



CORPORATE ACCESS NUMBER

51754386

note: correct Corporate Access Number is:
517543864

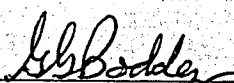
COMPANIES ACT

CERTIFICATE OF INCORPORATION

THE SQUARE BUTTE RANCH CLUB

WAS INCORPORATED IN ALBERTA ON SEPTEMBER 15, 1997 AS A
COMPANY LIMITED BY SHARES.




Registrar of Corporations

1. THE PROVISION OF THE INFORMATION CONTAINED IN THIS REPORT IS SUBJECT TO THE
 TERMS AND CONDITIONS CONTAINED ON THE BACK HERE OF: "Industry Canada, NUANS ALBERTA" ACCUCA CXA 80918

? THE SQUARE BUTTE RANCH CLUB A. ACCU-SEARCH INC. 58578163 PAGE 1/6
 ALBERTA 51754386 97AU13

THE SQUARE BUTTE RANCH CLUB AB 58578163 97AU13
 PROP. ACCUCA

THE SQUARE BUTTE MUTUAL TELEPHONE COMPANY LIMITED AB 25039525 65AU09
 INACTIVE 66DE15

SQUARE BUTTE RANCH AB TN 695015 96MA06
 BUS. NAME 96MA21

BUTTE RANCHES LIMITED AB 20065324 73JA19
 PINCHER CREE

SQUARE BUTTE RANCHES LTD AB 20539411 92AU24
 CALGARY AB

THE SQUARE BUTTE RANCHERS INC AB 20398167 89FE21
 CALGARY, ALB NEW NAME 92AL07

SARCEE BUTTE RANCHES LTD AB 20014401 51OC10
 CALGARY, ALB

CROW BUTTE RANCH AB TN CRY027257 78DE04
 BUS. NAME

EAGLE BUTTE RANCHES LTD AB 20073516 74JN10
 BROOKS AB

CROW BUTTE RANCH LTD AB 20588278 93NO18
 BROOKS AB

SQUARE BUTTE RANCHES AB TN 695016 96MA06
 BUS. NAME 96MA21

SQUARE BUTTE COMMUNITY ASSOCIATION AB 50004886 66OC17
 MILLARVILLE, NON. PROF.

ROCKY BUTTE RANCHES LTD AB 58566052 97AU12
 PROP. ACCUCA

SQUARE BUTTE RESOURCES INC AB 20650587 95AL11
 CALGARY AB NEW NAME 96OC11

BUTTE CATTLE CO LTD AB 20027759 60SE07
 LETHBRIDGE A NEW NAME 67NO27

SQUARE BUTTE INVESTMENTS LTD AB 20113610 78FE06
 INACTIVE 86AU01

BUZZARD BUTTE RANCH LTD AB 20588031 93NO16
 EDMONTON AB NEW NAME 94FE23

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 SEP 15 1997
 Registrar of Corporations
 Province of Alberta

1 "LES RENSEIGNEMENTS CONTENUS DANS CE RAPPORT SONT SUJETS AUX CLAUSES ET CONDITIONS ENONCEES A L'ENDOS DE CE DOCUMENT."

Industry Canada, NUANS ALBERTA ACCUCA by CXA 80918

? THE SQUARE BUTTE RANCH CLUB A ACCU-SEARCH INC. 58578163 PAGE 2/6
ALBERTA 97AU13

ANTELOPE BUTTE RANCH LTD AB 20044765 67JL10
RANGE 2 WEST

MESA BUTTE RANCHES LTD AB 20585058 930C22
CALGARY AB NEW NAME 94AL27

SQUARE BUTTE EQUITIES INC AB 20282057 82AL27
INACTIVE 850C01

ROCKY BUTTE FARM AB TN CRY045764 800C29
BUS. NAME

WILLOW BUTTE CATTLE COMPANY LTD AB 20375095 87DE07
RED DEER AB NEW NAME 95JL06

GRASSY BUTTE FEEDS AB TN 454191 90JA08
BUS. NAME

SQUARE DEAL RANCH COMPANY LTD AB 58008569 97JN09
PROP. ACCUCA

PINE BUTTE RANCH LTD AB 20679242 95DE21
STETTLER AB NEW NAME 96MR01

THE SQUARE FIFTY SHOP AB TN CRY025446 78AU28
BUS. NAME

SILVER BUTTE RESOURCES LTD AB 21407541 BC 950C19
OLD NAME

THE SQUARE AND ROUND DANCE AB 50330870 85MA23
INSTRUCTORS' ASSOCIATION OF ... NON. PROF.

BLUFFTON, AL

CIRCLE SQUARE RANCH INC AB 21648540 CD 95MR24
SHERWOOD PAR. NOTICE 97MA01

MAXIMUM VIEW RANCHES LTD AB 20398167 92AL07
OLD NAME

SQUARE DEAL RANCH COMPANY LTD AB 20737321 97AL30
CALGARY AB NEW NAME 97JN10

NOBLE BUTTE FARMS LTD AB 20289211 82AU26
LETHBRIDGE, AB NEW NAME 82SE30

BUTTE FARMS '87 LTD AB 20356456 86N024
LETHBRIDGE, NEW NAME 87FE04

THE SQUASHY-T CORPORATION LTD AB 20596215 94JA31
CALGARY AB

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? THE SQUARE BUTTE RANCH CLUB A. ACCU-SEARCH INC. 58578163 PAGE 3/6
ALBERTA 97AU13

RANCH BOYS DRILLING INC AB 20320127 840C29
CALGARY, ALB INACTIVE 95AL01

CIRCLE SQUARE RANCH INC CD 2971941 94JA10
MUNIC. HALTO NON-PROF

BUTTE RIDGE FARMS AB TN 495549 91MA28
BUS. NAME

"THE Q CLUB" AB TN 594116 94JA06
BUS. NAME 94JA18

DUDES-N-DOLLS SQUARE AND ROUND DANCE CLUB AB 50323423 85JA08
CALGARY, ALB NON-PROF INACTIVE 95JL01

THE WHITE SWAN BUTTER AND-CHEESE MANUFACTURING AB PT NWT000149 1895AL19
COMPANY BUS. NAME

BUTTE FEEDS 81 LTD AB 20253646 81JN25
LETHBRIDGE,

THE ORIGINAL PEANUT BUTTER AND INC CD 2045575 86AL18
METRO TORONT NOTICE 91AU01

RACQUET SQUARE CONSULTING LTD AB 20508665 910C24
EDMONTON, AL INACTIVE 96AL01

SARCEE BUTTE SOCIAL CENTRE AB 50004000 62DE27
THREE HILLS, NON-PROF INACTIVE 95MR03

BUTTE GRAIN MERCHANTS LTD AB 20221486 80AL29
LETHBRIDGE, NEW NAME 81AU12

THE SASKATOON RANCH AB TN 725854 97JA30
BUS. NAME 97FE19

TWIN BUTTE RANCH AND LAND DEVELOPMENT CORPORATION AB 20042301 66AU26
LTD
PINCHER CREE

THE SQUANCE-ANDERSON SAWMILL COMPANY AB PT WTK000447 210C12
BUS. NAME

RACQUET SQUARE BUSINESS SERVICES AB TN 683945 96FE15
BUS. NAME

FOOTHILLS THOROUGHBREED AND STUD RANCH LTD AB 20388232 88AU23
INACTIVE 96FE01

TWIN BUTTE SIMMENTA FARM AB TN 448345 89SE15
BUS. NAME

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CONDITIONS ENONCEES A L'ENDOS DE CE DOCUMENT."

Industry Canada, NUANS ALBERTA

ACCUCA CXA 80918

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ALBERTA 97AU13

THE V.I.P. CLUB AB TN 489373 91AL15
BUS. NAME

SOUTH BUTTE FEEDERS LTD AB 20475107 90ND20
LETHBRIDGE, NEW NAME 940C11

SQUARE D RANCH AB PT CRY107124 85JN17
BUS. NAME

SILVER SPUR RANCH BOYS AB TN EDM005328 51AL05
BUS. NAME

CALGARY RANCH BOYS AB TN CAL008345 50AU16
BUS. NAME

PICTORIA SQUARE BUSINESS CENTRE CD 57768211 97MA13
PROP.N.S.

TWIN BUTTE COUNTRY GENERAL STORE AB TN 676794 95ND30
BUS. NAME 95DE08

FOUR SQUARE BRAND FARM & INDUSTRIAL BUILDINGS AB TN CAL016504 65MR12
BUS. NAME

BUTTE VIEW FEEDERS AB TN 656737 95JN01
BUS. NAME 95JN09

THE CLUB AB PT 699545 96JN17
BUS. NAME 96JN24

THE CLUB AB TN CAL019365 69MA16
BUS. NAME

BUTTE NORWEGIAN EVANGELICAL LUTHERAN CHURCH AB 54000249 21MA25
BUTTE, ALBER MISC.

THE CLUB AB TN 465460 90AU27
BUS. NAME 90AU31

VILLAGE SQUARE BUFFET AND STEAK HOUSE LTD AB 20573631 93JL14
CALGARY AB NEW NAME 940C04

BULL RANCHES LTD AB 20038607 65AL07
OKOTOKS AB

PICTURE BUTTE FARMS LTD AB 20125737 780C05

THE CALGARY CLUB AB TN CRY023573 78MA16
BUS. NAME

LATEST NUANS UPDATE DATES -- FED. 970801, ALTA-CORP. 970709, ALTA-BUS. 970731

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INDUSTRY CANADA NUANS - TRADEMARK REPORT ACCUCA CXT 80918 V
58578163 CLASS=41,28,42 PAGE 5/6

? THE SQUARE BUTTE RANCH CLUB

THE SQUARE CIRCLE; 321114 TMA 171837 25, MEN'S AND LADIES' PANTS AND
USE-68SE 69MR28 700C 2 TROUSERS. OXFORD TROUSERS LTD

CIRCLE SQUARE RANCH 408121-TMA 255118 41,25,14,26, (1) BALLOONS, BELTS,
INACTIVE 77MR 8 81JA23 BUCKLES, BROOCHES, T-SHIRTS
(1) OPERATING (RECRE) CROSSROADS CHRISTIAN

TECNY FARMA & COLOURED DEVEIC 20,5,42, (1) FURNITURE FOR PHARMACIES.
845617
97MA21 TECNY-FARMA, S.A.

THE CENTRE IN THE SQUARE; 41,35, (1) OPERATION OF AN ART GALLERY, A THEATRE
2 454191 TMA 270327 AND A STUDIO.
80MA28 82JN18 THE CORPORATION OF T

THE SQUARE TOMATO 428919-TMA 241413 31, PLANTS AND PLANT SEEDS.
1 INACTIVE 78AU30 80MR21 SELECT GIFTS LIMITED

THE SUSTAINABLE REGION; 54,42, (1) MUNICIPAL SERVICES.
9(1)N(III) 907137 SEC9
95JA23 THE REGIONAL MUNICIPAL

LES VILLAS DU CLUB; 583734 TMA 359925 42,16,39,41, PAPIERS, NOMMEMENT:
3 87MA 8 89SE 1 FEUILLES DE PAPIER, PAPIER A)
AGENCES DE VOYAGE,) CLUB MEDITERRANEE,

SQUARE; 523877 TMA 304166 16,25,14,21, (1) ADULTS', CHILDREN'S
9 USE-81SE 1 84JN19 85JN28 AND INFANTS' CLOTHING, NAMELY, SWEATERS,
T-SH) FANSHAWE' COLLEGE OF

CIRCLE SQUARE CLUBS 479751 TMA 273952 41,28,9,25, PERIODICAL PUBLICATIONS,
USE-81JN 1 81DE16 82NO19 PRE-RECORDED AND UNRECOC)
OPERATING CHILDREN') CROSSROADS CHRISTIAN

CLUBS CIRCLE SQUARE; 479901 TMA 274459 41,28,9,25, PERIODICAL PUBLICATIONS,
USE-81JN 1 81DE21 82DE 3 PRE-RECORDED AND UNRECOC)
OPERATING CHILDREN') CROSSROADS CHRISTIAN

LETTER "E" IN A SQUARE; 56,14,41,36, (1) PRECIOUS METAL GOODS NAMELY
92715 TMDA 23343 JEWELLERY INCLUDE)
18MR 4 (1) SERVICES OF OPE) THE T. EATON COMPANY

PEANUT BUTTER AND JELLY 28, (1) EQUIPMENT SOLD AS A UNIT FOR PLAYING A PARLOR
737215 TMA 433772 TYPE GAME.
93SE17 94SE23 HASBRO CANADA INC.,

BUILDERS SQUARE 624541 TMA 438907 35,37,42,6, (1) OPERATION ET GESTION DE
89FE 2 95FE10 MAGASINS A GRANDE SURFACE SPECIALISES DAN)
BENO-DEBOT INC.,

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LE CONTENU DE CE RAPPORT DE MARQUE DE COMMERCE EST DEPENDANT DES PARAMETRES DES DONNEES CHOISIS PAR L'UTILISATEUR. LES DEMANDES EN SUSPENS SONT MISES-A-JOUR LORSQUE NECESSAIRE, LORS DE L'ANNONCE ET DE L'ENREGISTREMENT. TYPIQUEMENT, IL Y A UN DELAI DE 6 SEMAINES ENTRE LE DEPOT ET LA DISPONIBILITE POUR FIN DE RECHERCHE. TOUTES ERREURS /OMISSIONS DOIVENT-ETRE RAPPORTEES AU BUREAU DES MARQUES DE COMMERCE EN TELEPHONANT A (819) 953-8098.

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ACCUCA CXT 80918 V

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? THE SQUARE BUTTE RANCH CLUB

MARCO POLO CLUB ; 692739 TMA 416976 16,18,56,39, (1) MAGAZINES, WALLETS,
USE-1983 910C31 93SE17 BAGGAGE TAGS, ALL OF WHICH ARE SUPPLIED TO
ME) CATHAY PACIFIC AIRWA

BUILDERS SQUARE 656564 37,42,19, (1) RETAIL STORE SERVICES IN THE FIELDS
90AL30 OF LUMBER, HOME IMPROVEMENT P)
BUILDERS SQUARE, INC

STRCLL SQUARE RANCH ; 408122-TMA 255119 41,25,14,28, (1) BALLOONS, BELTS,
INACTIVE 77MR 8 81JA23 BUCKLES, BROOCHES, T-SHIRTS I)
(1) OPERATING RECRE) CROSSROADS CHRISTIAN

BUM BUMS (ALSO G.W.G. IN SQUARE ; 25, (1) GARMENTS, NAMELY JEANS, PANTS.
426009 TMA 251675
78JN12 80CC24 LEVI STRAUSS & CO. (

TOWN SQUARE BAKERY 774827 TMA 42,30, (1) BAKERY PRODUCTS, NAMELY, BREAD,
95FE 7 ROLLS, PASTRC)
(1) TECHNICAL ASSIS) COUNTRY HOME BAKERS,

THE SQUARE BOY 285874-TMA 142872 30, HAMBURGERS.
INACTIVE 64N021 65N025 SQUARE-BOY LIMITED

WINNER'S SQUARE ; 660793 TMA 390931 28, (1) BOARD GAMES.
USE-90MA 9 90JN20 91N029 PETER DECOSTER,

BUTTERSCOTCH BEAVER 687135 TMA 401768 28, (1) PLUSH TOYS.
91AU 6 92AU21 STRATEGY III GROUP,

T & SQUARE ; 698681 5, (1) MEDICINES AND PHARMACEUTICAL PREPARATIONS,
92FE10 NAMELY PREPARATION FOR) N.V. ORGANON,

SQUARE BOY 465669 TMA 262344 30, (1) SUBMARINE SANDWICHES AND
81FE19 81SE11 PIZZAS. WAYMAR FOOD SERVICE

SQUARE BOY; 465668 TMA 267399 30, (1) SUBMARINE SANDWICHES AND
81FE19 82MR19 PIZZAS. WAYMAR FOOD SERVICE

BAKERS SQUARE 725644 TMA 442737 30,42, (1) PASTRIES AND BAKERY GOODS
93MR26 95MA12 NAMELY, PIES AND CR)
(1) RESTAURANT SERV) VICORP RESTAURANTS,

SQUARE BOYS 361987 TMA 195002 30, (1) BISCUITS AND COOKIES.
73MR 1 73OC19 CULINAR INC.,

LAST TM UPDATED 970805, APPL.NO. REC'D 852000, FIL.DAT 970725

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MEMORANDUM OF ASSOCIATION
OF
THE SQUARE BUTTE RANCH CLUB

1. The name of the Company is THE SQUARE BUTTE RANCH CLUB.
2. The objects for which the Company is established are:
 - (a) To promote recreational, educational, environmental and social development and activity among the members and the extended community through provision of services and activities;
 - (b) To acquire property by purchase, lease or otherwise; and
 - (c) To do all things incidental to or conducive to the attainment of these objects.
3. The powers authorized by or implied by Subsection 1 of Section 20 of the Companies Act, excluding Subsection (1) thereof, shall apply to the Company, except to the extent that the same may be inconsistent with the powers herein set forth, but none of the powers implied or authorized by the said Subsection 1 shall be deemed to be lessened or restricted regarding the Company by reason of anything contained in the Memorandum of Association.
4. The income and property of the Company, however derived or received, shall be applied solely toward the promotion of the objects of the Company and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit to any member or members of the Company. Provided that nothing shall prevent the payment in good faith or remuneration to any member of the Company, or other person in return for any services actually rendered to the Company.
5. The liability of the members is limited.
6. The authorized capital of the Company is Five Hundred (500) Common Shares without nominal or par value.
7. The Company is a private company and accordingly:
 - (a) the right to transfer any of the shares of the Company is restricted and any transfer must receive the prior approval of the board of directors of the Company;
 - (b) the number of members of the Company is limited to 50 or less (exclusive of persons who are in the employment of the Company, and persons who, having been formerly


in the employment of the Company, were while in that employment and have continued after the determination of that employment to be members of the Company), but where 2 or more persons hold one or more shares in the Company jointly, they shall, for the purposes of this definition, be treated as a single member; and

- (c) any invitation to the public to subscribe for any shares or debentures of the Company is hereby prohibited.

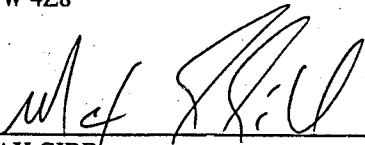
WE, the several persons whose names and addresses are subscribed hereto, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

NAMES, ADDRESSES AND OCCUPATIONS
OF SUBSCRIBERS

NUMBER AND KIND OF SHARES
TAKEN BY EACH SUBSCRIBER

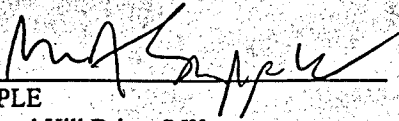

JOSEPH F. KILLI
148 Woodacres Drive, S.W.
Calgary, Alberta
T2W 4Z8

1 Common Share


MAX GIBB
P.O. Box 152
Millarville, Alberta
T0L 1K0

1 Common Share


97350091828



MIKE SUPPLE
c/o 2732 Signal Hill Drive, S.W.
Calgary, Alberta
T3H 2L6

1 Common Share

DATED this 7th ^{September} day of May, 1996.



Witness to the above signatures.

Iain Stewart
Name

42926 Lotham Cr SW, Calgary, AB
Address

Businessman
Occupation

51754386

ARTICLES OF ASSOCIATION OF THE SQUARE BUTTE RANCH CLUB LTD.

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**ARTICLES OF ASSOCIATION OF
THE SQUARE BUTTE RANCH CLUB LTD.**

TABLE "A"

1. The regulations contained in Table "A" in the Schedule to *The Companies Act* do not apply to this Company.

INTERPRETATION

2. The headings used throughout these Articles will not affect the construction hereof. In these Articles and the Memorandum of Association of this Company, unless the context otherwise requires, expressions defined in *The Companies Act* or any statutory amendment or modification thereof, will have the meaning so defined, and

- (a) "Associate Member" means a person who is accepted for membership in accordance with the provisions of Article 5(e);
- (b) "Community amenities" means the amenities (including, but not limited to, grass, trees, shrubs, structures, irrigation systems, livestock and multi-purpose paths) in respect of which the Company has assumed an obligation to maintain, repair, replace, operate or administer;
- (c) "Developer" means Square Butte Ranches Ltd.;
- (d) "Development" means the residential, ranch and community development located near Kananaskis Country referred to as "Square Butte Ranch";
- (e) "Family Associate Member" means a child of a Member or their spouse who is accepted for membership in accordance with the provisions of Article 5(c);
- (f) "Family Member" includes the spouse or significant other (as appointed by a Member, Family Associate Member, Temporary Member or Associate Member) and children under 25 years of age of a Member, Family Associate Member, Temporary Member or an Associate Member or the spouse of a Member, Family Associate Member, Temporary Member or an Associate Member;
- (g) "fees" means, without limiting the generality of the foregoing, all accounts, assessments and special assessments levied by the Board to a Member, Family Associate Member, Temporary Member or Associate Member to cover the costs of operating the facilities and Community amenities owned or leased by the Company, which costs may include a charge for stabling fees, program and special activities

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fees, locker rentals, storage, fees, dues or other sums owing by a Member, Family Associate Member, Temporary Member or Associate Member to the Company;

- (h) "in writing" and "written" includes printing, typewriting, lithographing and other modes of representing and reproducing words in visible form which, without restricting the generality of the foregoing will include telex or telegram;
- (i) "lands and amenities" means the lands set out in Schedule "A" together with the rights-of-way and surface amenities thereunder and thereon and all other amenities leased or controlled by the Company;
- (j) "Member" means a person referred to in Article 4 of these Articles and for the time being entered in the Register of Members referred to in Article 5(a) of these Articles;
- (k) "month" means calendar month;
- (l) "office" means the registered office of the Company for the time being;
- (m) "ordinary resolution" means a resolution passed by a majority of the votes cast by the persons who voted in respect of that resolution or signed by all the persons entitled to vote on that resolution;
- (n) "Residential Property" means any one or more of the lots situated in the Development and intended for use as dwelling unit or units (and includes, for clarification, any one or more units within a condominium plan registered under the provisions of the *Condominium Property Act* (or any statute in replacement or amendment thereof) and intended for use as a dwelling unit or units);
- (o) "Rules and Regulations" means the rules and regulations referred to in Article 53 of these Articles;
- (p) "secretary-treasurer" includes any person appointed to perform the duties of secretary-treasurer temporarily;
- (q) "Temporary Member" means a person designated by a Member in accordance with the provisions of Article 4(c);
- (r) "*The Companies Act*" means the *Companies Act* of the Province of Alberta for the time being in force;
- (s) "the Company" means The Square Butte Ranch Club Ltd.;

9 7 3 3 0 0 9 1 8 3 2

- (t) "the Development" means the residential, ranch and community development located near Kananaskis Country called "Square Butte Ranch";
- (u) "the Directors", "Board" and "Board of Directors" means the directors of the Company for the time being;
- (v) "these presents" means and includes these Articles of Association, and any modification or alteration thereof for the time being in force;
- (w) words importing the singular number include the plural number and vice versa; and
- (x) words importing the masculine gender will include the feminine and words importing persons include corporations and companies.

REGISTERED OFFICE

3. Subject to the provisions of *The Companies Act*, the Company may, by ordinary resolution of the Directors, change from time to time the place within the Province of Alberta where the registered office of the Company is to be situated.

MEMBERS

4. The subscribers hereto will be Members until they resign. Every person registered as owner of a Residential Property in the Development will become a Member upon submitting and having accepted by the Board an application form (together with the application fee prescribed by the Board, if applicable) in the form prescribed by the Board from time to time, PROVIDED THAT:

- (a) Where there is more than one such registered owner the Member will be the person designated as the Member by all the registered owners of the Residential Property. In the absence of such designation the first person named as registered owner in the Certificate of Title will be the Member;
- (b) Where a Residential Property is owned by a corporation the Member will be a person designated by the corporation as the Member;
- (c) Where a Residential Property is occupied by a tenant or a purchaser under an agreement for sale, such tenant or purchaser may be designated as a Temporary Member by the registered owner or owners of the Residential Property. Each Member may designate up to one tenant per year, and such tenant will receive the right to use the Community amenities and the lands and amenities upon submitting and having accepted by the Board an application form (together with a security deposit, if applicable) in the form prescribed by the Board. Where a Member designates a Temporary Member, the Member and the Family Members of that

Member will have no right to use the Community facilities and the lands and amenities during the period in which the Temporary Member is accorded those privileges. The Member will retain their voting rights during the period in which the Temporary Member is accorded privileges;

- (d) In the event of difficulty or dispute in determining the Member, the Board in their absolute discretion may designate the Member, the intention being that there be one Member from each Residential Property in the Development and that the Member be a natural person;
- (e) Membership is limited to not more than the total number of lots and units comprising Residential Property within the Development;
- (f) Membership is not transferable by a Member but is appurtenant to registered ownership of a Residential Property as herein set out; and
- (g) The Company may invite the public to subscribe for non-voting associate membership in the Company.

Any person who ceases to be the registered owner of a Residential Property in the Development will forthwith cease to be a Member.

REGISTER OF MEMBERS

- 5. (a) A register of Members in such form as the Board may approve will be maintained in which will be recorded the names and addresses of all Members. The Register will be amended from time to time so that all Members are listed in the register of Members. Such amendment may be made by the Board at any time and from time to time of its own volition or upon presentation to the Company of evidence acceptable to the Board. Upon amendment as aforesaid there may be charged a fee not exceeding One Hundred (\$100.00) Dollars as set by the Board from time to time.

REGISTER OF FAMILY MEMBERS

- (b) A register of Family Members will be maintained in such form as the Board may approve, in which will be recorded the names and addresses of all Family Members. The register will be amended from time to time so that all Family Members are listed in the register of Family Members. Such amendment may be made by the Board at any time and from time to time of its own volition or upon presentation to the Company of evidence acceptable to the Board. Upon amendment as aforesaid there may be charged a fee not exceeding One Hundred (\$100.00) Dollars as set by the Board from time to time.

REGISTER OF FAMILY ASSOCIATE MEMBERS

- (c) Any person who is a child over the age of twenty-five (25) years of a Member who wishes to be a Family Associate Member may make application in the form approved by the Board from time to time. Upon being approved by the Board as a Family Associate Member and upon paying the fees set from time to time by the Board for admission as a Family Associate Member and the Annual Dues attributable to such Membership in each and every year while a Family Associate Member, a Family Associate Member shall have such rights and privileges as may be allocated to him or her from time to time by the Board. A Family Associate Member shall have no voting privileges, nor be entitled to notice or minutes of any meetings of the Company nor to attend such meetings. The application will be signed by the applicant and the parent Member. All such applications will also be endorsed by a director. All children of Members who are over the age of twenty-five (25) will be unable to use the Community amenities unless they obtain a Family Associate Membership.
- (d) A register of Family Associate Members will be maintained in such form as the Board may approve, in which will be recorded the names and addresses of all Family Associate Members. The register will be amended from time to time so that all Family Associate Members are listed in the register of Family Associate Members. Such amendment may be made by the Board at any time and from time to time of its own volition or upon presentation to the Company of evidence acceptable to the Board. Upon amendment as aforesaid there may be charged a fee not exceeding One Hundred (\$100.00) Dollars as set by the Board from time to time.

REGISTER OF ASSOCIATE MEMBERS

- (e) Any person wishing to be an Associate Member will make application in the form approved by the Board from time to time. Upon being approved by the Board as an Associate Member and upon paying the fees set from time to time by the Board for admission as an Associate Member and the Annual Dues attributable to such Membership in each and every year while an Associate Member, an Associate Member shall have such rights and privileges as may be allocated to him or her from time to time by the Board. An Associate Member shall have no voting privileges, nor be entitled to notice or minutes of any meetings of the Company nor to attend such meetings. The application will be signed by the applicant. All such applications will also be endorsed by a director.
- (f) A register of Associate Members will be maintained in such form as the Board may approve, in which will be recorded the names and addresses of all Associate Members. The register will be amended from time to time so that all Associate Members are listed in the register of Associate Members. Such amendment may be

made by the Board at any time and from time to time of its own volition or upon presentation to the Company of evidence acceptable to the Board. Upon amendment as aforesaid there may be charged a fee not exceeding Ten (\$10.00) Dollars as set by the Board from time to time.

- (g) Notwithstanding the foregoing, the Company hereby acknowledges that the Developer will have the right to issue twenty-five (25) Associate Memberships on such terms and to such persons as the Developer may see fit. The persons issued Associate Memberships by the Developer will be recorded in the register set out in Section 5(f) and will have all the rights and obligations set out in this Agreement in relation to Associate Membership.

REGISTER OF HONOURARY MEMBERS

- (h) The Board may, in its discretion, name such persons as it sees fit as Honourary Members of the Company for such periods of time and with such limitations as the Board may prescribe, and any such membership may be terminated at any time by the Board. Such Honourary Members will have such privileges and be subject to the payment of such fees as the Board may, in its discretion, decide.

WAITING LIST

- (i) The Company may, at the sole and absolute discretion of the Board, maintain a Waiting List of persons who have a serious interest in becoming Associate Members of the Company. The Board may from time to time establish the requirements necessary to maintain a Waiting List. Persons wishing to make a financial commitment to remain on a Waiting List may be granted privileges by the Board with respect to the use of the facilities. The financial commitment required and the privileges granted may be established by the Board from time to time. A Waiting List Member will have no voting privileges, nor be entitled to notice or minutes of any meetings of the Company, nor be entitled to attend such meetings.

RIGHTS OF MEMBERS AND FAMILY MEMBERS

6. Subject to the Rules and Regulations as may be passed from time to time by the Board of Directors, as referred to in Article 53 of these Articles, each Member, Associate Member, Family Associate Member, Temporary Member and Family Member will have access to and be entitled to the use of the lands and amenities and Community amenities in common with all other Members, Associate Members, Family Associate Members, Temporary Members and Family Members subject to suspension of such rights in any of the following cases:

- (a) for the willful or habitual breach of any Rule and Regulation by a Member, Associate Member, Family Associate Member, Temporary Member or Family Member; and

- (b) for default by the Member, Associate Member, Family Associate Member, Temporary Member or Family Member in payment of fees or any portion thereof for three consecutive months or nine non-consecutive months. Any such suspension will be cancelled on payment of the monies in default.

COLLECTION OF FEES

7. If any Member, Family Associate Member, Temporary Member or Associate Member will fail to pay any fees on the day appointed for the payment thereof the Board may serve a notice on the Member, Family Associate Member, Temporary Member or Associate Member requiring him to pay such fees together with interest and any expenses that may have accrued or been incurred by reason of such non-payment and the Board may thereafter proceed to collect the same. In the event that the Member, Family Associate Member, Temporary Member or Associate Member fails to pay any fees on the day appointed for the payment thereof the Board may, in its sole discretion, suspend or cancel the membership rights of the Member, Family Associate Member, Associate Member, Temporary Member and related Family Members.

MEMBERS' MEETINGS

8. The first annual general meeting of the Company will be held at such time, within sixteen (16) months from the date on which the Company is incorporated, and at such place as the Board may determine. Subsequent annual general meetings will be held at least once in every calendar year and not more than sixteen (16) months after the holding of the last preceding general meeting, at such time and place as may be determined by the Board.

9. (a) The general meetings referred to in clause 8 will be called annual general meetings and all other meetings of the Company will be called special general meetings. All meetings of Members will be held in Alberta;

- (b) No Family Member, Family Associate Member, Temporary Member or Associate Member will be entitled to notice of or to attend any meeting, general, special or otherwise of the Company.

10. The Board may, whenever it thinks fit, proceed to convene a special general meeting of the Company, at such time and place as they may determine. The Board will, upon requisition of a majority of the Members of the Company at the time of requisition, forthwith proceed to convene a special general meeting of the Company and, at a special general meeting called in pursuance of a requisition, unless such meeting will have been called by the Board, no business other than that stated in the requisition as the objects of the meeting will be transacted thereat.

11. Where it is proposed to pass a special resolution, such as is required to be given by *The Companies Act*, and in all other cases, at least Ten (10) days' notice specifying the day, hour and

place of every Members' meeting, and in case of special business the general nature of such business, will be served in one of the manners hereinafter provided on the Members registered in the Register of Members at the time such notice is served or, if a record date has been fixed by the Board, on the Members registered in the Register of Members at the record date as so fixed. PROVIDED ALWAYS that a meeting of the Members may be held for any purpose, at any time and at any place without notice, if all the Members entitled to notice of such meeting are present in or represented thereat by proxy or if the absent Members will have signified their assent in writing to such meeting being held.

12. Notice of any meeting or any irregularity in any meeting or in any notice thereof may be waived by any Members or the duly appointed proxies of any Members. It will not be necessary to give notice of any adjourned meeting. The accidental omission to give notice to any Member or the non-receipt by any such Member of such notice will not invalidate the proceedings at any meeting.

PROCEEDINGS AT MEMBERS' MEETINGS

13. Unless otherwise required by the provisions of *The Companies Act* or these Articles, all business will be deemed general that is transacted at a special general meeting and all that is transacted at an annual general meeting. Special business or a special resolution may be passed at a special general meeting or an annual general meeting provided the requisite notice has been given.

14. No business will be transacted at a general meeting unless a quorum is present at the time the meeting proceeds to business. Save as herein otherwise provided, a majority of the Members either personally present or represented by proxy will be a quorum.

15. The president, or in his absence the vice-president (if any), will be entitled to take the chair at every general meeting, or if there be no president or vice-president, or if at any meeting he will not be present within fifteen (15) minutes after the time appointed for holding such meeting, the Members present will choose another Director as chairman, and if no Director be present, or if all the Directors present decline to take the chair, then the Members present will choose one of their number to be chairman. The chairman at any meeting of Members may appoint one or more persons who are Members to act as scrutineers.

16. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting will stand adjourned to the same day in the next week, at the same time and place; and if at such adjourned meeting a quorum is not present, the Members present will be a quorum.

17. Every question submitted to a meeting of the Members will be decided in the first stance by a show of hands or otherwise as the chairman may direct and in the case of an equality of votes the chairman will, both on a show of hands or otherwise, have a casting vote in addition to the vote to which he may be entitled as a Member.

18. (a) At any meeting unless a poll is demanded by the chairman or by at least three (3) Members present a declaration by the chairman that a resolution has been carried or carried by a particular majority, and an entry to that effect in the book of proceedings of the Company will be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- (b) If a poll is demanded as aforesaid it will be taken in such manner and at such time and place as the chairman of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll will be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.
- (c) The chairman of a general meeting may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business will be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

19. Notwithstanding anything to the contrary in these Articles, a resolution assented to and adopted in writing under the hands of all the Members entitled to vote thereon, though not passed at a general meeting, will 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, will 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 telegram or cable.

VOTES OF MEMBERS

20. Subject to any provisions of the Company's Memorandum of Association or Articles of Association with regard to special rights or restrictions on voting applicable to the Members, on a show of hands every Member present in person, including the proxy or representative of a Member will have one vote for each Residential Property owned by such Member. No Family Member, Family Associate Member, Temporary Member or Associate Member will be entitled to vote in person or by proxy.

21. Votes may be given either personally or by a nominee appointed by a proxy.

22. A proxy will be in writing in any effectual form under the hand of the appointee or of his attorney duly authorized in writing, and need not be attested. A person appointed proxy must be a Member.

23. No proxy will be valid after the expiration of twelve (12) months from the date of its execution unless it is otherwise specified in the instrument.

24. The proxy will be deposited at the registered office of the Company or such other place as may be specified in the notice of meeting not less than twenty-four (24) hours before the date for holding the meeting at which the person named in the instrument proposes to vote. In any default of such deposit the proxy will not be treated as valid.

25. A vote given in accordance with the terms of a proxy will be valid notwithstanding the previous death of the principal, or revocation of the proxy with respect to which the vote is given, provided no intimation in writing of the death or revocation will have been received before the meeting at the place where the proxies are to be deposited.

26. No Member will be entitled to be present or to vote on any question, either personally or by a nominee appointed by a proxy, or as the nominee appointed by a proxy for another Member at any general meeting, or upon a poll, or to be reckoned in a quorum while any fee will be due or payable to the Company by such Member.

DIRECTORS

27. Until otherwise determined by a general meeting, the number of Directors will be not less than three (3) nor more than nine (9) and in the event the number of Directors being less than the minimum number aforesaid they will do no act other than to appoint a Director or Directors, or to call a special general meeting of the Company, until the number of Directors has been made up to the said minimum.

28. The subscribers hereto will be the first Directors of the Company and they will hold office until the first meeting of directors.

29. The Directors will have power from time to time at any time, to appoint any other person or persons as a Director or Directors, either to fill a casual vacancy or vacancies or as an addition or additions to the Board, but so that the total number of Directors will not at any time exceed the maximum number fixed by these Articles or by a general meeting.

30. A Director must be a Member of the Company.

31. The Directors will not be paid any remuneration for their services as Directors.

32. A Director may retire from office upon giving five (5) days' notice in writing to the Company of his intention to do so, and such resignation will take effect upon the expiration of such notice or its earlier acceptance.

33. The continuing Directors may act notwithstanding any vacancy in their body so long as there remains a quorum of the Board of Directors qualified to act.

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34. The office of a Director will *ipso facto* be vacated:

- (a) If he is found a lunatic or becomes of unsound mind;
- (b) If by notice in writing to the Company he resigns his office upon the time hereinbefore fixed for the resignation to take effect or the previous acceptance of the same;
- (c) If he ceases to be a Member of the Company;
- (d) If he is convicted of an indictable offence;
- (e) If he be removed by special resolution of the Company, as hereinafter provided;
- (f) If he becomes bankrupt or makes an authorized assignment or suspends payment, or compounds with his creditors;
- (g) If he personally fails to attend three consecutive Directors meetings, or six Directors meetings out of a total of twelve consecutive Directors meetings unless otherwise determined by ordinary resolution by the Board at which such Director will not be entitled to vote.

35. A Director will be disqualified by reason of his office from holding any office or place of profit under the Company and from contracting with the Company either as a vendor, purchaser or otherwise unless such Director identifies to the Company their conflict and abstains from voting on any question before the Board regarding the contract or profit which the Director is involved in. In addition, the Company will, prior to conducting business with a Director either directly or indirectly, obtain at least one quote of fees from an independent party regarding the work to be performed or the business to be conducted.

36. At the first annual general meeting and at every succeeding annual general meeting, all of the Directors, howsoever appointed or elected, will retire from office. A retiring Director will retain office until the dissolution of the meeting at which his successor is elected. If at any general meeting at which an election of Directors ought to take place, no such election takes place, the retiring Directors will continue in office until the annual general meeting in the next year, and so on from year to year until their places are filled up unless it will be determined at such meeting to reduce the number of Directors.

37. A retiring Director will be eligible for re-election.

38. The Company at every annual general meeting will fill up the vacated offices by electing a like number of persons to be Directors, or in case any change in the number of Directors

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is made at any such meeting by electing the number of persons to be Directors as may be fixed by such meeting.

39. The Company may, by special resolution, at any time remove any or all of the Directors before the expiration of his or their period of office and by ordinary resolution appoint another or other qualified person or persons in his or their stead; and the person or persons so appointed will hold office during such time only as the Director or Directors in whose place he is or they are appointed would have held the same if he or they had not been removed.

REGISTER OF DIRECTORS AND MANAGERS

40. The Directors will duly comply with the provisions of *The Companies Act*, or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the keeping of the register of the Directors and managers and their addresses and occupations, the signing of the balance sheet, the filing with the Registrar of Companies of an annual report and copies of special and other resolutions and of any change in the registered office or of Directors and, where applicable, the mailing of a form of proxy and the issuing of information circulars.

PROCEEDINGS OF DIRECTORS

41. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings and may declare the quorum necessary for the transaction of business, but until the Directors make such determination, one-half of the directors will be a quorum.

42. Unless all of the members of the Board of Directors agree in writing to meetings being held elsewhere, meetings of the Board of Directors will be held at the Development. The Directors may make regulations in regard to the manner and time that notice will be given of such meetings. Until such regulations are made, meetings of the Board may be held at any time without formal notice if all the Directors are present or those absent have signified their consent in writing to the meeting being held in their absence; and notice of any meeting, where notice has not been dispensed with, delivered or mailed or telegraphed to each Director at his ordinary address five (5) days prior to such meeting, will be sufficient notice of any meeting of the Directors. In computing such period of five (5) days the day on which such notice is delivered, mailed or telegraphed will be included, and the day for which notice is given will be excluded. Notice of any meeting, or irregularity in any meeting or in the notice thereof, may be waived by any Director. The Directors may by ordinary resolution appoint a regular time and place for meetings, and no further or other notice of such time and place than the entry of such resolution upon the minutes of the meeting at which it was passed will be necessary. Immediately upon the conclusion of the annual general meeting a meeting of the Directors will be held and no notice of such meeting will be necessary.

43. Any Director may participate in a meeting of the Board of Directors by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and a Director participating in a meeting pursuant to this Article will be deemed to be present in person at that meeting and the meeting will be deemed to have been held at such place in Canada as the Directors may from time to time determine.

44. The president may, or the secretary-treasurer will at the request of any two Directors, at any time convene a meeting of Directors.

45. Questions arising at any meeting of Directors will be decided by a majority of votes and in case of an equality of votes, the chairman will have a second or casting vote.

46. The Directors may appoint one of their number to be chairman of the Board of Directors, and in the absence of such appointment the president for the time being of the Company will be chairman of the Board. If the chairman is not present at any meeting at the time appointed for holding the same, the Directors present will choose some one of their number to be chairman of such meeting.

47. A meeting of the Directors for the time being at which a quorum is present will be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the directors generally.

48. The Directors may delegate any of their powers to committees consisting of such one or more member or members of the Board as they think fit and may from time to time revoke such delegation. Any committee so formed will, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Directors.

49. The meetings and proceedings of any such committee consisting of two (2) or more members of the Board will be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, including the appointment of a quorum, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the past preceding clause.

50. All acts done at any meeting of the Directors, or of a committee of Directors or any person acting as a Director will, notwithstanding that it will afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

51. A resolution in writing signed by all the Directors without their meeting together, (which may be executed in several counterparts) will be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted, and will be held to relate back to any date therein stated to be the effective date thereof.

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MINUTES

52. The Directors will cause minutes to be duly entered in books provided for the purpose:

- (a) Of all appointments of officers;
- (b) Of the names of Directors present at each meeting of the Directors and any committee of Directors;
- (c) Of all resolutions made by the Directors and committees of Directors;
- (d) Of all resolutions and proceedings of general meetings.

And any such minutes of any meetings of the Directors or of any committee of Directors, or of the Company, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting, will be receivable as *prima facie* evidence of the matters stated in such minutes.

POWERS OF DIRECTORS

53. The management of the business of the Company will be vested in the Directors who in addition to the powers and authorities by these presents or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by statute expressly directed or required to be exercised or done by the Members in general meeting; and without restricting the generality of the foregoing the Directors will exercise general supervision of the affairs of the Company and may from time to time make rules and regulations in relation to the Company, and may at any time in like manner annul or vary any rules and regulations so made, and all rules and regulations so made and for the time being in force will be binding on the Members of the Company, and will have full effect accordingly; and it is expressly declared that the following will be deemed to be Rules and Regulations in relation to the Company within the meaning of this clause, that is to say, rules and regulations:

- (a) As to proof required from persons claiming to be eligible as Members and Family Members;
- (b) As to the application process relating to and fees required from persons requesting to be granted the status of Family Associate Member, Temporary Member or Associate Member;

- (c) As to the annual, quarterly, monthly or other subscriptions or fees to be payable by the Members, Family Associate Members, Temporary Members and Associate Members of the Company;
- (d) As to honourary, Family Associate Members, Temporary Members, Associate Members (if any) and visitors and guests;
- (e) As to the manner in which a Member's, Family Associate Member's, Temporary Member's or Associate Member's use of the Company's lands and amenities may be suspended or terminated;
- (f) As to the use of the Company's lands and amenities by Members, Family Associate Members, Associate Members, Temporary Members and Family Members;
- (g) As to committees of Members in connection with the management of the Company, and as to the appointment, removal, qualification, disqualification, duties, functions, powers and privileges of members of such committees;

and the publication of such Rules and Regulations may be in such manner as the Directors in their sole discretion deem appropriate.

OFFICERS

54. The Officers of the Company will consist of a president, a vice-president and a secretary-treasurer and such other officers as the Directors may from time to time appoint. Any one person may fill more than one of the above offices. Such persons holding such offices, besides fulfilling any duties assigned to them by the Directors, will have such powers as are usually incidental to such offices.

55. The president will be elected by the Board from amongst their number. The secretary-treasurer of the Company will be appointed by the Board. The Board may appoint an assistant secretary-treasurer, who will be empowered to act in the absence of or under the direction of the secretary-treasurer in the performance of the duties of the secretary-treasurer. The Directors may appoint a temporary substitute for any of the above offices.

REMOVAL OF OFFICERS AND EMPLOYEES

56. The Board, by an affirmative vote of the majority of the Board, may remove or discharge any or all of the executive officers or other officers, or employees, either with or without causes at any meeting called for that purpose and may elect or appoint others in their place or places. Any officer of the Company, not being an executive officer or a member of the Board of Directors, may also be removed or discharged either with or without cause by the President or Vice-President or Managing Director. If, however, there be no cause for such removal or discharge and there be a

special contract derogating from the provisions of this Article, such removal or discharge will be subject to the provisions of such contract, and subject to approval of the Board.

DEEDS AND DOCUMENTS

57. All deeds and documents executed on behalf of the Company may be in such form and contain powers, provisions, conditions, covenants, clauses and agreements as the Directors will think fit and may be executed in such manner as the Directors may by ordinary resolution prescribe.

SEAL

58. The Company will have a corporate seal which will be of such form and device as may be adopted by the Directors, and the Directors may make such provisions as they see fit with respect to the affixing of the said seal and the appointment of a Director or Directors or other persons, to attest by their signatures that such seal was duly affixed.

DIVIDENDS

59. It is the intention of the Company to apply the profits, if any, or any other income of the Company in promoting its objects and as the Company is not formed with gain for its object, no dividend whatsoever and no part of the income of the Company will be divided among, be payable to or be available for the personal benefit of any Member of the Company.

RESERVES AND FUNDS

60. The Directors may set aside any of the profits of the Company to create a reserve or reserves to provide for maintaining the property of the Company, replacing the wasting assets, meeting contingencies, forming an insurance reserve or for any other purposes whatsoever for which the profits of the Company may be lawfully used. The Directors may also carry forward to the accounts of the succeeding year or years any profit or balance of profit which they will not think fit to place to reserve.

61. The Directors may create a fund or funds out of the assets of the Company not greater in amount than the reserve or reserves as hereinbefore provided for and may apply the fund or funds either by employing the funds in the business of the Company or investing the funds in such manner as they think fit, and the income arising from such fund or funds will be treated as part of the profits of the Company for the year in which such income arose. Such funds may be applied for the purpose of maintaining property of the Company, replacing the wasting assets, meeting contingencies, forming an insurance fund or for any other purpose for which the profits of the Company may lawfully be used.

62. The Directors may from time to time increase, reduce or abolish any reserve or reserve fund in whole or in part and may transfer the whole or any part to surplus.

ACCOUNTS

63. The Directors will cause true accounts to be kept of the sums of money received and disbursed by the Company and the manner in respect of which said receipts and disbursements take place, of all sales and purchases by the Company and of the assets and liabilities of the Company and of all other transactions affecting the financial position of the Company.

64. The books of account and accounting records will be kept at the registered office of the Company or, subject to the limitations of *The Companies Act* in this regard, at such other place or places as the Directors think fit, and will be open to inspection of the Directors during the normal business hours of the Company.

65. The Directors will from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounts and books of the Company, or any of them will be open to the inspection of Members not being Directors, and no Member (not being a Director) will have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Directors or by the Company in general meetings.

66. The Directors will lay before each annual meeting of the Members a financial statement and the report of the auditor, if any, to the Members thereon and a Budget for the financial year next occurring. The financial statement will:

- (a) be approved by the Board of Directors and signed by two (2) of them;
- (b) cover a period that ended not more than six (6) months before the annual meeting;
- (c) subject to the provisions of *The Companies Act*, contain a comparative statement (except in the case of the first statement) relating separately to the latest completed financial year next preceding it;
- (d) be made up of:
 - (i) a statement of profit and loss for each period;
 - (ii) a statement of surplus for each period; and
 - (iii) a balance sheet as at the end of each period;

with each statement containing the information required by *The Companies Act* to be disclosed in such statements.

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The Budget will contain an estimate of the income and expenses of the Company and in particular those relating to the Encumbrance and the Lands and amenities.

67. Subject to the provisions of *The Companies Act*, a copy of the financial statement and a copy of the auditor's report (if any) will be sent to each Member (not including Family Members, Family Associate Members, Temporary Members, and Associate Members) by prepaid post ten (10) days or more before the date of the annual meeting.

NOTICES

68. Any notice may be served by the Company on any Member, Family Associate Member, Temporary Member or Associate Member either personally or by sending it through the post in a prepaid envelope addressed to such Member, Family Associate Member, Temporary Member or Associate Member at his address as the same appears in the books of the Company. If no address is known to the secretary-treasurer a notice posted up in the registered office of the Company will be deemed to be well served on such Member, Family Associate Member, Temporary Member and Associate Member upon it being so posted up, and any notice sent by post will be deemed to have been served upon such Member, Family Associate Member, Temporary Member or Associate Member on the second day following that on which the envelope containing the same is posted. With respect to every notice sent by post, it will be sufficient to prove that the envelope containing the notice was properly addressed and put into the post office or into a Canada Post letter box.

69. Any notice or document delivered or sent by post or left at the address of any Member, Family Associate Member, Temporary Member or Associate Member as the same appears on the books of the Company or posted in the registered office of the Company as hereinbefore provided, will, notwithstanding such Member, Family Associate Member, Temporary Member or Associate Member be then deceased and whether or not the Company have notice of his decease, be deemed to have been duly served, and such service will for all purposes be deemed a sufficient service of such notice or document on his heirs, executors, administrators and on all persons interested with such Member, Family Associate Member, Temporary Member or Associate Member.

70. The signature on any notice to be given by the Company may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

71. Where a given number of days notice or a notice extending over any other period is required to be given, the day of service of the notice and the day for which notice is given will, unless it is otherwise provided, be counted in such number of days or other period.

72. A certificate of the secretary-treasurer or other duly authorized officer of the Company in office at the time of the making of the certificate as to the facts in relation to the mailing or telegraphing or delivery or posting up of any notice to any Member, Family Associate Member, Associate Member, Temporary Member, Director or officer or publication of any notice, will be

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prima facie evidence thereof and will be binding on every Member, Family Associate Member, Associate Member, Temporary Member, Director or officer of the Company as the case may be.

73. It will not be necessary for any notice to set out the nature of the business which is to come before a meeting of the Directors and it will not be necessary for any notice to set out the business which is to come before a meeting of the Members unless the same is special business.

74. A special general meeting and the annual general meeting may be convened by one and the same notice, and it will be no objection to the said notice that it only convenes the second meeting contingently on any resolution being passed by the requisite majority at the first meeting.

RECORD DATE

75. The Directors may fix a time in the future not exceeding thirty (30) days preceding the date of any meeting of Members as a record date for the determination of the Members entitled to notice of, and to vote at, any such meeting, and only the Members of record in the Register of Members at the close of business on that date so fixed will be entitled to such notice of, and to vote at, such meeting, notwithstanding any change of Members on the Register of Members after any such record date fixed as aforesaid.

INDEMNITY

76. Except as otherwise hereinafter provided, every Director, manager, secretary-treasurer and other officer or servant of the Company will be indemnified by the Company against, and it will be the duty of the Directors, out of the funds of the Company to pay all losses and expenses which any such Director, manager, secretary-treasurer, officer or servant will incur or become liable to by reason of any contract entered into or act or thing done by him as such Director, manager, secretary-treasurer, officer or servant, or in any way in discharge of his duties.

77. Any person made a party to any action, suit or proceedings by reason of the fact that he, his testator or intestate is or was a Director, manager, secretary-treasurer, or other officer, agent or servant of the Company, or of any corporation which has served as such at the request of the Company, will be indemnified by the Company against the reasonable expenses, including attorney's fees actually and necessarily incurred by him in connection with the defence of such action, suit or proceeding, or in connection with any appeal therein, except in relation to matters as to which it will be adjudged in such action, suit or proceedings that such Director, manager, secretary-treasurer or other officer, agent or servant is liable for negligence or misconduct in the performance of his duties. Such right of indemnification will not be deemed exclusive of any other rights to which such Director, officer or employee may be entitled. None of the provisions hereof will be construed as a limitation upon the right of the Company to exercise its general power to enter into a contract or undertaking of indemnity with or for the benefit of any Director, manager, secretary-treasurer, or other officer, agent or servant in any proper case not provided for herein.

9 7 3 0 0 9 1 8 4 9

78. No Director or other officer of the Company will be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company will be invested, or for the loss or damage arising from the bankruptcy or insolvency or tortious act of any person with whom any moneys, securities or effects will be deposited, or for an loss occasioned by an error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which will happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty or unless it is otherwise provided in a contract of service with such Director or officer.

DISSOLUTION OR WINDING-UP

79. In the event of dissolution or winding-up of the Company, all of its remaining assets after payment of its liabilities, will be distributed to a corporate entity with objects other than the acquisition of gain.

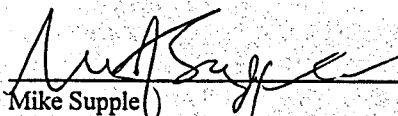
MISCELLANEOUS

80. A Member, Family Associate Member, Associate Member, Temporary Member or Family Member will not transfer their Membership to another person. When a person ceases to be a Member, Family Associate Member, Associate Member, Temporary Member or Family Member their rights as set out in these Articles will cease and will become null and void, and after ceasing to be a Member, Family Associate Member, Associate Member, Temporary Member or Family Member the said person will surrender their Share forthwith to the Company for cancellation.

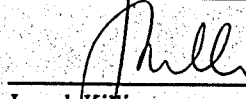
LANDS AND AMENITIES AVAILABLE TO PUBLIC

81. The Company will (when required by any lawful requirement of the Municipal District of Foothills or pursuant to any agreement with any other person) and may (at the discretion of the Board of Directors) make the lands and amenities available to the public at such times, in such manner and subject to such rules and regulations as may be prescribed from time to time by the Board of Directors and as are not inconsistent with any lawful requirement of the Municipal District of Foothills or the provisions of any agreement with any other person and the Company may charge and levy such fees to such members of the public who make use of the lands and amenities as the Board of Directors may determine in their discretion and as are not inconsistent with any lawful requirement of the City of Calgary or the provisions of any agreement with any other person.

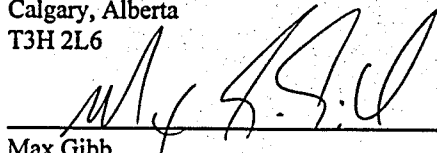
NAMES, ADDRESS AND DESCRIPTIONS OF SUBSCRIBERS:



Mike Supple
PRIVATE AND CONFIDENTIAL
c/o 2732 Signal Hill Drive S.W.
Calgary, Alberta
T3H 2L6



Joseph Kili
148 Woodacres Drive S.W.
Calgary, Alberta
T2W 4Z8



Max Gibb
P.O. Box 152
Millarville, Alberta
T0L 1K0

DATED at the City of Calgary, in the Province of Alberta, this 5th day of September, 1998.



Witness to the above signatures

2926 Latham Cr SW, Calgary, AB.
Address

Name: Iain Stewart

Businessman
Occupation

SCHEDULE "A"

LANDS

CONDOMINIUM PLAN 9710379

UNIT 27

AND 4 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

CONDOMINIUM PLAN 9710379

UNIT 28

AND 4 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

CONDOMINIUM PLAN 9710379

UNIT 30

AND 2088 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

97330091852

FILED E

SEP 15 1997

Registrar of Corporations
Province of Alberta

BUSINESS CORPORATIONS ACT
(Section 19)

Form 3

ALBERTA CONSUMER AND
CORPORATE AFFAIRS

NOTICE OF ADDRESS OR
NOTICE OF CHANGE OF ADDRESS

1. NAME OF CORPORATION
THE SQUARE BUTTE RANCH CLUB
2. CORPORATE ACCESS NUMBER:
51754386
3. ADDRESS OF REGISTERED OFFICE (STREET ADDRESS, INCLUDING POSTAL CODE, OR LEGAL LAND DESCRIPTION).
1200, 700 - 2nd Street, S.W.
Calgary, Alberta T2P 4V5
4. RECORDS OFFICE (STREET ADDRESS, INCLUDING POSTAL CODE, OR LEGAL LAND DESCRIPTION).
N.A.
5. ADDRESS FOR SERVICE BY MAIL, IF DIFFERENT FROM ITEM 3 (POST OFFICE BOX, INCLUDING POSTAL CODE).
N.A.

6. DATE
Sept. 5, 1997

SIGNATURE
Mr. [Signature]

TITLE
Subscriber

HDC_S/335756/772K011.WPD

