

CANADA PACKERS INC.

BY-LAW NUMBER 1

A By-law relating generally
to the transaction of the business
and affairs of
Canada Packers Inc.

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1 - INTERPRETATION

1.1 Definitions - In this by-law and all other by-laws of the Corporation:

- (a) “the Act” means the *Canada Business Corporations Act* or any statute which may be substituted therefor, including the regulations thereunder, as amended from time to time;
- (b) “articles” means the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of continuance, articles of reorganization, articles of arrangement, articles of dissolution or articles of revival of the Corporation and includes any amendments thereto;
- (c) “board” means the board of directors of the Corporation;
- (d) “business day” means a day other than a “non-business day”;
- (e) “Corporation” means Canada Packers Inc.;
- (f) “meeting of shareholders” means an annual meeting of shareholders or a special meeting of shareholders;
- (g) “non-business day” means Saturday, Sunday and any other day that is a holiday as defined in the *Interpretation Act* (Canada);
- (h) “officer” means any individual appointed as an officer by the board under the provisions of Section 6.1;
- (i) “person” includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative;
- (j) words importing the singular number also include the plural and vice-versa; words importing the masculine gender include the feminine and neuter genders;
- (k) subject to the foregoing, all words used in this by-law and defined in the Act shall have the meanings given to such words in the Act or in the related Parts thereof.

2 - GENERAL BUSINESS

2.1 **Registered Office** - Until changed in accordance with the Act, the registered office of the Corporation shall be in the province within Canada specified in the articles and at such place and address therein as the board may from time to time determine.

2.2 **Corporate Seal** - The Corporation may have a corporate seal which shall be adopted and may be changed by the board.

2.3 **Financial Year** - The financial year of the Corporation shall end on the last Sunday in December of each year or on any other date fixed from time to time by a resolution of the board.

2.4 **Execution of Instruments** - The board shall 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 or executed on behalf of the Corporation. Notwithstanding the generality of the foregoing, the board may permit or direct that:

- (a) subject to the Act, any instrument or document required or permitted to be executed by one or more persons on behalf of the Corporation may be signed by means of secure electronic signature (as defined in the Act) or facsimile;
- (b) any instrument or document required or permitted to be executed by one or more persons may be executed in separate counterparts, each of which when duly executed, whether manually or electronically, by one or more of such persons, shall be an original and all such counterparts together shall constitute one and the same such instrument or document; and
- (c) subject to the Act, wherever a notice, resolution, requisition, statement or other document or other information is required to be created in writing, that requirement be satisfied by the creation of an electronic document.

Where appropriate such instruments may be executed under the corporate seal.

2.5 Authority to Act for Corporation - The board shall from time to time and on such terms and conditions as it may specify authorize any person or class of persons, for and on behalf of the Corporation:

- (a) to make, enter into, execute and deliver any and all leases, extensions and renewals of leases, deeds, assignments, transfers, discharges, releases and main levées;
- (b) to acquire, to dispose of or to take security upon any property whether real or personal, movable or immovable;
- (c) to grant security on any property whether real or personal, movable or immovable;
- (d) to surrender or release security upon any property whether real or personal, movable or immovable; and
- (e) to do any one or more of the foregoing acts relating to any class of transactions or matters.

2.6 Delegation - Subject to the Act, the board may from time to time delegate to a director, a committee of directors or an officer of the Corporation or such other person or persons so designated by the board all or any of the powers conferred on the board by Section 3.1 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

3 - BORROWING AND BANKING

3.1 Borrowing - Without limit to the powers of the board as provided in the Act, the board may from time to time on behalf of the Corporation:

- (a) borrow money upon the credit of the Corporation;

- (b) issue, reissue, sell or pledge debt obligations of the Corporation;
- (c) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation; and
- (d) give, directly or indirectly, financial assistance to any person by means of a loan, or guarantee to secure the performance of an obligation or otherwise.

3.2 Banking Arrangements - The banking business of the Corporation, or of any part or division of the Corporation, shall be transacted with such bank, trust company or other firm or body corporate as the board may designate, appoint or authorize from time to time and all such banking business, or any part thereof, shall be transacted on the Corporation's behalf by such one or more officers or other persons as the board may designate, direct or authorize from time to time and to the extent thereby provided. Notwithstanding the generality of the foregoing, the board may delegate to officers of the Corporation the authority to designate the employees, by name or by title, who may sign jointly, cheques or other instruments of payment of the Corporation.

4 - DIRECTORS

4.1 Duties of Directors - The board shall manage or supervise the management of, the business and affairs of the Corporation.

4.2 Quorum - Subject to the Act, a majority of the number of directors fixed or elected by shareholders from time to time shall constitute a quorum for the transaction of business. Notwithstanding vacancies, a quorum of directors may exercise all the powers of the board.

4.3 Meetings by Telephone, Electronic or other Communication Facility - Subject to the Act, if all of the directors of the Corporation consent, a director may participate in a meeting of directors or of a committee of directors by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during 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 held while a director holds office.

4.4 Place of Meetings - Meetings of the board may be held at the registered office of the Corporation or at any other place within or outside Canada.

4.5 Calling of Meetings - Meetings of the board shall be held from time to time at such place, on such day and at such time as the board, the chairman of the board, the chief executive officer or any two directors may determine.

4.6 Notice of Meetings - Notice of the time and place of each meeting of the board shall be given in writing, including by electronic means or by facsimile, to each director not less than 48 hours, exclusive of non-business days, before the time when the meeting is to be held. To the extent feasible, the Notice of Meeting shall specify the business to be transacted at the meeting. A majority of the directors may determine that a matter may be dealt with at the meeting notwithstanding the failure to provide notice to directors in the manner specified in this Section 4.6.

4.7 First Meeting of New Board - Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting following the meeting of shareholders at which such board is elected.

4.8 Votes to Govern - At all meetings of the board any question shall be decided by a majority of the votes cast on the question and in the case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote. Any question at a meeting of the board shall be decided by a show of hands unless a ballot is required or demanded.

4.9 Conflict of Interest - A director or an officer of the Corporation who is a party to or is a director or officer of or has a material interest in any person who is a party to a material contract or material transaction or proposed material contract or proposed material transaction with the Corporation shall disclose the nature and extent of his interest in writing to the Corporation or request that such information be entered in minutes of meetings of the board in a manner specified by the board and such officer or director shall otherwise comply with the provisions of the Act. For purposes of this Section 4.9, a "material contract" or "material transaction" is one that is material to the Corporation or is material to the director or officer.

5 - COMMITTEES

5.1 Committees of Directors - The board may appoint a committee or committees of directors, however designated, and, subject to the Act, may delegate to such committee or committees any of the powers of the board.

5.2 Procedure - Unless otherwise provided in the by-laws or determined by the board, each committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure. Unless otherwise determined by the board, the provisions of Sections 4.3, 4.4, 4.5, 4.6 and 4.8 shall apply equally to meetings of each committee.

6 - OFFICERS

6.1 Appointment of Officers - Subject to Sections 6.2 and 6.3 the board may from time to time appoint such officers as the board may determine. 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 powers to manage the business and affairs of the Corporation.

6.2 Chief Executive Officer - The board shall designate a chief executive officer. The chief executive officer shall have general supervision of the business and affairs of the Corporation, subject to the direction of the board.

6.3 Secretary - The secretary shall attend and be the secretary of all meetings of the board and shareholders; shall give or cause to be given notice of such meetings; and shall be the custodian of the corporate seal and of the records and contracts, documents and other instruments of the Corporation except when some other person has been designated for that purpose by the board.

6.4 Term of Office - Every officer shall hold office at the pleasure of the board.

7 - PROTECTION OF DIRECTORS AND OFFICERS

7.1 Indemnity of Directors and Officers

- (a) The Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer or an individual acting in a similar capacity, of another entity against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by such individual in respect of any civil, criminal or administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity.
- (b) The Corporation may advance moneys to such individual for the costs, charges and expenses of a proceeding referred to in (a) provided such individual agrees in advance, in writing, to repay the moneys if the individual does not fulfil the condition of paragraph (c).
- (c) The Corporation may not indemnify an individual under paragraph (a) unless the individual:
 - (i) acted honestly and in good faith with a view to the best interests of the Corporation or other entity for which the individual acted as a director or officer or in a similar capacity at the Corporation's request, as the case may be; and
 - (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that his or her conduct was lawful.
- (d) The Corporation may also seek the approval of a court to indemnify an individual referred to in paragraph (a), or advance monies under paragraph (b) in respect of an action by or on behalf of the Corporation or other entity to procure a judgment in its favour, to which such individual is made a party because of the individual's association with the Corporation or other entity as described in paragraph (a) against all costs, charges and expenses reasonably incurred by the individual in connection with such action, if the individual fulfils the conditions set out in paragraph (c).
- (e) Despite paragraph (a), an individual referred to in that paragraph is entitled to indemnity from the Corporation in respect of all costs, charges and expenses reasonably incurred by the individual in connection with the defence of any civil, criminal, administrative, investigative or other proceeding to which the individual is subject because of the individual's association with the Corporation or other entity as described in paragraph (a), if the individual seeking indemnity:
 - (i) was not adjudged by the court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done; and
 - (ii) fulfils the conditions set out in paragraph (c).

7.2 Insurance - The Corporation may purchase and maintain insurance for the benefit of an individual referred to in this Section 7 against any liability incurred by the individual:

- (a) in the individual's capacity as a director or officer or former director or officer of the Corporation; or
- (b) in the individual's capacity as a director or officer or former director or officer, or similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

7.3 Indemnification Not Exclusive - Each of the provisions of this Article 7 shall be in addition to and not in substitution for or derogation from any rights to which any person referred to herein may otherwise be entitled.

8 - MEETINGS OF SHAREHOLDERS

8.1 Annual Meetings - Subject to the Act, the annual meeting of shareholders shall be held on such day and at such time in each year as the board 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.

8.2 Special Meetings - Subject to the Act, the board may at any time call a special meeting of shareholders to be held on such day and at such time as the board may determine for the purposes specified by the board and for the transaction of such other business as may be properly brought before the meeting.

8.3 Notice of Meeting - Notice of the time and place for holding a meeting of shareholders shall be given in the manner provided in Section 11.1 of this by-law not more than 50 days and not fewer than 21 days before the date of the meeting (or within such other time limits as may be prescribed by any other applicable statute or rule or regulation of a stock exchange) to each shareholder entitled to vote at the meeting, to each director and to the auditor of the Corporation.

8.4 Place of Meetings - Subject to the Act, meetings of shareholders shall be held at such place within Canada as the directors shall determine or at any place outside Canada that may be specified in the articles.

8.5 Participation in Meeting by Electronic Means - Subject to the Act, any person entitled to attend a meeting of shareholders may participate in the meeting, by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes such a communication facility available. A person participating in a meeting by such means is deemed for the purposes of the Act to be present at the meeting.

8.6 Chairman and Secretary - The chairman of the board or, in the chairman's absence, the vice chairman, if any, or in the vice chairman's absence, the chief executive officer, or in the chief executive officer's absence, the president or in the president's absence, a vice-president shall be chairman of any meeting of shareholders and, if none of the said officers be present within 15 minutes after the time appointed for holding the meeting, the persons present and entitled to vote shall choose a chairman from amongst themselves. The secretary of the Corporation shall act as secretary at any meeting of shareholders or, if the secretary of the Corporation be absent, the

chairman of the meeting shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by the chairman with the consent of the meeting.

8.7 Persons Entitled to be Present - The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation and others who, although not entitled to vote, are entitled or required under any provision 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 chairman of the meeting or with the consent of the meeting.

8.8 Quorum - At any meeting of shareholders, a quorum shall be at least two (2) persons present in person or represented by proxy holding or representing by proxy not less than one-third (1/3) of the shares entitled to be voted thereat. A quorum need not be present throughout the meeting provided a quorum is present at the opening of the meeting.

8.9 Proxies and Representatives - A shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who are not required to be shareholders, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the power conferred by the proxy.

8.10 Time for Deposit of Proxies - The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than 48 hours, exclusive of non-business days, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time is specified in such notice, it shall have been received by the secretary of the Corporation or by the chairman of the meeting or any adjournment thereof prior to the time of voting.

8.11 Voting - Subject to the Act, every matter at a meeting of shareholders shall be decided by a show of hands unless a ballot is required by the chairman or demanded by any person entitled to vote. Upon a show of hands every person entitled to vote shall have one vote. After a vote by a show of hands has been taken the chairman may still require or any person entitled to vote may still demand a ballot thereon. Whenever a vote by show of hands has been taken, unless a ballot is required or demanded, a declaration by the chairman of the meeting that the vote upon the matter 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, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution. Subject to the Act, any vote may be held entirely by means of a telephonic, electronic or other communication facility if the Corporation makes available such a communication facility. Subject to the Act, any person participating in a meeting of shareholders electronically and entitled to vote at the meeting may vote by means of the telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

8.12 Casting Vote - In case of an equality of votes at any meeting of shareholders either upon a show of hands or upon a ballot, the chairman of the meeting shall not be entitled to a second or casting vote.

8.13 Ballots - On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, the chairman may require, or any shareholder or proxyholder entitled to vote at the meeting may demand, a ballot. A ballot so required or demanded shall be taken in such manner as the chairman shall direct. 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 shall be entitled, in respect of the shares which each person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

9 - SHARES

9.1 Securities Records - The Corporation shall maintain a register of shares and other securities in which it records the shares and other securities issued by it in registered form, showing with respect to each class or series of shares and other securities:

- (a) the names, alphabetically arranged, and the latest known address of each person who is or has been a holder;
- (b) the number of shares or other securities held by each holder; and
- (c) the date and particulars of the issue and transfer of each share or other security.

9.2 Transfer Agent and Registrar - The board may appoint, remove or replace a transfer agent or a registrar and one or more branch transfer agents or registrars to maintain a central securities register and branch securities registers.

9.3 Registered Owner of Shares - Subject to the provisions of the Act, the Corporation may treat the registered owner of a share as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payments in respect thereof and otherwise to exercise all the rights and powers of an owner of a share.

9.4 Share Certificates - Unless otherwise ordered by the board, any share certificates shall be signed by any director or officer of the Corporation and need not be under corporate seal. Signatures may be printed or otherwise mechanically reproduced on the share certificates and every such signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. Share certificates representing shares in respect of which a transfer agent has been appointed shall be countersigned manually by or on behalf of such transfer agent. If a share certificate contains a printed or mechanically reproduced signature of a person, the Corporation may issue the share certificate, notwithstanding that the person has ceased to be a director or an officer of the Corporation, and the share certificate is as valid as if the person were a director or an officer at the date of its issue.

10 - DIVIDENDS AND RIGHTS

10.1 Dividends - Subject to the provisions of the Act, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation.

10.2 Record Date for Dividends - The board may fix in advance a date, preceding the date for the payment of any dividend by not more than 50 days, for the determination of the persons entitled to receive payment of such dividend. Notice of such date shall be given not less than seven business days prior to such date by press release and by written notice to each stock exchange on which the shares of the Corporation are listed for trading.

10.3 Non-receipt of Payment - In the event of non-receipt or loss of any dividend payment by the person to whom it is sent, the Corporation shall issue to such person a replacement payment for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

10.4 Unclaimed Dividends - Any dividend unclaimed after a period of two years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

11 - MISCELLANEOUS

11.1 Method of Giving Notices

- (a) Any notice or other document to be given or sent by the Corporation to a shareholder, director or officer or to the auditor of the Corporation may be given or sent by prepaid mail addressed to, may be delivered personally to, or may be sent by means of fax, e-mail or other form of electronic transmission to, the person to whom it is to be given or sent at his latest address as shown in the records of the Corporation or its transfer agent or in any notice filed in accordance with the provisions of the Act.
- (b) To the extent permitted by law, in addition to the delivery methods set out in (a) above, any notice or other document to be given or sent by the Corporation to a shareholder may be sent by providing or posting the notice or other document on or making it available through a generally accessible electronic source and providing notice of the availability and location of the notice or other document to the shareholder via any of the methods specified in (a) above, including by mail, personal delivery, fax, e-mail or other form of electronic transmission. A notice or other document sent to a shareholder by posting it on or making it available through a generally accessible electronic source shall be deemed to be received on the day such person is sent notice of the availability and location of such notice or other document.

11.2 Waiver of Notice - Any shareholder (or such shareholder's duly appointed proxyholder), director, officer, auditor or member of a committee of the board may at any time waive the sending of any notice, or waive or abridge the time for any notice, required to be given to such person under any provision of the Act, 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 shareholders or of the board which may be given in any manner. Attendance of a director at a meeting of directors or of a shareholder or any other person entitled to attend a meeting of shareholders is a waiver of notice of the meeting except where such director, shareholder or other person, as the case may be, attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

11.3 Omissions and Errors - The accidental omission to give notice to any shareholder, director or officer or to the auditor or the non-receipt of any notice or any error in a notice not affecting the substance thereof shall not invalidate any action taken at any meeting called by such notice or otherwise founded thereon. Any notice with respect to any shares registered in more than one

name may, if more than one address appears on the books of the Corporation in respect of such joint holding, be given the joint shareholders at any such address.

11.4 Invalidity - The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

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