

BY - LAW
OF THE CANADIAN CATTLE IDENTIFICATION AGENCY
A by-law relating generally to the conduct of the affairs of
CANADIAN CATTLE IDENTIFICATION AGENCY

Revised December 2011

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the CANADIAN CATTLE IDENTIFICATION AGENCY (hereinafter called the "Agency") as follows:

DEFINITIONS

1. In this by-law and all other by-laws of the Agency, unless the context otherwise specifies or requires:
 - a) "Act" means the Canada Corporations Act, Revised Statutes of Canada 1970, c. C-32, as from time to time amended, and every statute that may be substituted therefor and, in the case of such amendment or substitution, any references in the by-laws of the Agency shall be read as referring to the amended or substituted provisions therefor;
 - b) "by-law" means any by-laws of the Agency from time to time in force and effect;
 - c) all terms contained in the by-laws which are defined in the Act shall have the meanings given to such terms in the Act;
 - d) words implying the singular number only shall include the plural and vice versa; words implying the masculine gender shall include the feminine and neuter genders; words implying persons shall include bodies corporate, corporations, companies, partnerships, syndicates, trusts and any number or aggregate of persons; and
 - e) the headings used in the by-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

MEMBERSHIPS

2. Regular Membership

The members of the Agency shall be the Canadian Cattlemen's Association, the Canadian Meat Council, the Livestock Markets Association of Canada and the Canadian Sheep Federation, upon application thereof. Other organizations with similar objectives may be admitted upon application, to regular membership by resolution of the Board of Directors, and subject to the conditions as specified by the agency. The agency may terminate a membership at any time by a two thirds majority vote of the members present should a member fail to meet its obligations as a member including, but not limited to the payment of fees and charges incurred on its behalf by the agency. The initiative to terminate a membership must be circulated to the membership as a notice of motion at least 14 days before the meeting at which the decision will be taken.

Amended September 10, 2002

Amended December 12, 2011

3. Associate Membership

Any person, agency, educational institution, foundation, society or corporation not otherwise eligible for regular membership in the Agency may be admitted, upon application, to associate membership in the Agency from time to time by resolution of the directors. An associate member will be entitled to receive notice of any meeting of the members of the Agency but will not be entitled to vote at any meeting of the members of the Agency or to appoint directors.

4. Honourary Membership

Any person, agency, educational institution, foundation, society or corporation may be admitted to honorary membership in the Agency from time to time by resolution of the directors. An honorary member will be entitled to receive notice of any meeting of the members of the Agency but will not be entitled to vote at any meeting' of the members of the Agency or to appoint directors.

5. Resignation from Membership

Any member may resign from membership in the Agency upon notice in writing thereof received by the General Manager of the Agency.

FEES

6. Annual Fees

Annual fees for regular members and associate members of the Agency shall be established at the Annual Meeting.

MEETINGS OF MEMBERS

7. Annual Meetings

The annual meeting of the members required by section 102 of the Act shall be held at any place within Canada, on such day in each year and at such time as the directors may by resolution determine. At annual meetings there shall be presented a report of the directors of the affairs of the Agency for the previous year, a financial statement of the Agency and the auditor's report thereon as required by the Act, and such other information or reports relating to the Agency's affairs as the directors may determine.

8. Special General Meetings

Other meetings of the members (to be known as "special general meetings") may be convened by order of the Chairman or the Vice-Chairman or by the board of directors to be held at any date and time and at any place within Canada. The Chairman shall call a special general meeting of members on written requisition of not less than 66 per cent of the regular members.

9. Notice

Notice stating the day, hour and place of meeting and the general nature of the business to be transacted thereat shall be given, in writing, to each regular member, each associate member, each honorary member and to the auditors of the Agency at least 21 days before the date of every meeting, provided always that a meeting of members may be held for any purpose at any date and time and at any place within Canada without notice if all the regular members are represented by a designated representative present at the meeting. Notice of any meeting where special business will be transacted shall contain sufficient information to permit the member to form a reasoned judgment on the decision to be taken. Notice of each meeting of members shall state that each regular member shall vote by its designated representative whose name shall be provided to the General Manager of the Agency by the regular member at least 48 hours before the meeting.

10. Voting

Each regular member shall be entitled to one vote at any meeting of members. Unless the Act or these by-laws otherwise provide, every question submitted to any meeting of members shall be decided in the first instance by a majority of votes given on a show of hands and in case of any equality of votes the chairman shall, both on a show of hands of the designated representatives and at a poll, have a second or casting vote in addition to the vote to which he is entitled as a designated representative for a member. At any meeting, unless a poll is demanded, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

11. Chairman

In the absence of the Chairman and the Vice-Chairman, the designated representatives present shall choose another director as chairman of the meeting.

12. Polls

If at any meeting a poll is taken on the election of a chairman or on the question of adjournment, it shall be taken forthwith without adjournment. If a poll is demanded on any other question, it shall be taken in such manner and either at once or after adjournment as the chairman directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be withdrawn.

13. Adjournments

The chairman of the meeting may, with the consent of any meeting, adjourn the same from time to time to a fixed time and place and no notice of the time and place for the holding of the adjourned meeting need be given to the members. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

14. Quorum

Designated representatives of Fifty (50%) percent plus one (1) of the regular members shall constitute a quorum of any meeting of members for all purposes. No business shall be transacted at any meeting unless the requisite quorum shall be present.

15. Participation in Meeting by Telephone

If all the members consent, a member or any other person entitled to attend a meeting of members may participate in the meeting by means of telephone or other telecommunication facilities that permit all persons participating in the meeting to hear each other and a person participating in such a meeting by those means is deemed to be present at the meeting.

16. Resolution in Lieu of Meeting

A resolution in writing signed by all of 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.

DIRECTORS

17. Number and Powers

The affairs of the Agency shall be managed by a board of directors consisting of not fewer than 10 and not more than 19 directors, the actual number to be determined under clause 19 hereof. The directors may exercise all such powers and do all such acts and things as may be exercised or done by the Agency and are not by the by-laws of the Agency or by statute expressly directed or required to be done by the Agency at a meeting of members. The General Manager shall attend but may not vote at meetings of the Board of Directors.

Amended April 2, 2009

Amended June 9, 2002

Amended April 7, 2011

18. *First Directors*

The applicants for incorporation shall become the first directors of the Agency, whose term of office as directors shall continue until their successors are appointed. At the first meeting of members, a board of directors shall be appointed to replace the first directors of the Agency.

19. *Appointment of Directors and Term of Office*

The directors' term of office shall be from the date of the meeting at which they are appointed until the annual meeting of members next following or until their successors are appointed. No person shall hold the office of a director for more than 12 years.

The directors shall be appointed at each annual meeting by the members of the Agency. The Canadian Cattlemen's Association shall be entitled to appoint three directors so long as it is a member of the Agency. The Canadian Meat Council shall be entitled to appoint two directors so long as it is a member of the Agency. The Livestock Markets Association of Canada shall be entitled to appoint one director so long as it is a member of the Agency. The Canadian Sheep Federation shall be entitled to appoint one Director so long as it is a member of the agency. The Board of Directors shall determine the number of directors that any new member of the Agency will be entitled to appoint. If any director ceases to be a director, then the member whose nominee has vacated office may appoint a replacement director who shall hold office for the unexpired term of the director who ceased to be a director and who caused such vacancy. Agriculture and Agri-food Canada and the Canadian Food Inspection Agency may each appoint an advisor who shall have the right to attend all meetings of the Board of Directors of the Agency, but who shall not have the right to vote at such meetings.

Amended April 2, 2009

Amended April 7, 2011

Amended December 12, 2011

20. *Vacation of Office*

The office of a director of the Agency shall become vacated:

- a) if he becomes bankrupt or a receiving order is made against him or he makes an assignment under the Bankruptcy Act (Canada) or any statute that may be substituted therefor;
- b) if an order is made declaring him to be a mentally incompetent person or incapable of managing his own affairs;
- c) if he is convicted of any criminal offence; or
- d) if by notice in writing to the General Manager of the Agency he resigns his office and such resignation, if not effective immediately, becomes effective in accordance with its terms.

21. Removal of Directors

The members of the Agency may, by notice in writing to the General Manager of the Agency and the affected director, revoke the appointment of any director appointed by that member, before the expiration of his term of office.

22. Remuneration of Directors

The directors will serve without remuneration from the Agency and no director shall directly or indirectly receive profit from his position as such. A per diem and the reasonable expenses incurred by a director in the performance of his duties for the Agency will be paid by the Agency.

Amended April 2, 2009

MEETINGS OF DIRECTORS

23. Place of Meetings

Meetings of the board of directors may be held either at the head office of the Agency or at any other place within Canada.

24. Notice

A meeting of directors may be convened at any time by the Chairman or the Vice-Chairman or 50% of the directors. The General Manager, by direction of the Chairman or the Vice-Chairman or 50% of the directors, shall convene a meeting of directors. The directors may from time to time by resolution determine to hold regular meetings of the directors and shall by such resolution fix the dates or times of such regular meetings; so long as any such resolution is in effect the General Manager of the Agency shall convene such regular meetings by notice given in the manner hereinafter referred to.

Notice of any meeting of directors stating the day, hour and place of meeting shall be given to each director, other than by mail, at least 6 business days before the meeting is to take place, provided always that meetings of the board of directors may be held at any time without formal notice if all the directors are present or those absent have waived notice or have signified their consent in writing to the meeting being held in their absence. Notice of any meeting or any irregularity in any meeting or in the notice thereof may be waived by any director and such waiver may be validly given either before or after the meeting to which such waiver relates.

For the first meeting of the board of directors to be held immediately following the election of directors at an annual or special general meeting of the members or for a meeting of the board of directors at which a director is appointed to fill a vacancy in the board, no notice of such meeting shall be necessary to the newly elected or appointed director or directors in order for the meeting to be duly constituted, provided that a quorum of the directors is present.

If an urgent meeting of the Board of Directors is called for a specific purpose, the members of the Agency may unanimously consent to waive or reduce the notice requirement for that particular meeting and all proceedings and resolutions passed at that meeting relating to that specific purpose shall be valid notwithstanding that the otherwise required notice had not been given to the directors.

25. *Quorum and Voting*

50 % plus 1 of the directors shall constitute a quorum for the transaction of business. Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes, the chairman of the meeting, in addition to his original vote, shall not have a second or casting vote.

26. *Resolution in Lieu of Meeting*

A resolution in writing signed by all of the directors entitled to vote on that resolution at a meeting of the directors or a committee of the directors, if any, is as valid as if it had been passed at a meeting of the directors or the committee of the directors, if any.

27. *Meeting by Telecommunications*

If all of the directors of the Agency consent, a director may participate in a meeting of the board or a committee of the board of directors by means of such telephone or other communication facilities as to permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and committees of the board.

INDEMNITIES TO DIRECTORS AND OTHERS

28. Every director or officer of the Agency or other person who has undertaken or is about to undertake any liability on behalf of the Agency and their heirs, executors and administrators, and estate and effects, respectively, shall, from time to time and at all times, be indemnified and saved harmless, out of the funds of the Agency, from and against:

- a) all costs, charges and expenses whatsoever which such director, officer or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him in or about the execution of the duties of his office or in respect of any such liability; and
- b) all other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his own wilful neglect or default.

FOR THE PROTECTION OF DIRECTORS AND OFFICERS

29. No director or officer for the time being of the Agency shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense suffered or incurred by the Agency through the insufficiency or deficiency of title to any property acquired by the Agency or for or on behalf of the Agency or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Agency shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation, including any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or

deposited, or any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Agency or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto unless the same shall happen by or through his own wrongful and wilful act or through his own wrongful and wilful neglect or default.

The directors for the time being of the Agency shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Agency, except such as shall have been submitted to and authorized or approved by the board of directors. If any director or officer of the Agency shall be employed by or shall perform services for the Agency otherwise than as director or officer or shall be a member of a firm or a shareholder, director or officer of a company which is employed by or performs services for the Agency, the fact of his being a director or officer of the Agency shall not disentitle such director or officer or such firm or company, as the case may be, from receiving proper remuneration for such services.

OFFICERS

30. Election and Appointment

The board of directors shall annually or more often as may be required elect a Chairman and a Vice-Chairman and shall appoint a General Manager. Any person may, in the discretion of the directors, hold one or more offices. The directors may appoint such other officers and agents as they shall deem necessary who shall have such authority and shall perform such duties as may from time to time be prescribed by the board of directors. No person shall hold the office of Chairman for more than 3 years. The Chairman and the Vice-Chairman shall not be directors appointed by the same member. The directors may appoint a Chairman of the Agency who is not a member of the Board of Directors.

31. Remuneration and Removal of Officers

The directors may fix the remuneration (if any) to be paid to officers of the Agency. All officers, in the absence of agreement to the contrary, shall be subject to removal by resolution of the board of directors.

32. Delegation of Duties of Officers

In case of the absence or inability to act of the Chairman, the Vice-Chairman or any other officer of the Agency or for any other reason that the directors may deem sufficient, the directors may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

33. Chairman

The Chairman shall, when present, preside at all meetings of the board of directors and of members of the Agency. He shall possess and may exercise such powers and shall perform such other duties as may from time to time be assigned to him by the board of directors.

34. Vice-Chairman

The Vice-Chairman shall be vested with all the powers and shall perform all duties of the Chairman in the absence or inability or refusal to act of the Chairman. The Vice-Chairman shall possess and may exercise such other powers and duties as may from time to time be assigned to him by the board of directors.

35. General Manager

The General Manager shall, when present, act as secretary of all meetings of directors and members, and shall have charge of the minute books and corporate seal of the Agency and the documents and registers referred to in the Act. He shall perform all duties incident to his office or that are properly required of him by the board of directors. The General Manager shall collect all Agency revenues and, subject to the provisions of any resolution of the board of directors, shall have the care and custody of all the funds and securities of the Agency and shall deposit the same in the name of the Agency in such bank or banks or with such depository or depositories as the board of directors may direct. He shall keep or cause to be kept the books of account and accounting records required by the Act. He shall perform all duties incident to his office or that are properly required of him by the board of directors. He may be required to give such bonds for the faithful performance of his duties as the board of directors in their uncontrolled discretion may require but no director shall be liable for failure to require any bond or for the insufficiency of any bond or for any loss by reason of the failure of the Agency to receive any indemnity thereby provided.

36. Vacancies

If the office of the Chairman, the Vice-Chairman or the General Manager shall be or become vacant by reason of death, resignation, disqualification or otherwise, the directors may elect or appoint any person to fill such vacancy.

COMMITTEES

37. Constitution of Committees

The board of directors may from time to time constitute such committees as it deems necessary and shall prescribe their duties.

38. Executive Committee

The Executive Committee, consisting of the Chairman, the Vice Chairman, two (2) Directors-at-Large, the Chair of the Audit and Finance Committee, the Past Chair and the General Manager shall be constituted to assist the directors in carrying out the policies established by the Board of Directors.

Amended April 2, 2009

39. Membership of Committees, Generally

Members of committees shall be subject to removal by the board of directors. Members of committees shall serve without remuneration but shall be entitled to reimbursement for any expenses which they may incur.

40. Meetings

Meetings of the executive committee shall be held at any time and place to be determined by the members of such committee provided that forty eight (48) hours written notice of such meeting shall be given, other than by mail, to each member of the committee. Notice by mail shall be sent at least fourteen (14) days prior to the meeting. A majority of the members of such committee shall constitute a quorum. No error or omission in giving notice of any meeting of the executive committee or any adjourned meeting of the executive committee of the Agency shall invalidate such meeting or make void any proceedings taken thereat and any member of such committee may at any time waive notice of such meeting and may, at any time, ratify, approve and confirm any and all proceedings taken or had thereat. All other committees may meet for the transaction of business, adjourn and otherwise regulate their meetings as they think fit.

NOTICES

41. Service

Any notice to be given to any member, director or auditor shall be served either personally or by sending it through the post in a prepaid envelope or wrapper or by telefax or E-mail to such member, director or auditor addressed to him at his address or telefax number or E-mail address as the same appears in the books of the Agency, or if no address or telefax number or E-mail address be given therein, then addressed to the last address of such member, director or auditor known to the General Manager of the Agency. With respect to every notice sent by post, it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and put into a post office or into a post office box.

42. Signature to Notices

The signature to any notice may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed. Without derogating from any provision of the Act or this by-law requiring a longer period of notice, every notice sent by post shall be given at least 14 days in advance of the date of the meeting to which it relates.

43. Computation of Time

Where a given number of days' notice or notice extending over any period is required to be given, the day of service or posting of the notice shall not be counted in such number of days or other period but the day for which notice is given shall be so counted. Where the term "business days" is used in this by-law, it shall mean Mondays, Tuesdays, Wednesdays, Thursdays and Fridays except where such days fall on statutory holidays.

44. Proof of Service

A certificate of the Chairman, the Vice-Chairman or the General Manager of the Agency in office at the time of the making of the certificate as to facts in relation to the mailing or delivery of any notice to any member, director or auditor or publication of any notice shall be conclusive evidence thereof and shall be binding on every member, director or auditor of the Agency, as the case may be.

CHEQUES, DRAFTS, NOTES, ETC.

45. All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officer or officers or person or persons, whether or not officers of the Agency, and in such manner as the board of directors may from time to time designate by resolution.

HEAD OFFICE

46. The directors may from time to time by resolution fix the location of the head office of the Agency within the City of Calgary, in the Province of Alberta.
47. The seal, an impression whereof is stamped in the margin hereof, shall be the seal of the Agency. The seal shall be retained in the custody of the General Manager of the Agency.

ENACTMENT AND AMENDMENT OF BY-LAWS

48. By-laws of the Agency may be enacted, and such by-laws repealed or amended, by a by-law enacted by a majority of the directors at a meeting of the board of directors and sanctioned by an affirmative vote of at least two thirds of the members present at a meeting of members duly called for the purpose of considering the by-law, provided that the repeal or amendment of such by-law shall not be enforced or acted upon until the approval of the Minister has been obtained.

AUDITORS

49. The members shall, at each annual meeting, appoint an auditor to audit the accounts of the Agency to hold office until the next annual meeting of members provided that the directors may fill any casual vacancy in the office of auditor. The remuneration of the auditor shall be fixed by the board of directors. Unless 100 per cent of the members consent in writing, the auditors may not be, nor be associated with, a director, officer or employee of the Agency or a corporation which is affiliated with the Agency.

EXECUTION OF CONTRACTS, ETC.

50. Contracts, documents or instruments in writing requiring the signature of the Agency may be signed by any 2 officers of the Agency and all contracts, documents or instruments in writing so signed shall be binding upon the Agency without any further authorization or formality. The board of directors is authorized from time to time by resolution to appoint any officer or officers or any person or persons on behalf of the Agency either to sign contracts, documents or instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The seal of the Agency may, when required, be affixed to contracts, documents or instruments in writing signed as aforesaid or by any officer or officers, person or persons appointed as aforesaid

by resolution of the board of directors. The Chairman of the Agency shall certify all documents issued by the Agency.

The term "contracts, documents or instruments in writing" as used herein shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, powers of attorney, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures, or other securities and all paper writings.

FISCAL YEAR

51. The fiscal year of the Agency shall correspond to the calendar year.

WRITTEN RESOLUTIONS

52. Subject to the Act, the letters patent or the by-laws, a resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of directors or 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 directors or a meeting of members, respectively. Such resolutions in writing satisfy all the requirements of the letters patent and by-laws relating to meetings of directors or members.

IN WITNESS WHEREOF we have hereunto set our hands at Calgary, Alberta on the _____ day of _____.

DARCY EDDLESTON

DR. PAT BURRAGE