

**A BYLAW RELATING GENERALLY TO THE TRANSACTION OF THE
BUSINESS AND AFFAIRS OF THE**

EDMONTON AURORA RESIDENTS ASSOCIATION

FILED 100

FEB - 8 2012

Registrar of Corporations
Province of Alberta

**PART I: INTERPRETATION, DEFINITIONS, AND INCORPORATION OF
RESIDENTS' COVENANTS.**

1. These Bylaws shall be construed with reference to the provisions of the *Societies Act*, R.S.A. 2000, c. S-14, as amended from time to time (or any subsequent governing legislation), and terms used in these Bylaws shall be taken as having the same respective meanings as they have when used in that Act. Notwithstanding anything else herein contained, these Bylaws shall be read subject to the restrictions upon their scope and effect contained in the *Societies Act* and other applicable statutes and rules of law and equity, and any provisions herein repugnant to such restrictions shall, wherever possible, be severed from these Bylaws, in order that the rest may stand.
2. In the interpretation of these Bylaws (including this Article 2), except where excluded by the context,
 - a. words importing the singular number shall also include the plural, and vice-versa;
 - b. words importing the masculine gender shall also include the feminine;
 - c. words importing persons shall include corporations;
 - d. the headings herein are given for convenience only, and shall not affect the interpretation of these Bylaws;
 - e. these Bylaws shall be interpreted in a large and liberal sense so as to give effect thereto wherever possible;
 - f. "Act" shall mean the *Societies Act* R.S.A. 2000, c. S-14 as amended, and any statute that may be substituted therefor;
 - g. "Association" shall mean the Edmonton Aurora Residents Association;
 - h. "the Board" means the Board of Directors of the Association;
 - i. "Bylaws" shall mean the Bylaws of the Association as amended from time to time;
 - j. "Developer" means Melcor Developments Ltd.;
 - k. "Director" shall mean any person who has been duly elected or appointed to the Board of Directors by whatever name called;
 - l. "Member" shall mean a member of the Association unless the context requires otherwise;

- m. "Multi-Family Lands" means the parcel or parcels of land within the Aurora Subdivision that are now or may in future be developed as multi-family housing properties;
 - m. "Registered Office" shall mean the registered office for the Association;
 - n. "Residents Covenants" shall each mean such restrictive covenants and easements, leases and encumbrance agreements, as may be placed and recorded on the titles within the Aurora Subdivision by the Developer, as they may be amended or extended from time to time;
 - o. "Single-Family Building Lot" means:
 - i. A detached single-family residential lot;
 - ii. A semi-detached (duplex) residential lot; or
 - iii. A bare-land condominium unit suitable for a single-detached, semi-detached or townhouse residence.
 - p. "Special Resolution" shall have the meaning provided in the Act;
 - q. "Subdivision" means the Aurora subdivision, to be developed on the lands described in Schedule "A" hereto and such other lands as may hereafter be added to the Residents' Covenants hereafter by amendment or extension thereof; and
 - r. "Subdivided Lot" means a Single-Family Building Lot or multi-family land parcel.
3. The purpose and objects of the Association are to carry out the duties and functions provided for in the Residents' Covenants to be performed or done by the Association and generally to provide for care and maintenance of Subdivision Features in the Aurora Subdivision as defined in the Residents' Covenants.

PART II: MEMBERS OF THE SOCIETY AND VOTING RIGHTS

4. The membership and voting rights of Members shall be as follows:
- a. Every owner in fee simple of a Subdivided Lot within the Subdivision (including Added Lands, if any) shall be entitled to be a member of the Association, subject to and bound by the Association's Application for Incorporation, Bylaws, Rules and Regulations. The Developer shall be and is entitled to be a member in respect of each Subdivided Lot as to which the Developer is and remains the registered or beneficial owner until such time (in respect of each Subdivided Lot respectively) as the Subdivided Lot is transferred to a purchaser who buys the Subdivided Lot from the Developer. The Developer shall also be entitled to be a member in respect of such of the lands within the Subdivision as remain owned by the Developer, including both Subdivided Lots and unsubdivided portions of the

Subdivision. The foregoing does not include persons or entities who hold a leasehold interest or interest merely as security for the performance of an obligation. Ownership, as defined above, shall be the sole qualification for membership. When any Subdivided Lot is owned by two or more persons or other legal entity, all such persons or entities shall be Members but they shall have voting rights limited as herein set out. An owner of more than one Subdivided Lot shall be entitled to membership in respect of each Subdivided Lot owned by him. Save as provided in paragraph 4(c) hereof, membership shall be appurtenant to and may not be separated from ownership of any Subdivided Lot, and entitlement to it shall be automatically transferable by conveyance or other transfer of that Subdivided Lot. Anyone who ceases to be an owner of a Subdivided Lot shall *ipso facto* cease to be a Member. This provision shall not apply to the Developer who shall also be a Member so long as the Developer legally or beneficially owns one or more Subdivided Lots or unsubdivided lands within the Subdivision.

- b. The Association shall have three classes of voting membership, Class A, Class B and Class C. All votes shall be cast in the manner provided in these Bylaws. When more than one person or entity holds an interest in any Subdivided Lot, the vote for such Subdivided Lot shall be exercised (as between them) as provided for in these Bylaws; but in no event shall more than the number of votes hereinafter designated be cast with respect to any such Subdivided Lot. The three classes of voting memberships, and voting rights related thereto, are as follows:

- i. Class A. Class A members shall be:

- (a) The subscribers to the Association's incorporation and charter documents (and substitutions therefor made by the Developer); and
- (b) All owners other than the Developer of Subdivided Lots, excluding the Multi-Family Land as long as it is not subdivided or condominiumized; and
- (c) If any Multi-Family Land is subdivided into single-family building lots or condominium units all owners (other than the Developer) of such residential lots or condominium units.

Class A owners shall be entitled to one (1) vote for each subscriber and one (1) vote for each Subdivided Lot owned;

- ii. Class B. The Owners of Multi-Family Land shall be the only Class B members. As long as the Developer owns the Multi-Family Land, the Developer shall be the Class B member. Such Class B members shall, for as long as the Multi-Family Land remains unsubdivided into Single-Family Building Lots, be entitled to a number of votes in respect of each Multi-Family Land parcel equal to fifteen (15) multiplied by the number of acres within the Multi-Family Land parcel. If a Multi-Family Land parcel shall be subdivided into Single-Family Building Lots, then there shall be no Class B members for such parcel but the said Single-Family

Building Lot owners shall be entitled to be Class A members (or Class C members as to the Developer relative to the lots owned by the Developer);

- iii. Class C. The Developer shall be the only Class C member. Class C members (the Developer) shall have Fifty (50) votes for each Subdivided Lot (excluding the Multi-Family Land) which the Developer owns legally or beneficially and one hundred fifty (150) votes for each Multi-Family Land parcel which the Developer owns legally or beneficially, and Two Hundred (200) votes for that portion (if any) of the Subdivision that remains unsubdivided and owned by the Developer from time to time;
- c. Notwithstanding the foregoing, the subscribers to the Association's incorporation and charter documents are entitled to be and shall be Members, whether or not they shall own any Subdivided Lots, until such time as the Developer shall have subdivided and sold and transferred at least 80% of all Subdivided Lots in the Subdivision. Further, the Developer may select and designate and retain as Members substitutions for such subscribers (who may be officers, directors or employees of the Developer) who shall be eligible to be Members even though they do not own any Subdivided Lots. Such persons who are Members pursuant to this clause 3(c) shall each and all be entitled to continue to be Members until the Developer shall have sold and transferred to purchasers at least 80% of the said Subdivided Lots. They shall automatically cease to be members after the Developer's transfer of more than 80% of the said Subdivided Lots. They shall, notwithstanding their ceasing to be members, nonetheless be entitled to serve as members of the Board of Directors and/or officers of the Association until the Developer no longer owns any land in the Subdivision. After the transfer of 80% of the Subdivided Lots by the Developer as aforesaid, the said five (5) members shall not have any power to vote in their own right; but any one (or some or all of them) may act as proxies for and cast votes for the Developer. The Developer shall be sole determiner of the achievement of the said 80% transfer circumstance.
- d. An owner shall be entitled to become a Member forthwith on becoming registered (which may include registration by caveat) as an owner as aforesaid, and his membership shall be recorded by the Secretary upon his providing to the Association's Board satisfactory evidence of such ownership, or the Board otherwise being satisfied of such ownership.
- e. Voting rights shall be as set out above.
- f. No owner shall be expelled from the Association as long as he continues to be a registered owner of a Subdivided Lot or Multi-Family Land within the Subdivision.
- g. A Member may resign from the Association by delivering a signed notice to that effect to the registered office of the Association.

5. Membership Year

Membership year shall be from January 1 to December 31, of each year.

6. Notice of Meeting

A Member shall be entitled to notice of and to attend at all meetings of the Members of the Association. Where two or more persons own a Subdivided Lot, a notice given to one such owner shall be deemed to have been given to all such owners. Notices may be given as follows:

- a. Notices hereunder may be given to an owner of a parcel by delivery to, or by prepaid ordinary mail addressed to, such owner's parcel, or by publication in a local newspaper circulating in Edmonton, Alberta in the area of the Subdivision. Notices to the Association may be given by personal delivery to the registered office of the Association or by personal service on a member of the Board of Directors of the Association. Notices to parcel owners may be addressed to "Members" or "Occupants" or "Owners" or "Residents" or any similar designation, and do not need to state the Members' names.
- b. If a parcel is part of a condominium property, notices to all owners of units in such condominium will be deemed to be given on delivery or posting by ordinary mail to the registered address of the condominium corporation, or on newspaper publication as aforesaid.

PART III: MEETINGS OF THE ASSOCIATION

7. The Annual General Meeting

- a. An Annual General Meeting of the Association shall be held in each calendar year after 2012 in the City of Edmonton, in the Province of Alberta, on a day to be fixed by the Board from time to time; and any Annual General Meeting may be held at the business offices of the Developer;
- b. At least fourteen (14) days prior to the Annual General Meeting the Secretary shall give to Members a notice in manner and by means provided for in Bylaw 6 setting forth the date, place and time of the Annual General Meeting;
- c. The Annual General Meeting shall consider the report of the President, review of financial statements (which shall set out the Association's income, disbursements, assets and liabilities, and shall comply with the requirements of the *Societies Act*), appoint such auditors or accountants as may be desired, elect the Board, and transact such other business as may be put before the meeting;
- d. A quorum for the Annual General Meeting of the Association shall be the attendance of five (5) or more persons collectively entitled to cast five (5) or more votes;
- e. Unless any two Members demand a ballot vote, all voting at the Annual General Meeting shall be done by a show of hands;

f. Each Member may vote by proxy. Such proxy should himself be a Member of the Association or an officer or employee of a corporate Member, but before voting must produce and deposit with the Secretary a sufficient appointment in writing. The Secretary or in his absence the Chairman of the meeting shall have complete discretion to determine whether an appointment or proxy is valid and sufficient;

g. Except as to a Special Resolution, each issue and Resolution shall be decided by a majority of the votes of the Members present or in person or represented by a proxy;

h. Accidental omission to give any notice to any Member or the non-receipt of any notice by any Member or any error in any notice not affecting the substance thereof shall not invalidate any action taken at a meeting held pursuant to such notice or otherwise founded thereon; and

i. At the Annual General Meeting there shall be elected as many Directors as shall be required to fill the vacancies of the Board.

8. Special Meetings of the Association

a. Special meetings of the Association shall be called at the direction of the President or upon request in writing of any fifteen (15) Members in good standing, stating the object of the special meeting;

b. At least seven (7) days prior (and if a Special Resolution is proposed at least twenty-one (21) days prior) to the special meeting, the Secretary shall mail or deliver to each Member or give by newspaper advertisement a notice setting forth the date, place, time and purpose of the special meeting. Notices may be delivered or mailed to the addresses of Members' properties within the Subdivision. Alternatively notice may be given by advertisement in a local newspaper commonly circulated in the City of Edmonton in the area of the subdivision (which may without limitation include The Edmonton Examiner);

c. The method of voting, the use of proxies and the quorum required for any special meeting shall be the same as for the Annual General Meetings;

d. Accidental omission to give any notice to any Member or the non-receipt of any notice by any Member or any error in any notice not affecting the substance thereof shall not invalidate any action taken at a meeting held pursuant to such notice or otherwise founded thereon.

9. Proceedings at General Meetings

a. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of the Members, shall be dissolved, but in every other case it shall stand adjourned to the same day in the following week at the same time and place;

b. The President, or in his absence, a Vice-President, shall preside at every general meeting of the Society. If neither the President nor a Vice-President is present

within a half an hour from the time appointed for the holding of the meeting, the Members present shall choose one of the Members to preside at such meeting;

- c. The person presiding may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business unfinished at the meeting from which the adjournment took place;
 - d. At every general meeting every question shall be decided in the first instance by a show of hands, unless before or upon the declaration of the result of the show of hands, a ballot be demanded by at least two (2) Members personally present and entitled to vote. A declaration by the person presiding that a resolution has been carried or carried by a particular majority, or lost, shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour or against any such resolution. If a ballot be demanded in the manner above mentioned, it shall be taken at such time and place and in such manner as the person presiding may direct, and the result of the ballot shall be deemed to be the resolution of the general meeting at which the ballot was demanded. A demand for a ballot may be withdrawn;
 - e. In case of any dispute as to the admission or rejection of any vote, the person presiding shall determine the same, and such determination made in good faith shall be final and conclusive;
 - f. Notwithstanding anything to the contrary in these Bylaws a resolution assented to and adopted in writing under the hands of fifty-one (51%) percent of all the Members entitled to vote thereon, though not passed at a General Meeting, shall be of the same force and effect as if it had been duly passed at a General Meeting duly convened, and no previous notice, or convening of any General Meeting for the purpose of passing such resolution shall in such case be deemed to have been necessary, whether the business transacted thereat is special or not, and a Member may signify his assent to such resolution in writing under his hand or by letter or facsimile, and such resolutions shall be deemed to have been passed on any date therein stated to be the effective date thereof.
 - g. Co-owners may vote by proxy jointly appointed by them, and in the absence of such proxy are entitled to vote on a show of hands; but on any vote by ballot each co-owner is entitled to such part of the vote applicable to the Parcel he co-owns as is proportionate to his interest in the Parcel.
10. In determining the identity or addresses of members the Secretary shall be entitled to rely upon either (or both) title searches and notifications of ownership given to the Board by Members or their representatives.

PART IV: THE GOVERNMENT OF THE ASSOCIATION

11. The Board of Directors

- a. Until the first Annual General Meeting of the Association, the following shall constitute the entire Board:
 - i. Peter Daly - 900, 10310 Jasper Avenue, Edmonton, Alberta, T5J 1Y8;
 - ii. Jason Fjeldheim - 900, 10310 Jasper Avenue, Edmonton, Alberta, T5J 1Y8;
 - iii. Brett Halford - 900, 10310 Jasper Avenue, Edmonton, Alberta, T5J 1Y8;
 - iv. Naomi Stefura - 900, 10310 Jasper Avenue, Edmonton, Alberta, T5J 1Y8;
 - v. Karen Albarda - 900, 10310 Jasper Avenue, Edmonton, Alberta, T5J 1Y8;
- b. Those persons listed in paragraph a. above shall be entitled to continue to be Board Members as long as the Developer shall continue to be an owner of at least one Subdivided Lot, provided that the Developer shall be at liberty from time to time to select and designate other persons to replace those (or some of those) listed above, and on its so doing the replacement persons shall take the place of those above-named who are so replaced;
- c. If an owner of a Subdivided Lot or Multi-Family Land is a corporation, any one officer, director or other designatee of the corporation is eligible to become a member of the Board, except in the case of the Developer, who shall have the right to designate five (5) members to the Board so long as the Developer remains owner of at least one Subdivided Lot, as aforesaid;
- d. With the exception of paragraphs a., b. and c. above, each Board member must be a Member (or designatee of a corporate Member) in good standing of the Association at the time of his election and throughout his term of office; and a Board member shall *ipso facto* cease to be a Board member if he dies, is convicted of an indictable offence or is declared mentally incompetent by a court of law, or if he ceases to be a Member (or designatee of a corporate Member);
- e. Board membership shall commence upon election or appointment to the Board and shall expire at the next succeeding Annual General Meeting, unless prior thereto the Board member resigns, becomes disqualified under clause (d) hereof or is removed under clause (f) hereof. Board members may be re-elected, but no member shall sit on the Board for longer than five (5) successive terms of office. The signatories to the application for incorporation are hereby appointed as, and shall form, the first Board of Directors of the Association; and their term of office shall expire on the date of the next Annual General Meeting of the Association (unless, and to the extent that, any are then re-elected);
- f. Casual vacancies in the Board may be filled by appointment by the remaining Board members to serve until the next Annual General Meeting; provided that a

Board member (other than a Developer representative) may be removed prior thereto by resolution of the Members of the Association at any Special Meeting of the Members duly called for such purpose;

- g. The affairs of the Association shall be managed by the Board consisting of not less than three (3) nor more than seven (7) persons;
- h. The Officers shall consist of a President, Vice-President, Secretary and Treasurer, and they shall be appointed by the Board from amongst Board members; and the Board may appoint one person to more than one position, and the Board may also remove any officer from office;
- i. The number of Board members shall be five (5) for the initial Board and thereafter the number (not to be less than three nor more than seven) shall be fixed at each Annual General Meeting;
- j. The Board, at any Board meeting following the Annual General Meeting of the Association, may appoint not more than two (2) persons to the Board in the event that at the Annual General Meeting of the Association there are an insufficient number of persons elected to the Board;
- k. Any member of the Board shall be eligible for re-election to the Board, subject to the limitation set out in Section 11(e);
- l. The Board shall, subject to these Bylaws and any directions given it by majority vote at any General Meeting properly called and constituted, have full control and management of the affairs of the Association, and meetings of the Board shall be held as often as may be required, but at least once every twelve months, and shall be called by the President or on the instructions of any two (2) members of the Board provided they request the President in writing to call such meeting, and state the business to be brought before the meeting;
- m. Meetings of the Board shall be called by seven (7) days notice in writing and delivered or mailed to each member or by three (3) days notice by telephone unless waived by all of the members of the Board;
- n. A majority of the members of the Board, personally present, shall constitute a quorum at any meeting of the Board; provided that as long as the Developer is a Member, attendance of at least one (1) of its representatives is necessary for there to be a quorum;
- o. Subject to Article 2(a), each member of the Board including the President shall have one (1) vote. In the case of an equality of votes, the President shall not have a second or casting vote and the motion will be deemed defeated;
- p. A resolution of the Board in writing signed by all of the members of the Board shall be as effective as a resolution passed at a meeting of the Board duly convened and held.

12. Duties and Powers of the Board

- a. Except as provided in the Act and otherwise in these Bylaws, the powers of the Association shall be exercised by the Board, and without restricting the generality of the foregoing, the duties of the Board shall include the responsibilities set out in the Application for Incorporation of the Association and those undertaken in any Residents' Covenants, together with the following:
 - i. To facilitate and promote the objects of the Association;
 - ii. To create and define categories of Members;
 - iii. To engage, hire and discharge any employees including administrative employees, in respect to the operation of the Association;
 - iv. To maintain and properly protect the assets and properties of the Association;
 - v. To prepare and approve an annual budget consistent with the good management of the Association;
 - vi. To pay all expenses of and incidental to the operation and management of the Association;
 - vii. To remunerate or indemnify any persons for services rendered or liabilities incurred in connection with the affairs of the Association;
 - viii. To maintain all accounting and financial records of the Association;
- b. In addition, the Board shall have the following powers:
 - i. To invest and deal with the monies of the Association not immediately required in such securities and in such manner as from time to time may be determined by the Board;
 - ii. To finance the operations of the Association and to borrow, raise or secure the payment of moneys in such manner as the Board may, from time to time, think fit; provided that no borrowing in excess of \$20,000.00 shall be made without prior authorization of the Members in General Meeting, or by signed resolution, and no debenture shall be granted unless authorized by Special Resolution;
 - iii. To appoint legal counsel and auditors from time to time;
 - iv. To make rules and regulations for the operation of the Association and the use of its facilities and assets;
 - v. Without in any way abrogating or limiting the general responsibility of the Board, to delegate its powers and duties to any person engaged as a

manager of the Association, and without limitation to retain the Developer as Manager;

- vi. To set, levy, issue and collect levies for the Rent Charges provided for in any Residents' Covenants;
- vii. To enter into the leases and easements provided for in any Residents' Covenants;
- viii. To issue certificates as to Members' position with regard to Rent Charges, any such certificate to be signed by at least two members of the Board; and any certificate so issued shall estop the Association and all Members from denying the accuracy of such certificate as against any mortgagee, purchaser or other person dealing with the owner of the parcel of land to which the certificate relates (but shall not be an estoppel as against the owner of such parcel); and
- ix. To place and maintain third party liability insurance in such amounts and on such terms as the Board may from time to time select, insuring the Members and Board members in respect of the actions and omissions of the Association.

13. Board Committees

- a. The Board may appoint committees to advise the Board from time to time in respect to the various duties and responsibilities of the Board;
- b. Each committee created by the Board shall be headed by one of its members appointed by the President to be Chairman of that committee;
- c. Each committee created by the Board shall meet at the call of the Chairman, record minutes of its proceedings, and distribute such minutes to the members of the committee and to the Chairman of all other committees and furnish reports at the request of the President prior to each Board meeting. Unless waived by all of the members of the committee, not less than two (2) days prior notice of the date, place and time of a committee meeting shall be mailed or delivered to each member of the committee;
- d. A majority of the members of any committee personally present at a meeting shall constitute a quorum; and
- e. Each member of the committee including the Chairman shall have one (1) vote at the meeting of the committee but in case of an equality of votes there shall be no casting vote.

14. Officers

- a. President: the President shall supervise the affairs of the Association, and be ex-officio a member of all committees. He shall, when present, preside at all meetings of the Association and of the Board. In his absence the Vice-President

shall preside at any such meetings, and in the absence of both a chairman may be elected by the meeting to preside thereat;

- b. Vice-President: the Vice-President shall assist the President and preside at meetings in the absence of the President;
- c. Secretary: it shall be the duty of the Secretary to attend all meetings of the Association and of the Board, and to keep accurate minutes of the same. He shall have charge of the Seal of the Association. In case of the absence of the Secretary, his duties shall be discharged by such person as may be appointed by the Board. The Secretary shall have charge of all the correspondence of the Association and be under the direction of the President and the Board. The Secretary shall also keep a record of all the Members of the Association and their addresses, send all notices of the various meetings as required, and shall collect and receive the Rent Charge assessments or annual dues levied by the Association, such moneys to be promptly turned over to the Treasurer;
- d. Treasurer: the Treasurer shall receive all moneys paid to the Association and shall deposit the same in whatever chartered bank, treasury branch or trust company the Board may order. He shall present a full detailed account of receipts and disbursements to the Board whenever requested and shall prepare for submission to the Annual Meeting a statement duly audited as hereinafter set forth of the financial position of the Association;
- e. The officers of the Association shall be appointed for a term of one (1) year or until the next Annual General Meeting whichever the Board selects; and
- f. Any vacancy arising in any office shall, except as otherwise provided herein, be filled by the appointment by the Board of another member of the Board who shall hold such office until the next Annual General Meeting of the Association.

PART V: BOOKS AND RECORDS AUDITING

- 15. The books and records of the Association may be inspected by any Member of the Association at the annual meeting provided for herein or at any other time upon giving reasonable notice and arranging a time satisfactory to the officer or officers having charge of the same. Each member of the Board shall at all times have access to such books and records.
- 16. The books, records and financial statements shall be audited once a year by an auditor, if requested by the Board, appointed from time to time by the Board. Such auditor may be a Member and need not be a Chartered Accountant; but he shall not be a member of the Board.

PART VI: VOTING

- 17. Any Member shall have the right to vote at any meeting of the Association. The number of votes available to Members is to be determined in accordance with these Bylaws.

PART VII: MINUTES OF THE PROCEEDINGS

18. The Secretary shall maintain and have charge of a copy of the Minute Books, the original Minute Books being maintained at the Registered Office of the Association and shall record in the copy or cause to be recorded in the original, minutes of all proceedings of all meetings of the Members and of the Board.
19. The Board shall see that all necessary books and records of the Association required by the Bylaws of the Association or by any applicable statute or laws are regularly and properly kept and filed.

PART VIII: SEAL OF THE ASSOCIATION

20. The Board may, in the name of the Association, adopt a seal which shall be the common seal of the Association and which shall be under the control of the Board and the responsibility for its custody and use from time to time shall be determined by the Board; but in the absence of any specific determination, the seal shall be preserved by the Secretary who together with the President shall execute and affix the seal of the Association on all contracts of the Association required to be executed under the seal of the Association.

PART IX: REMUNERATION

21. Unless authorized at any general meeting and after notice of same shall have been given, no Director, Officer or Member of the Association shall receive any remuneration for services performed in his or her capacity as a Member, Officer or Director. Nothing herein shall derogate from or affect the right of the Developer to receive compensation as manager for the Association or in respect of the Developer's performance of any Association duties or transactions.

PART X: INDEMNITY

22. Each member of the Board, officer and employee shall be indemnified by the Association against any and all liability and reasonable expenses in connection with or resulting from any claim, action, suit or proceeding in which he may become involved as a party, or otherwise, by reason of his having been a Director of the Board, officer or employee of the Association except in relation to matters as to which he shall be adjudged with respect to such claim, action or proceeding to be liable for gross negligence or wilful misconduct in the performance of his duty to the Association.

PART XI: BYLAWS

23. The Bylaws may be rescinded, altered or added to by a Special Resolution of the Association, at a general or special meeting of which at least twenty-one (21) days written notice specifying the intention to propose the resolution as a Special Resolution has been duly given.

PART XII: WINDING UP

24. In the event the Association is wound up or dissolved, any surplus of funds shall be paid to such registered and incorporated charitable organizations as the Members by Special Resolution may from time to time determine. In no event shall the Members or any of them become entitled to any of the assets of the Association.

PART XIII: SIGNATORIES

25. The signatories to the Association are hereby ratified and confirmed as subscribers to the incorporation of the Association.

DATED at the City of Edmonton, in the Province of Alberta, this 31st day of January, 2012.

Tanya Eklund
Witness
Printed Name: TANYA EKLUND

Peter Daly
PETER DALY
900, 10310 Jasper Avenue
Edmonton AB T5J 1Y8
Businessman

Tanya Eklund
Witness
Printed Name: TANYA EKLUND

Jason Fieldheim
JASON FIELDHEIM
900, 10310 Jasper Avenue
Edmonton AB T5J 1Y8
Businessman

Tanya Eklund
Witness
Printed Name: TANYA EKLUND

Brett Halford
BRETT HALFORD
900, 10310 Jasper Avenue
Edmonton AB T5J 1Y8
Businessman

Tanya Eklund
Witness
Printed Name: TANYA EKLUND

Naomi Stefura
NAOMI STEFURA
900, 10310 Jasper Avenue
Edmonton AB T5J 1Y8
Businesswoman

Tanya Eklund
Witness
Printed Name: TANYA EKLUND

Karen Albarda
KAREN ALBARDA
900, 10310 Jasper Avenue
Edmonton AB T5J 1Y8
Businesswoman

SCHEDULE "A"

MERIDIAN 4 RANGE 24 TOWNSHIP 51
SECTION 23
QUARTER SOUTH WEST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:

	HECTARES	(ACRES) MORE OR LESS
A) PLAN 8120646 SUBDIVISION	32.2	79.57
B) PLAN 1125397 SUBDIVISION	9.13	22.56

EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 8120646
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 1125397
BLOCK 11
LOTS 78 – 89 INCLUSIVE
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 1125397
BLOCK 11
LOTS 142 – 157 INCLUSIVE
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 1125397
BLOCK 12
LOTS 1 – 14 INCLUSIVE
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 1125397
BLOCK 12
LOTS 42 – 52 INCLUSIVE
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 1125397
BLOCK 13
LOTS 1 -16 INCLUSIVE
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN 1125397
BLOCK 13
LOTS 20 AND 21
EXCEPTING THEREOUT ALL MINES AND MINERALS