

MANITOBA PULSE & SOYBEAN GROWERS INC.

BY-LAW NO. 1

A By-law relating, generally, to the transaction of the affairs of the
MANITOBA PULSE & SOYBEAN GROWERS INC.

BE IT ENACTED, as a By-law of the MANITOBA PULSE & SOYBEAN GROWERS INC., THAT:

NAME

1. The name of this non-share capital Corporation shall be the **MANITOBA PULSE & SOYBEAN GROWERS INC.**, hereinafter referred to as “**MPSG**”, unless changed by the Board of Directors in accordance with *The Corporations Act* (Manitoba).

HEAD OFFICE

2. The Head Office of the Corporation shall be located in the Province of Manitoba, Canada, at the place therein as the Directors may, from time to time, decide.

OBJECT

3. The object of this Corporation shall be the advancement of Manitoba's pulse and soybean crop growing industry in all of its phases. This object shall be carried out by:

- a) Facilitating mechanisms for exchange of ideas and information;
- b) Collecting, and making available to its Members, useful scientific and general information on producing, storing, packaging, processing, transporting, marketing, and utilizing of pulse and soybean crops;
- c) Improving trade relationships, and promoting consumption of Manitoba grown pulse and soybean crops;
- d) Providing financial support to stimulate, increase and improve the production and marketing of Manitoba grown pulse and soybean crops;
- e) Using such other means as may, from time to time, seem desirable.

MEMBERSHIP

4. a) **Active Members** – Active Members will include any person, corporation, partnership or joint venture who has grown or harvested a pulse or soybean crop in Manitoba and who has made a payment by automatic check-off, as described in Schedule A of *The Agricultural Producers' Association Funding Act*, and payment has been received by MPSG since September 30th of the year that is 24 months prior. If since September 30th of the year, that is 24 months prior, MPSG has not received an Active Member's automatic check-off pursuant to the Act, their membership will be automatically revoked. Upon receipt by the Corporation of a producer's application for any refund under the Act, the producer's membership is automatically revoked, and the producer must contribute through the automatic check-off under the Act and the same must be received by MPSG for one year prior to being reinstated as an Active Member.

Membership is non-transferable.

Each Active Member shall be entitled to one vote for each entity that has contributed by automatic check-off pursuant to the Act, notwithstanding that the entity might be a partnership of two or more persons or a corporation with more than one shareholder or a joint venture with two or more persons.

- b) **Honorary Life Members** - any person, corporation, partnership, or joint venture, who has rendered meritorious service to the pulse or soybean crop industry in Manitoba, may be admitted as honorary life member of the Corporation upon selection by the Board of Directors and approval at the annual meeting of the Members of the Corporation.

Membership is non-transferable.

- c) Hereinafter, Active Members and Honorary Life Members shall collectively be referred to as "Members".

MEETINGS

- 5. a) The Board of Directors shall call an annual meeting of the Members of the Corporation within 90 calendar days of each financial year-end of the Corporation. The Board of Directors shall determine the time and place of such meeting and may call additional general meetings of the Members of the Corporation if and when they deem such meetings necessary.
- b) A special meeting of Members shall be called upon 5% of Active Members requisitioning, in writing, the Chair or Board to call such a special meeting and stating the purpose of such meeting including the text of the proposed motion or resolution, which is being requested by the 5% of Active Members, or upon resolution of the Board of Directors. A special meeting may be held in conjunction with the annual general meeting.
- c) Any Active Member who wants to bring forward a resolution to the annual general meeting must provide notice to the Board of Directors by December 1 of the year prior to the annual general meeting. The Board of Directors will send notice to Members, as outlined in 5 (d), disclosing the text of any resolution to be considered at the meeting. The Board may submit resolutions to the membership.
- d) Notice of any meeting, whether the annual meeting or a special meeting, shall be provided a minimum of 21 calendar days and a maximum of 50 calendar days prior to the date of the meeting. Such notice shall contain sufficient information to permit Members to form a reasoned judgment on the decision to be taken. Notice shall also be sent to all Directors and the Auditor of the Corporation. Notice may be provided by direct mail to Members at their last known address, or by email if the member has provided an email address to the Corporation. A notice so delivered shall be deemed to have been given when deposited in a post office or public letter box, or if sent by email notice, shall be deemed to have been given when dispatched or transmitted. The Board shall supplement notice by taking the following steps: i) inserting the full text of the notice of meeting in the Corporation's newsletter; ii) posting the full text of the notice of meeting and proposed resolutions on the Corporation's website for 40 consecutive days in advance of the meeting; and iii) advertising in two (2) general farm papers giving notice of the meeting and advising Members to contact the Corporation for a copy of the relevant materials.

- e) Only resolutions put forward by the Board of Directors or proposed by Members in accordance with 5 (b) or 5 (c) shall be eligible to be voted on at a meeting of the Members.
- f) Quorum shall be deemed to be satisfied by the number of Active Members who attend a meeting.

VOTING

6. Only Active Members may vote at any special or annual meeting of the Members of the Corporation. Voting shall be by a show of hands except in the election of Directors and such other matters as the Directors may specify which will be by secret ballot.

BOARD OF DIRECTORS

7. The Board of Directors shall be composed of a minimum of eight and a maximum of ten Directors. All Directors shall be Active Members of the Corporation, elected at the annual meeting, and shall serve for a term of three (3) years. Only candidates put forward by the Nomination Committee shall be eligible for election to the Board of Directors. The Board may appoint Advisors from the following organizations:

- a) Manitoba Government;
- b) University of Manitoba;
- c) Federal Government;
- d) Pulse or Soybean Industry.

Advisors shall have the right to notice of and to attend meetings of the Board of Directors, but shall not have the right to vote. The Board of Directors shall generate a policy governing the appointment and role of advisors and shall review and update the policy from time to time as the Board deems necessary.

8. The Board shall appoint a Nomination Committee, which shall be responsible for nominating Active Members to be considered for election as Directors. The Board shall produce a policy for the operation of the Nomination Committee and shall review and update the policy from time to time as the Board deems necessary.

9. The office of a Director shall be automatically vacated:
- a) If a Director shall resign his/her office by delivering a written resignation to the Executive Director of the Corporation;
 - b) A Director misses three (3) consecutive Directors' meetings without reasonable cause;
 - c) On the death of the Director;
 - d) If at a special meeting of the Members of the Corporation, a resolution is passed by a majority of the Members present and eligible to vote at the meeting that the Director be removed from office, same being in accordance with the rules required for removal of a Director under *The Corporations Act (Manitoba)*;
 - e) If a Director is no longer an Active Member.

In the event that a Director resigns, or is unable or unwilling to continue acting as a Director, or in the event that a full slate of Officers is not elected, the vacant position(s) may be filled by appointment(s) by a majority vote of the Board of Directors, which appointment shall end on the end date of the original term of the vacated Director(s).

10. Directors retiring from office at the expiry of their term shall be deemed to hold office until the commencement of an organizational meeting to be held immediately subsequent to MPSG's annual meeting. Incoming Directors and Officers shall assume office at the commencement of the abovementioned organizational meeting of the MPSG.

11. The Directors may exercise all powers of the Corporation as are not by these by-laws or by *The Corporations Act (Manitoba)* required to be exercised by the Members at a general meeting. Without limiting the generality of the foregoing, it shall be the duty of the Board of Directors:

- a) To direct the operation of the Corporation;
- b) To develop and execute the policy of the Corporation;
- c) To appoint Members and Officers of such committees of the Corporation as may from time to time appear necessary and desirable;
- d) To make recommendations to the Corporation regarding such revisions of the by-laws as may from time to time be necessary;
- e) To take such action as may from time to time seem advisable in promoting the work of the Corporation toward fulfilment of its declared objectives;
- f) To put into place any processes as deemed necessary to protect the financial interests of the Corporation;
- g) To implement all resolutions passed at any annual or any special meeting of Members;
- h) To appoint the Chair, Vice-Chair, Executive Director, and such other Officers as they determine to be necessary.

12. All Directors will have an equal vote. A simple majority of votes cast will determine questions at meetings unless *The Corporations Act (Manitoba)* requires otherwise. A tie vote shall be considered to defeat a motion.

13. The Board of Directors shall have the power to authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an Officer or Officers of the Corporation the right to employ and to pay salaries to employees. The Board of Directors shall have the power to make expenditures for the purpose of furthering the objectives of the Corporation. The MPSG may provide a per diem for any Directors and reimburse that Director for all reasonable expenses incurred in the performance of duties on behalf of the MPSG. The rate of any per diem for Directors shall be determined by the Board of Directors, and the rate shall be reviewed and updated as necessary on an ongoing basis.

14. The Board of Directors may delegate by resolution to an Officer or Officers of the Corporation the right to:

- a) Employ and pay salaries to employees;
- b) Sign on behalf of the Corporation any contracts, documents and any instrument in writing requiring the signature of the Corporation;

- c) Create a policy establishing signing authority for cheques, bills of exchange or other evidence of indebtedness;
- d) Endorse notes and drafts for collection on account of the Corporation through its bankers;
- e) Endorse notes and cheques for deposit with the Corporation's bankers for the credit of the Corporation.

MEETINGS OF THE BOARD OF DIRECTORS

15. Meetings of the Board of Directors shall be called by the Chair as frequently as deemed necessary by him/her, or at the written request of three (3) Directors, specifying the issue to be considered.

16. The Directors shall receive notice of such meeting not less than 48 hours before the meeting is to take place including notice of the time and place that the meeting shall be held. Such notice may be communicated by letter or by telephone, email or other form of instant communication. No formal notice shall be necessary if all Directors are present at the meeting, or if those Directors not present waive notice thereof before or after the date of such meeting. No error or omission to give notice for a meeting of Directors shall invalidate, or make void any proceedings taken or had at such meeting.

17. The meetings of the Executive Committee or other committee shall be called by the Chair of these committees, as frequently as the Chair of that committee deems necessary. Notice requirements for committee meetings shall be identical to those required for the Board of Directors, as set out in Section 16 of these by-laws.

18. Directors meetings may take place by telephone or other electronic means provided each Director has access to the technology. All votes will be counted by signifying verbally "for" or "against" the motion and each Director shall identify themselves to establish quorum.

19. The transaction of business at any meeting of the Board of Directors or any committee established by the Board of Directors shall require the presence of one-third of committee Members at any given time. Members of the Board of Directors or any committee of the Board of Directors may not hold the proxy of any Director. The Chair and Executive Director shall be ex officio Members of all committees.

BORROWING

20. The Board of Directors may from time to time:
- a) Borrow money on the credit of the Corporation; or
 - b) Issue, sell or pledge securities of the Corporation; or
 - c) Charge, mortgage, hypothecate or pledge all of or any of the real or personal property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Corporation.

From time to time the Board of Directors may authorize any Director, Officer or employee of the Corporations or any other person to make arrangements with reference to the moneys borrowed or

to be borrowed as aforesaid and as to the terms and conditions of the loan thereof, and as to the securities to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional securities for any moneys borrowed or remaining due by the Corporation as the Board of Directors may authorize and generally to manage, transact and settle the borrowing of money by the Corporation.

EXECUTIVE COMMITTEE

21. The Executive Committee shall consist of the Chair, the Vice-Chair, the Executive Director (as a non-voting Member), and an additional Director chosen by the Board who shall be responsible to carry into effect and arrange the details for such policies and actions as the Board has previously decided or advised. In addition, the Executive Committee shall act on the Corporation's behalf between Board meetings. The Executive Committee shall manage the affairs of the Corporation between the meetings of the Board of Directors.

22. The Directors shall elect from their number the Chair of the Corporation, who shall hold office for one year or until his/her successor is appointed. The Directors shall also elect from among their number the Vice-Chair who shall hold office for one (1) year. These elections shall occur at the organizational meeting referred to in Article 10.

23. The Board of Directors may appoint an Executive Director or other such staff as an Officer of the Corporation, and delegate to the Executive Director to hire other staff, as the Board of Directors deems appropriate. All staff will report to the Executive Director on a day-to-day basis unless otherwise determined by the Board. The Executive Director shall solely be responsible for all supervision and/or disciplining of staff of MPSG unless otherwise determined by the Board of Directors. The Chair, Vice-Chair and the appointed Director shall oversee the Executive Director.

24. Vacancies in any position on the Executive Committee may be filled by a majority vote of the Members of the Board of Directors present at any meeting thereof. Such election shall be effective only until the meeting of the Board of Directors immediately following the next annual meeting of the Members of the Corporation.

25. Officers of the Executive Committee shall be subject to removal by resolution of the Board of Directors at any time.

26. The transaction of business at a meeting of the Executive Committee shall require the presence of two (2) voting Members of the committee.

DUTIES OF OFFICERS

27. The duties of the Officers shall be to carry out the duties assigned to them by the Corporation. At each annual meeting of the Members of the Corporation, the Officers shall present a full report of the preceding years' activities. In particular:

- a) The Chair shall, when present, preside at all meetings of the Members of the Corporation, of the Board of Directors, and of all meetings of the Executive Committee. The Chair

shall also be charged with the general management and supervision of affairs and operations of the Corporation.

- b) During the absence or inability of the Chair, his/her duties and powers shall be exercised by the Vice-Chair, or in the absence of the Vice-Chair, any such other Director as the Board may from time to time appoint for that purpose.
- c) The duties of all other Officers of the Corporation shall be such as the terms of their engagement call for, or the Board of Directors requires of them.

PROTECTION OF DIRECTORS AND OFFICERS

28. A Director and/or Officer of the Corporation in exercising his/her powers and discharging his/her duties shall act honestly and in good faith with a view to the best interests of the Corporation and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no Director or Officer shall be liable for the acts, receipts, neglects, or defaults of any other Director or Officer or employee, or for any loss, damage or expense happening to the Corporation which shall in the execution of the duties of his/her office or in relation thereto provided that nothing herein shall relieve any Director or Officer from the duty to act in accordance with *The Corporations Act (Manitoba)*, and the regulations hereunder.

29. Subject to the limitations contained in *The Corporations Act (Manitoba)*, the Corporation shall indemnify a Director or Officer, a former Director or Officer or a person who acts or acted at the Corporation's request as a Director or Officer, against all costs, charges and expenses including those paid to settle an action or satisfy a judgment, reasonably incurred by him/her in respect of any civil, criminal or administrative action or proceeding to which he/she is made a party by reason of being or having been a Director or Officer of the Corporation or such body corporate if:

- a) That Director acted honestly and in good faith with a view to the best interests of the Corporation; and
- b) In the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, that Director had reasonable grounds for believing that his/her conduct was lawful.

COMMITTEES

30. The Board of Directors shall appoint a Resolutions Committee and a Nominating Committee at least four (4) months prior to the annual meeting of Members of the Corporation. The Board of Directors may appoint such other committees, as it deems necessary.

31. All duly appointed committees shall report to the Board of Directors with the exception of the Resolutions and Nominating Committees, which shall report to the annual meeting of Members of the Corporation.

CONFLICT OF INTEREST

32. The Board of Directors shall establish a Conflict of Interest policy, and shall amend same from time to time as the Board determines that it is necessary to do so.

PRIVACY

33. The Board of Directors shall establish a privacy policy, and shall amend same from time to time as the Board determines that it is necessary to do so.

VOTING RIGHTS IN OTHER ASSOCIATIONS OR CORPORATIONS

34. The Board of Directors may from time to time direct the manner in which and the person or persons by whom any particular voting rights shall be exercised when such voting rights are held by the Corporation in any other association or corporation.

BOOKS AND RECORDS

35. The Directors shall see that all books and records required by s20(1) of *The Corporations Act* (Manitoba) are regularly and properly kept. All Members shall have a right to review these books and records at all reasonable times.

36. The Active Members shall at each annual meeting of the Members of the Corporation appoint an Auditor to audit the accounts of the Corporation to hold office until the next annual meeting provided that the Directors may fill any vacancy in the office of Auditor. The Board of Directors shall fix the remuneration of the Auditor.

FINANCIAL YEAR

37. The financial year of the Corporation shall end on the 31st day of December in each year.

FINANCIAL STATUS

38. The Corporation shall carry on its operations and business without pecuniary gain to its Members, and any profits or other accretions to the Corporation shall be used solely in promoting its purposes and objectives as stated herein.

RULES OF ORDER

39. Rules of order for the ~~MPSG~~ annual general meeting and any special meetings shall follow those as listed in Schedule A "Rules of the Manitoba Pulse & Soybean Growers Inc. Annual General Meetings and any Special Meetings".

AMENDMENT

40. The by-laws of the Corporation may be amended by calling a special meeting as set out herein. Such amendments shall be passed by a two-thirds majority of Active Members attending a special or annual meeting of the Corporation.

DISSOLUTION

41. Subject to *The Agricultural Producers Funding Act* (Manitoba), on dissolution of the Corporation, its property and assets shall after the payment of all liabilities shall be donated to a non-profit organization whose goals are to promote pulse or soybean crop research or pulse or soybean related education as determined by the Board of Directors. Pursuant to Section 277(5) of *The Corporations Act* (Manitoba), the assets of the Corporation shall not be distributed to the Members. In the event the MPSG amalgamates with another Not-for-Profit organization, the assets of the MPSG shall become assets of the amalgamated corporation.

INTERPRETATION

42. In these by-laws and in all other by-laws of the Corporation hereafter passed unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender as the case may be and vice versa and reference to persons shall include firms and corporations.

EFFECTIVE DATE

43. The effective date of these by-laws shall be the day the Articles of Amendment changing the name of the Corporation from Manitoba Pulse Growers Association Inc. to Manitoba Pulse & Soybean Growers Inc. are registered.

PASSED by the Board of Directors as a recommendation to the Members for consideration at the annual meeting dated this 5th day of November 2015.

Motion

E. Sirski – F. Prince that the draft by-laws, as circulated to the membership on January 6, 2016 be adopted.

Carried

PASSED by the membership at the 2016 Annual General Meeting, on February 10, 2016 at the Victoria Inn Hotel and Convention Centre, Winnipeg, Manitoba.