ALTERED AND RESTATED ARTICLES OF ASSOCIATION OF
PANORAMA HILLS RESIDENTS ASSOCIATION
(Formerly named NORTHSTAR RESIDENTS ASSOCIATION LTD.)
A PUBLIC NONPROFIT COMPANY LIMITED BY GUARANTEE

(herein referred to as the "Company")

ARTICLE 1. INTERPRETATION

1.0 Definitions

1.0.1 The headings used throughout these Articles shall not affect the construction hereof. In these Articles and the Memorandum, unless the context otherwise requires, expressions defined in the Alberta *Companies Act*, RSA 2000 c-21 or any statutory amendment or modification thereof, shall have the meaning so defined, and

(a) "Act" means the Alberta *Companies Act*, RSA 2000 c-21, as amended from time to time, and every statute that may be substituted therefor and, in the case of such substitution, any references in these Articles of Association to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;

(b) "Agent for Service" means an agent for service appointed by the Company under section 29.1 of the Act;

(c) "Annual General Meeting" means the general meeting of the Members required by the *Companies Act* to be held annually;

(d) "Articles of Association" or "Articles" means these Articles of Association and all other amendments thereto from time to time in force and effect;

(e) "Anniversary Month" means the month in each year that is the same as the month in which the certificate of incorporation of the Company was issued;

(f) "Board of Directors" or "Board" means the Board of Directors of the Company;

(g) "Debentures" includes debenture stock and bonds;

(h) "Director" includes any person occupying the position of Director by whatever name called;

(i) "Electronic Means", in respect of attending or holding a meeting, means a method of electronic or telephonic communication that enables all persons attending the meeting to hear and communicate with each other instantaneously, including, without limitation, teleconferencing and computer network-based or internet-based communication platforms; and in respect of a notice or document that is required or permitted to be sent, served or delivered means in accordance with the *Electronic Transactions Act*, SA 2001, c E-5.5;

(j) "Generally Accepted Accounting Principles" means the generally accepted accounting principles as set out in the CPA Canada Handbook – Accounting by the Chartered Professional Accountants of Canada, as amended from time to time;

(k) “Member” means every person whose name is entered in the register of Members and “Associate” includes anyone residing with a Member whose name is entered in the register of Associates;

(l) "Memorandum" means the Memorandum of Association of the Company as originally framed or as lawfully altered;

(m) "Officer" means any person holding an executive position with the Company including without limitation, the President, Secretary and Treasurer of the Company;

(n) “Ordinary Resolution” means a resolution passed by a majority of the votes cast on that resolution;

(o) “Proxy” means a completed and executed form of Proxy by means of which a Member has appointed a person as the Member’s nominee to attend and act for the Member and on the Member’s behalf at a meeting of Members;

(p) “Registrar” means the Registrar of Companies or other authorized persons performing the Registrar’s duties under the Act;

(q) “Special Resolution” means

(i) a resolution passed;

i. at a general meeting of which not less than twenty-one (21) days’ notice specifying the intention to propose the resolution has been duly given, and

ii. 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 twenty-one (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; and

(r) "Subdivision" means the site plan attached hereto and marked as Schedule "A".

1.0.2 In these Articles, unless the context otherwise requires, expressions defined in the Act, or any statutory modification thereof in force at the date at which these regulations become binding on the Company, shall have the meanings so defined. To the extent that there is any conflict between these Articles of Association or the Memorandum and any provisions of the Act, the Act shall apply.

1.0.3 In these Articles, unless the context otherwise requires, words importing the singular shall include the plural, and vice versa, and words importing the masculine gender shall include females and words importing persons shall include corporations.

ARTICLE 2. MEMBERSHIP

2.0 Admission of Members

2.0.1 Every person owning a residential unit in the Subdivision shall, as a result of such ownership, be a Member as long as such person so owns such residential unit and shall forthwith cease to be a Member at any time a residential property in the Subdivision is not owned by such person. Provided always:

(a) where there is more than one such owner, the Member shall be the person designated as Member by all the owners of such residential unit. In the absence of such designation the first person named as owner in the Certificate of Title or as Purchaser in a Sales Agreement, shall be the Member;

(b) in the event of difficulty or dispute in determining the Member, the Directors in their absolute discretion may designate the Member, the intention being that there be one Member from each residential unit in the Subdivision and that the Member be a natural person resident in the Subdivision;

(c) membership is not transferable by a Member but is appurtenant to ownership and residence within the Subdivision as herein set out; and

(d) membership shall pass in the same manner and to the same persons as does the real property itself.

2.1 Register of Members

2.1.1 The Company shall keep in one or more books a register of its Members, and shall enter therein the following particulars:

(a) the full names and addresses of every Member of the Company and of every person described in the register as representing a named mortgagor, another person, or an estate;

(b) the date at which each person was entered in the register as a Member;

(c) the date at which any person ceased to be a Member;

(d) particulars of the transfer by any Member of the Member's interests; and

(e) 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.

2.1.2 The register of Members shall be kept at the registered office of the Company, or at the head office or any branch office in Alberta of any trust corporation and shall during business hours (subject to any reasonable restrictions that the Company in a general meeting may impose, so that not less than 2 hours in each day is allowed for inspection) be opened to the inspection of any Member or any other person free of charge.

2.1.3 A Member or other person may require a copy of the register, or of any part thereof, or of the annual list of Members and summary, or of any part thereof.

2.2 Associates

2.2.1 A register of associated individuals residing with a Member, shall be maintained in such form as the Board may approve, in which shall be recorded the names and addresses of all Associates. The register shall be amended from time to time so that all Associates are listed in the register of Associates.

2.3 Rights of Members and Associates

2.3.1 The Board may make policies and procedures for the issuance of proof of Member or Associate status, any fees associated with the issuance of such proof and may make any rules and regulations for the conduct of Members and Associates to access the Company's facilities as the Board may deem necessary from time to time.

2.3.2 Each Member and Associate shall have access to and be entitled to the benefits associated with the Company's facilities in common with all other Members and Associates including enjoyment of the private parcels owned or to be owned by the Company and the improvements thereon, including roadways, curbs, gutters, sidewalks, pathways, watercourses, landscaping, irrigation, lighting, traffic signage, fencing and sound walls, subject to suspension of such rights:

(a) for breach of any Rule or Regulation for the conduct of Members and Associates; and

(b) for default by the Member in payment of any fees, dues or other sum owing to the Company.

2.3.3 No Associate shall be entitled to notice of any meeting, general, special or otherwise of the Company, nor shall any Associate have the right to vote at any such meeting, but they may attend same.

2.3.4 The Company shall send to a Member, at the Member's request, a copy of the Memorandum and Articles of the Company and a copy of any Special or Ordinary Resolution passed by the Company.

ARTICLE 3. MEETINGS OF MEMBERS

3.0 Record Date

3.0.1 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, such meeting, and only the Members of record in the Register of Members at the close of business on that date so fixed shall 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**.**

3.1 Annual General Meeting

3.1.1 An Annual General Meeting of the Company shall be held at least once in every calendar year and not more than 16 months after the holding of the last preceding general meeting.

3.1.2 The Board of Directors may fix the time and the place of the Annual General Meeting.

3.1.3 If no meeting is fixed as required in accordance with the above subsections, every Annual General Meeting shall be held at the place where the registered office of the Company is situated, in the month following the Anniversary Month of the Company.

3.2 Other General Meetings

3.2.1 The Directors may, whenever they think fit, proceed to convene a special general meeting of the Company.

3.2.2 The Directors shall, on the requisition of Members of the Company representing not less than 10% of the total voting rights of all the Members having at that date the right to vote at general meetings of the Company, forthwith proceed to convene an extraordinary general meeting of the Company.

3.2.3 The requisition must state the objects of the meeting and be signed by the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form, or to the like effect, each signed by one or more requisitionists.

3.2.4 If the Directors do not proceed to cause a meeting to be held within twenty-one (21) days from the date of the requisition being so deposited, the requisitionists, or any of them, representing more than 50% of the total voting rights of all of them, may themselves convene the meeting, but any meeting so convened shall not be held after 3 months from the date of the deposit.

3.2.5 For the purposes of this section, the Directors shall, in the case of a meeting at which a resolution is to be proposed as a special resolution, be deemed not to have duly convened the meeting if they do not give such notice thereof as is required in the case of a Special Resolution.

3.2.6 Any such extraordinary general meeting convened under this subsection shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Directors.

3.2.7 Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such of the Directors as were in default.

3.3 Notice of meetings

3.3.1 A meeting of the Company, other than a meeting for the passing of a Special Resolution, may be called by five (5) days' notice in writing. A notice of a meeting of the Company shall be served on every Member of the Company.

3.4 Place of meetings

3.4.1 Meetings of Members shall be held at any place within Alberta as the Directors may by resolution determine.

3.5 Quorum

3.5.1 No business shall be transacted at any meeting of the Members unless a quorum of Members is present at the time when the meeting proceeds to business.

3.5.2 A quorum for any meeting of the Members shall be fifty (50) Members present in person or by Proxy.

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

3.6 Proceedings at meeting

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

3.6.2 On a show of hands every Member present in person, including the proxy or representative of a Member shall have one vote.

3.6.3 Every question submitted to a meeting shall be decided in the first instance by a show of hands or otherwise as the chairperson may direct and in the case of an equality of votes the chairperson shall, both on a show of hands or otherwise have a casting vote in addition to the vote to which he or she may be entitled as a Member.

3.6.4 At any meeting unless a poll is demanded by the chairperson or by one-tenth (1/10) of the Members present, a declaration by the chairperson 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 shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

3.6.5 If a poll is demanded as aforesaid it shall be taken in such manner and at such time and place as the chairperson of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn. At any meeting of Members every question shall be determined by a majority of the votes cast on the question.

3.6.6 At any meeting of Members, every person shall be entitled to vote who, on the date of the meeting or on any record date set by the Directors for the purpose of notice of and voting at the meeting, is entered in the Members' Register of the Company and carries the right to vote at such meeting.

3.7 Special Resolution

3.7.1 At any meeting at which a Special Resolution is submitted to be passed, a declaration of the chairperson that the resolution is carried is, unless a poll is demanded, conclusive proof of the fact without proof of the number or proportion of the votes recorded in favour or against the resolution.

3.7.2 At any meeting at which a Special Resolution is submitted to be passed, a poll may be demanded by five (5) persons for the time being entitled to vote.

3.8 Miscellaneous

3.8.1 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 person or represented thereat by Proxy or if the absent Members shall have signified their assent in writing to such meeting being held. Notice of any meeting or any irregularity in any meeting or in the notice thereof may be waived by any Member or the duly appointed proxies of any Members. It shall not be necessary to give notice of any adjourned meeting.

3.8.2 Irregularities in the notice of any meeting or in the giving thereof or the accidental omission to give notice of any meeting or the non-receipt of any notice by any Member or Members, shall not invalidate any resolution passed or any proceedings taken at any meeting or shall not prevent the holding of such meeting.

ARTICLE 4. PROXIES AND PROXY SOLICITATION

4.0 Appointment of nominees by Proxies etc.

4.0.1 The Company shall provide a written or printed form of Proxy to a Member with every notice of a meeting at which the Member is entitled to vote.

4.0.2 Every Member, including a Member that is a corporation, entitled to vote at a meeting of the Members by means of a Proxy may appoint a person, who need not be a Member, as the person’s nominee to attend and act at the meeting in the manner, to the extent and with the power conferred by the Proxy.

4.0.3 A Proxy shall be executed by the Member or the Member's attorney authorized in writing or, if the Member is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized and ceases to be valid one year from its date.

4.0.4 A Proxy is valid only at the meeting in respect of which it is given or at any adjournment of that meeting.

4.0.5 A Member may revoke a Proxy:

(a) by depositing an instrument in writing executed by the Member or the Member's attorney authorized in writing:

(i) at the registered office of the Company at any time up to and including the last business day preceding the day of the meeting, or an adjournment of that meeting, at which the Proxy is to be used; or

(ii) with the chairperson of the meeting on the day of the meeting or an adjournment of the meeting; or

(b) in any other manner permitted by law.

4.0.6 No person shall solicit Proxies unless such solicitation is permitted and done in in accordance with the Act and the Regulations.

ARTICLE 5. DIRECTORS

5.0 Number, nomination, election, and appointment

5.0.1 Until otherwise determined by the Members at a general meeting, the number of Directors shall be not less than three (3) or more than ten (10).

5.0.2 A Director must be a Member.

5.0.3 A Director shall be disqualified, by his or her 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 howsoever.

5.0.4 A retiring Director shall be eligible for re-election.

5.0.5 The Board of Directors may, prior to the date of each Annual General Meeting, appoint a Nominating Committee who may submit nominations of qualified individuals for Directors whose nominations shall be submitted to each Annual General Meeting.

5.0.6 The Directors shall be nominated and elected by the Members at each Annual General Meeting in accordance with any nominating policy created by the Board.

5.0.7 At every Annual General Meeting, all of the Directors, howsoever appointed or elected, shall retire from office. A retiring Director shall retain office until the dissolution of the meeting at which his or her successor is elected.

5.0.8 The Company at every Annual General Meeting shall 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 is made at any such meeting, by electing the number of persons to be Directors as may be fixed by such meeting.

5.0.9 If at any general meeting at which an election of Directors ought to take place, no such election takes place, the retiring Directors shall 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 shall be determined at such meeting to reduce the number of Directors.

5.1 Filling Vacancies

5.1.1 The Directors shall have power from time to time and at any time, to appoint by Ordinary Resolution 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 shall not at any time exceed the maximum number fixed by these Articles or by a general meeting.

5.2 Remuneration

5.2.1 The Directors shall not be paid remuneration for their services as Directors, however, the Directors shall be entitled to be reimbursed for reasonable expenses incurred in the performance of their duties.

5.3 Resignation and removal of Directors

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

5.3.2 The office of a Director shall be automatically vacated if the Director:

(a) ceases to be a Member;

(b) by notice in writing to the Company resigns his or her office;

(c) becomes bankrupt; or

(d) becomes of unsound mind.

5.3.3 The Members may by Special Resolution remove any Director before the expiration of the Director's period of office and may by Ordinary Resolution appoint another qualified person in the Director's stead to hold office during such time only as the removed Director or Directors would have held the position if not removed.

5.4 Meetings of Directors

5.4.1 Meetings of the Board of Directors shall be held in the Province of Alberta. The Directors may make regulations in regard to the manner and time that notice shall 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 to each Director at his or her ordinary address forty-eight (48) hours prior to such meeting, shall be sufficient notice of any meeting of the Directors.

5.4.2 Notice of any meeting, or irregularity in any meeting or in the notice thereof, may be waived by any Director.

5.4.3 The Directors may by 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 shall be necessary.

5.4.4 Immediately upon the conclusion of the Annual General Meeting a meeting of the Directors shall be held, and no notice of such meeting shall be necessary.

5.4.5 The president may, or the secretary shall at the request of a Director, at any time convene a meeting of Directors.

5.5 Proceedings at Directors meetings

5.5.1 The quorum for the transaction of business at any meeting of the Board shall consist of a majority of the Directors holding office or such greater number of Directors as the Board may from time to time determine. Notwithstanding vacancies, the remaining Directors may exercise all the powers of the Board so long as a quorum of the Board remains in office.

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

5.5.3 The continuing Directors may act notwithstanding any vacancy in their number; but if and so long as their number is reduced below a majority of the Directors holding office or such greater number fixed by the Board as the necessary quorum of Directors, the continuing Directors may act only for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company, but for no other purpose.

5.5.4 The Directors may approach one of their number to be chairperson of the Board of Directors, and in the absence of such appointment the president for the time being of the Company shall be chairperson of the Board. If the chairperson is not present at any meeting at the time appointed for holding the same, the Directors present shall choose one of their number to be chairperson of such meeting.

5.5.5 A meeting of the Directors for the time being at which a quorum is present shall 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.

5.5.6 All acts done at any meeting of the Directors, or of a committee of Directors or any person acting as a Director shall, notwithstanding that it shall 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.

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

5.6 Powers of Directors

5.6.1 The Directors shall exercise general supervision of the affairs and business 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 shall be binding on the Members of the Company and shall have full effect accordingly.

5.7 Authority to make Policies

5.7.1 The Board shall have full power to make such policies as it may from time to time consider necessary for the governance and well being of the Company, provided such policies shall not be inconsistent with the Memorandum, these Articles, or the provisions of the Act.

5.8 Committees

5.8.1 The Directors may delegate any of their powers to committees consisting of such Director, Officers and/or Members as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any policies and regulations that may be imposed on them by the Directors.

5.9 Contracts

5.9.1 The Board shall create a policy to govern how contracts may be entered into on behalf of the Company. Any such policy shall comply with section 165 of the Act.

5.10 Declaration as to interest in contract

5.10.1 A Director of the Company who is in any way, directly or indirectly, interested in a contract or proposed contract with the Company shall declare the Director's interest at a meeting of Directors of the Company.

5.10.2 In the case of a proposed contract, the declaration required by this section to be made by a Director shall be made at the meeting of Directors at which the question of entering into the contract is first taken into consideration, or, if the Director is not at the date of that meeting interested in the proposed contract, at the next meeting of the Directors held after the Director becomes so interested, and in a case where the Director becomes interested in a contract after it is made the declaration shall be made at the first meeting of Directors held after the Director becomes so interested.

5.10.3 For the purposes of this section, a general notice given to the Directors of the Company by a Director to the effect that the Director is a shareholder of or otherwise

interested in any other Company or is a Member of a specified firm and is to be regarded as interested in any contract made with that other company or firm, shall be deemed to be a sufficient declaration of interest in relation to any contract so made.

5.10.4 No Director shall vote in respect of any contract or proposed contract in which the Director is so interested as aforesaid and if the Director does so vote, the Director's vote shall not be counted.

5.10.5 Subsection 5.10.4 does not apply in the case of a contract by or on behalf of the Company to give to the Directors or any of them security for advances or by way of indemnity:

(a) when there is no quorum of Directors in office who are not so interested, or

(b) in the case of a contract between the Company and any other company when the interest of the Director in that other company consists solely in the Director's being a Director or Officer of that other company and the holder of not more than the number of shares in that other company requisite to qualify the Director as a Director.

5.10.6 A Director who has made a declaration of the Director's interest in a contract or proposed contract in compliance with this section and has not voted in respect of that contract contrary to the prohibition in subsection 5.10.4, if the prohibition applies, is not accountable to the Company or any of its Members or creditors, by reason only of the Director holding that office or of the fiduciary relationship thereby established, for any profit realized by the contract.

5.10.7 Nothing in this section imposes any liability on a Director in respect of the profit realized by any contract that has been confirmed by the vote of the Members of the Company at a Special General Meeting called for that purpose.

ARTICLE 6. OFFICERS

6.0 Election or Appointment of Officers

6.0.1 The Officers of the Company shall consist of a president, a secretary and a treasurer, or 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. The Officers of the Company need not be resident Canadians, and except for the President, need not be Directors of the Company. Such persons holding such offices, besides fulfilling any duties assigned to them by the Directors, shall have such powers as are usually incidental to such offices.

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

the above Officers, who shall for the purposes of these presents be deemed to be the Officer for the position of whom he occupies.

6.0.3 Any executive Officer of the Company shall be entitled to attend any Members' meeting.

6.1 Variation of Powers and Duties

6.1.1 The Board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any Officer.

6.2 Remuneration

6.2.1 Officer remuneration, if any, shall be set by the Board.

6.3 Removal

6.3.1 All Officers shall be subject to removal by resolution of the Board at any time, with or without cause.

6.4 Vacancies

6.4.1 If the office of any Officer of the Company shall be or become vacant by reason of death, resignation, disqualification or otherwise, the Directors by resolution shall, in the case of the President, Secretary or Treasurer, and may, in the case of any other office, appoint a person to fill such vacancy.

6.5 Limitation of Liability

6.5.1 Every Director and Officer of the Company in exercising his or her powers and discharging his or her duties shall act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no Director or Officer for the time being of the Company shall be 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 or deficiency of any security in or upon which any of the monies of or belonging to the Company shall be placed out or invested or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any monies, securities or other assets belonging to the Company or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust or in relation thereto. Subject to the Act, the Directors for the time being of the Company shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into the name or on behalf of the Company, except such as shall have been submitted to and authorized or approved by the Board of Directors.

6.6 Indemnity

6.6.1 Subject to any provisions of the Act, the Company shall indemnify a Director or Officer, a former Director or Officer, or a person who acts or acted at the Company's request as a Director or Officer, and his or her heirs, executors, administrators, and other legal representatives, from and against:

(a) any liability and all costs, charges, and expenses that he sustains or incurs in respect of any action, suit or proceedings that is proposed or commenced against him for or in respect of anything done or permitted by him in respect of the execution of the duties of his or her office;

(b) all other costs, charges, and expenses that he sustains or incurs in respect of the affairs of the Company;

(c) any criminal or administrative action or proceeding that is enforced by a monetary penalty, if he had reasonable grounds for believing that his or her conduct was lawful; except where such liability relates to his or her failure to act honestly and in good faith with a view to the best interests of the Company; and

(d) The Company shall also indemnify or take such steps to indemnify such persons in such other circumstances as the Act permits or requires.

6.7 Insurance

6.7.1 Subject to the Act, the Company may purchase and maintain insurance for the benefit of any person referred to in the preceding section against any liability incurred by him in his or her capacity as a Director or Officer of the Company or of anybody corporate where he acts or acted in that capacity at the Company's request.

ARTICLE 7. FINANCIAL AND BORROWING

7.0 Fiscal Year

7.0.1 The fiscal year of the Company shall be determined by the Board from time to time.

7.1 Banking

7.1.1 All money belonging to the Company shall be deposited in its name with a branch of any Treasury Branch, Canadian chartered bank or trust company or other depository by any Officer or by any employee so designated by the Directors. Funds of the Company may be permitted in investments allowed to trustees in the Province of Alberta pursuant to the *Trustee Act* (Alberta). No cheque or other order for payment of money shall be valid unless signed in accordance with a resolution of the Board made from time to time.

7.2 Debentures

7.2.1 Any Debentures or debenture stock must be issued, allotted, redeemed, or reissued in accordance with sections 118 and 123 – 126 of the Act.

7.3 Reserve

7.3.1 The Directors may set aside out of the profits of the Company such sums as they think proper as a reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Directors may time to time think fit.

ARTICLE 8. AUDITORS

8.0 Appointment of Auditors

8.0.1 The Company at each Annual General Meeting shall appoint one or more auditors to hold office until the close of the next Annual General Meeting and, if any appointment is not so made, the auditor in office shall continue in office until a successor is appointed.

8.0.2 The Directors may fill any casual vacancy in the office of auditor, but while the vacancy continues the surviving or continuing auditor, if any, may act.

8.0.3 The Members, by Special Resolution, may remove any auditor before the expiration of the auditor's term of office, and shall by a majority of the votes cast at the meeting at which the resolution is passed appoint another auditor in his or her stead for the remainder of his or her term.

8.0.4 The remuneration of an auditor appointed by the Members shall be fixed by the Directors and the remuneration of an auditor appointed by the Directors shall be fixed by the Directors.

8.1 Eligibility for appointment as auditor

8.1.1 Except as provided in subsection 132(1) of the Act, no person shall be appointed as auditor of the Company who is a Director, Officer or employee of the Company or an affiliated company, or who is a partner, employer, or employee of any such Director, Officer, or employee.

8.2 Auditor's report to Members

8.2.1 The auditor shall make a report to the Members on the financial statement, to be laid before the Company at any Annual General Meeting during the auditor's term of office, and the auditor's report shall contain the following:

(a) a statement as to the scope, extent, and nature of the auditor's examination;

(b) a statement as to whether, in the auditor's opinion, the financial statement, including any notes to the financial statement, presents fairly the financial position of the Company; and

(c) a statement of any concerns or qualifications the auditor has with respect to whether the financial statement was drawn up according to Generally Accepted Accounting Principles and generally accepted auditing standards.

8.2.2 The auditor of the Company has right of access at all times to all records, documents, books, accounts and vouchers of the Company and is entitled to require from the Directors and Officers of the Company any information and explanation that in the auditor's opinion may be necessary to enable the auditor to report.

8.2.3 The auditor of the Company is entitled to attend any meeting of Members of the Company at which any accounts that have been examined or reported on by the auditor are to be laid before the Members for the purpose of making any statement or explanation the auditor desires with respect to the accounts.

ARTICLE 9. ACCOUNTING RECORDS AND FINANCIAL STATEMENTS

9.0 Books of account and accounting records

9.0.1 The Company shall keep proper books of account and accounting records in respect of all financial and other transactions of the Company.

9.0.2 The Company shall cause the books of account and accounting records to be opened for inspection by any Director during the normal business hours of the Company, and to be kept at the registered office of the Company, except when determined by a resolution of the Directors to be kept at a place in Alberta other than the registered office of the Company.

9.1 Financial statements at Annual General Meeting

9.1.1 The Directors shall lay before each Annual General Meeting of Members:

(a) a comparative financial statement relating separately to:

(i) The period that commenced immediately after the end of the last completed financial year and ended not more than 6 months before the Annual General Meeting; and

(ii) the period covered by the financial year next preceding that latest completed financial year, if any,

(b) the report of the auditor to the Members, and

(c) any further information respecting the financial position of the Company.

9.1.2 A financial statement or comparative financial statement referred to in subsection 9.1.1 shall:

(a) Include at least

(i) a balance sheet;

(ii) a statement of retained earnings;

(iii) an income statement; and

(iv) a statement of changes in financial position,

(b) Present fairly the financial position of the Company;

(c) Be drawn up in accordance with Generally Accepted Accounting Principles, and

(d) Be drawn up on a basis consistent with that used for the preceding period, if any, unless a note to the financial statement indicates otherwise.

9.1.3 The report of the auditor to the Members shall be open to inspection by any Member.

9.1.4 Notwithstanding subsection 9.1.1 (a) (i) the financial statement referred to in that clause may relate only to the period that ended not more than 6 months before the Annual General Meeting if the reason for the omission of the statement in respect of the period covered by the previous financial statement is set out in the financial statement to be laid before the meeting or by way of note thereto.

9.1.5 Nothing in this section prohibits persons who are not Members of the Chartered Professional Accountants of Alberta from preparing the financial statement or comparative financial statement referred to in this section 9.1.

9.2 Approval of financial statement

9.2.1 The financial statement shall be approved by the Board of Directors.

9.2.2 The Company shall not issue, publish or circulate copies of the financial statement unless the financial statement is approved by the Board of Directors and accompanied by the auditor's report.

9.3 Providing financial statements to Members

9.3.1 The company shall, twenty-one (21) days or more before the date of the Annual General Meeting, provide to each Member a copy of the financial statement approved by the Board of Directors.

ARTICLE 10. ADMINISTRATION

10.0 Minutes

10.0.1 The Company shall keep minutes of the proceedings, signed by the chairperson of the meeting at which the proceedings were had, of all general meetings and of all meetings of the Company's Directors and committees.

10.0.2 The minutes of the proceedings of the general meetings of the Company shall be kept at the Registered Office of the Company and shall be available to Members for inspection during business hours, and any Member is entitled to receive a copy of the minutes for a reasonable fee.

10.1 Registered Office

10.1.1 The offices of the Company shall be located in the City of Calgary, in the Province of Alberta at such place therein as the Board of Directors can change location of registered office by special resolution.

10.1.2 The Company shall keep painted or affixed its name of the outside of the Registered Office and every other office of place in which operations are carried out in a conspicuous position in easily legible letters.

10.2 Register of Directors

10.2.1 The Company shall keep at its registered office a register of its Directors, and enter therein the following particulars:

(a) the full names and addresses of the Directors;

(b) the date on which each Director was appointed; and

(c) the date on which each Director ceased to hold office as Director or manager.

10.2.2 The Company shall file with the Registrar a notice of any change in its Directors or of a change in the address of a Director within fifteen (15) days after their appointment.

10.2.3 The register of Directors and managers shall during business hours (subject to any reasonable restrictions as the Company in general meeting may impose, so that not less than 2 hours in each day is allowed for inspection) be open to the inspection of any Member or any other person free of charge.

10.3 Annual Return

10.3.1 The Company shall, each year on or before the last day of the month immediately following its Anniversary Month, file an annual return with the Registrar as required by the Act. The annual return shall include a copy of the financial statement and auditor's report laid before the Company at the last Annual General Meeting.

10.4 Agent for Service

10.4.1 The Company shall appoint an Agent for Service and/or an Alternative Agent for Service, who shall be a resident Albertan, in accordance with the Act.

10.5 Notice to and service of Members and Directors

10.5.1 A notice or document required or permitted by the Act or these Articles to be sent to or served on a Member or Director of the Company may be sent by mail addressed to, or may be delivered personally to:

(a) the Member at the Member's last address as shown in the records of the Company, and

(b) the Director at the Director's last address as shown in the records of the Company, the last notice filed under section 93(2) of the Act or a notice accompanying an annual return under section 162(2) of the Act.

10.5.2 A notice or document sent by mail in accordance with this section to a Member or Director of the Company is deemed to be received by the Member or Director at the time it would be delivered in the ordinary course of mail unless there are reasonable grounds for believing that the Member or Director did not receive the notice or document at that time or at all.

10.5.3 If the Company sends a notice or document to a Member and the notice or document is returned on 2 consecutive occasions because the Member cannot be found, the Company is not required to send any further notices of documents to the Member until the Member informs the Company in writing of the Member's new address.

10.6 Waiver of notice

10.6.1 If a notice or document is required by the Act or these Articles to be sent, the sending of the notice or document may be waived or the time for the notice or document to be sent may be waived or abridged at any time with the consent in writing of the person entitled to receive it.

10.7 Meetings, Notice and service by Electronic Means

10.7.1 A person entitled to attend any meeting of the Company may attend the meeting by Electronic Means.

10.7.2 Any meeting of the Company may be held entirely by Electronic Means.

10.7.3 A person attending any meeting of the Company by Electronic Means who is entitled to vote at the meeting may vote by any electronic, telephonic, or other method that the Company has made available for that purpose.

10.7.4 A person attending any meeting of the Company by Electronic Means is deemed for all purposes under these Articles to be present in person at the meeting.

10.7.5 A notice or document that is required or permitted to be sent, served or delivered under the Act or these Articles may be sent by Electronic Means in accordance with the *Electronic Transactions Act.*

10.8 Seal

10.8.1 The Company shall have a seal with its name engraved in legible characters which shall be used as authorized from time to time by the Board in accordance with the Act with regard to affixing thereof as it deems necessary. When the seal is used it shall be authenticated by the signature of such Officers as may be authorized by the Board.

10.9 Documents and Contracts

10.9.1 The Board shall create a policy for the signing and authentication of documents. A document or proceeding requiring authentication by a company may be signed by a Director, secretary, or other authorized Officer of the company, and need not be under its common seal. The Company shall set out its name in legible characters on or on all contracts, invoices, negotiable instruments and orders for goods and services issued or made by or on behalf of the Company.

ARTICLE 11. POWERS

11.0 Powers of Company

11.0.1 For the purpose of carrying out its objects, the Company has the following powers, except those of them expressly excluded by the Memorandum:

(a) the power to purchase, take on lease or in exchange, hire, or otherwise acquire and hold any real and personal property and any rights or privileges that the Company may think necessary or convenient for the purposes of its business;

(b) the power to construct, improve, maintain, develop, work, manage, carry out or control any roads, ways, tramways, branches or sidings, bridges, reservoirs, watercourses, wharves, manufactories, warehouses, electric works, shops, stores and other works and conveniences that may seem calculated, directly or indirectly, to advance the Company's interests, and the power to contribute to subsidize, or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof;

(c) the power to acquire and undertake the whole or any part of the business, property and liabilities of any person or company, wheresoever incorporated, carrying on any business that the Company is authorized to carry on, or possessed of property suitable for the purposes of the Company;

(d) the power to apply for, purchase or otherwise acquire any patents, licences, concessions, and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated, directly or indirectly, to benefit the Company, and the power to use, exercise, develop, or grant licences in respect of, or otherwise turn to account the property, rights, or information so acquire;

(e) the power to enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concessions or otherwise with any person or company, wheresoever incorporated, carrying on or engaged in or about to carry on or engage in any business or transaction that the Company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as, directly or indirectly, to benefit the Company;

(f) the power to enter into with any governments or authorities (municipal, local or otherwise), any agreements that seem conducive to the Company's objects or any of them, the power to obtain from any such government or authority any rights, privileges, and concessions that the Company thinks it desirable to obtain, and the power to carry out, exercise, and comply with any such arrangements, rights, privileges, and concessions;

(g) the power to take or otherwise acquire and hold the shares, stock, Debentures, or other securities of any company, wheresoever incorporated, having objects altogether or in part similar to those of the company, or carrying on any business capable of being conducted so as, directly or indirectly, to benefit the Company, and the power to sell or reissue, with or without guarantee, or otherwise deal with items;

(h) the power to borrow or raise or secure the payment of money in any manner the Company thinks fit, and, without limiting the generality of the foregoing, by the issue of Debentures or debenture stock, perpetual or otherwise, charged on all or any of the company's property (both present and future), including its uncalled capital, and the power to purchase, redeem, or pay off any such securities;

(i) the power to adopt any means of making known the products of the Company that seems expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards, and donations;

(j) the power to lend money to any person or company, wheresoever incorporated, having dealings with the company or with whom the Company proposes to have dealings, and the power to guarantee the contracts of any such person or company;

(k) the power to raise and assist in raising money for, and to aid by way of bonus, loan, promise, endorsement, guarantee or otherwise, any person or company with whom or which the Company may have business relations or any of whose shares, securities or other obligations are held by the Company and to guarantee the performance or fulfilment of any contracts or obligations of any such person or company, and in particular to guarantee the payment of the principal of and interest on securities, mortgages and liabilities of any such person or company;

(l) the power to promote any company or companies for the purpose of acquiring all or any of the property and liabilities of the Company or for any other purpose that seems, directly or indirectly, calculated to benefit the Company;

(m) the power to remunerate any person or company, wheresoever incorporated, for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any Debentures, debenture stock or other securities of the company, or in or about the formation or promotion of the Company or the conduct of or the sale or disposition of its business;

(n) the power to draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants, and other negotiable or transferable instruments;

(o) the power to carry on any business capable of being conveniently carried on in connection with the business of the Company, or calculated, directly or indirectly, to enhance the value of or render profitable any of the Company's property or rights;

(p) the power to sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company;

(q) the power to invest and deal with any money of the Company that is not immediately required, in any manner from time to time determined;

(r) the power to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or its predecessors in business, or the dependants or connections of those persons, and the power to grant pensions and allowances and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object;

(s) the power to procure the registration and recognition of the Company in any foreign country or place, and the power to designate persons therein, according to the laws of the foreign country or place, to represent the Company, and to accept service for and on behalf of the Company of any process or suit;

(t) the power to carry out all or any of the objects of the Company and do all or any of the above things as principals, agents, contractors, or otherwise, and either alone or in conjunction with others; and

(u) the power to do all other things incidental or conducive to the attainment of the objects and the exercise of the powers of the Company.

11.0.2 The Company has, as ancillary and incidental to the objects set forth in the Memorandum, the power to sell or dispose of the undertaking of the Company or any part thereof for any consideration the Company thinks fit, unless the power is expressly excluded by the Memorandum.

11.0.3 The Company may engage in any activity necessary to exercise the powers of the Company unless the activity is expressly excluded by the Memorandum or restricted by section 13 of the Act.

ARTICLE 12. EFFECT AND ALTERATIONS

12.0 Effect of Memorandum and Articles

12.0.1 The Memorandum and Articles bind the Company and the Members thereof to the same extent as if they respectively had been signed and sealed by each Member, and contained covenants on the part of each Member, the Member's heirs, executors, and administrators, and in the case of a corporation, its successors, to observe all the provisions of the Memorandum and of the Articles, subject to the provisions of the Act.

12.1 Alternation of Memorandum

12.1.1 The Company shall not alter the objects of the Company, or the conditions contained in the Memorandum, except in the cases and in the mode and to the extent for which express provision is made in the Act.

12.2 Alteration of Articles

12.2.1 Subject to the Act and to the conditions contained in the Memorandum, the Company may by Special Resolution alter or add to these Articles, and any alteration or addition so made is as valid as if it were originally contained in these Articles and is subject in like manner to alteration by Special Resolution.