

BY-LAW NO. 2
A BY-LAW RELATING TO ADVANCE NOTICE PROVISIONS
FOR THE NOMINATION OF DIRECTORS

Nomination of Directors

1. Only persons who are nominated in accordance with the procedures set out in this Advance Notice By-Law (the "**By-Law**") shall be eligible for election as directors to the board of directors (the "**Board**") of Alliance Grain Traders Inc. ("**AGT**"). Nominations of persons for election to the Board may only be made at an annual meeting of shareholders, or at a special meeting of shareholders called for any purpose which includes the election of directors to the Board, as follows:
 - (a) by or at the direction of the Board or an authorized officer of AGT, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Ontario Business Corporations Act* (the "**Act**") or a requisition of shareholders made in accordance with the provisions of the Act; or
 - (c) by any person entitled to vote at such meeting (a "**Nominating Shareholder**"), who: (A) is, at the close of business on the date of giving notice provided for in Section 3 below and on the record date for notice of such meeting, either entered in the securities register of AGT as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) has given timely notice in proper written form as set forth in this By-Law.
2. For the avoidance of doubt, the foregoing Section 1.1c) shall be the exclusive means for any Nominating Shareholder to bring nominations for election to the Board before any annual or special meeting of shareholders of AGT, provided, however, that nothing in this By-Law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly brought before such meeting pursuant to the provisions of the Act or the discretion of the chair of the meeting.
3. For a nomination made by a Nominating Shareholder to be accepted as timely notice (a "**Timely Notice**"), the Nominating Shareholder's notice must be received by the corporate secretary of AGT at its principal executive offices:
 - (a) in the case of an annual meeting of shareholders, not later than the close of business on the 30th day and not earlier than the opening of business on the 65th day before the date of the meeting; provided, however, if the first public announcement made by AGT of the date of the annual meeting is less than 50 days prior to the meeting date, not later than the close of business on the 10th day following the day on which the first public announcement of the date of such annual meeting is made by AGT; and
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the board, not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting is made by AGT.
4. The time periods for giving of a Timely Notice shall in all cases be determined based on the original date of the annual meeting or the first public announcement of the annual or special meeting, as applicable. In

no event shall an adjournment or postponement of an annual meeting or special meeting of shareholders or any announcement thereof commence a new time period for the giving of a Timely Notice.

5. To be in proper written form, a Nominating Shareholder's notice to the corporate secretary must comply with all the provisions of this Section 5 and:

(a) disclose or include, as applicable, as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a "Proposed Nominee"):

- (i) their name, age, business and residential address, principal occupation or employment for the past five years, status as a "resident Canadian" (as such term is defined in the Act);
- (ii) their direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of AGT, including the number or principal amount and the date(s) on which such securities were acquired;
- (iii) any relationships, agreements or arrangements, including financial, compensation and indemnity related relationships, agreements or arrangements, between the Proposed Nominee or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Proposed Nominee and the Nominating Shareholder;
- (iv) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the Act or applicable securities law; and
- (v) a duly completed personal information form in respect of the Proposed Nominee in the form prescribed by the Toronto Stock Exchange; and

(b) disclose or include, as applicable, as to each Nominating Shareholder giving the notice or on whose behalf the nomination is made:

- (i) their name, business and residential address, direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of AGT, including the number or principal amount and the date(s) on which such securities were acquired;
- (ii) their interests in, or rights or obligations associated with, an agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of AGT or the person's economic exposure to AGT;
- (iii) any proxy, contract, arrangement, agreement or understanding pursuant to which such person, or any of its affiliates or associates, or any person acting jointly or in concert with such person, has any interests, rights or obligations relating to the voting of any securities of AGT or the nomination of directors to the Board;
- (iv) a representation that the Nominating Shareholder is a holder of record of securities of AGT, or a beneficial owner, entitled to vote at such meeting, and intends to appear in person or by proxy at the meeting to propose such nomination;
- (v) a representation as to whether such person intends to deliver a proxy circular and/or form of proxy to any shareholder of AGT in connection with such nomination or otherwise solicit proxies or votes from shareholders of AGT in support of such nomination; and

- (vi) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or as required by applicable securities law; and
 - (c) be accompanied by a questionnaire, representation and agreement as required by 6 below, duly completed and signed, and a written consent duly signed by each Proposed Nominee to being named as a nominee and to serve as a director of AGT, if elected.
6. A completed questionnaire as required by Section 5c) shall be in the form provided by the corporate secretary (upon written request of the Nominating Shareholder), and shall include:
- (a) information regarding the background, independence and qualification of each Proposed Nominee and the background of each Nominating Shareholder; and
 - (b) a written representation and agreement (in the form provided by the corporate secretary upon written request of the Nominating Shareholder) confirming, among other things, that such Proposed Nominee is not and will not become a party to any agreement, arrangement or understanding with, or has not given any commitment or assurance to, any person, as to how such person, if elected as a director of AGT, will act or vote on any issue or question, or with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director of AGT, that has not been disclosed to AGT.
7. All information to be provided in a Timely Notice pursuant to Section 5 shall be provided as of the date of such notice. If requested by AGT, the Nominating Shareholder shall update such information forthwith so that it is true and correct in all material respects as of the date that is ten (10) business days prior to the date of the meeting, or any adjournment or postponement thereof.
8. If requested by AGT, a Proposed Nominee shall furnish any other information as may reasonably be required by AGT to determine the eligibility of such Proposed Nominee to serve as a director of AGT or a member of any committee of the Board, with respect to independence or any other relevant criteria for eligibility, or that could be material to a shareholder's understanding of the independence or eligibility, or lack thereof, of such Proposed Nominee, including but not limited to an affidavit confirming eligibility to serve as a director under the Act.
9. Notwithstanding any provision of By-Law No. 1 of AGT, any notice, or other document or information required to be given to the corporate secretary pursuant to this By-Law may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the corporate secretary for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the corporate secretary at the address of the principal executive offices of AGT, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.
10. Additional Matters
- (a) The chair of any meeting of shareholders of AGT shall have the power to determine whether any proposed nomination is made in accordance with the provisions of this By-Law, and if any proposed

nomination is not in compliance with such provisions, must declare that such defective nomination shall not be considered at any meeting of shareholders.

- (b) Despite any other provision of this By-Law, if the Nominating Shareholder (or a qualified representative of the shareholder) does not appear at the meeting of shareholders of AGT to present the nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such nomination may have been received by AGT.
- (c) Nothing in this By-Law shall obligate AGT or the Board to include in any proxy statement or other shareholder communication distributed by or on behalf of AGT or the Board any information with respect to any proposed nomination or any Nominating Shareholder or Proposed Nominee.
- (d) The Board may, in its sole discretion, waive any requirement of this By-Law.

For the purposes of this By-Law, "public announcement" means disclosure in a press release disseminated by AGT through a national news service in Canada, or in a document filed by AGT for public access under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com in Canada.