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ARTICLES OF ASSOCIATION  
OF  
BRIDLE ESTATES HOMEOWNERS' ASSOCIATION

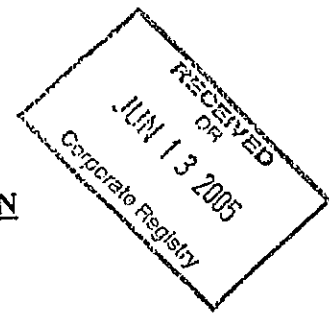
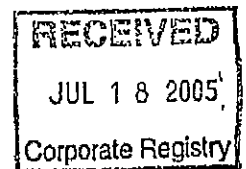


TABLE "A"

1. The regulations contained in Table "A" in the First Schedule to The Companies Act are hereby excluded and shall not apply to this company.



INTERPRETATION

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

"the Company" means the above named Company;

"the Companies Act" means the Companies Act of the Province of Alberta, Chapter C-21 R.S.A. 2000 or any statute proclaimed as replacement therefor.

"the Developer" means Burntwood Holdings Limited or assignee which is developing the Subdivision;

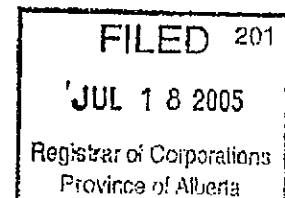
"the Directors", "Board" and "Board of Directors" means the Directors of the Company for the time being;

"Encumbrances" means the Encumbrance to secure Monthly charges registered or to be registered against residential sites in the Subdivision in the Land Titles Office for the South Alberta Land Registration District, and the moneys secured thereby and payable thereunder;

"in writing" and "written" includes printing, type-writing, lithographing, digital and other modes of or reproducing words in visible form; words importing the masculine gender shall include the feminine and words importing person include corporations and companies;

"Member" subject to Article 4.1, means a person for the time being entered in the Register of Members as an owner;

"month" means calendar month;



"Office" means the registered office of the Company for the time being;

"Owner" means a person who owns a lot in the Subdivision;

"Owner's Land" means the specific lot in the Subdivision owned and occupied by an Owner;

"Restrictive Covenant" means the Restrictive Covenant registered or to be registered against each of the Lands contained in the Subdivision.

"Secretary" includes any person appointed to perform the duties of secretary temporarily;

"Subdivision" or "Lands" means the Lands more particularly described as:  
PLAN "TO BE REGISTERED"

BLOCK 1,  
LOTS 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25,26,27,28,29,30 and

BLOCK 2,  
LOTS 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18 and

BLOCK 3,  
LOTS 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,18 and

BLOCK 4,  
LOTS 1,2,3,4,5,6,7,8,9,10

And MUNICIPALLY KNOWN AS ALL THE LOTS ON THE STREETS DESIGNATED BY THE CITY OF CALGARY AS : BRIDLE ESTATES WAY S.W., BRIDLE ESTATES MEWS S.W., BRIDLE ESTATES ROAD S.W., BRIDLE ESTATES MANOR S.W., BRIDLE ESTATES PLACE S.W. ALL LOCATED OR TO BE LOCATED IN PHASES 1,2, AND 3 OF THE APPROVED BRIDLE ESTATES SUBDIVISION  
(hereinafter referred to as the "Lands")

"these presents" means and includes these Articles of Association, and any modification or alteration thereof for the time being in force;

#### REGISTERED OFFICE

3. Subject to the provisions of The Companies Act, the Company may, by ordinary resolution or by 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.

MEMBERS

4. The subscribers hereto shall be members until they resign. Subject to the terms of the Memorandum of Association and clause 4.1 below, every person owning a residential property in the Subdivision shall ipso facto be a Member as long as such person owns such residential property 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 said property. In the absence of such designation the first person named as owner in the Certificate of Title or as Purchaser in an Agreement for Sale, shall be the Member; and
- (b) Where a residential property is owned by a corporation the Member shall be a person designated by the corporation as Member; and
- (c) 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 property in the Subdivision and that the Member be a natural person; and
- (d) Subject to Clause 4.1 below, Membership is limited to owners of residential property in the Subdivision; and
- (e) Membership is not transferable by a Member but is appurtenant to ownership as herein set out.

4.1 (a) Notwithstanding the provisions set out in Clause 4 above, the Developer shall be deemed to be the sole Member of the Company until such time as all of the lots in the Subdivision (with the exception of the Subdivision Features as defined in Clause 74 below) have been purchased by purchasers and occupied by them ("the Turnover Date") at which time the Developer shall transfer and relinquish its membership and issue memberships effective to said purchasers as at the Turnover Date to all owners who own lots in the Subdivision as at that date;

- (b) All Owners are obligated to pay for the maintenance and landscaping of the Lands before the Turnover Date in such amounts as are determined by the Company to be secured against the Owners Land by the Encumbrance.

#### AGE RESTRICTIONS

- a) No individual under thirty five (35) years of age shall be entitled to purchase, own (either legally or beneficially), rent or reside in or on the Lands, whether as resident, tenant, guest, invitee, or otherwise, it being acknowledged by the Members and all present and future assignees of the Members that the Lands have been designated as an adult residential complex for ownership use and enjoyment by owners over 35 years of age;
- b) Notwithstanding the provisions of (a) above, a person under 35 years of age may reside with a Member or occupy any of the Lands when the Member is physically residing thereon:
  - (i) If a guest of the Owner and is the minimum age of 18; or
  - (ii) If a child or grandchild or charge of the Member and is under the age of 18 for a maximum period of sixty (60) days in any one calendar year; unless this person has received special written consent to reside or otherwise occupy a specific Unit from the Board of Directors for a longer period of time

#### REGISTER OF MEMBERS

5. A register of Members shall be maintained in such form as the Board may approve, in which shall be recorded the names and addresses of all Members. The register shall be amended from time to time so that all Members are listed in the register of Members. Such amendment may be made by the Board at any time and from time to time of its own volition or upon presentation to the Company of evidence acceptable to the Board. Upon amendment as aforesaid there may be charged a fee not exceeding ONE DOLLAR (\$1.00) as set by the Board from time to time.

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 not more than sixteen (16) months after the holding of the last preceding general meeting, at such time and place as may be determined by the Directors.

7. The general meetings referred to in the preceding clause shall be called annual general meetings, and all other meetings of the Company shall be called special general meetings. All meetings of Members shall be held in the City of Calgary in the Province of Alberta.

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

9. Where it is proposed to pass a special resolution, such notice as is required to be given by The Companies Act, and in all other cases at least Ten (10) days' notice specifying the day, hour and place of every Members' meeting, and in case of special business the general nature of such business, shall be served in one of the manners hereinafter provided on the Members registered in the Members' register at the time such notice is served or if a record has been fixed by the Directors, on the Members registered in the Register of Members at the record as so fixed. PROVIDED ALWAYS that a meeting of the Members may be held for any purpose, at any time and at any place without notice, if all the Members entitled to notice of such meeting are present in person or represented thereat by proxy or if the absent Members shall have signified their consent 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.

10. 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 a 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.

#### PROCEEDINGS AT MEMBERS MEETINGS

11. All business shall be deemed special that is transacted at a special general meeting and that is transacted at an annual general meeting, with the exception of consideration and approval of the financial statements and the ordinary report of the Directors, auditors and other officers, the election of Directors, the appointment of auditors, the fixing of the remuneration of the auditors and the transaction of any business which under these presents ought to be transacted at a general meeting. Special business may be transacted or a special resolution may be passed at an annual general meeting provided the requisite notice has been given.

12. 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 twenty per centum (20%) of the Members personally present or represented by proxy shall be a quorum.

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

14. If within half an hour from the time appointed for the meeting a quorum is not

present, the meeting shall stand adjourned to the same day at such adjourned meeting a quorum is not present, the Members present, if at least Five (5), shall be a quorum.

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

16. (a) At any meeting unless a poll is demanded by the chairman or by one-half ( $\frac{1}{2}$ ) of the Members present a declaration by the chairman that a resolution has been carried, or carried by a particular majority, and an entry to that effect in the books 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.

(b) If a poll is demanded as aforesaid it shall be taken in such manner and at such time and place as the chairman of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

17. The chairman of a general meeting may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### VOTES OF MEMBERS

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

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

20. A proxy shall be in writing in any effectual form under the hand of the appointer or of his attorney duly authorized in writing, and need not be attested. A person appointed proxy must be a member or the spouse of a Member.

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

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

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

24. No Member shall be entitled to be present or to vote on any question, either personally or by a nominee appointed by a proxy, or as the nominee appointed by a proxy for another Member at any general meeting, or upon a poll, or to be reckoned in a quorum whilst any sum shall be due or payable to the Company by such Member or the Owner which such Member represents.

#### DIRECTOR

25. Until otherwise determined by a general meeting, the number of Directors shall be not less than three (3) or more than seven (7).



26. The subscribers hereto shall be the first Directors of the Company.

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

28. A Director need not be a Member of the Company.

29. The Directors shall not be paid out of the funds of the Company by way or remuneration for their services as Directors.

30. 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.

31. The office of a Director shall ipso facto be vacated:

- (a) If he is found a lunatic or becomes of unsound mind;
- (b) If by notice in writing to the Company he resigns his office upon the time hereinbefore fixed for the resignation to take effect or the previous acceptance of the same;
- (c) If he be removed by resolution of the Company, as hereinafter provided.

32. A Director shall be disqualified by his office from holding any office or place of profit under the Company and from contracting with the Company either as a vendor, purchaser or otherwise howsoever without first disclosing in writing his position as Director and then obtaining consent from a majority of remaining Directors.

33. At the first annual general meeting and at every succeeding 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 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.

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

35. 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.

36. The Company may, by special resolution, at any time remove any or all of the Directors before the expiration of his or their period of office and by ordinary resolution appoint another or other qualified person or persons in his or their stead, and the person or persons so appointed 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.

#### REGISTER OF DIRECTORS AND MANAGERS

37. The Directors shall duly comply with the provisions of The Companies Act, or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the keeping of the registers of the Directors and Managers and their addresses and occupations, the signing of the balance sheet, the filing with the Registrar of Companies an annual report and copies

of special and other resolutions and of any change in the registered office or of Directors and, where applicable, the mailing of a form of proxy and the issuing of information circular.

### PROCEEDINGS OF DIRECTORS

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

39. Meetings of the Board of Directors shall be held in the City of Calgary 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 personally to each Director at his ordinary address two (2) days prior to such meeting, shall be sufficient notice of any meeting of the Directors. In computing such period of two (2) days the day on which such notice is delivered shall be included, and the day for which notice is given shall be excluded. Notice of any meeting, or irregularity in any meeting or in the notice thereof, may be waived by any Director. The Directors may by 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. 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.

40. Any Director may participate in a meeting of the Board of Directors by means of conference telephone, teleconference or other communications equipment by means of which all persons participating in the meeting can hear each other, and a Director participating in a meeting

pursuant to this article shall be deemed to be present in person at that meeting and the meeting shall be deemed to have been held at such place in Canada as the Directors may from time to time determine.

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

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

43. The continuing Directors may act notwithstanding any vacancy in their number; but if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company 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.

44. The president for the time being of the Company shall be Chairman of the Board. If the chairman is not present at any meeting at the time appointed for holding the same, the Directors present shall choose some one of their number to be chairman of such meeting.

45. 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 discretion by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally.

46. 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 delegate, conform to any regulations that may from time to time be imposed upon it by the Directors.

47. 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.

48. 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.

49. 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.

#### MINUTES

50. 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 committee of Directors;
- (d) Of all resolutions and proceedings of general meetings.

and any such minutes of any meetings of the Directors or of any committee of Directors, or of the

Company, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes.

### POWERS OF DIRECTORS

51. 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 or otherwise expressly conferred upon them, may exercise all such power and do all such acts and things as may be exercised or done by the Company and are not hereby or by statute expressly directed or required to be exercised or done by the Members in general meeting; and without restricting the generality of the foregoing the Directors shall exercise general supervision of the affairs of the Company and ensure that the Encumbrance and Restrictive Covenants are all registered 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; and it is expressly declared that the following shall be deemed to be rules and regulations in relation to the Company within the meaning of this clause, that is to say, regulations:

- (a) As to the annual, quarterly or other subscriptions or payments to be payable by the Members of the Company;
- (b) As to committees of Members in connection with the management of the Company, and as to the appointment, removal, qualification, disqualification, duties, functions, powers and privileges of Members of such committees.

51.1 The Directors shall be specifically empowered to enforce payment of all monies due and owing by Members pursuant to the Encumbrance.

OFFICERS

52. 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.

53. 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.

SEAL

54. 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 person, to attest by their signatures that such seal was duly affixed.

DIVIDENDS

55. As the Company is formed solely for the purpose of maintaining the Lands owned by its Members 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 objects, 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.

RESERVES AND FUNDS

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

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

ACCOUNTS

58. 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.

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

60. The Directors shall from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounts and books of the Company, or any of them shall be open to the inspection of Members; not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document



of the Company except as conferred by law or authorized by the Directors or by the Company in general meeting.

61. The Directors shall lay before each annual meeting of the Members a financial statement and the report of the auditor 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 meeting;
- (c) subject to the provisions of The Companies Act, contain a comparative statement (except in the case of the first statement) relating separately to the latest completed financial year next preceding it;
- (d) be made up of:
  - (i) a statement of profits and loss for each period;
  - (ii) a statement of surplus for each period;
  - (iii) subject to the provision of The Companies Act, 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 to be disclosed in such statements.

62. Subjects to the provisions of The Companies Act, a copy of the financial statement and a copy of the auditors report shall be sent to each Member.

62.1 The Company may dispense with audited statements if the Companies Act provides for same.

NOTICES

63. Any notice may be served by the Company on any Member either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such Member at his 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 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, and any notice sent by post shall be deemed to have been served on the day on which the envelope or wrapper containing the same is posted. With respect to every notice sent by post, it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and put into the post office or into one of her Majesty's letter boxes.
64. 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 or posted in the registered office of the Company as hereinbefore provided, shall, notwithstanding such Member be then deceased and whether or not the Company may have notice of his decease, be deemed to have been duly served until some other person is entered in his place 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.
65. The signature of any notice to be given by the Company may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.
66. 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.

67. 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 or posting up 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.

68. 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.

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

#### RECORD DATE

70. 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.

#### INDEMNITY

71. Except as otherwise hereinafter provided every Director, manager, secretary and other officer or servant 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, manager, secretary, officer or servant shall incur or become liable to by reason of any contract entered into or act or thing done by him as such Director, manager, secretary, officer or servant, or in any way discharge of his duties.

72. Any person made a party to any action, suit or proceedings by reason of the fact that he, his testator or intestate, is or was a Director, manager, secretary, or other officer, agent or servant of the Company, or of any corporation which is served as such at the request of the Company, shall be indemnified by the Company against the reasonable expenses, including attorney's fees, actually and necessarily incurred by him in connection with the defence of such action, suit or proceeding, or in connection with any appeal therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceedings that such Director, manager, secretary, or other officer, agent or servant is liable for negligence or 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 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, manager, secretary, or other officer, agent or servant in any proper case not provided for herein.


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


same happen through his own dishonesty, or unless it is otherwise provided in a contract of service with such Director or office.

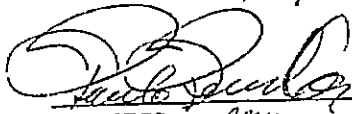
**OWNERSHIP OF THE LINEAR PARK, ENTRANCES AND PAVILLION**


74. The Company shall at all times own the Linear Park, the Entrances (and the Lands upon which the Entrances are constructed) and Pavillion (and the Land upon which the Pavillion is constructed) all as identified in the Memorandum of Association and which have been created and constructed for the use and benefit of the Owners ("the Subdivision Features"); The Company shall be prohibited from selling, conveying, assigning, pledging, mortgaging or otherwise encumbering any of the Subdivision Features except with the approval and consent of 100% of the Owners.


DATED this 7 day of March, 2005.

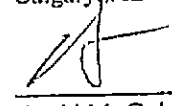
  
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David M. Goldenberg, Employee  
#2210, 411- 1 Street S.E.  
Calgary, AB T2G 5E7

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JUL 18 2005  
Corporate Registry

MEMORANDUM OF ASSOCIATION

1. The name of the Company is "BRIDLE ESTATES HOMEOWNERS' ASSOCIATION"
2. The objects for which the Company is established are:
  - (a) To maintain the Lands in the City of Calgary legally described as:

PLAN "TO BE REGISTERED"

BLOCK 1,  
LOTS 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25,26,27,28,29,30 and

BLOCK 2,  
LOTS 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18

BLOCK 3,  
LOTS 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,18

BLOCK 4,  
LOTS 1,2,3,4,5,6,7,8,9,10

AND MUNICIPALLY KNOWN AS ALL THE LOTS ON THE STREETS DESIGNATED BY THE CITY OF CALGARY AS : BRIDLE ESTATES WAY S.W., BRIDLE ESTATES MEWS S.W., BRIDLE ESTATES ROAD S.W., BRIDLE ESTATES MANOR S.W., BRIDLE ESTATES PLACE S.W. ALL LOCATED OR TO BE LOCATED IN PHASES 1,2, AND 3 OF THE APPROVED BRIDLE ESTATES SUBDIVISION WHICH SPECIFICALLY INCLUDES THOSE LANDS REFERRED TO AS "THE LINEAR PARK", "THE PAVILLION" AND "THE ENTRANCE FEATURES",

(hereinafter referred to as the "Lands")

FILED 201  
JUL 18 2005  
Registrar of Corporations  
Calgary, Alberta

and maintain the fences that are at the rear of those designated lots forming a boundary with a park or lands outside of Bridle Estates, hereinafter referred to as the "Boundary Fences", the entrance treatment, the irrigation system, the drainage system, and the exterior landscaping on the Lands, not for profit or gain; and

- (b) To require all owner occupants of the Lands to enter into a restrictive covenant and an encumbrance agreement, both of which are designed to maintain the Lands in accordance with the requirements of (a) above;
- (c) To enter into an agreement with the owners of the Lands for the provision of maintenance and landscaping repairs for the Lands (specifically including "the Linear

Park", "the Pavilion" and "the Entrance Features" );

- (d) To enter into such agreements as it deems necessary (with qualified personnel) for the maintenance of the Lands and the landscaping there on;
- (e) To do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.

3. The liability of the members is limited.

4. Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up during the time that he is a member, or within one year afterwards, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributors amongst themselves, in such amount as may be required not exceeding ONE DOLLAR (\$1.00).

5. The Company shall apply the profits, if any, or any other income of the Company solely in promoting the objects of the Company and no dividend whatsoever or other distribution of the property of the Company shall ever be paid to its members; PROVIDED ALWAYS that nothing herein shall prevent the payment in good faith, or reasonable and proper remuneration of any employee, agent or contractor of the Company in return for any service actually rendered to the Company.

~~6. No addition, alteration or amendment shall be made to or in the Memorandum or Articles of Association for the time being in force, unless the same shall have been approved by not less than seventy-five per cent (75%) of the members.~~

7. And it is hereby declared that in the interpretation hereof the meaning of the objects of the Company shall be restricted to the specific objects set forth and all subparagraphs shall be construed in such manner as to restrict and not to widen the objects of the Company, the intention being that:

- (a) The ground area of the Lands maintained by the Company shall not be enlarged beyond the present size of the Lands and the Company shall not undertake responsibility for facilities other than the care and maintenance of the Lands (including the "Linear Park", "the Entrance Features" "the Pavilion"); and
- (b) All monies received from the Encumbrance shall be spent solely for the administration and maintenance of the Lands.

We the several persons whose names and addresses are subscribed are desirous of being formed into a Company pursuant to this Memorandum of Association.

DATED this 7 day of March, 2005.

**NAMES, ADDRESSES AND OCCUPATIONS OF THE SUBSCRIBERS**

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