

**BYLAWS OF
GRANDVIEW PARK
HOMEOWNERS ASSOCIATION
INTERPRETATION AND DEFINITIONS**

1. Unless the context otherwise requires, terms defined in the Act shall have the meaning so defined, and the following terms shall have the following meanings in these Bylaws:
 - (a) “**Act**” means the *Societies Act* (Alberta) RSA 2000 c. S-14 as now in effect or any legislation that may be substituted therefore and as the same may from time to time be amended and includes all regulations promulgated thereunder;
 - (b) “**Annual General Meeting**” has the meaning ascribed to it in Bylaw 17;
 - (c) “**Association**” means the Grandview Park Homeowners Association;
 - (d) “**Board**” means these Board of Directors of the Association;
 - (e) “**Bylaws**” shall mean these Bylaws of Grandview Park Homeowners Association, as amended from time to time;
 - (f) “**Coordinator**” means the coordinator as defined within the Restrictive Covenant;
 - (g) “**Developer**” means Grand Development Corp. and its successors and assigns;
 - (h) “**Director**” means any person who has been duly elected or appointed to the Board of Directors;
 - (i) “**Encumbrance**” means an instrument registered against title to all Residential Lots located in the Subdivision to allow for the provision of certain Services as defined herein, the form of which is attached as Schedule “B” hereto, as the same may be modified by the Board from time to time upon Special Resolution of the Members;
 - (j) “**First Directors**” means the subscribers hereto;
 - (k) “**Grandview Park**” means all of those lands located within the Subdivision;
 - (l) “**Grandview Park Design Guidelines**” means those guidelines as are set out within the Restrictive Covenant;
 - (m) “**Member**” or “**Members**” means a member of the Association unless the context requires otherwise;
 - (n) “**Month**” means calendar month;
 - (o) “**Municipal Reserve**” means a part of a land parcel designated as a Municipal Reserve as defined in section 666(1) of the Municipal Government Act R.S.A.

2000, c M-26, including the legally subdivided and separately titled parcels of land within the Subdivision as set out in Schedule “D” hereto.

- (p) “**Ordinary Resolution**” means, in relation to a resolution of the Members, a resolution passed at an Annual General Meeting of the Members, duly called and constituted in accordance with the Bylaws, by a simple majority of the votes cast in person or by proxy on a particular resolution, and “**Ordinary Resolution**” means, in relation to a resolution of the Directors, a resolution passed at a meeting of Directors duly called and constituted in accordance with these Bylaws by a simple majority of the vote of those Directors present at the meeting who are entitled to vote on the particular resolution; provided, however, that a resolution in writing, signed by all the Members or Directors, as applicable, without a meeting, shall be as valid and effectual as if it had been passed at a meeting of the Members or Directors, as applicable, duly called and constituted and shall be held to relate back to any date therein stated to be the effective date thereof, and such resolution in writing may consist of one or more counterparts each duly signed by one or more Members or Directors, as applicable;
- (q) “**Owner**” means a person who is registered as the owner of the fee simple estate of a Residential Lot;
- (r) “**President**” includes any person appointed as such in accordance with these Bylaws from time to time;
- (s) “**Public Utility Lot**” means a part of a land parcel designated as a public utility lot as defined in Section 665(1) of the *Municipal Government Act* RSA 2000 c. M-26 including the legally subdivided separate titled parcels of land within the Subdivision as set out in Schedule “D” hereto;
- (t) “**Register of Members**” means the register of Members of the Association to be established and maintained in accordance with these Bylaws;
- (u) “**Registered Office**” means the registered office of the Association;
- (v) “**Rent Charge**” has the meaning ascribed thereto in Bylaw 71(a);
- (w) “**Residential Lots**” means those legally subdivided and separately titled parcels of land within the Subdivision as are listed in Schedule “C” hereto;
- (x) “**Restrictive Covenant**” means that restrictive covenant registered against title to each of the Residential Lots in relation to the Grandview Park Design Guidelines;
- (y) “**Secretary**” includes any person appointed as such in accordance with these Bylaws from time to time;
- (z) “**Secretary-Treasurer**” includes any person appointed as such in accordance with these Bylaws from time to time;

(aa) **“Services”** includes the following as they relate to Grandview Park:

- (i) Garbage collection;
- (ii) Protection and maintenance of Municipal Reserves as defined in Municipal District of Rocky View No. 44, Bylaw No C-5756-2003
- (iii) Maintenance and management of a feature waterfall located on those lands legally described as Plan _____, Block 2, Lot 1, including a water meter and the electricity required for the operation of the waterfall;
- (iv) Spraying for mosquitoes and the maintenance of the storm water collection and management system regardless of whether located on Municipal Reserve, Public Utility Lots or Residential Lots or elsewhere in the Subdivision;
- (v) Maintenance of pathways, including weed control;
- (vi) Maintenance of mailbox structures and parking lots;
- (vii) At such time as the rights and obligations of the Developer pursuant to the Restrictive Covenant have been assigned to the Association by the Developer, the enforcement of the provisions of the Restrictive Covenant registered against title to the lands located within the Subdivision and the appointment of a co-ordinator as contemplated therein;

and such other services as may be agreed upon by Special Resolution of the Members from time to time.

(bb) **“Special General Meeting”** has the meaning ascribed thereto in Bylaw 18;

(cc) **“Special Assessment”** has the meaning ascribed thereto in Bylaw 71(a);

(dd) **“Special Resolution”** shall have the meaning ascribed thereto in the Act; provided, however, that in the event that the Act shall not at any particular time define **“Special Resolution”** then for the purposes of these Bylaws, **“Special Resolution”** shall mean a resolution passed at a meeting of the Members duly called and constituted in accordance with these Bylaws of which not less than twenty one (21) days notice specifying the intention to propose the Special Resolution has been duly given and by the vote of not less than seventy five percent (75%) of the votes cast in person or by proxy on the particular resolution;

(ee) **“Subdivision”** means the development shown outlined in bold on the plan attached as Schedule "A" hereto;

(ff) **“Treasurer”** includes any person appointed as such in accordance with these Bylaws from time to time; and

- (gg) “**writing**” and “**written**” includes printing, typewriting, lithographing and other modes of representing or reproducing words in visible form which, without restricting the generality of the foregoing shall include telex, facsimile transmission or electronic mail.
2. Words importing the singular number include the plural number and vice versa, words importing gender include all other genders and words importing persons include corporations and companies.
 3. The headings herein are given for convenience of reference only and shall not in any way affect the interpretation of these Bylaws.
 4. These Bylaws shall be interpreted in a large and liberal sense so as to give effect thereto whenever possible.
 5. These Bylaws are subject to and are to be construed with the Encumbrance which shall govern in the event of any conflict with these Bylaws.
 6. Notwithstanding anything contained herein, the Bylaws shall be read subject to the restrictions on their scope and effect contained in the Act and other applicable statutes and rules of law and equity, and any provision herein inconsistent with such restrictions shall, wherever possible, be severed from these Bylaws, in order that the rest may stand.
 7. The following schedules are attached to and form a part of these Bylaws:

Schedule “A”	Outline of Subdivision
Schedule “B”	Encumbrance
Schedule “C”	Residential Lots
Schedule “D”	Municipal Reserve Lots and Public Utility Lots

REGISTERED OFFICE

8. Subject to the provisions of the Act, the Association may, by Ordinary Resolution of the Directors, change from time to time the place within the City of Calgary or the Municipal District of Rocky View No. 44, where the Registered Office of the Association is to be situated.

MEMBERSHIP IN THE ASSOCIATION

9. The following persons shall be Members of the Association:
 - (a) The subscribers hereto shall be Members until they resign whether or not they are an Owner; and
 - (b) Every Owner shall be a Member so long as that person is an Owner, and shall immediately cease to be a Member if at any time they cease to be an Owner.

10. Every Owner shall agree in writing to allow the registration of the Encumbrance against the title to their property, thereby confirming such membership, their obligations as Members and arising pursuant to the Encumbrance, and their agreement to pay the Rent Charge. In the event any Owner delays, fails, or refuses to complete and allow the registration of the Encumbrance against title to his/her/their property, such Owner does hereby irrevocably appoint the Association as his/her/their attorney to sign and deliver in his place and stead all such documents necessary to become a Member.
11. Notwithstanding anything else contained in these Bylaws:
 - (a) where there is more than one Owner of a Residential Lot, the Member shall be the person designated as Member by all the Owners of the said Residential Lot. In the absence of such designation, the first person named as Owner in the Certificate of Title for such Residential Lot, shall be the Member;
 - (b) where the Owner of a Residential Lot is a corporation, the Member shall be a person resident in said Residential Lot and designated by the corporation as the Member;
 - (c) in the case of a Residential Lot owned by the Developer, the Member shall be a person designated by the Developer who need not be resident in the Subdivision, it being agreed that the Developer shall have and is entitled to exercise one vote in respect of any Resolution of the members in respect of each Residential Lot owned by the Developer (with each such individual vote being considered for the purpose of determining quorum);
 - (d) where a Residential Lot is occupied by a tenant under a lease, license or other agreement with the Owner of such property, the tenant may at the owner's discretion be designated as the Member by and instead of the Owner of the Residential Lot;
 - (e) in the event of difficulty or dispute in determining the Member, the Directors in their absolute discretion may designate the Member with the intention that, subject to Bylaw 11(c), there be a Member from each Residential Lot and that the Member be a natural person resident in the Subdivision;
 - (f) subject to Bylaw 11(c), membership in the Association is not transferable but is determined by ownership and residence as herein set forth; and
 - (g) all Members shall, subject to Bylaw 11(c), be residents of the Subdivision who are 18 years of age or older.

REGISTER OF MEMBERS

12. A Register of Members in such form as the Board may approve, from time to time, shall be maintained to record the names and addresses of all current Members. The Register of Members shall be amended from time to time so that all current 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 Association of evidence acceptable to the Board.

13. The Register of Members shall contain the following particulars:
 - (a) the municipal address of the Owner;
 - (b) the date of commencement of membership for such Member and the date such Member ceased to be a Member; and
 - (c) such other information as the Directors may determine from time to time by Ordinary Resolution.
14. Where an individual has reasonable cause to believe that he or she should be considered as a Member of the Association but his or her name does not appear in the Register of Members as a current Member, such individual may notify any one of the Directors of that fact along with evidence necessary for the Directors to determine whether the individual is a Member. The Directors shall use their reasonable and diligent efforts to determine the status of the membership within a reasonable period of time of receipt of the notice and shall, by Ordinary Resolution, determine whether such individual is a Member or not. Notice of the decision shall be provided to the individual within a reasonable period of time.
15. The Members may, by Special Resolution at a general meeting, expel an individual, from membership in the Association for any reasonable cause. Any Member expelled from membership in the above manner shall be entitled to notice of the general meeting of which the vote in relation to his or her expulsion is to take place and shall be entitled to speak in the matter. Any individual so expelled shall not be entitled to commence any action or institute any proceeding to be reinstated as a Member. An expelled Member may only be reinstated by Special Resolution passed at a general meeting of the Members. Notwithstanding any such expulsion, the expelled Member shall continue to be responsible for the payment of the Rent Charge, the payment of any Special Assessment, and the payment of all charges arising pursuant to the provisions of the Encumbrance.

RESIGNATION OF SUBSCRIBERS

16. Any subscriber who intends to withdraw from membership in the Association shall notify any one of the Directors in writing of such intention. Upon receipt of such notice, the Directors shall cause the individual's membership to be shown as "ceased" in the Register of Members.

MEETINGS OF MEMBERS OF THE ASSOCIATION

17. Annual general meetings of the Association shall be held at such time and at such place in the City of Calgary or the Municipal District of Rocky View No. 44 as the Directors may from time to time determine by Ordinary Resolution (the "**Annual General Meeting**"). Annual General Meetings shall be held at least once in every calendar year

and no more than fifteen (15) months shall pass from one Annual General Meeting until the next Annual General Meeting. At least fourteen (14) days prior to the Annual General Meeting the Secretary shall provide notice to each Member of the date, place and time for such Annual General Meeting.

18. All other meetings of the Association shall be considered a “**Special General Meeting**”. The Directors may convene a Special General Meeting of the Association at anytime they think fit or when a request is presented to the Board signed by no less than fifteen (15%) percent of the Members requesting that a Special General Meeting be called. At least fourteen (14) days prior to the Special General Meeting the Secretary shall provide notice to each Member of the date, place and time for such Special General Meeting.
19. Only Members shall be entitled to vote, propose, or second resolutions at meetings of the Members. A Member shall be entitled to notice of and to attend at all meetings of the Members of the Association.
20. Where it is proposed to pass a Special Resolution, at least twenty-one (21) days notice specifying the day, hour and place of the Members meeting, and in the case of special business being discussed, the general nature of such business, shall be served in one of the manners hereinafter provided on the Members registered in the Register of Members at the time such notice is served. A meeting date shall be fixed, if it is proposed that:
 - (i) obligations other than those specifically set forth in the Bylaws are to be assumed by the Association; or
 - (ii) the amount of the annual Rent Charge imposed upon each Residential Lot is to be increased; or
 - (iii) a Special Assessment shall be assessed;

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

PROVIDED ALWAYS that any 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 proxy of any Member either prior to or after any meeting. It shall not be necessary to give notice of any adjourned meeting.

21. 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 (other than the accidental omission to give notice to the Developer or the non-receipt of any notice by the Developer) shall not invalidate any resolution passed or any proceedings taken at any meeting nor shall it prevent the holding of such meeting.

PROCEEDINGS AT MEMBERS' MEETINGS

22. All business shall be deemed special that is transacted at a Special General Meeting and all business that is transacted at an Annual General Meeting shall be deemed special, with the exception of consideration and approval of the financial statements and the ordinary report of the Directors, auditors and 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 Bylaws ought to be transacted at a general meeting. Special business or a Special Resolution may be passed at an Annual General Meeting provided the requisite notice has been given.
23. No business shall be transacted at any meeting unless a quorum is present at the time appointed for holding the meeting. Except as otherwise provided, fifteen (15%) percent of the Members either personally present or represented by proxy shall be a quorum. If within half an hour from the time appointed for holding any Meeting a quorum is not present, such meeting shall stand adjourned to the same day in the next week, at the same time and place; and if at such adjourned meeting a quorum is not present, the Members present or represented by proxy, if at least five (5%) percent of the Members, shall constitute a quorum.
24. The President, or in his absence the Vice-President (if any) shall be entitled to take the chair at every Annual General Meeting, or if there is no President or Vice-President, or if at any such meeting such officers shall not be present within fifteen (15) minutes after the time appointed for holding such meeting, the Members present shall choose a Director as chairperson. If no Director is present, or if all the Directors present decline to take the chair, then the Members present shall choose one of their number to be chairperson. The chairperson at any Annual General Meeting may appoint one or more persons who are Members to act as scrutineers.
25. Every question submitted to a meeting shall be decided in the first instance by a show of hands or otherwise as the chairperson may direct and in the case of an equality of votes the chairperson shall, both on a show of hands or otherwise, have a casting vote in addition to the vote to which he may be entitled to as a Member.
26.
 - (a) At any meeting, unless a poll is demanded by the chairperson or a Member present, a declaration by the chairperson that a resolution has been carried or carried by a particular majority, and an entry to that effect in the minutes of the meeting 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 chairperson of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time.

27. The chairperson of an Annual General Meeting may, with the consent of all Members present at such 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.

VOTES OF MEMBERS

28. Any individual becoming a Member prior to the time set for the holding of an Annual General Meeting shall be entitled to attend and vote at such an Annual General Meeting in person or by a nominee appointed by a proxy.
29. On a show of hands every Member present in person, including the proxy nominees of a Member, shall have one vote.
30. 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 as a proxy must also be a Member.
31. 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.
32. Any proxy shall be deposited at the Registered Office of the Association or such other place as may be specified in the notice of meeting not less than twenty-four (24) hours before the time appointed for holding the meeting at which the person named in the instrument proposes to vote, unless the Board determines to accept proxies submitted at the meeting. If there is any default of such deposit the proxy shall not be treated as valid.
33. 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 evidence in writing of the death or revocation shall have been received before the meeting at the place where the proxies are to be deposited pursuant to these Bylaws.
34. No Member shall be entitled to be present at an Annual General Meeting 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 Annual General Meeting, or upon a poll, or to be counted in a quorum while such Owner is in arrears in respect to any sum due or payable to the Association by such Member.

BORROWING POWERS

35. The Directors may not, without a Special Resolution of the Members, borrow money exceeding, in the aggregate, One Thousand Dollars (\$1,000.00).

DIRECTORS

36. The affairs of the Association shall be managed by the Board which shall consist of not less than five (5) and not more than nine (9) persons.

37. The Directors shall have power, from time to time and at any time, to appoint by Ordinary Resolution any other person or persons as Director or Directors, either to fill a casual vacancy or vacancies or as an addition or additions to the Board, provided, however, that the total number of Directors shall not at any time exceed the maximum number fixed by these Bylaws or at an Annual General Meeting.
38. A Director, other than a subscriber, must be a Member of the Association.
39. The Directors shall not be entitled to be paid out of the funds of the Association by way of remuneration for their services as Directors.
40. A Director may retire from office upon giving five (5) days notice in writing to the Association of his intention to do so, and such resignation shall take effect upon the expiration of such notice or its earlier acceptance.
41. The office of a Director shall be deemed to be vacated:
 - (a) if the Director is found to be insane or becomes of unsound mind;
 - (b) if by notice in writing to the Association the Director resigns his office upon the time herein before fixed for the resignation to take effect or the previous acceptance of the same;
 - (c) if a Director, other than a First Director, is removed by resolution of the Association, as hereinafter provided;
 - (d) if a Director, other than a First Director, ceases to be a Member in accordance with these Bylaws; or
 - (e) during any period that any sum shall be due or payable to the Association by such Director, other than a First Director.
42. A Director, except for the First Directors, shall be disqualified, by virtue of his office, from contracting with the Association either as a vendor, purchaser or otherwise.
43. Notwithstanding any other provision in these Bylaws a First Director shall be entitled to hold their office for the first three (3) years after the incorporation of the Association.
44. Unless otherwise determined by the Directors by Ordinary Resolution, the Directors shall be elected for a term of two (2) years provided that a simple majority of the Directors (excluding the directors who hold office at present) elected at the third Annual General Meeting shall hold office only for a term of one (1) year with the consequence being that not all Directors shall retire from office at each Annual General Meeting but shall serve staggered terms of two years. As soon as possible following the first Annual General Meeting, the Directors shall by Ordinary Resolution make a determination of the Directors who will hold office for such one year term provided that the Director elected at the first Annual General Meeting to hold the office of President shall hold such office for a two year term. At each Annual General Meeting the Directors who have completed

their full term and any Director appointed as provided for herein who has completed the term of the Director whose place he or she is filling shall retire from office.

45. A retiring Director shall be eligible for re-election.
46. The Association, at every Annual General Meeting shall fill the vacated offices by electing a like number of person 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.
47. With the exception of the First Directors, the Association may, by Special Resolution of the Members, 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 stead he is or they are appointed would have held the same if he or they had not been removed.

REGISTER OF DIRECTORS AND OFFICERS

48. The Directors shall maintain a register of the Directors and officers including their addresses, contact information, occupations and any other information determined by the Board from time to time.

PROCEEDINGS OF DIRECTORS

49. 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. Until the Directors make such a determination, one-half of the Directors shall constitute a quorum. No business shall be transacted at any meeting unless a quorum is present at the time appointed for holding the meeting. If within half an hour from the time appointed for holding any such meeting a quorum is not present, such meeting shall stand adjourned to the same day in the next week, at the same time and place; and if at such adjourned meeting a quorum is not present, the Directors present shall constitute a quorum.
50. Meetings of the Board of Directors shall be held in the City of Calgary or the Municipal District of Rocky View No. 44, in the Province of Alberta.
51. 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. Notice of any meeting where notice has not been dispensed with, delivered or mailed to each Director at his ordinary address at least three (3) business days prior to such meeting, shall be sufficient notice of any meeting of the Directors. In computing such period of three (3) business days, the day on which such notice is delivered or received shall be included; and the day for which the notice is given shall be excluded. Notices shall be deemed received when delivered if served by delivery or two (2) business days after

mailing if served by mail. Notice of any meeting, or irregularity in any meeting or in the notice thereof, may be waived by that individual Director at any time. The Directors may by Ordinary Resolution appoint a regular time and place for meetings, and no further or other notice of such time and place other than the entry of such 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.

52. Any Director may participate in a meeting of the Board of Directors by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. A Director participating in a meeting pursuant to this Bylaw 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 the City of Calgary or the Municipal District of Rocky View No. 44 as the Directors may from time to time determine.
53. The President or Secretary shall at the request of not less than fifty (50%) percent of the Directors, convene a meeting of Directors.
54. 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.
55. 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 these Bylaws 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 an Annual General Meeting of the Association, but for no other purpose.
56. The Directors may approach one of their number to be chairperson of the Board of Directors, and in the absence of such appointment the President 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 number to be chairperson of such meeting.
57. A meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under these Bylaws vested in or exercisable by the Directors generally.
58. 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.

COMMITTEES

59. 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 that may from time to time be imposed upon it by the Directors.

60. The meetings and proceedings of any such committee consisting of two (2) or more Directors 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 Bylaw 59.

MINUTES

61. The Directors shall cause minutes to be maintained for the purpose:
- (a) of the appointments of all 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 Annual General Meetings and Special General Meetings.

Minutes of any meetings of the Directors or of any committee of Directors, or of the Association, 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.

POWERS OF DIRECTORS

62. The management of the business of the Association shall be vested in the Directors who, in addition to the powers and authorities by these Bylaws 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 Association or any other duties or responsibilities which may be assigned to the Association from time to time, and are not hereby or by statute expressly directed or required to be exercised or done by the Members at an Annual General Meeting including, without limitation:
- (a) to facilitate, promote and carry out or cause to be carried out the objects of the Association;
 - (b) to create and define categories of Members;
 - (c) to engage, hire and discharge any employees including administrative employees, in respect to the operation of the Association;
 - (d) to maintain and properly protect the assets and properties of the Association;

- (e) to prepare and approve an annual budget consistent with the good management of the Association;
 - (f) to maintain all accounting and financial records of the Association; and
 - (g) to issue, levy and collect levies for the Rent Charge.
63. Without restricting the generality of the foregoing Bylaw 62, the Directors shall exercise general supervision of the affairs of the Association and may from time to time make rules and regulations in relation to the Association, 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 Association, 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 Association within the meaning of this clause, that is to say, regulations:
- (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 to be payable by the Members of the Association;
 - (c) as to the maintenance of property which the Association is obliged to maintain even if the Association has no ownership interest therein; and
 - (d) as to committees of Members in connection with the management of the Association, and as to the appointment, removal, qualification, disqualification, duties, function, powers and privileges of Members of such committees.

OFFICERS

64. The Directors may from time to time appoint officers of the Association which may consist of a President, a Secretary and a Treasurer, or a Secretary-Treasurer and such other officers as they may determine from time to time. Any one person may fill more than one of the above offices. Such persons holding such offices, shall fulfill any duties assigned to them by the Directors, from time to time and shall hold such office for a period of one (1) year, unless such appointment is extended by the Board.
65. Any Officer of the Association shall be entitled to attend any meeting of the Members.

SEAL

66. The Association 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. The corporate seal shall be retained in the registered office of the Association.

RESERVES AND FUNDS

67. The Directors may set aside any of the profits of the Association to create a reserve or reserves to provide for maintaining the property of the Association or for any other purposes whatsoever for which the profits of the Association may be lawfully used. The Directors may also carry forward to the accounts of the succeeding year or years any profit or balance of profit which they shall not think fit to place in such a reserve.
68. The Directors may create a fund or funds out of the assets of the Association and may apply the fund or funds either by employing them in the business of the Association or investing them in such 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 Association for the year in which such income arose. Such funds may be applied for the purpose of maintaining the property of the Association, replacing the wasting assets, meeting contingencies, forming an insurance fund or for any other purpose for which the profits of the Association may lawfully be used.
69. 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.

OPERATING COST AND FEES OF THE ASSOCIATION

70. The Directors shall implement a procedure to monitor and to determine the costs of performing the objects of the Association and fulfilling its objects.
71.
 - (a) Each Member shall pay to the Association the annual fee as established from time to time by the Directors pursuant to these Bylaws (the “**Rent Charge**”) in their unfettered discretion to cover all costs (as actually incurred), expenditures (including, without limitation, all administrative expenses) and outgoings (whether of a capital nature or not) incurred by the Association in the fulfilment of its objects, including the provision of Services as defined herein, or such other responsibilities or obligations as may be approved by Special Resolution of the Association. The Encumbrance shall be registered against title to each Residential Lot as security for the payment and performance of all obligations, including, without limitation, payment of the Rent Charge. Notwithstanding the foregoing, the Association 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 Association relating principally to such one or more Members (the “**Special Assessment**”);
 - (b) The Members shall pay to the Association such sums as the Directors, pursuant to these Bylaws, may from time to time determine in their sole discretion are required to establish a contingency reserve fund to meet the obligations of the Association; and
 - (c) Any dues, assessments or charges for costs, expenditures and outgoings unpaid by any Member including, without limitation, the Rent Charge or a Special Assessment, when due 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 on a solicitor and its own client basis, shall be a charge against the Lands or such one or more lots therein to which such unpaid assessment or charges relate, as the Association shall deem fit or appropriate.

- (d) Notwithstanding any other provision of these Bylaws, no Rent Charge or Special Assessment shall be payable in relation to a Lot during such time as it is owned by the Developer. Upon the transfer of a Lot from the Developer to a third party purchaser, one-half of the Rent Charge (paid on a monthly basis) shall be due and payable until a house has been substantially completed on such Lot, at which time the full Rent Charge shall become payable. This provision cannot be amended without the prior written consent of the Developer.
- 72. The initial Rent Charge shall be fixed by the Directors in their discretion plus applicable goods and services tax and other similar taxes per Residential Lot.
 - 73. If the resulting contributions received do not result in sufficient income to pay the costs of the Association, then the Directors may increase the Rent Charge to the Members, subject to the provisions of the Encumbrance applicable to increasing the Rent Charge.
 - 74. The Members shall be bound by the decision of the Directors passed in accordance with this Bylaw and agree to the amendment of their Encumbrance in accordance with the decision of such meeting; and if any Encumbrance has been foreclosed off of the title to any Residential Lot or has otherwise been taken off such title or if pursuant to a meeting of the Members, it has been agreed to register a new Encumbrance giving notice of the change, the Member in respect of each Residential Lot agrees either to enter or cause the Owner to enter into any requested new Encumbrance to be registered against the title to such Owner's respective Residential Lot or agrees to the filing of an Encumbrance as referred to above. If such Member delays, fails, or refuses to complete the new Encumbrance or cause the completion of the new Encumbrance, the Association is hereby appointed as his attorney to sign and deliver such new Encumbrance in the Owners place.

ACCOUNTS

- 75. The Directors shall cause true accounts to be kept of the sums of money received and disbursed by the Association and the manner in respect of which said receipts and disbursements take place, of all sales and purchases by the Association and of the assets and liabilities of the Association and of all other transactions affecting the financial position of the Association.
- 76. The books of account and accounting records shall be kept at the records office of the Association and shall be open to inspection by the Directors the normal business hours of the Association or by specific appointment.
- 77. 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

Association, 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 inspection of any account or book or document of the Association except as conferred by law or authorized by the Directors.

78. The Directors shall prepare before each Annual General Meeting of the Members the financial statements and the report of the auditor for the Members. The financial statement shall:
- (a) be approved by the Board of Directors and signed by two (2) Directors;
 - (b) cover a period that ended not more than six (6) months before the Annual General Meeting;
 - (c) be subject to the provisions of the Act.

AUDITING

79. The books, accounts and records of the secretary and treasurer shall be audited at least once each year, by a duly qualified accountant or by two Members of the Association elected for that purpose, prior to the Annual General Meeting. A complete and proper statement of the standing of the books for the previous year shall be submitted by such auditor at the Annual General Meeting of the Association.

DISSOLUTION AND WINDING UP AND APPLICATION OF PROFITS

80. The profits, if any, and other income or accretions to the Association shall be applied only in promotion of its objects. No dividends to its Members shall be declared or paid and no part of the income or property of the Association shall be payable to, available for the personal benefit of, or otherwise distributed to its Members.
81. In the event of the dissolution or winding up of the Association, all of its remaining assets after payment of its liabilities shall be distributed to one or more recognized charitable or non-profit organization in Calgary, Alberta or the Municipal District of Rocky View No. 44 as determined by the Members by Ordinary Resolution at an Annual General Meeting.

NOTICES

82. Any notice may be served by the Association on any Member either personally or by leaving it at the address of a Member as the same appears in the Register of Members or by sending it through the post in a prepaid envelope addressed to such Member at his address as the same appears in the Register of Members, or if no address is given therein, to the address shown on the Certificate of Title to the Owner's Residential Lot giving membership status to such individual. Any notice sent by post shall be deemed to have been served on the third business day following the mailing thereof.

83. Any notice or document delivered or sent by post or left at the address of any Member as the same appears in the Register of Members shall, notwithstanding such Member be then deceased and whether or not the Association had notice of his decease, be deemed to have been duly served until some other person is entered in his stead in the Register of Members 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.
84. The signature on any notice to be given by the Association may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.
85. 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.
86. A certificate of the secretary or other duly authorized officer of the Association in office at the time of the making of the certificate as to the facts in relation to the mailing, including the proper address thereof, or delivery 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 Association, as the case may be.
87. 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 or the subject of a Special Resolution.
88. 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.

RECORD DATE

89. 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

90. Except as otherwise hereinafter provided, every Director, officer or employee of the Association shall be indemnified by the Association against 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, in good faith, discharging his duties as a Director, officer or employee of the Association.

91. Any person made a party to any action, suit or proceeding by reason of the fact that he, his testator or intestate, is or was a Director, officer or employee of the Association, shall be indemnified by the Association against reasonable expenses, including legal fees, actually and necessarily incurred by him 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, officer or employee 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 Association to exercise its general power to enter into a contract or undertaking of indemnity with or for the benefit of any Director, officer or employee in any proper case not provided for herein.
92. No Director, officer or employee of the Association shall be liable for the acts, receipts, neglects or defaults of any other Director, officer or employee or for joining in any receipt or neglects or defaults of any other Director, officer or employee or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Association through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Association, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Association 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, 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 or employee.

AMENDMENT OF BY LAWS

93. These Bylaws may be rescinded, altered or added to in accordance with the provisions of the Act, provided that any amendment to the objects of the Association shall require a Special Resolution notwithstanding the provisions of the Act.

DATED at the City of Calgary, in the Province of Alberta, this _____ day of
_____ 2005.