

**ARTICLES OF ASSOCIATION  
OF  
BANFF GATE MOUNTAIN RESORT  
ASSOCIATION**

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**ARTICLES OF ASSOCIATION  
OF  
BANFF GATE MOUNTAIN RESORT ASSOCIATION**

**ARTICLE 1  
INTERPRETATION**

**1.1 Defined Terms**

**Unless the context otherwise requires, all terms defined in the *Act* are given the same meaning when used in these Articles of Association and resolutions of the Board or the Members of the Company unless otherwise defined herein or therein:**

- (a) "*Act*" means the Companies *Act*, RSA 1980, c. C-20, and the regulations promulgated thereunder, all as amended from time to time;**
- (b) "Articles of Association" means the Articles of Association of the Company, as amended, from time to time in force and effect;**
- (c) "Board" means the Board of Directors of the Company;**
- (d) "Company" means the company incorporated under the Part IX of the *Act* under the name "Banff Gate Mountain Resort Association";**
- (e) "documents" includes deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities and all paper writings;**

- (f) "Executive Committee" means a committee of directors, if any, constituted by the Board in accordance with Section 6.4.;**
- (g) "Fees" has the meaning ascribed thereto in Section 2.5;**
- (h) "General Meeting" means a meeting of the Members of the Company, whether declared as a special or annual meeting;**
- (i) "Member" shall mean any one of those persons referred to in Section 2.1 and "Members" means all of those persons referred to in Section 2.1;**
- (j) "Member Register" means a list of Members maintained by the Company pursuant to Section 2.3;**
- (k) "Nominating Committee" means a committee of directors, if any, constituted by the Board for the purpose of carrying out the requirements set forth in Section 4.9;**
- (l) "Ordinary Resolution" means:**
  - (i) a resolution passed or proposed to be passed as an "ordinary resolution":**
    - A. at a General Meeting for which not less than 21 days' notice has been duly given in accordance with these Articles of Association; and**
    - B. by vote, in accordance with Section 3.10, of Members entitled to vote at such meeting, in person or by proxy, representing a majority of the Timeshare Weeks held by Members present at such meeting in person or by proxy and entitled to vote thereon;**
  - (ii) a resolution passed or proposed to be passed as an ordinary resolution:**



**Company from time to time and which is operated as a timeshare resort;**

**(p) "Special Resolution" means:**

**(i) All resolutions passed or proposed to be passed except for those listed as "ordinary resolutions".**

**A. at a General Meeting of which not less than 21 days' notice specifying the intention to propose the resolution has been duly given, and**

**B. by a majority of not less than 75% of the votes of those Members who, if entitled to do so, vote in person or by proxy,**

**(ii) a resolution proposed and passed as a special resolution at a general meeting of which less than 21 days' notice has been given, if all the Members entitled to attend and vote at that General Meeting so agree, or**

**(iii) a resolution consented to in writing by all the Members who would have been entitled at a General Meeting to vote on the resolution in person or, if proxies are permitted, by proxy;**

**(q) "Timeshare Agreement" means a written agreement between the Company and a Timeshare Owner whereby the Timeshare Owner, is granted the right to use and occupy an accommodation unit at the Resort in accordance with the terms of such agreement and the policies passed by the Company;**

**(r) "Timeshare Owner" means a person who is party to a Timeshare Agreement from time to time;**

**(s) "Timeshare Week" means the week (or portion thereof) identified in the Timeshare Agreement during which a Timeshare Owner is entitled, to occupy an accommodation**



**unit at the Resort as identified in the applicable Timeshare Agreement; and**

- (t) "Transferee " has the meaning ascribed thereto in Section 2.2(a).**

## **1.2 Expanded Meanings**

**In these Articles of Association, unless there is something in the subject matter or context inconsistent therewith:**

- (a) words used herein importing the singular number include the plural and vice versa, words importing the use of any gender include all genders, and words importing persons include individuals, partnerships, associations, trusts, unincorporated organizations and corporations (irrespective of governing jurisdiction), and the rest of the sentence is construed as if the necessary grammatical and terminological changes had been made;**
- (b) the division of these Articles of Association into articles, sections, subsections, paragraphs, subparagraphs and clauses and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of these Articles of Association except where reference to a specific division of the Articles of Association is made in the text hereof;**
- (c) the terms " the Articles of Association", " these Articles of Association", "hereof ", "herein", "hereunder" and similar expressions refer to the Articles of Association of the Company and not to any particular article, section, subsection,, paragraph, subparagraph, clause or other portion hereof and include any certificate, document or instrument supplementary or ancillary hereto;**
- (d) references herein to any instrument, including these Articles of Association, are deemed to be references to**

**the instrument as varied, amended, modified, supplemented or replaced from time to time, and any specific references herein to any legislation or enactment are deemed to be references to such legislation or enactment as the same may be amended or replaced from time to time;**

- (e) the terms "in writing" or "written" include printing, typewriting, or any electronic means of communication by which words are capable of being visually reproduced at a distant point of reception, including by facsimile;**
- (f) the words "include" or "including", when following any general term or statement, are not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as permitting such general term or statement to refer to all other items or matters that could reasonably fall within its broadest possible scope;**
- (g) "appoint" includes, and is intended to be used interchangeably with, "elect";**
- (h) a reference to time or date is to the local time or date in Alberta, unless specifically indicated otherwise; and**
- (i) a reference to "notice" means written notice, unless specifically indicated otherwise,**

### **1.3 Procedural Rules for General Meetings**

**Subject to the *Act* and the Articles of Association, all procedures and rules regulating the calling and holding of meetings of the Board and General Meetings are governed by the most current edition of Robert's Rules of Order ("Roberts' Rules") (with such changes as are necessary so that a reference to a shareholder, if any, is read as a reference to a Member). If there is a conflict or inconsistency between Robert's Rules**

**and the *Act* or the Articles of Association, the *Act* and the Articles of Association prevail in all cases.**

## **ARTICLE 2 MEMBERSHIP**

### **2.1 Membership**

- (a) Each of the following persons is automatically admitted as a Member of the Company:**
- (i) each and every subscriber to the Memorandum of Association of the Company;**
  - (ii) each and every person who becomes a Timeshare Owner: (A) by the execution of a Timeshare Agreement and the delivery thereof to the Company, or (B) pursuant to the provisions of Section 2.2 hereof; and**
  - (iii) each and every individual who:**
    - A. is not a Member as a result of being a Timeshare Owner; and**
    - B. becomes a director of the Company,**

**is automatically admitted as a Member if there are no Timeshare Owners but only during the currency of the director's term of appointment and only while there are no Timeshare Owners. Upon such an individual ceasing to be a director of the Company, they automatically ceases to be a Member, unless such person is a Timeshare Owner, in which case their membership in the Company is governed otherwise by the provisions of these Articles of Association.**

- (b) A Member referred to in Subsection 2.1(a)(i) and (ii) shall cease to be a Member of the Company upon the occurrence of any of the following events:**
- (i) the expiry of the Timeshare Agreement;**
  - (ii) the termination of the Timeshare Agreement by the Company in accordance with its terms; or**
  - (iii) the termination, or surrender to the Company, of the Timeshare Agreement upon the agreement by the Company and the Member.**
- (c) if more than one person is shown as a licensee on a Timeshare Agreement, such persons shall be deemed to be a joint Member.**

## **2.2 Transferability of Membership**

- (a) Subject to Subsections (b), (c) and (d) of this Article, a Member may transfer, assign or otherwise dispose of all of their interest in their Timeshare Agreement, provided that the Member first provides to the Company an agreement (in the Company's standard form or in such other form satisfactory to the Company in its sole discretion) executed by the Member and the transferee where under the Member transfers and assigns all of their interest in their Timeshare Agreement to the transferee, and the transferee agrees to perform all of their obligations under that Agreement.**
- (b) The Member shall not mortgage, charge, grant a security interest in or otherwise encumber their Timeshare Agreement or their interest herein.**
- (c) The Member may not transfer, assign or otherwise dispose of their interest in their Timeshare Agreement:**

- (i) **If an event of default, has occurred and is continuing;**
  - (ii) **Without the prior approval in writing of the Board, such approval to be not unreasonably withheld; and**
  - (iii) **Unless they have paid to the Company a transfer fee in such amount determined from time to time by the Board, plus GST thereon.**
- (d) The Member shall not transfer, assign or otherwise dispose of less than all of their interest in their Timeshare Agreement.**
- (e) Upon the death or disability of a Member their interest may be transferred to their executor, trustee, attorney or other legal representative without the approval of the board.**
- (f) Any purported transfer by a Member of their interest in the Company, other than in accordance with this section is void.**

### **2.3 General Register of Members**

**The Company will maintain at its registered office a list of Members, arranged in alphabetical order and showing for each such Member:**

- (a) the full names, addresses and occupations of the subscribers of the Memorandum of Association and of every other person who becomes a Member of the Company;**
- (b) the date upon which each person was entered in the register as a Member;**
- (c) the date at which any person ceased to be a Member;**

- (d) the nature of the interest held by each Member, and the amount paid or agreed to be considered as paid in respect of their interest;**
- (e) particulars of the transfer by any Member of their interest;**
- (f) in the case of a person described in the register as representing a named mortgagor, another person or an estate, a description of the capacity in which that person represents the person or estate, and the name of the estate or person so represented; and**
- (g) the number of Timeshare Weeks held by such Member.**

**The Company (the Board, officers and all other representatives of the Company for whatever purpose) are entitled to rely on the Member Register for any purpose in connection with the affairs of the Company and the pursuit, promotion and implementation of the Company's objects including all notices and communications with Members.**

#### **2.4 Registration of Transfer**

**Any valid and approved transfer, assignment or other disposition of their Timeshare Agreement pursuant to Subsection 2.2 immediately above, shall be registered in the books and records of the Company upon receipt of the documentation referred to in Subsection 2.2 duly executed by the Member and the transferee or by their attorney or personal representative duly appointed, together with such reasonable assurance or evidence of signature, identification and authority to transfer as the Company may from time to time prescribe and upon payment of a transfer fee (in such amount as determined by the Company from time to time).**

#### **2.5 Membership Levies**

**Membership dues, assessments, fees and similar obligations, annual or otherwise ("Fees") may be levied or assessed from time to time if authorized by the Board. Once so authorized, the Fees are to be paid within 30 days following the date that a Member receives the notice of**

**assessment. To constitute a valid and binding assessment or levy upon a Member, notice of an assessment of any Fees will be mailed or otherwise sent to each Member to their latest address in the Member Register. Notwithstanding the termination of a Member's membership, a former Member remains liable for any Fees levied under the authority of these Articles of Association prior to the termination of their membership. The Board may, at its sole discretion, waive any Fees payable by any Member as the Board deems fit from time to time.**

## **2.6 Liability of Members**

**Members are not, as such, answerable or responsible for any act, default, obligation or liability of the Company or for engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the Company, other than the amount which, a Member has contributed or undertaken to contribute to the assets of the Company in accordance with the Memorandum of Association in the event of the Company being wound up.**

## **ARTICLE 3 ASSOCIATION MEETINGS**

### **3.1 General Meetings**

- (a) The Board may at any time call a General Meeting for the transaction of any business, the general nature of which is specified in a notice calling the meeting sent to all registered Members.**
- (b) All business transacted at a General Meeting is deemed to be special business other than the following annual ordinary business:**
  - (i) presentation of the Company's financial statements prepared for distribution to Members in accordance with the *Act*, and the auditor's report thereon;**

- (ii) presentation of the report(s) referred to in Section 5.12;**
- (iii) fixing the number of directors for the following year if there is a change from the previous year;**
- (iv) election of directors; and**
- (v) reappointment or replacement of the incumbent auditor, and fixing or authorizing the Board to fix its remuneration.**

### **3.2 Annual General Meetings**

**The Company will hold an annual General Meeting of the Members during each calendar year, in the manner, time, and place determined by the Board, for the purpose of conducting the following business of the Company:**

- (a) presentation to the Members of the Company's financial statements as required under the *Act*, together with the auditor's report thereon;**
- (b) presentation of the report(s) referred to in Section 5.12;**
- (c) fixing the number of directors for the following year if there is a change from the previous year;**
- (d) electing such directors as are to be elected at such annual General Meeting, if any; and**
- (e) appointing the auditor and fixing or authorizing the Board to fix its remuneration.**

### **3.3 Special Meetings**

- (a) The Company may, at any time, hold a General Meeting designated as a Special meeting in the manner and at a time and place determined by the Board for the purpose of conducting any business or special business of the Company.**



- (b) Should Members requisition the Board to call a Special Meeting, the following shall apply:**
- I. Members in Good Standing representing not less than 10% of the timeshare weeks in the Company may requisition a Special Meeting by delivering a written request to the Registered Office of the Association**
  - II. Upon receipt of a valid and proper requisition, the Board will hold a Special Meeting within 21 days of such receipt;**
  - III. Such Special Meeting shall be held in the manner and at a time and place as determined by the Board, subject to provisions of Article 3 of the Articles of Association;**
  - IV. Should the Board fail to hold a Special Meeting within 21 days after receipt of a valid and proper requisition, the requisitioners representing not less than 50% of the Timeshare Weeks of all of them, may call such meeting;**
  - V. There shall be no other methods by or instances in which Members may call a meeting.**

### **3.4 Manner of Holding Meetings**

**The Board of Directors has the authority to conduct any meeting of the Association, whether General or special, virtually by electronic means.**

### **3.5 Notice**

- (a) Subject to subsection (h), to duly and validly call a General Meeting, notice in writing of the manner, time and place of such meeting is to be given as provided in Section 10.1, not less than 21 days nor more than 50 days before the date of**

**the meeting to each director, to the auditor and to each Member who at the close of business on the record date for notice, is entered in the Member Register. Notice of a General Meeting called for any purpose other than the matters described in Section 3.2 is to state the nature of such business in sufficient detail to permit a Member to form a reasoned judgment thereon and shall state the text of any special resolution being sought at the meeting.**

- (b) A General Meeting may be held without notice at any time and place permitted by these Articles of Association if:**
- (i) all the Members entitled to vote thereat are present in person or represented by proxy or those not present or represented by proxy waive notice of or otherwise consent to such meeting being held; and**
  - (ii) if directors or the auditor is to be appointed, the auditors and the directors, as applicable, are present, waive notice of or otherwise consent to such meeting being held.**
- (c) No error or omission in giving notice of any General Meeting invalidates such meeting or makes void any proceedings taken thereat. A Member (or proxy thereof), a director or the auditor, as applicable, may at any time waive notice of or otherwise consent to a meeting of Members in any manner acceptable to the chairman for the meeting, including the ratification, approval or confirmation of any or all proceedings taken or had thereto.**

### **3.6 Record Date for Notice**

**The Board may fix in advance a record date preceding the date of any General Meeting by not more than 50 days and not less than 21 days, for the determination of the Members entitled to receive notice of, and subject to Section 3.9, vote at the meeting, provided that notice of the meeting is sent to entitled Members in accordance with Section 3.5. If**

**no record date is so fixed, the record date for the determination of the Members entitled to receive notice of and subject to Section 3.9, vote at the meeting shall be deemed to be the close of business on the last business day immediately preceding the day on which the notice is sent, or, if no notice is sent, the day on which the meeting is held.**

### **3.7 Quorum**

- (a) A quorum for the purpose of electing a chairman of any meeting of Members, and for the adjournment of the meeting to a fixed time and place but not for the transaction of any other business, is two persons present and each holding or representing by proxy at least one Timeshare Week entitled to vote at the meeting of Members.**
- (b) A quorum for the transaction of any business at any General Meeting (whether such business requires an ordinary resolution or special resolution) is two or more persons present in person or by proxy and in the aggregate holding or representing by proxy at least 8% of the Timeshare Weeks entitled to vote at the meeting of Members.**
- (c) A quorum for the transaction of business at any General Meeting which has been adjourned in accordance with these Articles of Association is those Members present (in person or represented by proxy) at the duly adjourned meeting unless a special resolution of the Members is sought at the meeting in which case the quorum for the transaction of business requiring such special resolution is two or more persons present in person or by proxy and in the aggregate holding or representing by proxy at least 8% of the Timeshare Weeks entitled to vote at the meeting of Members.**
- (d) If a quorum is present at the opening of any meeting of Members, the Members present (in person or represented**

**by proxy) may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting.**

- (e) Where the Company has only one Member, the Member present in person constitutes a General Meeting.**

### **3.8 Persons Entitled to be Present**

**Subject to Section 8.1, the only persons entitled to be present at a General Meeting are those Members entitled to vote thereat, the directors, officers and auditors of the Company and others who, although not entitled to vote, are entitled or required under any provision of the *Act* or the Articles of Association to be present at the meeting. Other than an invitation granted pursuant to Section 8.1, any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.**

### **3.9 Right to Vote**

- (a) For the purposes of an ordinary resolution, every Member:**
  - (i) who is an individual, or who is not an individual but is represented by a duly and validly appointed individual, at least 18 years of age;**
  - (ii) subject to subsection (c) and (d), whose name appears, as of the record date for the General Meeting, on the Member Register; and**
  - (iii) whose membership in the Company is in good standing and who is not in default under all Timeshare Agreements to which the Member is a party (as determined in the sole discretion of the Board),**

**is entitled to one vote for each Timeshare Week they own, in respect of the ordinary resolution sought at the General Meeting. If a Member holds less than one (1) Timeshare Week they shall be entitled to one-half (1/2) vote for such period held. If a member or proxy holder holds more than**

**twenty percent (20%) of the quorum requirements for the purpose of transacting any business, then such Member or proxy holder will not be permitted to cast votes in excess of twenty percent (20%) of the quorum requirement in respect to the ordinary resolutions sought at the General Meeting.**

**(b) For the purposes of a special resolution, every Member:**

- (i) who is an individual, or who is not an individual but is represented by a duly and validly appointed individual, at least 18 years of age;**
- (ii) subject to subsection (c) and (d), whose name appears, as of the record date for the General Meeting, on the Member Register; and**
- (iii) whose membership in the Company is in good standing and who is not in default under all Timeshare Agreements to which the Member is a party (as determined in the sole discretion of the Board),**

**is entitled to one vote regardless of the number of Timeshare Weeks held by the Member in respect of the special resolution sought at the General Meeting. If a member or proxy holder holds more than twenty percent (20%) of the quorum requirements for the purpose of transacting any business, then such Member or proxy holder will not be permitted to cast votes in excess of twenty percent (20%) of the quorum requirement in respect to the special resolutions sought at the General Meeting. To pass, a special resolution must be approved by not less than 75% of the votes of those Members who voted in person or by proxy.**

**(c) For all resolutions:**

- (i) If a Member has transferred or assigned their Timeshare Agreement after the record date for a General Meeting,**

**and the transferee, upon producing proper documentation required pursuant to Section 2.2 and Section 2.4 (to the satisfaction of the Board or the chairman of the meeting), demands not later than 5 days before the meeting that their name be included to vote at the meeting, such transferee is entitled to vote at the meeting as if such person had been a registered Member as of the record date for the meeting, and the transferor shall not have the right to attend such meeting or to vote on any matters to be considered at such meeting.**

- (ii) A person that has ceased to be a Member in accordance with Section 2.1(b) after the record date for a General Meeting shall not have the right to attend such meeting or to vote on any matters to be considered at such meeting.**

### **3.10 Manner of Voting**

**Any question for which a resolution (whether ordinary or special) of the Members is sought at any General Meeting shall be determined by ballot. The ballot is to be taken in such manner as the chairman directs. Each Member present or represented by proxy and entitled to vote has one vote upon the question for each Timeshare Week held by the Member, and the result of the ballot so taken is the decision of the Members upon the said question, subject to the restrictions contained in 1.1(p)(i)B.**

**If a Member holds less than one (1) Timeshare Week, such Member shall be entitled to one-half (1/2) vote for such period held.**

**If a ballot is taken for a special resolution, each Member present or represented by proxy, and entitled to vote, has one vote upon the question irrespective of the number of Timeshare Weeks held by the Member, and the result of the ballot so taken is the decision of the Members upon the said question.**

**If a member or proxy holder holds more than percent twenty (20%) of the quorum requirements for the purpose of transacting any business, such Member or proxy holder will not be permitted to cast votes in excess of twenty percent (20%) of the quorum requirement in respect to the resolutions sought at the General Meeting.**

### **3.11 Joint Members**

**If two or more persons are shown jointly on the Member Register any one of them present in person or represented by proxy at a General Meeting may, in the absence of the other or others, exercise the applicable right to vote in respect of such status as a Member. If two or more of those persons are present in person or represented by proxy and vote, they may only exercise a single vote for each jointly owned week.**

### **3.12 Votes to Govern**

**Every question for which a resolution of the Members is sought at a General Meeting, except where a special resolution is expressly required by these Articles of Association or the *Act*, is determined by an ordinary resolution. In case of an equality of votes, the chairman of the meeting is entitled to a second or casting vote.**

### **3.13 Chairman, Secretary and Scrutineer**

**The chairman of any General Meeting is, subject to Section 3.7(a), the first mentioned of such of the following officers as have been appointed and who is present in person at the meeting: president, 1<sup>st</sup> vice-president, 2<sup>nd</sup> vice-president or treasurer. If no such officer is present within 15 minutes after the time fixed for the commencement of the meeting, the Members entitled to vote at the General Meeting who are present in person or by proxy are entitled to choose a chairman for the General Meeting:**

- (a) first from among the incumbent directors present, one of such directors; or**
- (b) if no director is present or if all directors present decline to act as chairman for the General Meeting, a Member present in person.**

**If the secretary of the Company is absent, the chairman will appoint some person, who need not be a Member, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be Members, may be appointed by a resolution of Members or by the chairman with the consent of the meeting.**

### **3.14 Adjournment**

**If a meeting of Members is adjourned by one or more adjournments for an aggregate of less than 30 days it is not necessary to give notice of the adjourned meeting other than by announcement at the time of an adjournment. If a meeting of Members is adjourned by one or more adjournments for an aggregate of more than 29 days and not more than 60 days, notice of the adjourned meeting is to be given to the Members on the Member Register for the meeting as for the originally scheduled meeting but the Company is not required to send a form of proxy. A General Meeting of Members may not be adjourned for an aggregate of more than 60 days; in such case, a new General Meeting must be called in accordance with these Articles of Association.**

## **ARTICLE 4 DIRECTORS**

### **4.1 Eligibility & Qualification**

- (a) No person is qualified for election as a director and thereafter to hold such office if they**
  - (i) are less than 18 years of age;**



- (ii) are a dependent adult as defined in the *Dependent Adults Act* (Alberta) or the subject of a certificate of incapacity under that legislation;
  - (iii) are a formal patient as defined in the *Mental Health Act* (Alberta);
  - (iv) are the subject of an order under the *Mentally Incapacitated Person Act* (Alberta) appointing a committee of their person or estate or both;
  - (v) have been found to be a person of unsound mind by a court elsewhere than in Alberta;
  - (vi) are not an individual; or
  - (vii) have the status of a bankrupt.
- (b) A director need not be a Member, but the Board shall not have more than two (2) directors that are not Members or the authorized representative of a Member to the extent that the applicable Member is not an individual.
- (c) Any Member, or if the Member is not an individual then an individual duly and validly authorized to represent such Member, is eligible for election as a director, whether or not the Member was an officer or director during a previous term, provided that such Member's membership in the Company is in good standing and such Member is not in default under all Timeshare Agreements to which the Member is a party (as determined in the sole discretion of the Board). A Member may only nominate one person as a director of the Company irrespective of the number of Timeshare Weeks owned by the Member.
- (d) No person is eligible to be elected as a director of the Company unless such person is willing and has consented to stand for election in writing or by personally attending

**the General Meeting at which such person is standing for election.**

- (e) All of the directors are to be resident Canadians.**

#### **4.2 Election and Term**

- (a) The Company shall have a minimum number of seven (7) directors and a maximum of eleven (11) directors. The number of directors of the Company shall be fixed by resolution of the Board. The applicants for incorporation shall be the first directors of the Company whose term of office shall continue until their successors are elected or appointed.**
- (b) At the first annual General Meeting of the Members, one-half of the directors (or if there are an odd number of directors to be elected, the number of directors which is the next whole number greater than one-half of the directors) shall be elected for a term of one (1) year, and the remaining number of directors shall be elected for a term of two (2) years. At the second annual General Meeting of the Members and thereafter at each annual General Meeting of the Members, those offices of the directors whose term of office has expired shall be filled for a two (2) year term.**
- (c) Directors are elected by ordinary resolution of the Members from time to time, passed in accordance with these Articles of Association.**
- (d) If any election of directors is not held at the proper time, the incumbent directors, if any continue in office until their successors are elected.**
- (e) A director who ceases to have the qualifications referred to in Section 4.1(a) ceases to be a director, and the vacancy**

**on the Board may be filled in the manner prescribed in these Articles of Association.**

- (f) The number of directors to be elected at a General Meeting is the number of directors set forth in the notice of the meeting as sent to Members unless the directors otherwise determine.**

#### **4.3 Removal of Directors**

**The Members may by ordinary resolution remove any director from office and the vacancy created by such removal may be filled by ordinary resolution passed at the same General Meeting failing which it may be filled by the directors pursuant to Section 4.5.**

#### **4.4 Vacation of Office**

**A director ceases to hold office when:**

- (a) they die;**
- (b) they are removed from office by the Members;**
- (c) they cease to be qualified for election as a director;**
- (d) their written resignation is sent or delivered to the Company, or if a time is specified in such resignation, at the time so specified, whichever is later.**

#### **4.5 Vacancies**

**A quorum of the Board may fill a vacancy in the Board. In the absence of a quorum of the Board, the Board shall forthwith call a General Meeting to fill the vacancy. If the Board fails to call such meeting or if there are no such directors then in office, any Member may call the General Meeting.**

#### **4.6 Action by Board**

**The powers and duties of the Board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed in part or in counterpart by all the directors entitled to**

**vote on that resolution at a meeting of the Board. Where there is a vacancy in the Board, the remaining directors may exercise all the powers of the Board so long as a quorum remains in office.**

#### **4.7 Record of Proceedings**

**The Board will keep at the Company's registered office:**

- (a) minutes of all Board meetings in which is to be recorded all action taken by it and such minutes are to be executed by the chairman and secretary for every such meeting;**
- (b) executed copies of all written resolutions of Board signed by the directors entitled to do so;**
- (c) minutes of all General Meetings of the Members in which is to be recorded all action taken by the Company and such minutes are to be executed by the chairman and secretary for every such meeting; and**
- (d) executed copies of all written resolutions of Members signed by the Members entitled to do so.**

#### **4.8 Powers and Duties of the Board**

- (a) The Board shall manage the business and affairs of the Company and shall plan and direct the activities of the Company toward the pursuit, promotion and implementation of the objects of the Company and, without limiting the generality of the foregoing:**
  - (i) the Board will manage and administer the property, activities, business and affairs of the Company (including the Resort), and may enter into agreements in connection therewith;**
  - (ii) the Board may, for the Company in its name, appoint representatives, managers and hire employees, if it determines it is in the best interests of the Company to do so, and these representatives, managers or**

**employees will derive their authority and will assume duties and responsibilities in accordance with the directions of the Board as determined from time to time;**

- (iii) the Board may make or cause to be made for the Company in its name, any kind of contract which the Company may lawfully enter into and may, from time to time, purchase, lease or otherwise acquire, alienate, sell, exchange or otherwise dispose of shares, Stocks, rights, warrants, options and other securities, lands, buildings or other property, movable or immovable, real or personal, or any right or interest therein owned by the Company, for such consideration and upon such terms and conditions as they deem advisable;**
- (iv) the Board may make rules for the governance or the conduct and operation of the Company and may fix financial penalties for any breach of these Articles of Association;**
- (v) the Board will arrange for the audit of the records and accounts of the Company in respect of the annual financial statements to be presented to Members each fiscal year or otherwise pursuant to an ordinary resolution of the Members present at any General Meeting;**
- (vi) the Board may in accordance with these Articles of Association appoint committees, prescribe policies and rules to follow by all committees, and remove and replace committee members;**
- (vii) the Board may make such rules and regulations and authorize and perform such circumstances not expressly covered by these Articles of Association, so**

**long as any such action is in pursuit, promotion or implementation of the objects of the Company. Any such action, however, may be modified or revoked by an ordinary resolution of the Members;**

**(viii) the Board may from time to time to appoint managers, agents or attorneys for the Company with such powers of management or otherwise (including the power to sub-delegate) as may be thought fit, including the appointment of a manager to manage, administer and operate the property, activities, business and affairs of the Company (including the Resort); and**

**(ix) the Board may take any further action within the power of the Company to carry out or promote the objects of the Company.**

**(b) The Board has such other and further powers and duties as may be set forth in these Articles of Association or otherwise granted at law.**

**(c) The Board will not carry out any of the following matters unless it first obtains the approval of the Members pursuant to a special resolution:**

**(i) the sale of the Company's assets out of its ordinary course of business;**

**(ii) the construction of any additional chalets on the Resort lands; and**

**(iii) the entering into of any operations or affairs which are unrelated to the current operations of the Company from time to time.**

**In no event shall the Company undertake any activities which are inconsistent with its objects.**

- (d) The Board may from time to time delegate to one, or more of the directors and officers of the Company as may be designated by the Board all or any of the powers conferred on the Board by subsection (a) or otherwise pursuant to these Articles of Association, by the *Act* or at law to such extent and in such manner as the Board shall determine at the time of each such delegation.**

#### **4.9 Board Nominations**

- (a) At least 90 days before the annual General Meeting, the Board shall mail or otherwise transmit to each Member, then of record, a notice setting forth the list of directors whose terms are expiring and a notice requesting nominations for directors.**
- (b) Each nomination of an individual as a director shall be accompanied by a written consent of the individual so nominated to act as director if so elected and a written confirmation whether such individual is a Member and a resident Canadian. The form of consent and confirmation shall be approved in advance by the board of directors.**
- (c) The time for nominations will close on the date which is 45 days before the date of the annual General Meeting. The Board shall disregard any nominations received after that date or any nomination that is not accompanied by the consent and confirmation referred to in subsection (b).**

### **ARTICLE 5 BOARD MEETINGS**

#### **5.1 Quorum**

**A quorum for the transaction of business at any meeting of the Board consists of a majority of the number of directors then elected or such**

**greater or lesser number of directors as the Members may from time to time determine by ordinary resolution.**

## **5.2 Telephone Participation in Meetings**

**The Board may have a meeting by way of a conference call or other communication facilities that enable all persons participating in the meeting to hear each other. Subject to the provisions in regard to quorum necessary for the Board meeting, a person participating in such a meeting by such means is deemed, for the purposes of these Articles, to be present at the meeting. If such a conference call or other communication facilities are used to conduct a meeting, voting may be done verbally and the chairman and secretary of such meeting will record the results of the vote in the minutes of the Board.**

## **5.3 Place of Meeting**

**Meetings of the Board may be held by electronic means or in person at any place in Alberta.**

## **5.4 Calling of Meeting**

**Meetings of the Board will be held from time to time and at such manner and place as the president or any two directors may determine.**

## **5.5 Notice of Meeting**

**Notice of the manner, time and place of each Board meeting is to be given as provided in Section 10.1 to each director not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where a board determination is sought in respect of:**

- (a) submitting to the Members any question or matter requiring approval of the Members;**
- (b) filling a vacancy among the directors;**



- (c) filling a vacancy in the office of auditor, if there has been a casual vacancy since the last annual General Meeting;**
- (d) approving any annual financial statements of the Company;  
or**
- (e) receiving the report of any committee established by the Board.**

**A director may in any manner waive notice of or otherwise consent to a meeting of the Board. No error or omission in giving notice of any meeting of the Board or any adjourned meeting of the Board invalidates such meeting or any proceedings taken thereat provided that the meeting was otherwise called and held in accordance with these Articles. Any director may waive notice of any such meeting and ratify, approve and confirm any or all proceedings taken or had thereat. The statement of the Secretary or President at the Board meeting and recorded in the Board minutes that notice has been given pursuant to these Articles is sufficient and conclusive evidence of the giving of valid notice.**

#### **5.6 First Meeting of New Board**

**Each newly constituted Board may, without notice, hold its first meeting immediately following the General Meeting at which a portion of the directors were elected.**

#### **5.7 Adjourned Board Meeting**

**Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original Board meeting; provided however, that notice shall be given to directors not present at the original Board meeting.**

#### **5.8 Chairman**

**The chairman of any Board meeting is the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: president, 1<sup>st</sup> vice-president and 2<sup>nd</sup> vice-**

**president. If no such officer is present, the directors present will choose one of their number to be chairman for the meeting.**

#### **5.9 Votes to Govern**

**At all Board meetings, every question is decided by a majority of the votes cast on the question. In case of an equality of votes the chairman of the meeting is entitled to a second or casting vote.**

#### **5.10 Conflict of Interest**

**A director or officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Company shall disclose the nature and extent of their interest at the time and in the manner provided by the *Act*. Any such contract or proposed contract shall be referred to the Board for approval even if such contract is one that in the ordinary course of the Company's operations and affairs would not require approval by the Board or Members, and a director interested in a contract so referred to the Board shall not vote on any resolution to approve the same.**

#### **5.11 Liability of Directors**

- (a) The directors and officers of the Company are not liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by the Company or for or on behalf of the Company or for the insufficiency of any security in or upon which any of the money of or belonging to the Company is placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or Association with whom or which any monies, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune**

**whatever which may happen in the execution of the duties of their respective office or trust or in relation thereto unless the same happens by or through their own wrongful and willful act or through their own wrongful and willful neglect or default.**

- (b) Subject to any limitations contained in the *Act*, the Company shall indemnify a director, or a former director or officer, or a person who acts or acted at the Company's request as a director or officer of a body corporate of which the Company is or was a shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of the Company or any such body corporate) and their heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by them in respect of any civil, criminal or administrative action or proceeding to which they is made a party by reason of being or having been a director or officer of the Company or such body corporate, if**
- (i) they acted honestly and in good faith with a view to the best interests of the Company; and**
  - (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, they had reasonable grounds for believing that their conduct was lawful.**
- (c) Subject to any limitations contained in the *Act*, the Company may purchase and maintain such insurance for the benefit of its directors and officers as such, as the Board may from time to time determine.**

## **5.12 Report of the Board**

**The Board will give a report of its activities for the preceding fiscal year at the annual General Meeting of the Members, and to the extent**

**requested by the Board, any manager appointed by the Company to operate and maintain any of the property, activities, business and affairs of the Company may give a report of its activities for the preceding fiscal year at the annual General Meeting of the Members.**

### **5.13 Remuneration of Directors**

- (a) The directors may receive remuneration for serving as a director of the Company. The amount of such remuneration is to be set, if at all, by the Members from time to time.**
- (b) The Company will reimburse a director for all reasonable expenses incurred by them in the performance of their duties upon providing the Company with receipts for the expenses incurred.**

## **ARTICLE 6 BOARD COMMITTEES**

### **6.1 Committees of Directors**

- (a) The Board may, in its discretion, appoint one or more committees from time to time, however designated, according to the needs of the Company at any given time but the functions of any such committee, other than the Executive Committee and the Nominating Committee, are advisory to the Board only.**
- (b) Any committee, other than the Executive Committee and the Nominating Committee, may have members who are not directors, officers or Members provided that:**
  - (i) at least one-half (1/2) of the members of such committee are resident Canadians;**
  - (ii) at least two members of such committee are directors of the Company; and**

- (iii) a committee does not have more than two (2) individuals that are not Members or the authorized representative of Members that are not an individual, serving on the committee at any one time.**
- (c) Each committee, other than the Executive Committee, is to be chaired by a member of the Board and such director is accountable to the Board for the activities of such committee.**
- (d) Each committee, including the Executive Committee and the Nominating Committee, will keep minutes of all committee meetings in which is to be recorded all action taken by it and such minutes are to be executed by the chairman and secretary of that committee for every such meeting.**
- (e) Any committee, including the Executive Committee and the Nominating Committee, may be dissolved at the discretion of the Board.**

## **6.2 Transaction of Business**

**The mandate and any powers of a committee of directors, other than the Executive Committee and the Nominating Committee, may be undertaken by a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held in any manner or at any place in Alberta.**

## **6.3 Committee Procedure**

**Unless otherwise determined by the Board, each committee, other than the Executive Committee, may fix its quorum at not less than a majority of its members, elect its chairman, and regulate its procedure. All members of a committee shall be appointed by the Board, provided, however, that the chairman of a committee may make**

**recommendations to the Board as to which persons they feel would be useful or beneficial to their committee.**

#### **6.4 Executive Committee**

- (a) The Board may from time to time appoint from among its number an Executive Committee consisting of such number of directors, not less than 3, as the Board may by resolution determine; provided that one of such members shall be the President. Each member of the Executive Committee serves during the pleasure of the Board and, in any event, only so long as they is a director. The Board may fill vacancies in the Executive Committee by election from among its number, If and whenever a vacancy exists in the Executive Committee, the remaining members may exercise all its powers so long as its quorum remains in office.**
- (b) During the intervals between the meetings of the Board, the Executive Committee possesses and may exercise (subject to any restrictions which the Board may from time to time impose) such powers of the Board as are delegated to the Executive Committee by the Board from time to time. The Executive Committee shall exercise such powers in such manner as they consider to be in the best interests of the Company.**
- (c) Subject to subsections (d) through (f) inclusive, and to any restrictions imposed from time to time by the Board, the Executive Committee has the power to fix its quorum at not less than a majority of its members and may fix its own rules of procedure from time to time. Until the Executive Committee fixes its own rules or procedure, the meetings of the Executive Committee are (except as otherwise provided for herein) to be governed by the provisions of the Articles of Association for regulating the meetings of the Board insofar as they are applicable thereto. The Executive**

**Committee is to keep minutes of its meetings in which are to be recorded all action taken by it and such minutes are to be kept with the other books and records of the Company in accordance with the *Act*.**

- (d) No business may be transacted by the Executive Committee except at a meeting of its members at which a quorum of the Executive Committee is present.**
- (e) At all meetings of the Executive Committee, every question is decided by a majority of the votes cast on the question. In case of an equality of votes the chairman of the meeting is entitled to a second or casting vote.**
- (f) The meetings of the Executive Committee may be held at the head office of the Company, at any other place within Alberta, or by electronic means as specified in the notice calling a meeting.**
- (g) Every director is entitled to attend and observe (but not to be active in the proceedings unless they have been elected to the Executive Committee) any meeting of the Executive Committee. Additionally, every director who has been elected to the board of directors is entitled to minimum of 48 hours of notice of all meetings of the Executive Committee, with the exception of emergency meetings which require immediate action. The presence of such directors is not included for the purpose of calculating a quorum.**
- (h) The executive committee is responsible to minute all meetings and distribute a copy to all board members.**

## **ARTICLE 7 OFFICERS**

### **7.1 Officers**

- (a) The Company shall have a President, a Secretary and a Treasurer or in lieu of a Secretary and Treasurer, a Secretary-Treasurer and may have such other offices, including Honorary Officers and Vice-Presidents, as the Board may determine from time to time.**
- (b) One person may hold more than one office except the offices of President and Vice-President.**
- (c) The President and all Vice-Presidents, if any, shall be elected by the Board from among the number of directors holding office at the first meeting of the Board after the annual election of the Board, provided that in default of such election the then incumbents that are re-elected as directors shall hold office until their successors are elected. The other officers of the Company need not be directors and in the absence of written agreement to the contrary, the employment of all officers is to be settled from time to time by the Board.**

### **7.2 President**

**The President is chief executive officer of the Company and;**

- (a) shall when present in person, preside as chair at all meetings of the Board, the Executive Committee (if any) and Members;**
- (b) supervises the affairs and operations of the Company and sees that all orders and resolutions of the Board and Members are carried into effect;**
- (c) signs all documents requiring the President's signature; and**



- (d) has such other powers and duties as are, from time to time, prescribed by the Board or which are incidental to the office**

### **7.3 Vice-President**

**During the absence or inability to act of the President, the President's duties and powers may be exercised by the 1<sup>st</sup> Vice-President, if any, and in their absence the 2<sup>nd</sup> Vice-President, if any. If a Vice-President exercises any of those duties or powers, the absence or inability to act of the President is presumed with reference thereto, The 1<sup>st</sup> Vice-President and 2<sup>nd</sup> Vice-President and any other vice-president elected from time to time shall also perform the other duties from time to time prescribed by the Board or Executive Committee (if any) or which are incidental to the office.**

### **7.4 Secretary**

**The Secretary:**

- (a) is the ex officio clerk of the Board and the Executive Committee (if any);**
- (b) attends meetings of the Board, Members and the Executive Committee (if any) to record all facts and minutes of those proceedings in the books kept for that purpose;**
- (c) issues all Association meeting notices and writes such official letters as the Board may designate, preserves a record of the proceedings of the Company and has the duty to maintain a set of books for such purpose;**
- (d) provides oversight and is the custodian of the seal (if any) of the Company and of all books, papers, records, correspondence and documents belonging to the Company;**
- (e) assumes and discharges the responsibilities of the office of President where a vacancy occurs in such office and where no Vice-President (if any) is able to assume and discharge such responsibilities; and**

- (f) performs the other duties from time to time prescribed by the Board or the Executive Committee (if any) or which are incidental to the office.**

## **7.5 Treasurer**

### **The Treasurer:**

- (a) shall keep proper accounting records in compliance with the Act;**
- (b) shall be responsible for the deposit of money, the safekeeping of any securities and the disbursement of the funds of the Company;**
- (c) shall render to the Board whenever required an account of all their transactions as treasurer and of the financial position of the Company;**
- (d) causes an annual audit of the books and accounts of the Company, cooperates with the auditors of the Company during any audit of the accounts of the Company and submits a report to the annual General Meeting of the Company;**
- (e) delivers to their successor in office all books, documents, vouchers and other property of the Company which they may have in their possession or for which they is accountable;**
- (f) assumes, if necessary, the office of Secretary, if there is a vacancy before the end of the term, until the vacancy is filled pursuant to these Articles of Association; and**
- (g) performs such other duties as may, from time to time, be prescribed by the Board or Executive Committee (if any) or which are incidental to the office.**

## **7.6 Other Officers**

**The duties of all other officers of the Company are such as the terms of their engagement call for or the Board or the Executive Committee (if any) requires of them.**

## **7.7 Term**

**Each officer, whenever elected, holds office until the next regular Board meeting following the annual General Meeting of Members following their election, unless their office has been vacated pursuant to Section 4.3 or Section 4.4 of these Articles of Association.**

## **7.8 Power to Vary**

**Notwithstanding the provisions of this Article 7, the Board may from time to time and subject to the provisions of the *Act* vary, add to, remove or limit the powers and duties of any officer.**

# **ARTICLE 8 GENERAL MATTERS**

## **8.1 Observers**

**The Board may invite observers who are not Members, directors or officers to various meetings of the Company.**

## **8.2 Borrowing**

**(a) Without limiting the borrowing powers of the Company as may be set forth in the *Act* or the objects of the Company, the Board may from time to time for the purpose of carrying out the objects of the Company cause (by Board resolution) the Company to:**

- (i) borrow money upon the credit of the Company;**
- (ii) issue, reissue, sell or pledge bonds, notes or other evidence of indebtedness or guarantee of the Company, whether secured or unsecured;**

- (iii) charge, mortgage, hypothecate, pledge or otherwise create, issue, execute and deliver a security interest in all or any currently owned or subsequently acquired real or personal, movable or immoveable property of the Company, including book debts, rights, powers, franchises and undertaking to secure any such bonds, notes or other evidences of indebtedness or guarantee or any other present or future indebtedness or liability of the Company; and**
- (iv) give a guarantee on behalf of the Company to secure the obligation of any person.**
- (b) From time to time the Board may authorize any director, officer or employee of the Company or other person to make arrangements with reference to the money borrowed or to be borrowed as aforesaid and as to the terms and conditions of a loan thereof, and as to the securities to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional securities for any monies borrowed or remaining due by the Company as the Board may authorize, and generally to manage, transact and settle the borrowing of money by the Company.**

### **8.3 Interest of Timeshare Owners**

**Upon the winding up of the Company in accordance with the Act, after the payment of all debts and liabilities of the Company and the costs, charges and expenses of the winding-up of the Company, each Timeshare Owner whose contract is in good standing shall be entitled to receive a Proportionate Share, based upon the number of weeks they own, of the remaining property of the Company.**

#### **8.4 Offices**

- (a) The Company will establish a registered office to which all communications and notices may be sent and at which all process may be served in Alberta. The Board may from time to time change the registered office of the Company as it may determine.**
- (b) The Company may establish a head office which is different than the registered office at such location within Alberta as the Board may determine from time to time provided that it maintains a registered office in accordance with these Articles of Association and the *Act*.**

#### **8.5 Books and Records**

**The Board will cause such books and records to be regularly and properly kept by the Company as may from time to time be determined by the Board, as are required under the Articles of Association, or as are required under by the *Act* or other applicable legislation.**

#### **8.6 Banking**

- (a) The Board may at any time designate, by resolution, the directors, officers and other persons authorized to transact the banking business of the Company, or any part thereof, with a financial institution carrying on a banking business that the Board has designated as the Company's banker, to have the authority set out in the resolution, including, unless otherwise restricted, the power to:**
  - (i) operate the Company's accounts with the bankers;**
  - (ii) make, sign, draw, accept, endorse, negotiate, lodge, deposit or transfer any of its cheques, promissory notes, drafts, acceptances, bills of exchange or orders for the payment of money,**

- (iii) issue receipts for and orders relating to any property of the Company;**
  - (iv) execute any agreement relating to any banking business and defining the rights and powers of the parties thereto, and**
  - (v) authorize any officer of the bank to do any act or thing on the Company's behalf to facilitate the banking business**
- (b) Subject to subsection (c), the monies and securities of the Company (the "Monies") are to be deposited for safe keeping with one or more banks or other financial institutions to be selected by the Board.**
- (c) The Monies of the Company which are determined by the Board to be excess, shall be, to the extent reasonably practical, invested by the Board (or caused to be invested by the Board) in deposits with a Canadian chartered bank or a trust company registered under the laws of Canada or a province thereof (including guaranteed investment certificates, certificates of deposit or similar instruments), or debt securities issued or guaranteed by, a Canadian chartered bank or a trust company registered under the laws of Canada or a province thereof whose debt securities are rated by the Canadian Bond Rating Service as a least "A" or by the Dominion Bond Rating Service as at least "AA", or in debt securities or other securities issued or guaranteed by the government of Canada or a province or territory of Canada.**
- (d) Any and all Monies so deposited may be withdrawn, from time to time, only upon the written order of the Company signed by such officer or officers, agent or agents or the Company, and in such manner, as from time to time is**

**determined by resolution of the Board and such authority may be general or confined to specific instances.**

#### **8.7 Signing Authority**

- (a) The President and another officer or director, or any two directors have the authority and right to sign all cheques, notes, acceptances, bills of exchange and necessary documents for all banking transactions.**
- (b) Any two officers or directors have the authority and right to sign documents and contracts of the Company on which two signatures are needed and all contracts and documents of the Company so executed are binding upon the Company without any further authorization or formalities.**
- (c) Notwithstanding anything to the contrary in these Articles of Association, the Board may at any time by resolution direct the manner in which, and the person or persons by whom, a particular document, instrument, contract or obligation of the Company may or shall be validly executed.**

#### **8.8 Fiscal Year**

**The fiscal year end of the Company is December 31 unless otherwise determined by resolution of the Board.**

### **ARTICLE 9 AUDITORS**

#### **9.1 Appointment of Auditors**

- (a) The Members shall at each annual General Meeting appoint an auditor to audit the accounts of the Company, to hold office until the next annual General Meeting provided that the Board may fill any casual vacancy in the office of the auditor.**

- (b) The remuneration of the auditor, if any, shall be fixed by the Board.**

## **9.2 Rights and Duties of Auditors**

**The auditors shall make a report to the Members and directors on the accounts examined by them and on every balance sheet and statement of income and expenditures before the Company at any annual General Meeting during their tenure of office, and the report shall state:**

- (a) whether or not they have obtained all the information and explanations they have required; and**
- (b) whether in their opinion the balance sheet referred to in the report is properly drawn up so as to exhibit a true view of the state of the Company's affairs as at the date of the balance sheets and the result of its operations for the year ended on that date according to the best of their information and the explanations given to them, and as shown by the books of the Company.**

## **9.3 Right of Access**

**The auditors shall have a right of access at all times to all records, documents, books, accounts and vouchers of the Company, and are entitled to require from the officers of the Company such information and explanation as may be necessary for the performance of the duties of auditor.**

## **9.4 Attendance of Meetings**

**The auditors of the Company are entitled to attend any General Meeting at which any accounts that have been examined or reported on by them are to be presented to the members for the purpose of making any statement or explanation they desire with respect to the accounts.**



## **9.5 Period of Audit**

**The rights and duties of an auditor of the Company extend back to the date up to which the last audit of the Company's books, accounts and vouchers was made, or where no audit has been made, to date on which the Company was incorporated.**

## **ARTICLE 10 NOTICES**

### **10.1 Method of Giving Notices**

**Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the *Act*, the Articles of Association or otherwise to a Member, director, officer, auditor or member of a committee of the Board is sufficiently given if delivered personally to the person to whom it is to be given or if delivered to their recorded address or if mailed to them at their recorded address by prepaid ordinary or air mail or if sent to them at their recorded address by any means of prepaid transmitted or recorded communication, including by e-mail. A notice so delivered is deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed is deemed to have been given on the fifth day after it has been deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication is deemed to have been given when transmitted. The secretary may change or cause to be changed the recorded address of any Member, director, officer, auditor or member of a committee of the Board in accordance with any information believed by them to be reliable.**

**Notices permitted to be sent by e-mail or other electronic means may be sent to any address, site, platform or place identified by the Member as their preferred location. The Member is responsible to maintain a current location for these purposes and to update any changes to contact information. Notices shall be deemed to have been**

**received on the day transmitted. Notices may also be given in such other forms as become accepted and adopted from time to time by businesses and organization in the Province of Alberta and as may be adopted by the Board**

#### **10.2 Notice to Joint Members**

**If two or more persons are registered as joint Members, any notice shall be addressed to all of such joint Members but notice to one of such persons is sufficient notice to all of them.**

#### **10.3 Computation of Time**

**In computing the date when notice must be given under any provisions requiring a specified number of days of notice of any meeting or other event, the date of giving the notice is excluded and the date of the meeting or other event is included.**

#### **10.4 Undelivered Notices**

**If any notice given to a Member pursuant to Section 10.1 is returned on three consecutive occasions because the Member cannot be found by all available means (including email and telephone), the Company is not required to give any further notices to such Member until the Member informs the Company in writing of their new address to be used by the Company for such Member's recorded address.**

#### **10.5 Omissions & Errors**

**The accidental omission to give any notice to any Member, director, officer, auditor or member of a committee of the Board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof does not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.**

#### **10.6 Persons Entitled by Death or Operation of Law**

**Every person who, by operation of law, transfer, death of a Member or any other means whatsoever, shall become entitled to the interest of a**

**Member, shall be bound by every notice in respect of such Member which shall have been duly given to the Member from whom they derives their interest prior to their name and address being entered on the Member Register (whether such notice was given before or after the happening of the event upon which they became so entitled) and prior to their furnishing to the Company the proof of authority or evidence of their entitled prescribed by the *Act*.**

#### **10.7 Waiver of Notice**

**Any Member (or their duly appointed proxy holder), director, officer, auditor or member of a committee of the Board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to them under any provision of the *Act*, the articles, the Articles of Association or otherwise and such waiver or abridgement shall cure any default in the giving or in the time of such notice, as the case may be Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of Members or of the Board which may be given in any manner.**

### **ARTICLE 11 MISCELLANEOUS MATTERS**

#### **11.1 Table A**

**The regulations contained in Table 'A' of the first schedule of the *Act* shall not apply to the Company.**

#### **11.2 Conflict**

**In the event of a conflict between any provision of these Articles of Association and the *Act*, the provision of the *Act* shall prevail.**

### **11.3 Counterpart Execution**

**These Articles of Association may be executed in counterparts, each of which counterpart shall constitute an original and all of which taken together shall constitute one and the same instrument.**

**ENACTED at Edmonton, Alberta on October 23, 2021.**