannot be found, the Association shall not be required to give any further notices to that Member until that Member informs the Association in writing of that Member's new address.

**12.04 Omissions and Errors.** The accidental omission to give any notice to any Member, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

**12.05 Waiver of Notice.** Any Member, director, officer, auditor or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to that person under any provision of the Act, the regulations thereunder, the articles, the by-laws or otherwise and such waiver or abridgement shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of Members or of the board which may be given in any manner.

**Section Thirteen**

**DISSOLUTION**

**13.01 Dissolution.** Upon the dissolution or winding up of the Association, all remaining property, after payment of all debts and liabilities of the Association, shall be distributed as provided in its articles.

**Section Fourteen**

**EFFECTIVE DATE AND AMENDMENT**

**14.01 Effective Date.** This by-law shall come into force when confirmed by an ordinary resolution of the Members of the Association.

**14.02 Amendment, Repeal and Replacement.** This by-law may be amended, repealed and replaced by an affirmative vote of at least 2/3rds of those Members present and entitled to vote at an annual or a special meeting of Members provided that the notice of such meeting included a copy of the resolution setting forth the proposed amendment, repeal, or re-enactment, as the case may be.

This by-law may also be amended, repealed and replaced at any duly called and constituted annual or special meeting of the Members without giving of the notice stated above by a resolution passed by the board of directors of the Association prior to the commencement of that meeting and confirmed by the affirmative vote of at least ninety (90%) percent of those Members present and entitled to vote on such resolution.

PASSED by the board the            day of            , 2019.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

CONFIRMED by the Members of the Corporation in accordance with the Act on the day of            , 2019.

\_\_\_\_\_

\_\_\_\_\_

---

---

---

DRAFT

**SCHEDULE "A"**

**MANITOBA [redacted] GROWERS ASSOCIATION INC.**

**NOMINATION FOR THE ELECTION OF A DELEGATE TO  
THE \_\_\_\_\_ COMMITTEE OF THE  
MANITOBA [redacted] GROWERS ASSOCIATION INC.**

We hereby nominate \_\_\_\_\_ for election as a Delegate to the \_\_\_\_\_ Committee (the "Committee") of the Manitoba [redacted] Growers Association Inc.

The undersigned each hereby state that the undersigned holds the status of an individual Member or an Eligible Person under the By-laws of Manitoba [redacted] Growers Association Inc. and is an Eligible Crop Member of the Crop Group corresponding to the Committee.

Nominated by:

\_\_\_\_\_  
(name)

\_\_\_\_\_  
(residential address)

\_\_\_\_\_  
(name)

\_\_\_\_\_  
(residential address)

\_\_\_\_\_  
(name)

\_\_\_\_\_  
(residential address)

\_\_\_\_\_  
(name)

\_\_\_\_\_  
(residential address)

\_\_\_\_\_  
(name)

\_\_\_\_\_  
(residential address)

I HEREBY ACCEPT THIS NOMINATION AND CONFIRM THAT I AM AN ELIGIBLE CROP MEMBER OF THE CROP GROUP CORRESPONDING TO THE COMMITTEE UNDER THE BY-LAWS OF MANITOBA [redacted] GROWERS ASSOCIATION INC.

DATED at \_\_\_\_\_, in Manitoba, this \_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_.

\_\_\_\_\_  
(signature of nominee)

\_\_\_\_\_  
(residential address of nominee)



---

This nomination was received by the returning officer on the \_\_\_\_ day of \_\_\_\_\_,  
201\_\_\_\_.

---

(signature of returning officer)

DRAFT

## **SCHEDULE “B” TO BY-LAW NO. 1/2019**

Guidelines established pursuant to sections 6.18 and 8.20 of By-law No. 1/2019.

### **CONFLICT OF INTEREST GUIDELINES**

#### **GENERAL**

1. No conflict should exist or appear to exist between the personal interests of a Delegate or director of the Association and his or her duties and responsibilities as a Delegate or director (as applicable) of the Association. For the purposes of this provision “personal interests” include, but are not necessarily limited to, a business, commercial or financial interest, whether of a person involved or arising from family or marital relationships, friends, or from former, existing or prospective business association.
2. Such individuals should arrange their personal affairs in a manner that will prevent conflict of interest from arising.
3. Such individuals should exercise care so as to not benefit or appear to derive a material personal benefit from being a Delegate or director of the Association.
4. Such individuals should not place themselves in a position where they could derive or appear to derive a material personal benefit, direct or indirect, personally or through a firm or corporation in which the individual has an interest, from contracts or other financial arrangements entered into by the Association, either with themselves, or with members of their immediate family (spouse or dependent children).
5. Nothing in these Guidelines is intended to imply that the participation by a Delegate or director in the business of producing authorized crops in Manitoba and the marketing of such authorized crops should be considered a conflict of interest. However such a Delegate or director should refrain from participating in the presentation of any motions, or voting on any resolutions, which would result in a material personal benefit to that Delegate or director different from the benefit generally available to other producers of authorized crops in Manitoba.

#### **IMMEDIATE DISCLOSURE OF INTEREST**

Each Delegate and director is responsible for the immediate disclosure of any situation or matter where he or she may have a conflict of interest or a potential conflict of interest. Where a Delegate or director is unsure whether any conflict of interest may exist, it is his or her responsibility to seek clarification from the board.

## DECISION AS TO CONFLICT OF INTEREST

Relative to directors, the board may decide, by resolution of the board, whether a material personal benefit may be derived or appear to be derived in the case of a director, or whether a conflict exists or appears to exist between the personal interests of a director of the Association and his or her duties and responsibilities as a director of the Association.

Relative to Delegates, each corresponding Crop Committee may decide, by resolution of the Crop Committee, whether a material personal benefit may be derived or appear to be derived in the case of a Delegate of that same Crop Committee, or whether a conflict exists or appears to exist between the personal interests of a Delegate and his or her duties and responsibilities as a Delegate of the Association.

## MATERIAL CONTRACTS OR ARRANGEMENTS

The Association will not ordinarily enter into a material contract or arrangement with a Delegate or director or any firm or partnership associated with a Delegate or director (or the spouse or dependent child of such Delegate or director) for the provision of goods or services to the Association.

A Delegate, director or officer who is a party to, or who is a director or officer of or who has a material interest in any person who is a party to, a material contract or proposed material contract with the Association shall disclose the nature and extent of that Delegate's, director's or officer's interest at the time and in the manner provided by the Act.

Relative to directors and officers, any such contract or proposed contract shall be referred to the board or the Members of the Association for approval even if such contract is one that in the ordinary course of the Association's business would not require approval by the board or Members of the Association, and a director interested in a contract so referred to the board shall not vote on any resolution to approve the same except as provided by the Act.

Relative to Delegates, any such contract or proposed contract shall be referred to the corresponding Crop Committee or the corresponding Eligible Crop Members for approval even if such contract is one that in the ordinary course of the Association's business would not require approval by the Crop Committee or the corresponding Eligible Crop Members, and a Delegate interested in a contract so referred to the corresponding Crop Committee shall not vote on any resolution to approve the same except as provided by the Act.

The following examples are intended to provide guidance with respect to material contracts or arrangements for the provision of goods or services:

1. The purchase of goods or services required for the daily operation of the Association in the ordinary course of the business of a supplier from the supplier's retail shelf, published price list, or catalogue would not normally be considered an

inappropriate contract or arrangement. On the other hand, a purchase of customized goods or services or the call for tender to provide goods or services from a supplier which would involve a subjective qualitative judgment by the Association may well be considered an inappropriate contract or arrangement.

2. It would be inappropriate for the Association to hire a Delegate, director, or the spouse or dependent child of a Delegate or director, as an employee of the Association.

DRAFT

## **SCHEDULE "C" TO BY-LAW 1/2019**

Guidelines established pursuant to section 6.19 and 8.21 of By-law No. 1/2019.

### CONFIDENTIALITY GUIDELINES

#### Definitions

1. In these Guidelines "Confidential Information" means information which is not generally available to members of the public, provided at or in connection with a meeting of a Crop Committee or the board or given to a Delegate or director (as applicable) as a result of that individual's status as a Delegate or director of the Association.

Confidential Information includes, but is not limited to, information relating to the activities, plans, programs, policies, operations, affairs, and business of the Association which is not in the public domain or has not been announced, published or made public in some official manner by the Association.

Confidential Information does not include:

- (a) information which was, at the time of disclosure by a Delegate or director, in the public domain; or
- (b) information which has been published or otherwise made available to the public through no action, direct or indirect, of the Delegate or director.

#### Right of Access

2. A Delegate or director is entitled to such information, data and knowledge (including Confidential Information) as may be necessary for the Delegate or director to perform the Delegate's or director's function and as may be approved by the board or the Crop Committee, as applicable, from time to time.

#### Association Information

3. A Delegate and director shall hold in strict confidence all Confidential Information relative to the activities, plans, programs, policies, operations, affairs and business of the Association.

The board may from to time determine when Confidential Information may be announced, published, or otherwise made public by the Association.

When Confidential Information is to be announced, published, or otherwise made public by the Association, it shall only be released by or through the chair (or such other person as may be designated by the Association) after due authorization by the board.

The chair may also, with the approval of the Executive Committee announce, publish or otherwise make public on behalf of the Association Confidential Information.

### Third Party Information

4. Confidential Information provided to a Delegate or director in the Delegate's or director's capacity as a Delegate or director with respect to the business and affairs of authorized crop producers and persons doing business with authorized crop producers shall only be used by a Delegate or director for the sole purpose of dealing with the matter to be decided or dealt with by the Association and for which such information was provided to the Association, and for no other purpose.

### Distribution

5. A Delegate and director must hold all Confidential Information in confidence and must not discuss, indicate, or transmit same to others (except to, as applicable, other Delegates of the same Crop Committee or directors) or make any unauthorized copy or use of any Confidential Information provided to the Delegate or director in any manner, without the specific approval of a resolution of, as applicable, the board or the corresponding Crop Committee for a Delegate.

### Return of Materials

6. A Delegate or director shall return to the Association any originals or copies of any information which remains as Confidential Information when the Delegate or director ceases to be a Delegate of a Crop Committee or director of the Association.

### Vigilance

7. A Delegate and director must take all reasonable actions to ensure that no unauthorized use or disclosure of Confidential Information occurs.

### Survival

8. The fiduciary duties of a Delegate or director, which include the duty not to disclose or use any Confidential Information of the Association, survive the Delegate's or director's term of office as a Delegate or director of the Association.

## **SCHEDULE "D" TO BY-LAW 1/2019**

Guidelines established pursuant to section 6.20 and 8.22 of By-law No. 1/2019.

### **MISCELLANEOUS DUTIES AND OBLIGATIONS OF DELEGATES' AND DIRECTORS' GUIDELINES**

1. Each Delegate and director in exercising that person's powers and discharging that person's duties shall act honestly and in good faith with a view to the best interests of the Association and in a manner consistent with the Articles of Incorporation and By-laws of the Association and the responsibilities of the Crop Committee or board (as applicable).
2. Each Delegate and director shall exercise the care, diligence and skill that could reasonably be expected from a person of his or her knowledge and experience.
3. Each Delegate and director shall respect, in spirit as well as in the letter, the programs, positions and policies established by the Association.
4. No Delegate or director shall publicly criticize a program, position, or policy adopted by the Association or any Crop Committee.
5. No Delegate or director shall engage in conduct unbecoming of a Delegate or director of the Association, and each Delegate and director shall observe a standard of conduct that reflects credit on the Association and inspires confidence, respect and trust of both the Delegates and directors and the supporters of the Association and of the general public.