

ARTICLES OF ASSOCIATION

OF

THE SWIFT CREEK ESTATES HOMEOWNERS ASSOCIATION

1. The Articles of Association contained in **Table "A"** in the Schedule to The Companies Act (Alberta) does not apply to this Company.
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 (Alberta), or any statutory amendment or modification thereof, shall have the meaning so defined, and
 - A. "Annual Rent Charge" means the sum of \$1000.00 per annum plus applicable G.S.T., together with an annual increase thereto (if authorized by the Company) for such purposes as described in Section 72 herein, and in such amount as determined pursuant to the provisions of Section 74 herein;
 - B. "Association" or "Company" means The Swift Creek Estates Homeowners Association;
 - C. "Companies Act (Alberta)" means the Companies Act of the Province of Alberta, for the time being in force;
 - D. "Company" or "Association" means The Swift Creek Estates Homeowners Association;
 - E. "Developer" means Westspring Development Limited Partnership, an Alberta registered limited partnership, or any successor;
 - F. "Directors", "Board" and "Board of Directors" means the directors of the Company for the time being;
 - G. "Encumbrance" means an instrument registered against a title to certain residential property located in the Swift Creek Estates Subdivision to restrict the use of such residential property for the better enjoyment and greater benefit of the Swift Creek Estates Amenities by all the Members;

- H. "Family Members" means the spouse (whether legally married to or not) of a Member and the lawful children (as distinguished from a child under 18 years of age for whom the Member or his or her spouse is not in the position of having legal responsibility for such child) of such Member and/or such spouse provided such spouse and children are actually residing in the residential property of the Member and located in the Swift Creek Estates Subdivision;
- I. "Lot(s)" means one or all of the residential lots located within the Swift Creek Estates Subdivision;
- J. "Member" or "Members" means a person or persons for the time being entered in the register of Members;
- K. "month" means calendar month;
- L. "Municipal District of Rocky View No. 44" or "MDRV" means, subject to context, either the region outside the geographical limits of the City of Calgary or the government responsible for such municipal jurisdiction;
- M. "Municipal Obligations" means the Public Utility Lots, Environmental Reserves, Municipal Reserves, storm water management facilities, public walkways, fencing, road boulevards, road medians, entrance features, landscaped areas and associated community facilities within such parcels including parking areas, pathways and related signage, and the maintenance of same, all within the Swift Creek Estates Subdivision;
- N. "Officer" means the chairman or any vice-chairman of the Board of Directors, the president, any vice-president, the secretary, the treasurer or the general manager of the Company or any other individual who performs functions for the Company similar to those normally performed by an individual occupying any such office;
- O. "Ordinary Resolution" means a resolution of the Company which
- (i) is approved at a meeting of the Company, for which not less than ten (10) days' written notice has been provided, by a simple majority vote, and which is otherwise NOT a Special Resolution, or
 - (ii) is consented to in writing by a simple majority of the votes of the Members who would have been entitled at a general meeting to vote on the resolution in person.

- P. "registered office" means the registered office of the Company for the time being;
- Q. "Secretary" includes any person appointed to perform the duties of secretary;
- R. "Special Assessment" means a financial levy or levies to be paid by each Member, as assessed by the Directors, arising from a particular one-time need or requirement;
- S. "Special Resolution" means
- (i) a resolution passed
 - a) at a general meeting of which not less than 21 days' notice specifying the intention to propose the resolution has been duly given, and
 - b) by a majority of not less than 75% of the votes of those Members who, if entitled to do so, vote in person or by proxy,
 - (ii) a resolution proposed and passed as a special resolution at a general meeting of which less than 21 days' notice has been given, if all the Members entitled to attend and vote at that general meeting so agree, or
 - (iii) a resolution consented to in writing by all the Members who would have been entitled at a general meeting to vote on the resolution in person or, if proxies are permitted, by proxy;
- T. "Swift Creek Estates Amenities" means
- (i) the Municipal Obligations and the provision of solid waste disposal services, including any and all public waste receptacles or other similar containers within the said subdivision; and
 - (ii) such rights as may be acquired together with such obligations as may be assumed by the Association under any restrictive covenant or similar instrument registered against the title to each of the Lots, which encumbrance shall pertain to architectural guidelines and a building footprint envelope governing the development of the Lot;

- U. "Swift Creek Estates Subdivision" means the lands generally located in the west portion of the Municipal District of Rocky View No. 44 in the Province of Alberta within the Southeast Quarter of Section 14, Township 24, Range 3 West of the Fifth Meridian, to be described, following subdivision, in the attached **Schedule "A"** and an adjacent parcel (Remainder Block 2, Plan 001 2189) which is contemplated to be subdivided into a four (4) lot subdivision, with each lot containing 2 acres, more or less;
 - V. "these presents" means and includes these Articles of Association, and any modification or alteration thereof for the time being in force; and
 - W. "writing" and "written" includes printing, typewriting, lithographing and other modes or representing or reproducing words in visible form which, without restricting the generality of the foregoing shall include telex, facsimile transmission or electronic mail.
3. Words importing the singular number include the plural number and vice versa, words importing the masculine gender include the feminine and words importing persons include corporations and companies.

REGISTERED OFFICE

4. Subject to the provisions of The Companies Act (Alberta), the Company may, by ordinary resolution of the Directors change from time to time the place within Alberta where the registered office of the Company is to be situated.

MEMBERS

5. The subscribers hereto shall be Members until they resign. Every person owning a Lot in the Swift Creek Estates Subdivision shall be a Member as long as such person so owns such Lot and shall forthwith cease to be a Member at any time a Lot in the Swift Creek Estates Subdivision is not owned by such person. Every person owning a Lot in the Swift Creek Estates Subdivision shall agree, in writing to allow the registration of an Encumbrance or Caveat against the title to their property confirming such membership, their obligations and their agreement to pay the Annual Rent Charge. In the event any person owning a Lot in the Swift Creek Estates Subdivision delays, fails, or refuses to complete and allow the registration of the Encumbrance or Caveat such person does hereby irrevocably appoint the Company as his attorney to sign and deliver in his place and stead all such documents necessary to become a Member.
PROVIDED ALWAYS:

- A. where there is more than one such owner the Member shall be the person designated as Member by all the owners of said property. In the absence of such designation the first person named as owner in the Certificate of Title shall be the Member;
- B. where a Lot is owned by a corporation the Member shall be a person resident in said property and designated by the corporation as the Member;
- C. where a Lot is occupied by a tenant such tenant may be designated as the Member by and instead of the owner of such property;
- D. in the event of difficulty or dispute in determining the Member, the Directors in their absolute discretion may designate the Member, the intention being that there be a Member from each Lot in the Swift Creek Estates Subdivision and that the Member be a natural person resident in the Swift Creek Estates Subdivision; and
- E. membership is not transferable by a Member but is determined by ownership and residency as herein set out.

REGISTER OF MEMBERS

- 6. A register of Members in such form as the Board may approve shall be maintained in which shall be recorded the names and addresses of all Members. The register of Members shall be amended from time to time so that all Members are listed in the Register. Such amendment may be made by the Board at any time and from time to time of its own volition or upon presentation to the Company of evidence acceptable to the Board. Upon amendment as aforesaid there may be charged a fee not exceeding TEN (\$10.00) DOLLARS as set by the Board from time to time for the provision of a copy thereof.

MEMBERS' MEETINGS

- 7. The first annual general meeting of the Company shall be held at such time, within sixteen (16) months from the date on which the Company is incorporated, and at such place as the Directors may determine. Subsequent annual general meetings shall be held at least once in every calendar year and no more than sixteen (16) months after the holding of the last preceding annual general meeting, at such time and place as may be determined by the Directors.
- 8. Type of Meeting.

- A. 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;
 - B. All meetings of Members shall be held in the MDRV or in the City of Calgary in the Province of Alberta; and
 - C. No Family Member shall be entitled to notice of any meeting, general, special or otherwise of the Company, nor shall any Family Member have the right to vote at any such meeting, but they may attend same.
9. Only Members shall be entitled to vote, or propose, or second resolutions at meetings of the Members.
10. The Directors may, whenever they think fit, proceed to convene a special general meeting of the Company.
11. Where it is proposed to pass a Special Resolution, such notice as is required to be given by The Companies Act (Alberta), 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 register of Members at the time such notice is served or if a record date has been fixed, at the time of such record date.
12. If it is proposed that:
- A. additional obligations other than those specifically set forth in the Memorandum of Association of the Association are to be assumed by the Association; or
 - B. a Special Assessment be approved;
- then 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.
13. A meeting of the Members may be held for any purpose, at any time and at any place without notice, if all the Members entitled to notice of such meeting are present in person or represented thereat by proxy or if the absent Members shall have signified their assent in writing to such meeting being held. Notice of any meeting or any irregularity in any meeting or in the notice thereof may be waived by any Member or the

duly appointed proxy of any Member. It shall not be necessary to give notice of any adjourned meeting.

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

PROCEEDINGS AT MEMBERS' MEETINGS

15. All business shall be deemed special that :
 - A. is transacted at a special general meeting; and
 - B. 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 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.
16. Special business or a special resolution may be passed at an annual general meeting provided the requisite notice has been given.
17. No business shall be transacted at a general meeting unless a quorum is present at the time the meeting proceeds to business. Save as herein otherwise provided, TEN (10%) PERCENT of the Members either personally present or represented by proxy shall be a quorum.
18. 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 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 and if no Director be present, or if all the Directors present decline to take the chair, then the Members present shall choose one of their number to be chairperson. The chairperson at any meeting of Members may appoint one or more persons who are Members to act as scrutinizers.
19. 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 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 TWO Members, shall constitute a quorum.

20. 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.
21. Poll Vote.
 - A. At any meeting unless a poll is demanded by the chairperson or by one-tenth of the Members present, a declaration by the chairperson that a resolution has been carried or carried by a particular majority, and an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution;
 - 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.
22. The chairperson of a general meeting may, with the consent of the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

VOTES OF MEMBERS

23. On a show of hands every Member present in person, including the proxy nominees of a Member, shall have one vote. No Family Member shall be entitled to vote unless acting as proxy for a Member.
24. Votes may be given either personally or by a nominee appointed by a proxy.
25. 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 Family Member.

26. No proxy shall be valid after the expiration of twelve (12) months from the date of its execution unless it is otherwise specified in the instrument.
27. 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, unless the Board determined to accept proxies submitted at the meeting. If there is any default of such deposit the proxy shall not be treated as valid.
28. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death of the Member, or revocation of the proxy with respect to which the vote is given, provided no intimation in writing of the death or revocation shall have been received before the meeting at the place where the proxies are to be deposited.
29. 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 counted in a quorum whilst any sum shall be due or payable to the Company by such Member.

BORROWING POWERS

30. The Directors may from time to time at their discretion raise or borrow money for the purpose of the Company business in amounts in the aggregate not exceeding Twenty-five Hundred Dollars (\$2500.00) at any time.

DIRECTORS

31. Unless otherwise determined by a general meeting, the number of Directors shall be not less than three (3) or more than seven (7).
32. The subscribers hereto shall be the first Directors of the Company.
33. 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, 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.
34. A Director, other than a subscriber or nominee of a subscriber, must be a Member of the Company.

35. The Directors shall not be entitled to be paid out of the funds of the Company by way of remuneration for their services as Directors.
36. A Director may retire from office upon giving 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.
37. The office of a Director shall be deemed to be vacated:
 - A. if he is found to be insane or becomes of unsound mind;
 - B. if by notice in writing to the Company he resigns his office upon the time herein before 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;
 - D. if he ceases to be a member in accordance with Section 5; or
 - E. during any period that any sum shall be due or payable to the Company by such Director.
38. A Director shall be disqualified, by his office, from contracting with the Company either as a vendor, purchaser or otherwise howsoever.
39. 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.
40. A retiring Director shall be eligible for re-election.
41. 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.
42. The Company 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 eligible 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 OFFICERS

43. The Directors shall duly comply with the provisions of The Companies Act (Alberta), or any statutory modification thereof for the time being in force, and in particular with the provision in regard to the keeping of the registers of the Directors and Officers and their addresses and occupations, the signing of the balance sheet, the filing with the Registrar of Companies 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 form of proxy and the issuing of information circulars.

PROCEEDINGS OF DIRECTORS

44. 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.
45. Meetings of the Board of Directors shall be held in either the MDRV or in the City of Calgary, in the Province of Alberta.
46. The Directors may make regulations in regard to the manner and time that notice shall be given of such meetings. Until such regulations are made, meetings of the Board may be held at any time without formal notice if all the Directors are present or those absent have signified their consent in writing to the meeting being held in their absence; and notice of any meeting where notice has not been dispensed with, delivered or mailed to each Director at his 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. The Director may by 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.

47. 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, 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 the MDRV or in the City of Calgary as the Directors may from time to time determine.
48. The President or Secretary shall at the request of not less than 20% of the Directors, convene a meeting of Directors.
49. 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.
50. 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.
51. 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.
52. A meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company vested in or exercisable by the Directors generally.
53. 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.

54. 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.
55. 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.
56. A resolution in writing, signed by all the Directors without their meeting together, and which may be executed in several counterparts and which may be delivered as an electronically scanned document either by electronic mail or by facsimile transmission, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted, and shall be held to relate back to any date therein stated to be the effective date thereof.

MINUTES

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

POWERS OF DIRECTORS

58. 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 powers and do all such acts and things as may be exercised or done by the Company or any other duties or responsibilities which may be assigned to the Company from time to time and are not hereby or by statute expressly directed or required to be exercised or done by the Members at a general meeting; and without restricting the generality of the foregoing the Directors shall exercise general supervision of the affairs of the Company and may from time to time make rules and regulations in relation to the Company, and may at any time in like manner annul or vary any rules and regulations so made, and all rules and regulations so made and for the time being in force shall be binding on the Members 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 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 Company;
 - C. as to the manner in which a Member may be assessed a monetary fine for abuse of the access and use of the Swift Creek Estates Amenities;
 - D. as to the maintenance of the Swift Creek Estates Amenities and use of the Swift Creek Estates Amenities by Members and Family Members;
 - E. as to the maintenance of property which the Company is obliged to maintain even if the Company has no ownership interest therein;
 - F. as to committees of Members in connection with the management of the Company, and as to the appointment, removal, qualification, disqualification, duties, function, powers and privileges of members of such committees; and
 - G. on behalf of the Company, to apply to the MDRV and to enter into any and all agreements required by the MDRV whereby the MDRV would collect, on behalf of the Company, the Annual Rent Charge,

as determined by the Company, for the purpose of providing additional operational, maintenance, and replacement services for the Swift Creek Estates Amenities, at a level of service over and above the standard level of service provided by the MDRV for the Swift Creek Estates Amenities.

59. It is hereby disclosed to all Members that representatives of Macdonald Westspring Properties Ltd., being the general partner of the Developer, are or will be Members of the Company and all Members of the Company do hereby unanimously agree to the provisions of Section 61 below and do hereby unanimously entirely release the Developer, the Developer's representatives, the Company and the Directors and Officers of the Company from the legal results of any conflict that they or Macdonald Westspring Properties Ltd. may otherwise be in as a result of Macdonald Westspring Properties Ltd. and the Company entering into an Agreement for the development, the initial management operation of, maintenance of and delivery of the Swift Creek Estates Amenities to the Company and the maintenance, if any, of the Swift Creek Estates Amenities including from the legal consequences of the Directors and Officers of the Company being partially restrained from and being partially released from their normal and usual rights, duties and responsibilities as provided for in Sections 61 and 62 below.

**TEMPORARY REMOVAL OF OFFICERS' AND DIRECTORS'
AUTHORITY AND RESPONSIBILITIES**

60. The Swift Creek Estates Amenities have been designed, engineered and planned solely by Macdonald Westspring Properties Ltd. in its capacity as general partner of the Developer, and the Developer has agreed to develop and construct such amenities at the Developer's sole cost and responsibility.
61. The Developer has also agreed to be responsible for providing operation, maintenance and replacement services for the Swift Creek Estates Amenities, at a level of service over and above the standard level of service provided by the MDRV for the Swift Creek Estates Amenities until the later of June 30, 2008 or the date that titles to fifty-four (54) of the Lots in the Swift Creek Estates Subdivision have been transferred to owners of the Lots (the "Turnover Date"). At the Turnover Date, the Developer will transfer the operation and maintenance and, to the extent legally permissible, ownership of the Swift Creek Estates Amenities to the Company providing that the Company does not hinder the Developer's efforts or increase the development, construction, operating, management, or maintenance costs for the Swift Creek Estates Amenities

by becoming involved in, investigating or exercising authority or control in the development, construction, operation, maintenance or management of the Swift Creek Estates Amenities prior to the Turnover Date.

62. In order to relieve its Officers and Directors from any responsibility that they may otherwise have in the proper exercise of their responsibility to protect the interests of the Company and its Members, and with regard to any alleged resulting breach of fiduciary obligations, until the ownership of the Swift Creek Estates Amenities are formally transferred to the Company by the Developer on the Turnover Date the powers of the Officers and Directors of the Company to manage the business and affairs of the Company are hereby removed and the Officers and Directors of the Company are released from such duties and from any liability for failure to otherwise exercise such duty in so far as such duty relates in any way to the investigation of, determination of and enforcing of the proper and adequate quality of design, engineering, planning, development, and construction of the Swift Creek Estates Amenities, and to the provision of operational, maintenance and replacement services for the Swift Creek Estates Amenities. Except as set out above, such Officers and Directors shall retain their normal and usual rights, duties and responsibilities and may, on a limited basis as requested by the Developer, be involved in the operation of the Swift Creek Estates Amenities.

OFFICERS

63. 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. Each such Officer shall be a Member of the Company. 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.
64. The President shall be elected by the Board from amongst their number. The secretary and the treasurer or secretary-treasurer of the Company shall be appointed by the Board. The Board may appoint an assistant secretary, who shall be empowered to act in the absence of or under the direction of the secretary in the performance of the duties of the secretary. The Directors may appoint a temporary substitute for any of the above Officers, who shall for the purposes of these presents be deemed to be the Officer for the position of which he occupies.
65. Any Officer of the Company shall be entitled to attend any Members' meeting.

SEAL

66. The Company shall have a corporate seal which shall be of such form and device as may be adopted by the Directors, and the Directors may make such provisions as they see fit with respect to the affixing of the said seal and the appointment of a Director or Directors or other persons, to attest by their signatures that such seal was duly affixed.

DIVIDENDS

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

RESERVES AND FUNDS

68. The Directors may set aside any of the profits of the Company to create a reserve or reserves to provide for maintaining the property of the Company and other property which it is obliged to maintain, replacing the wasting assets, meeting contingencies, forming an insurance reserve or for any other purposes whatsoever for which the profits of the Company 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.
69. The Directors may create a fund or funds out of the assets of the Company and may apply the fund or funds either by employing them in the business of the Company or investing them in such manner as they shall think fit, and the income arising from such fund or funds shall be treated as part of the profits of the Company for the year in which such income arose. Such funds may be applied for the purpose of maintaining the property of the Company, replacing the wasting assets, meeting contingencies, forming an insurance fund or for any other purpose for which the profits of the Company may lawfully be used.
70. 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 OF ASSOCIATION

71. The Directors shall implement a procedure to monitor and to determine the costs to provide operational, maintenance and replacement services for the Swift Creek Estates Amenities, at a level of service over and above the standard level of service provided by the MDRV, for the Swift Creek Estates Amenities.
72. Each Member shall pay to the Company the Annual Rent Charge as established from time to time by the Directors or Members pursuant to Section 74 herein, 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 Company in the fulfillment of its objects, including the development, operation, maintenance and management of the Swift Creek Estates Amenities or such other responsibilities or obligations as may be approved by resolution of the Company. Such Annual Rent Charge shall be registered against title to each residential unit as security for payment thereof. Notwithstanding the foregoing, the Company may where it deems it reasonable and prudent, assess an individual Member or any one or more Members individually for a cost, expense or outgoing of the Company relating principally to such one or more Members:
 - A. The Members shall pay to the Company pro rata such sums as the Directors or Members pursuant to Section 74 herein may from time to time determine in their sole discretion are required to establish a contingency reserve fund to meet the obligations of the Company; and
 - B. Any Annual Rent Charge, dues, assessments or other charges for such costs, expenditures and outgoings unpaid when due shall bear interest at the Royal Bank of Canada (Calgary main branch) prime rate of interest PLUS five (5%) per cent 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 own client basis, shall be a charge against The Lots or such one or more lots therein to which such unpaid assessment or charges relate as the Company shall deem fit or appropriate.
73. The initial Annual Rent Charge shall be \$1000.00 per residential unit and such Annual Rent Charge shall be shown in the Encumbrance registered as security for the same. Notwithstanding this Clause, neither the Developer, nor an owner acquiring a lot from the Developer, shall be

responsible for payment of the Annual Rent Charge until such time as title has been transferred into the name of the owner of a Lot.

74. If the resulting contributions received do not result in sufficient income to pay the costs of the Company, then the Directors shall increase its income in the following manner:
- A. if necessary, they shall borrow, on a short term basis any funds required to meet the operating cash deficiency being experienced;
 - B. the Directors may increase the Annual Rent Charge to the Members;
 - C. they shall present a full report on the operating cash deficiency to the next annual general meeting of the Company together with their recommendations for increasing the income of the Company including, if so determined by the Directors, increasing the Annual Rent Charge to the Members;
 - D. if they determine that addressing such deficiency should not await the next ensuing annual general meeting, they shall call a special general meeting of the Company to consider the matter; and
 - E. if necessary, by creating a contingency reserve fund to address special requirements or needs of the Company that may have been unforeseen at the time of the last annual general meeting of the Company.
75. The Members shall be bound by the decision of the Directors or Members passed in accordance with these Articles and agree to the amendment of the Encumbrance registered against the titles to their respective Lots in accordance with the decision of such meeting; and if any Encumbrance has been foreclosed off of the title to the Lot of a Member 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 or a Caveat giving notice of the change, the Member agrees either to enter into any requested new Encumbrance to be registered against the title to his Lot or agrees to the filing of an Encumbrance or Caveat as referred to above and if he delays, fails, or refuses to complete the new Encumbrance or Caveat the Company is hereby appointed as his attorney to sign and deliver such new Encumbrance or Caveat in his place and stead.

ACCOUNTS

76. 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.
77. The books of account and accounting records shall be kept at the records office of the Company or, subject to the limitations of The Companies Act (Alberta) in this regard, at such other place or places as the Directors think fit, and shall be open to inspection by the Directors and duly authorized representatives of the MDRV during the normal business hours of the Company.
78. 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 inspection of any account or book or document of the Company except as conferred by law or authorized by the Directors.
79. The Directors shall prepare before each annual general meeting of the Members a financial statement and the report or notice pertaining thereto of the auditor or the Association's independent chartered accountants, as the case may be, to the Members. The financial statement shall:
- A. be approved by the Board of Directors and signed by two (2) of them;
 - B. cover a period that ended not more than six (6) months before the annual general meeting;
 - C. subject to the provisions of The Companies Act (Alberta), contain a comparative statement (except in the case of the first statement) relating separately to the latest completed financial year next preceding it; and
 - D. be made up of:
 - (i) a statement of profit and loss for each period;
 - (ii) a statement of surplus for each period;

- (iii) subject to the provision of The Companies Act (Alberta), a statement of source and application of funds for each period; and
 - (iv) a balance sheet as at the end of each period with each statement containing the information required by The Companies Act (Alberta) to be disclosed in such statements.
80. Subject to the provisions of The Companies Act (Alberta), a copy of the financial statement and a copy of the auditor's or the Association's independent chartered accountants' report or notice, as the case may be, pertaining thereto shall be sent to each Member (not including Family Members) by prepaid mail, at least 10 days before the date of the annual meeting or upon written request of such Member.

NOTICES

81. Any notice may be served by the Company 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 Lot in the Swift Creek Estates Subdivision 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.
82. Any notice or document delivered or sent by post or left at the address of any Member as the same appears on the register of Members shall, notwithstanding such Member be then deceased and whether or not the Company had notice of his decease, be deemed to have been duly served until some other person is entered in his stead in the register of Members 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.
83. The signature on any notice to be given by the Company may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.
84. 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.

85. 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, 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 Company, as the case may be.
86. 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.
87. 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

88. 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

89. Except as otherwise hereinafter provided, every Director, Officer or employee of the Company shall be indemnified by the Company 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 Company.
90. 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 Company, shall be indemnified by the Company against reasonable expenses, including attorneys' 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 Company 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.

91. No Director, Officer or employee of the Company 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 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 tortuous 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.

DATED at the City of Calgary, in the Province of Alberta, this 16 day of OCTOBER, 2007.

NAMES, OCCUPATION AND ADDRESSES OF SUBSCRIBERS

SUBSCRIBERS	OCCUPATION	ADDRESS
Ron Sawchuk	Engineer / Project Manager	Suite 104, 122 - 17 th Ave. S.E., Calgary, Alberta T2G 1H2
Matthew Jones	Land Sales / Promoter	Suite 104, 122 - 17 th Ave. S.E., Calgary, Alberta T2G 1H2

RON SAWCHUK

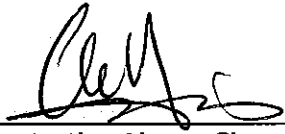

(Signature)

MATTHEW JONES

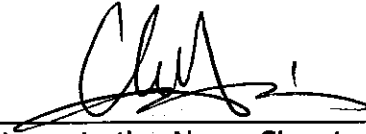

(Signature)

CHRIS S. D.
BARRISTER
SOLICITOR

CHRIS S. D.
BARRISTER
SOLICITOR



Witness to the Above Signature
Barrister & Solicitor



Witness to the Above Signature
Barrister & Solicitor

JAVIS
ER &
ITOR

AVIS
R &
OR

SCHEDULE "A"

Lots to be encumbered pursuant to the "LAND TITLES ACT":

FIRSTLY:

Plan 071 _____
Block 1
Lots 1 to 5 inclusive
Excepting thereout all mines and minerals

AND

Plan 071 _____
Block 2
Lots 1 to 12 inclusive
Excepting thereout all mines and minerals

AND

Plan 071 _____
Block 3
Lots 1 to 19 inclusive
Excepting thereout all mines and minerals

AND

Plan 071 _____
Block 4
Lots 1 to 23 inclusive
Excepting thereout all mines and minerals

[Being a total of 59 lots]

SECONDLY:

The parcel described as "Remainder of Block 2 Plan 001 2189"