

**ARTICLES OF ASSOCIATION  
KINCORA RESIDENTS ASSOCIATION**

**NOTE:** The Articles of the Company, contained in Table "A" in the Schedule to the *Companies Act* (Alberta) do not apply to this Company.

**I. INTERPRETATION**

1. The headings used throughout these Articles shall not affect their construction. In these Articles, and the Memorandum of Association of the Company, unless the context suggests otherwise, and expressions defined in the *Companies Act* (Alberta), or any statutory amendment or modification thereof, shall have the meaning so defined, and
  - a. "**Act**" means the *Companies Act* of the Province of Alberta, for the time being in force;
  - b. "**Agreement to Serve**" means and refers to the most recent document on file which all elected and appointed Directors must sign prior to participating in Board business and which may include a Code of Conduct;
  - c. "**Annual Fee**" means the sum of money secured by an Encumbrance and being an Annual Rent Charge and in addition thereto any special assessments which may be imposed from time to time;
  - d. "**Company**" means the Kincora Residents Association;
  - e. "**Directors**", "**Board**" and "**Board of Directors**" means the directors of the Company for the time being;
  - f. "**Family Members**" mean the spouse (whether legally married to or not) of a Member, and the lawful children (as distinguished from a child under 18 years of age for whom the Member or his/her spouse is not in the position of having legal responsibility for such child) of such Member and/or such spouse provided such spouse and children are actually residing in the residential property of the Member and located in the Kincora Subdivision;
  - g. "**Kincora Amenities**" means collectively the Private Kincora Amenities and the Public Kincora Amenities;
  - h. "**Kincora Amenities Parcels**" means those lots that may be or have been created for the Private Kincora Amenities by the Plan of Subdivision from time to time and the final acreage, boundaries, and number of lots required for the Private Kincora Amenities and the Kincora Amenities Parcels subject to the approval of the City of Calgary and other regulatory authorities;
  - i. "**Kincora Subdivision**" means the lands being legally described in Schedule "A" attached hereto located generally in the Northwesterly portion of the City of Calgary, in the Province of Alberta and being part of the Symons Valley residential subdivisions;

- j. **"Member"** or **"Members"** means a person or persons for the time being entered in the register of Members and being a registered owner of a Residence, condominium unit or lot in the Kincora Subdivision;
- k. **"Month"** means calendar month;
- l. **"Office"** means the registered office of the Company for the time being;
- m. **"Objects"** means the objects of the Company as set out in the Memorandum of Association;
- n. **"Private Kincora Amenities"** means the recreational areas, landscaped areas, entrance features, linear open spaces, pathways associated community and related signage, and related facilities located on the Kincora Amenities Parcels;
- o. **"Public Kincora Amenities"** means the Public Utility Lots, Environmental Reserves, Municipal Reserves, public walkways, road boulevards, road medians, associated community and related signage and related facilities.
- p. **"Residence"** means one or more single detached units, units within duplexes, or units within a multi-family dwelling complex as defined in The City of Calgary Land Use By-Law, constructed or to be constructed upon a Residential Lot and Intended for residential occupancy;
- q. **"Restrictive Covenant"** means an instrument registered against a title to certain property located in the Kincora Subdivision to restrict the use of such property for the better enjoyment and greater benefit of the Kincora Amenities and the Kincora Amenities Parcels by all the Members;
- r. **"Special Resolution"** means a Special Resolution as defined in the Act;
- s. **"Secretary"** includes any person appointed to perform the duties of secretary;
- t. **"These Presents"** means and includes these Articles of Association, and any modification or alteration thereof for the time being in force;
- u. **"Work"** means maintenance, repair, and replacement services as detailed in paragraph 3(a) of the Memorandum of Association;
- v. **"Writing"** and **"Written"** includes printing, typewriting, lithographing and other modes of representing or reproducing words in visible form which, with restricting the generality of the foregoing shall include telex, facsimile transmission, or electronic mail;

Words importing the singular number include the plural number and vice versa, words importing the masculine gender include the feminine and words importing persons include corporations and companies.

## II. REGISTERED OFFICE

- 2. Subject to the provisions of the Act, the Company may by ordinary resolution of the Directors change from time to time the place within the City of Calgary where the registered office of the Company is to be situated.



### **III. MEMBERS**

3. The subscribers hereto shall *ipso facto* be Members until they resign. Every person owning a residential property in the Kincora Subdivision shall be a Member for the period he/she owns such residential property and shall forthwith cease to be a Member at any time a residential property in the Kincora Subdivision is not owned by such person. Every person owning residential property in the Kincora Subdivision shall agree, in writing to allow the registration of an Encumbrance and a Restrictive Covenant or an Easement against the title to their property confirming such membership, their obligations and their agreement to pay the Annual Rent Charge. In the event any person owning a residential property in the Kincora Subdivision delays, fails, or refuses to complete and allow the registration of the Encumbrance or Caveat such person does hereby irrevocably appoint the Company as his attorney to sign and deliver in his place and stead all such documents necessary to become a Member. 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 said property. In the absence of such designation the first person named as owner in the Certificate of Title, shall be the Member;
  - b. where a residential property is owned by a corporation the Member shall be a person resident in said property and designated by the corporation as the Member; and
  - c. where a residential property is occupied by a tenant such tenant may be designated as the Member by and instead of the owner of such property;
  - d. where a condominium project is located in the Kincora Subdivision all of the individual owners of the condominium properties shall be entitled to become Members subject to sub-clause a above;
  - e. 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 a Member from each residential property in the Kincora Subdivision;
  - f. membership is not transferable by a Member but is appurtenant to ownership and residence.

### **IV. REGISTER OF MEMBERS**

4. A register of Members in such form as the Board may approve shall be maintained in which shall be recorded the names and addresses of all Members. The register of members shall be amended from time to time so that all Members are listed in the Register. Such amendment may be made by the Board at any time and from time to time of its own volition or upon presentation to the Company of evidence acceptable to the Board. Upon amendment as aforesaid there may be charged a reasonable fee as set by the Board from time to time.

### **V. RIGHTS OF MEMBERS AND FAMILY MEMBERS**

5. Each Member shall have access to and be entitled to the use and benefits associated with the Private Kincora Amenities and the Kincora Amenities Parcels in common with all other Members. In the event a Member abuses their access to, or use of the Private

Kincora Amenities and the Kincora Amenities Parcels the Directors shall in their sole discretion be entitled to impose a monetary fine upon such Member in an amount not exceeding \$500.00 as the Directors may determine to be appropriate considering the conduct of the Member or Family Members. Any such fine imposed by the Directors shall be deemed a charge against the residential property owned by the Member or the Member of the Family Member secured by an Encumbrance.

## **VI. MEMBERS' MEETINGS**

6. The first annual general meeting of the Company shall be held at such time, within sixteen (16) months from the date on which the Company is incorporated, and at such place as the Directors may determine. Subsequent annual general meetings shall be held at least once in every calendar year and no more than sixteen (16) months after the holding of the last preceding annual general meeting, at such time and place as may be determined by the Directors.
7. The following shall apply to general meetings:
  - a. General meetings referred to in s. VI.6 (the preceding clause) shall be called annual general meetings, and all other meetings of the Company shall be called special general meetings;
  - b. All annual and special general meetings be held in the City of Calgary in the Province of Alberta;
  - c. No Family Member shall be entitled to notice of any meeting, general, special, or otherwise of the Company, nor shall any Family Member have the right to vote at any such meeting, but they may attend same; and
  - d. Only Members shall be entitled to vote, propose, or second resolutions at general meetings of the Members.
8. The Directors may, whenever they think fit, proceed to convene a special general meeting of the Company.
9. When a Special Resolution is proposed, notice is required to be given in accordance with the Act. In all other cases, at least ten (10) days notice must be given to Members specifying the day, hour, and place of every Members meeting.
10. In case of special business, the notice of meeting must contain the general nature of such business and the text of any resolution to be submitted to the meeting shall be set out in sufficient detail in the notice of the meeting so as to permit an Owner or Mortgagee to form a reasoned judgment on the nature of that business.
11. If it is proposed that:
  - a. additional obligations other than those specifically set forth in the Memorandum of Association of the Association are to be assumed by the Association;
  - b. the amount of the Annual Rent Charge imposed upon each residential unit, multi-site condominium unit or each rental apartment unit in the Subdivision be increased; or
  - c. a Special Assessment is to be approved;



then a specific notice of such proposed Special Resolution must be provided by the Directors, to the Members registered in the register of the Members at the record date as so fixed.

12. 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 by proxy, or if the absent Members have signified their consent in writing to allow such meeting to proceed in their absence.
13. Notice of any meeting, any irregularity in the notice or meeting, or any irregularity in any meeting itself may be waived by any Member (or his/her proxy holder). It shall not be necessary to give notice of any adjourned meeting.
14. 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.

## **VII. PROCEEDINGS AT MEMBERS' MEETINGS**

15. The order of business for the annual general meeting shall be as follows:
  - a. if the President or Vice-President of the Board shall be absent or elects to vacate the Chair or refuses to act, the election of the Chair of the meeting;
  - b. call to order by the Chair, certifying proxies and establish quorum;
  - c. proof of notice of meeting or waiver of notice;
  - d. reading and disposal of any unapproved minutes;
  - e. consideration and approval of the financial statements;
  - f. ordinary report of the Directors, accountants, and other officers;
  - g. election of Directors;
  - h. appointment of accountants;
  - i. transaction of such other business which under these presents ought to be transacted at a general meeting.
16. All business shall be deemed special that is transacted at a special general meeting. Special business may be considered, or a Special Resolution may be passed at an annual general meeting provided the requisite notice has been given.
17. No business shall be transacted at a general meeting unless a quorum is present at the time the meeting proceeds to business. Save as herein otherwise provided, five (5%) percent of the Members either personally present or represented by proxy shall be a quorum. For the purposes of establishing quorum, a representative of a corporate Member shall be counted as a Member.

18. The President, or in his/her absence the Vice-President (if any), shall be entitled to chair every general meeting. If there is no President or Vice-President, or such officers decline to act as chair, or such officers are not present within ten (10) minutes after the time appointed for holding such meeting, then the Members present shall select, by ordinary resolution, another Director as chairperson. If no Director is present, or if all the Directors present decline to take the chair, then the Members present shall select, by ordinary resolution, 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.
19. If within ten (10) minutes from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned for five (5) minutes at which time, the Members present either by proxy or in person shall constitute a quorum and the meeting will resume.
20. Every resolution submitted to a meeting shall be decided in the first instance by a show of hands or otherwise as the chairperson may direct. A poll may be demanded by Members but only if by one-tenth (1/10) of the Members present or represented by proxy request the poll. 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/she may be entitled to as a Member.
21. At any meeting:
  - a. unless a poll is called, either by Members or the chairperson, a declaration of the chairperson that a resolution has been carried or carried by a particular majority shall be valid, 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; and
  - b. if a poll is called, 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. Any demand for a poll may be withdrawn prior to the vote.
22. The chairperson may, with the consent of the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### **VIII. VOTES OF MEMBERS**

23. On a show of hands every Member present in person or by proxy shall have one vote.
24. Votes may be given either personally or by proxy.
25. A proxy shall be in writing in any effectual form under the hand of the appointer or of his/her attorney duly authorized in writing and need not be attested to. A person appointed by proxy must be a Member or Family Member.



26. No proxy shall be valid after the expiration of twelve (12) months from the date of its execution unless it is otherwise specified therein. A proxy may be general or may direct the holder to vote in a certain manner.
27. A proxy shall be provided to the registered office of the Company, or such other place as may be specified in the notice of meeting, not less than twenty-four (24) hours before the time for holding the meeting unless the Board has decided to accept proxies submitted after that time period. No proxy will be accepted after the meeting has commenced. If there is any default of such deposit the proxy shall not be treated as valid.
28. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death of the Member, or revocation of the proxy with respect to which the vote is given, provided no intimation in writing of the death or revocation was received by the Company before the meeting where the proxy was used.
29. No Member shall be entitled to be present or to vote on any question, either personally or by proxy, or as the nominee appointed by a proxy for another Member at any general meeting, whilst any unpaid sum is due or payable by such Member to the Company pursuant to the Encumbrance. Any Member who is in arrears as aforesaid shall not be counted in determining quorum.

#### **IX. BORROWING POWERS**

30. The Directors may from time to time at their discretion raise or borrow money for the purpose of the Company business in such amounts as they shall in their absolute discretion determine.

#### **X. DIRECTORS**

31. Unless otherwise determined by a general meeting, the number of Directors shall not be less than three (3) or more than nine (9).
32. The subscribers hereto shall be the first Directors of the Company.
33. All Directors must:
  - a. abide to and sign the Agreement to Serve at the beginning of each year of their term. A Director who does not sign the Agreement to Serve by the first-special general meeting shall be suspended from acting on the Board, and shall not be permitted to vote, until such Director complies with this requirement. If the member refuses or fails to abide by or sign the Agreement to Service, and a majority of the remaining Directors vote to remove said Director, then said Director will be removed from the Board.
  - b. be eighteen (18) years of age or older;
  - c. make full disclosure of any potential conflict of interest and any direct or indirect relationships he/she may have with the Company either contractual, financial or employment related and shall refrain from voting on any matter of conflict;

- d. be in attendance at the Annual General Meeting or have agreed in writing to their nomination as a Member; and
  - e. exercise the powers and discharge the duties of the office of member of the Board honestly and in good faith.
34. The Directors shall have power from time to time and at any time, to appoint, by ordinary resolution of the Directors, any other Member or Members as Director or Directors, either to fill a casual vacancy or vacancies, or as an addition or additions to the Board, but in no case shall the number of Directors exceed the number fixed by these Articles or by a general meeting.
  35. A Director, other than a subscriber or nominee of a subscriber, must be a Member of the Company and that the Member be a natural person resident in the Kincora Subdivision.
  36. The Directors shall not be entitled to be paid a salary or honorarium from the funds of the Company for their services as Directors.
  37. A Director may retire from office upon giving five (5) days notice in writing to the Company of his intention to do so, and such resignation shall take effect upon the expiration of such notice or its earlier acceptance.
  38. The office of a Director shall be vacated if the Director:
    - a. by notice in writing to the Company resigns his/her office;
    - b. dies;
    - c. is in arrears more than sixty (60) days of any amount due to the Company;
    - d. becomes bankrupt or insolvent;
    - e. is a represented adult as defined in the *Adult Guardianship and Trusteeship Act*, S.A. 2008, c. A-4.2, or is the subject of a Certificate of Incapacity that is in effect under the *Public Trustee Act*, S.A. 2004, c. P-44.1;
    - f. is convicted of an indictable offence or an offence involving fraud, deceit, or breach of trust under any enactment of Alberta, another province, Canada, or another country;
    - g. is absent from meetings of the Board for two (2) consecutive Board meetings without the consent of the remaining Directors of the Board and a majority of the remaining Directors of the Board resolve at the next subsequent meeting of the Board that his/her office be vacated;
    - h. ceases to qualify for membership pursuant to Article 33;
    - i. in the case of a corporate representative of a Company who is a member of the Board, if the company shall become in arrears as set forth in sub-paragraph c) above, or if it becomes bankrupt or makes an assignment for the benefit of creditors or if proceedings are commenced to wind up the company, otherwise than for the purpose of amalgamation or reconstruction;
    - j. attends any Board meeting while intoxicated or incapacitated by drugs;



- k. commences, or their Family Member commences, any legal proceedings against the Board or the Company (for ease of reference, "commences" legal proceedings can include, but not be limited to, retaining a lawyer (either in writing or verbally) or filing a Statement of Claim, Civil Claim or Originating Application as against the Company, Board or one (1) or any of the Board Members (with or without the use of a lawyer); or
  - l. is refused bonding, at a reasonable premium, by a recognized bonding institution.
- 39. A Director shall be disqualified, by his/her office, from contracting with the Company as a vendor, purchaser or otherwise during the term of his/her office.
- 40. 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/her successor is elected. If at any general meeting at which an election of directors ought to take place, no such election takes place, the retiring Directors 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.
- 41. A retiring Director shall be eligible for re-election.
- 42. The Company at every annual general meeting shall fill the vacated offices by electing a like number of persons to be Directors, or in the case where a resolution changing the number of Directors is made at a meeting, by electing the number of persons to be Directors as may be fixed by such meeting.
- 43. The Company may, by Special Resolution of the Members, at any time remove any or all of the Directors before the expiration of his/her or their period of office and by ordinary resolution appoint another or other qualified person or persons in his or their stead; and the person or persons so appointed shall hold office during such time only as the Director or Directors in whose place he is or they are appointed would have held the same if he or they had not been removed.

## **XI. REGISTER OF DIRECTORS AND OFFICERS**

- 44. The Directors shall duly comply with the provisions of the Act or any statutory modification thereof for the time being in force, and in particular with the provision in regard to the keeping of the registers of the Directors and officers and their addresses and occupations, the signing of the balance sheet, the filing with the Registrar of Companies copies of special and other resolutions and of any change in the registered office or of Directors.

## **XII. PROCEEDINGS OF DIRECTORS**

- 45. The Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings. A quorum for Board meeting is one half of the Directors.
- 46. Meetings of the Board of Directors shall be held in the City of Calgary, the Province of Alberta.

47. 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. Where notice has not been dispensed with, notice delivered, mailed or sent by facsimile transmission or electronic transmission to each Director at his/her ordinary address at least two (2) days prior to such meeting shall be deemed sufficient notice. In computing such period of two (2) days, the day on which such notice is delivered, mailed, served, or received by facsimile transmission or electronic transmission shall be excluded. Notice of any meeting, or irregularity in any meeting or in the notice thereof, may be waived by that individual Director. The Board may by resolution appoint a regular time and place for meetings, and no resolution in the minutes of the meeting at which it was passed shall be necessary. Immediately upon the conclusion of the annual general meeting a meeting of the newly elected Directors shall be held, and no notice of such meeting shall be necessary.
48. If all the Directors of the Company consent, a Director may participate in a meeting of the Board or a committee of the Board by electronic means including web, video, or teleconference or by using telephone or other communications facilities as permit all Directors participating in the meeting to hear each other, and a Director participating in a meeting pursuant to this Article shall be deemed to be present at that meeting. Any such consent shall be effective whether given before, during or after the meeting to which it relates and be given respect to all meetings of the Board and committees of the Board.
49. The President or Secretary shall at the request of not less than twenty (20%) percent of the Directors, convene a meeting of Directors.
50. 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.
51. The continuing Directors may act notwithstanding any vacancy in their number, but if and so long as their number is reduced below the fixed by or pursuant to the regulations of the Company as 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.
52. The Directors shall appoint one of their numbers to be chairperson of the Board of Directors, and in the absence of such appointment the President shall serve as 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 numbers to be chairperson of such meeting.
53. A meeting of Directors 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 as vested in or exercisable by the Directors generally.
54. The Directors may delegate any of their powers to committees consisting of such one or more member or members of the Board as they think fit and may from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated conform to any regulations from time to time be imposed upon it by the Directors.



55. The meetings and proceedings of any such committee consisting of two (2) or more members of the Board shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, including the appointment of a quorum, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the past preceding clause.
56. 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.
57. A resolution in writing, signed by all the Directors without their meeting together, and which may be executed in several counterparts and by electronic or facsimile transmission, 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.

### **XIII. MINUTES**

58. The Directors shall cause minutes to be duly entered in books provided for the purpose:
  - a. of all appointments of officers;
  - b. of the names of Directors present at each meeting of the Directors and of any committee of Directors;
  - c. of all resolutions made by the Directors and committees of Directors; and
  - d. of all resolutions and proceedings of general meetings;and any such minutes of any meetings of the Directors or of any committee of Directors, or of the Company, if purporting to be signed by the chairperson of such meeting, or by the chairperson of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes.

### **XIV. POWERS OF DIRECTORS**

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

- b. As to the Annual Rent Charge or other subscriptions or payments due or payable by the Members of the Company;
- c. As to the manner in which a Member may be assessed a monetary fine for abuse of the access and use of the Private Kincora Amenities or the Kincora Amenities Parcels;
- d. As to the maintenance of the Company's amenities and facilities and use of the Company's amenities and facilities by members and Family Members;
- e. As to the maintenance and preservation of property which the Company is obliged to maintain even if the Company has no ownership interest therein; and
- f. As to committees of Members in connection with the management of the Company, and as to the appointment, removal, qualification, disqualification, duties, function, powers, and privileges of Members of such committees; and
- g. As to the performance of the Work.

#### **XV. OFFICERS**

- 60. 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. 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.
- 61. 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 who he occupies.
- 62. An Officer of the Company, not being a Director, shall be entitled to attend meetings of Members but shall not be entitled to attend meetings of the Board without proper consent of the Board.

#### **XVI. SEAL**

- 63. The Company shall have a corporate seal which shall be of such form and device as may be adopted by the Directors, and the Directors may make such provisions as they see fit with respect to the affixing of the said seal and the appointment of a Director or Directors or other persons, to attest by their signatures that such seal was duly affixed.
- 64. At no time shall the seal be used or affixed to any instrument except in the presence of at least one (1) member of the Board or by the Persons as may be authorized from time to time by resolution of the Board.

#### **XVII. NO DIVIDENDS**



65. As the company is formed solely for the purpose of promoting recreation, social communication and aesthetic improvements amongst its Members and the Kincora Subdivision and it is the intention of the Company to apply the profits, if any, or any other income of the Company in promoting its objects and as the Company is not formed with gain for its object, no dividend whatsoever and no part of the income of the Company shall be divided among, payable to or be available for the personal benefit of any Member of the Company.

#### **XVIII. RESERVES AND FUNDS**

66. The Directors may set aside any of the profits of the Company to create a reserve or reserves to provide for the performance of the Work and maintaining the property of the Company and other property which it is obliged to maintain, replacing the wasting assets, meeting contingencies, forming an insurance reserve or for any other purposes whatsoever for which the profits of the Company maybe lawfully used. The Directors may also carry forward to the accounts of the succeeding year or ears any profit or balance of profit which they shall not think fit to place in such a reserve.
67. The Directors may create a fund or funds out of the assets of the Company and may apply the fund or funds either by employing them in the business of the Company or investing them in such a manner as they shall think fit, and the income arising from such fund or funds shall be treated as part of the profits of the Company for the year in which such income arose. Such funds may be applied for the purpose of satisfying the cost and expense incurred in the performance of the Work and maintaining the property of the Company, replacing the wasting assets, meeting contingencies, forming an insurance fund or for any other purpose for which the profits of the Company may lawfully be used.
68. The Directors may from time-to-time increase, reduce or abolish any reserve or serve fund in whole or in part and may transfer the whole or any part to surplus.

#### **XIX. OPERATING COST OF ASSOCIATION**

69. The Directors shall implement a procedure to monitor and to determine, from time to time, the costs the Work.
70. Each Member shall pay to the Company:
- a. the Annual Rent Charge as established from time to time to satisfy
    - i. the Property Taxes, to cover the cost of the Work, and to satisfy and fulfill the Company's, including the development, operation, maintenance and management of the Kincora Amenities and the Kincora Amenities Parcels or such other responsibilities or obligations as may be approved by resolution of the Members. Such Annual Rent Charge shall be registered against title to each residential unit, condominium unit and rental apartment unit as security for payment thereof. Notwithstanding the foregoing, the Company may where it deems it reasonable and prudent, assess an individual Member or any one or more Members individually for a cost, expense or outgoing of the Company relating principally to such one or more Members and such charge shall be added to and become part of the Annual Rent Charge

due and owing for said Member and shall be secured on title in the same manner as the Annual Rent Charge; and

- ii. such sums as the Directors may from time to time determine in their sole discretion are required to establish a contingency reserve fund to meet the obligations of the Company.

- b. any special assessment levied by the Company, which may be added to and for part of the Annual Rent Charge.

71. The Annual Fee Charge, and any other dues, assessments or charges unpaid and owing by a Member of the Company shall bear interest at a rate of eighteen (18%) percent per annum until paid, and such assessment or charge, together with any interest thereon and all costs incurred in connection with the collection thereof, including legal costs of a solicitor and own client basis, shall be a charge against the Residence to which such unpaid assessment or charges relate as the Company shall deem fit or appropriate.

72. The initial Annual Rent Charge shall be two hundred (\$200.00) dollars, plus applicable G.S.T. per residential unit, and the one hundred (\$100.00) dollars, plus applicable G.S.T. per condominium unit and rental apartment unit and such Annual Rent Charges shall be shown in the Encumbrance registered as security for the same. If the total Annual Rent Charges as provided in the Encumbrances is insufficient to pay the amounts set out in Article 70 above, then the Directors shall increase its income in the following manner:

- a. If necessary, they Directors shall borrow, on a short-term basis any funds required to meet the operating cash deficiency being experienced;
- b. The Directors may from time to time in their absolute discretion increase the Annual Rent Charge to the Members and/or impose a special assessment;
- c. The Directors shall present full report on the operating cash deficiency to the next annual general meeting of the company together with their recommendations for increasing the income of the company including, if so, determined by the Directors, increasing the Annual Rent Charges to the Members;
- d. If the Directors determine that addressing such deficiency should not await the next ensuing annual general meeting, they shall call a special general meeting of the Company to consider the matter; and
- e. Any increase in the Annual Rent Charge shall only be increased in the same ratio that the existing fee charges have one to another as of the date of increase and as contained in the Encumbrance in existence at the time of the meeting. The Members shall be bound by the decision of the Directors or Members passed in accordance with these Articles and agree to the amendment of their Encumbrance in accordance with the decision of such meeting. If any Encumbrance has been foreclosed off of the title to the Residence of a Member or has otherwise been taken off title, or if pursuant to a meeting of the Members it has been agreed to register a new Encumbrance or Caveat giving notice of the charge, the Members and each owner of a condominium unit or lot in the Kincora Subdivision each agree, if requested by the Company, to enter into a new Encumbrance to be registered against the title to his/her Residence or to



the filing of a Caveat as referred to above, and if he/she delays, fails, or refuses to complete the new Encumbrance, the Company is hereby appointed as his/her attorney to sign and deliver such new Encumbrance or Caveat in his place and stead; and

- f. Each Member shall be bound by the decision of the Directors passed in accordance with these Articles and agrees to the amendment of his Encumbrance in accordance with the decision of the Directors.

## **XX. ACCOUNTS**

- 73. The Directors shall cause true accounts to be kept of the sums of money received and disbursed by the Company and the manner in respect of which said receipts and disbursements take place, of all sales and purchases by the Company and of the assets and liabilities of the Company and of all other transactions affecting the financial position of the Company.
- 74. The books of account and accounting records shall be kept at the records office of the Company or, subject to the limitations of the Act, at such other place or places as the Directors think fit and shall be open to inspection by the Directors.
- 75. The Directors shall from time to time determine whether and to what extent and at what item and place and under what conditions or regulations the accounts and books of the Company, or any of them shall be open to the inspection by Members who are Directors, and no Members who is not a Directors, shall have any right of inspection of any account or book or document of the Company except as conferred by law or authorized by the Directors or by the Company.
- 76. Prior to each annual general meeting of the Members, the Directors shall ensure a financial statement and auditors' report is prepared for presentation to the Members thereon. The financial statement shall:
  - a. Be approved by the Board of Directors and signed by two (2) of them;
  - b. Cover a period that ended not more than six (6) months before the annual general meeting;
  - c. Subject to the provisions of the Act, contain a comparative statement relating separately to the latest completed financial year next preceding it; and
  - d. Be made up of:
    - i. A statement of profit and loss for each period;
    - ii. A statement of surplus for each period;
    - iii. Subject to the provision of the Companies Act (Alberta), a statement of source and application of funds for each period; and
    - iv. A balance sheet as at the end of each period with each statement containing the information required by the Companies Act (Alberta) to be disclosed in such statements.

77. Subject to the provisions of the Act, a copy of the financial statement and a copy of the auditor's report shall be sent to each Member by prepaid post, or by electronic mail, or shall be made available to the Members via website link, at least 10 days before the date of the annual general meeting.

## **XXI. NOTICES**

78. Any notice may be served by the Corporation on any of the Members:
- a. Personally;
  - b. By sending it by electronic mail to the electronic address provided to the Company by an Owner. Any notice sent by electronic mail shall be deemed to have been served twenty-four hours after being sent; or
  - c. Through the post in a prepaid envelope or wrapper addressed to such Member as his/her address as the same appears in the books of the Company, or if no address is given therein, to the last address of such Member known to the secretary. If no address is known to the secretary or a notice posted up in the registered office of the Company shall be deemed to be well served on such Member upon it being so posted up. Any notice sent by post shall be deemed to have been served on the day on which the envelope or wrapper containing the notice was properly addressed and put into one of Her Majesty's letter boxes.
79. Any notice or document delivered or sent by post or left at the address of any Member as the same appears on the books of the Company shall, notwithstanding such Member be then deceased and whether or not the Company had notice of his decease, be deemed to have been duly served until some other person is entered in his stead in the books of the Company as a Member, and such service shall for all purposes be deemed a sufficient service of such notice or document on his heirs, executors or administrators and on all persons interested with such Member.
80. The signature on any notice to be given by the Company may be written, stamped, typewritten, or printed or partly written, stamped, typewritten, or printed.
81. Where a given number of days notice or a notice extending over any other period is required to be given, the day of service of the notice and the day for which notice is given shall, unless it is otherwise provided, be counted in such number of days or other period.
82. A certificate of the secretary or other duly authorized officer of the Company in office at the time of the making of the certificate as to the facts in relation to the mailing, or delivery, emailing or posting of any notice to any Member, Director or Officer or publication of any notice, shall be prima facie evidence thereof and shall be binding on every Member, Director or Officer of the Company, as the case may be.
83. It shall not be necessary for any notice to set out the nature of the business which is to come before a meeting of the Directors, and it shall not be necessary for any notice to set out the business which is to come before a meeting of the Members unless the same is special business.



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

## **XXII. RECORD DATE**


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

## **XXIII. INDEMNITY**


86. Except as otherwise hereinafter provided, every Director, Officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors, out of the funds of the Company, to pay all losses and expenses which any such Director, Officer or employee shall incur or become liable for by reason of any contract entered into or act or thing done by him, as such Director, officer, servant or employee of the Company or in any way in the discharge of his/her duties except as to matters as to which he/she shall be finally adjudged in such action, suit or proceeding to be liable for fines or penalties imposed in a criminal suit or action or for unjustified profit or advantage or for any illegal act done or attempted in bad faith or dishonesty.
87. Except as set out in Article 86 above, any person, his/her heirs and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a Director, Officer, servant or employee of the Company, shall be indemnified by the company against reasonable expenses, inducing attorneys' fees, actually and necessarily incurred by him in connection with the defence of such action, suit or proceedings that such Director, officer, servant or employee is liable for negligence or similar misconduct in the performance of his duties. Such right of indemnification shall not be deemed exclusive of any other rights to which such Director, Officer, servant, or employee may be entitled. None of the provisions hereof shall be construed as a limitation upon the right of the Company to exercise its general power to enter into a contract or undertaking of indemnity with or for the benefit of any Director, Officer, servant, or employee in any proper case not provided for herein.
88. No Director, officer or employee of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director, Officer, servant ~~or~~ and employee or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for the loss or damage arising from the bankruptcy or insolvency or tortious act of any persona with whom any monies, securities or effects shall be deposited, or for any loss occasioned by an error of judgement or oversight on his part or for any other loss damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty, or unless it is otherwise provided in a contract of service with such Director, Officer, servant and employee.

89. The Company may purchase and maintain insurance for the benefit of any person referred to in Article 86 against any liability incurred by him in his capacity as a Director, Office servant or employee of the Company.

**DATED** at the City of Calgary, in the Province of Alberta this 12 day of Jan, 2022.

  
\_\_\_\_\_  
Print Name: Annette Hall  
Position: President

Mihai Geaman - Vice President

  
\_\_\_\_\_  
Print Name:  
Position:



**Schedule "A"**  
**To the Articles of Association**  
**Of Kincora Residents Association**

- FIRST            MERIDIAN 5 RANGE 1 TOWNSHIP 25 SECTION 30  
THAT PORTION OF LEGAL SUBDIVISION  
11 WHICH LIES SOUTHWEST OF ROAD  
PLAN 3610JK AND ALL OF LEGAL  
SUBDIVISION 12 IN THE NORTH WEST  
QUARTER CONTAINING 31.6 HECTARES  
(78.07 ACRES) MORE OR LESS  
EXCEPTING THEREOUT ALL MINES AND  
MINERALS AND THE RIGHT TO WORK  
THE SAME
- SECOND          MERIDIAN 5 RANGE 1 TOWNSHIP 25 SECTION 30  
THAT PORTION OF THE NORTH EAST  
QUARTER WHICH LIES SOUTHWEST OF  
ROAD PLAN 3610JK CONTAINING 4.45  
HECTARES (11 ACRES) MORE OR LESS  
EXCEPTING THEREOUT ALL MINES AND  
MINERALS AND THE RIGHT TO WORK  
THE SAME
- THIRD           MERIDIAN 5 RANGE 1 TOWNSHIP 25 SECTION 30  
THAT PORTION OF THE SOUTH WEST  
QUARTER WHICH LIES NORTHEAST OF  
TRANSPORTATION AND UTILITY  
CORRIDOR RIGHT OF WAY ON PLAN  
8911266 CONTAINING 54.85 HECTARES  
(135.54 ACRES) MORE OR LESS  
EXCEPTING THEREOUT ALL MINES AND  
MINERALS AND THE RIGHT TO WORK  
THE SAME
- FOURTH          MERIDIAN 5 RANGE 1 TOWNSHIP 25 SECTION 30  
THAT PORTION OF THE SOUTH EAST  
QUARTER WHICH LIES WEST OF ROAD  
ON PLAN 3610JK AND  
TRANSPORTATION AND UTILITY  
CORRIDOR RIGHT OF WAY ON PLAN  
9111136 CONTAINING 36.19 HECTARES  
(89.43 ACRES) MORE OR LESS  
EXCEPTING THEREOUT ALL MINES AND  
MINERALS AND THE RIGHT TO WORK  
THE SAME

**MEMORANDUM OF ASSOCIATION  
KINCORA RESIDENTS ASSOCIATION**

1. The name of the Company is the Kincora Residents Association
2. The Company is incorporated under Part 9 of the Companies Act RSA 1980, Chap. C-20 as a non-profit corporation.
3. The objects for which the Company is established are:
  - a. To acquire and takeover for the benefit of its members the operation, management and ownership to the extent legally permissible, of certain recreational areas, landscaped areas, entrance features, linear open spaces, and related facilities (the "Private Kincora Amenities") from The Apex Corporation ("Apex") all of which are or will be situated on lands legally described in Schedule "A" attached hereto ("the Kincora Subdivision") and specifically located on such lots that may be created for the Private Kincora Amenities by Plan of Subdivision from time to time (the "Kincora Amenities Parcels"), as well as the maintenance of Public Utility Lots, Environmental Reserves, Municipal Reserves, public walkways, road boulevards, road medians, associated community and related signage and related facilities (the "Public Kincora Amenities") and all or any of the equipment, chattels and assets used in connection therewith, and to operate maintain such aesthetic, social and recreational facilities and areas located generally in northwesterly portion of the City of Calgary, in the Province of Alberta and being part of the Symons Valley residential subdivision. Collectively, the Private Kincora Amenities and the Public Kincora Amenities form the "Kincora Amenities". The final acreage, boundaries, and maintenance by the company of the Kincora Amenities are subject to the approval of Apex and the City of Calgary.
  - b. To acquire from Apex its rights (if any) under each and every rental income encumbrance, restrictive covenant and easement registered on the lands located within the Kincora Subdivision for the purpose of the management and operation of the Private Kincora Amenities and the Kincora Amenities Parcels and the maintenance of the Public Kincora Amenities and any other duties, responsibilities or obligations as may be approved by Special Resolution of the Association together with any and all benefits and advantages to be derived therefrom and to enforce the same:
  - c. To do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.
  - d. To incur or undertake such other responsibilities or obligations as may be hereinafter approved by Special Resolution of the Members of the Association.