

**ARTICLES OF ASSOCIATION OF  
COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.**

**1. DEFINITIONS**

1. In these Articles unless the context or subject-matter requires a different meaning:
  - (a) “Annual General Meeting” means the annual general meeting of the Company.
  - (b) “Articles” means these Articles of Association as amended from time to time;
  - (c) “Board” means the Board of directors of the Association;
  - (d) “Company” means the Coaldale Community Wellness Association Ltd.
  - (e) “Extraordinary General Meeting” means any General meeting of the members other than an Annual General Meeting;
  - (f) “General Meeting” means a meeting of the members;
  - (g) “member” means a person or other entity having a share in the Company;
  - (h) “person” includes an individual;
  - (i) “share” means a share in the Company;
  - (j) “the Companies Act” means the Companies Act , R.S.A. 2000,c.C-21, as amended from time to time ,or any statute or statutes substituted therefor.
2. Words which have a special meaning assigned in the Companies Act have the same meaning in these Articles and words referring to the singular number shall include the plural and vice versa and words referring to the masculine gender shall include the feminine gender and vice versa.

**2. SHARES**

1. Share shall not be offered to the public for subscription but only to those persons who qualify as members pursuant to the terms of these Articles, subject however at all times to the provisions of the Companies Act.
2. There shall be only 1 class of shares issued by the Company, which shares shall be charged with the rights, obligations, restrictions and qualities as contained in these Articles as applicable.
3. Shares shall have a par value of **ONE (\$1.00) DOLLAR** which shall be paid by a member at the time of application for membership.
4. All share certificates shall be retained by the Secretary of the Company on behalf of the members.

**3. MEMBERSHIP**

1. A person seeking membership in the Company shall:
  - (a) be at least 18 years of age;

- (b) apply to the Board in the manner as prescribed by the Board;
- (c) be approved for membership in the Company by majority vote of the Board and subsequently ratified majority vote of the membership of the Company;

#### **4. TRANSFER AND TRANSMISSION OF SHARES**

1. A share in the Company may only be transferred back to the Company.
2. The share of a deceased member shall not be transferred to his/her estate and shall be forfeited to the Company.

#### **5. FORFEITURE/CANCELLATION OF SHARES**

1. A member shall cease to be a member and shall forfeit his/her share:
  - (a) Upon giving notice in writing to the Association of his/her intention to withdraw from membership in the Company with membership to cease upon the date specified in the notice or its earlier acceptance by the Board;
  - (b) If the Board, after due consideration according to Board policy, decides to conduct a vote to forfeit the share of a member, the Board shall decide whether such vote shall be held at a meeting of the Board or of the membership and shall give at least 10 days' notice of the meeting to be held to vote upon the share forfeiture, to each Director, if the meeting is of the Board, or to each member, if the meeting is of the membership, as provided herein; provided that any member, whose share is to be forfeited and is named in such notice, shall be entitled to be heard on the resolution at the meeting;
2. A member whose share has been forfeited shall not be entitled to reimbursement of the subscription price paid for the forfeited share or any annual assessment paid.
3. A forfeited share shall be dealt with in such manner as the Board of Directors shall deem advisable.
4. A declaration in writing by the Board of Directors that a share in the Company has been duly forfeited on the date stated in the declaration, shall be conclusive proof of the facts therein stated as against all persons claiming to be entitled to the share.

#### **6. GENERAL MEETINGS**

1. The first Annual General Meeting shall be held within 16 months from the date on which the Company is entitled to commence business.
2. After the first annual meeting, the Annual General Meeting of the Company shall be held each year within 180 days of the year end of the Company at such time as may be determined by the Board and in accordance with the provisions of the Companies Act.
3. In default of the Board calling an Annual General Meeting as required herein or pursuant to

the Companies Act, such a meeting may be convened by a majority of the members in the same manner as nearly as possible as that in which meetings are to be convened by the Board of Directors.

4. The purpose of an Annual General Meeting shall be to receive and consider the financial statement of the Company, the report of the auditor, the report of the Board, the election of the Board, the appointment of an auditor or auditors and to transact any other business required to be transacted at an Annual General Meeting as may be mandated by the Board. .
5. Extraordinary General Meetings of the Company may be convened as the Board shall deem advisable or upon the requisition in writing of a majority of the members in the manner provided herein for the convening of extraordinary general meetings.
6. Meetings of members shall be held at such place within the Province of Alberta as may be determined by the Board.
7. If the Board shall propose to pass a special resolution at a general meeting, at least 10 days notice shall be given to the members, specifying the place, the day and hour of the general meeting and in case of special business, the general nature of such business.
8. The accidental omission to give notice to any member, or the non-receipt by any member of notice or any error in any notice not affecting the substance thereof shall not invalidate the proceedings at any general meeting held pursuant to such notice.
9. At any general meeting, if all the members are present in person, they may waive the necessity of giving any notice of such meeting and an entry in the minutes of such meeting of such waiver shall be sufficient evidence of the due convening of the meeting.
10. The only persons entitled to be present at the general meeting shall be the members, the auditor of the Company, counsel for the Company and any other person admitted upon the invitation of the Board.
11. Notwithstanding anything to the contrary in the Articles, a resolution assented to and adopted in writing by all the members, though not passed at a general meeting, shall be of the same force and effect as if duly passed at a general meeting duly convened, and no previous notice, or convening of any general meeting for the purpose of passing such resolution, shall in such case be deemed to have been necessary whether the business transacted is special or not, and a member may signify his/her assent to such resolution in writing which may be transmitted electronically.

## **7. PROCEEDINGS AT GENERAL MEETINGS**

### **1. Quorum**

For all purposes the quorum for a general meeting shall be TEN(10) members according to the records of the Company, attending personally, provided that no business shall be

transacted at a General Meeting unless the requisite quorum shall be present at the meeting.

2. **Adjournment**

If 20 minutes after the time appointed for the holding of a General Meeting a quorum is not present, the members present shall adjourn the meeting to such day in the following week at the same time and place; and if at such adjourned meeting a quorum is not present, those members who are present shall be deemed to be a quorum and shall be entitled to transact the business of the Company.

3. **Chair at General Meetings**

- (a) The president or, in the absence of the president, the vice-president, if any, of the Company shall preside as chair at every general meeting of the Company.
- (b) If there is no president or vice-president, or if at any meeting the president or vice-president is not present within 15 minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose one of their number to be chair.

5. **Adjournment of Meetings**

The chair may, with the consent of any meeting at which a quorum is present, adjourn the meeting from time to time and from place to place. When a meeting is adjourned for 10 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or the business to be transacted at an adjourned meeting.

6. **Votes of Members**

- (a) On a show of hands or a poll every member present in person shall have one vote;
- (b) At any general meeting a resolution put to the vote of the meeting shall be decided by a show of hands upon a simple majority vote, or other majority vote as may otherwise may be required pursuant to the Companies Act or the Board, unless a count is demanded by at least one member entitled to vote, before or on the declaration of the result of the show of hands and unless a count is so demanded, a declaration by the chair that a resolution has, on a show of hands, been carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minutes of the Company, shall be conclusive proof of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.
- (c) If a count is duly demanded the result of the count shall be deemed to be the resolution of the meeting at which the count was demanded.
- (d) In the case of an equality of votes, whether on a show of hands or on a count, the resolution shall be deemed to be defeated.
- (e) A count demanded on any other question shall be taken at such time as the chair of the meeting directs.

8. **BOARD OF DIRECTORS**

- 1. Unless otherwise determined by a general meeting, the number of the Directors shall not be less than 5 or more than 9;

2. The Board shall appoint/elect the President or Chair, Vice President or Vice Chair, Secretary and Treasurer and such other positions as the Board shall deem advisable; provided that the Board shall be entitled to delegate the positions of Secretary and Treasurer to 1 Board member as Secretary-Treasurer.
3. The duties of such Officers of the Board shall be as follows and/or as may otherwise be delegated by the Board to other Board members and/or administrative staff:
  - (a) the President/Chair shall be:
    - (i) the chief operating officer of the Company;
    - (ii) the chair of all meetings of the Board and the members;
    - (iii) responsible for calling all meetings of the Board and the members and establishing the agendas of such meetings;
    - (iv) an ex-officio members of all Committees of the Board and the Company;
  - (b) the Vice President/Chair shall act as President/Chair in the absence of the President/Chair and shall in such instance exercise the duties of the President/Chair and shall also exercise such additional duties as the Board shall delegate to the Vice President/Chair.
  - (c) the Secretary shall be:
    - (i) responsible for recording and maintaining accurate records and minutes of all meetings of the Board, and committees and the members;
    - (ii) responsible for the maintenance, reporting and storage of all correspondence, documentation and records of the Company as directed by the Board;
  - (d) the Treasurer shall be:
    - (i) responsible for maintaining accurate records of the finances of the Company;
    - (ii) responsible for reporting the financial position of the Company to the Board and the members at all meetings and as may otherwise be directed by the Board and the membership;
    - (iii) responsible for receipting and depositing of all funds received by the Company in the Company bank account and the issuance of all debits/cheques from the bank account;
    - (iv) responsible for dealing with the auditors of the Company;
4. A Director shall be the holder of one share in the Company.
5. A Director shall not be paid any remuneration by the Company for his/her services as a Director; provided that the Board may, reimburse a Director for all reasonable out-of-pocket expenses necessarily incurred by the Director in the performance of his/her duties as a Director.

## **9. ELECTION OF DIRECTORS**

1. The Board of Directors shall be elected at the annual general meetings of the Company with the terms of office of the Directors to be as follows:
  - (a) the term of a Director shall be a term of THREE (3) YEARS;

2. If at any meeting at which an election of Directors is to take place and a full complement of Directors is not elected, the meeting shall stand adjourned in the manner provided herein for a meeting with no quorum and if at the adjourned meeting a full complement of Directors is not elected the Board shall appoint the additional Director(s) required.
3. In the event that there is a vacancy on the Board of Directors, the Board shall have power to appoint a person as an additional Director; provided that in the event that the Board does appoint an additional Director, the Board shall determine the term of office and responsibilities of such Director, taking into consideration the terms of office and responsibilities as herein established; provided further that the Board shall at the next Annual Meeting or other meeting of the members obtain ratification of such Board appointment and in the event that the members at such meeting do not approve such Board appointment the term of office of such Director shall be deemed to be ended and in the event that the appointment of such Director is approved then the Director so appointed shall carry on in office as approved by the Board; provided also that in the event that the appointment of the Director is not ratified at the meeting of the members, the decisions of the Board as made during the term of such Director shall not be invalidated.

## **10. POWERS AND DUTIES OF DIRECTORS**

1. The business of the Company shall be managed by the Board, who shall exercise the powers of the Company as directed in these Articles.
2. The Board shall duly comply with the provision of the *Companies Act* or any statutory modification thereof for the time being in force, including but not limited to the provisions regarding the keeping of registers of Directors and members filing with the Registrar of an annual report, copies of special and other resolutions and of any change in the registered office or of the Directors.
3. The Board shall cause records to be made of all appointments made by the Directors, the names of the Directors present at each meeting of the Board and of any committee of the Directors and all resolutions and proceedings at all meetings of the Company, the Directors, and committees of the Board.
4. The Board may from time to time borrow money upon the credit of the Company, issue, pledge, mortgage, hypothecate or otherwise create a security interest over the assets of the Company and issue cheques, advance funds and securities as permitted pursuant to the terms hereof; provided that any action involving a transaction in excess of TEN THOUSAND (\$10,000.00) DOLLARS shall require the ratification of the members at a general meeting called for that and any other purposes as the Board shall determine.

## **11. DISQUALIFICATION OF DIRECTORS**

1. The office of Director shall be vacated if:
  - (a) the Director by notice in writing to the Company resigns his or her office;
  - (b) the Director ceases to be a Director by virtue of the *Companies Act* ;

- (c) the Director is declared by a Court to be of unsound mind;
- (d) the Director ceases to be a member of the Company;
- (e) the Director dies;
- (f) the Director is concerned or participates in any contract with the Company; provided, however, that where a Director has made a full disclosure of the interest of the Director in any contract at a meeting of the Board, the Director shall not be required to vacate his/her office; provided that a Director shall not vote in respect of any such contract or work and if the Director does so vote such vote shall not be counted.
- (g) the Company by special resolution removes any Director before the expiration of the term of office of the Director;
- (h) a Director fails to attend 3 consecutive meetings of the Board without the approval of the Board.

## **12. PROCEEDINGS OF DIRECTORS**

1. The Board shall meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they deem advisable.
2. Questions arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the resolution shall be deemed to be defeated.
3. The quorum necessary for the transaction of the business of the Board shall be a majority of the Board members.
4. In the absence of the president, the vice-president, if any, of the Company, and if there is no president or vice-president, or if at any meeting, the president or vice-president is absent, the Directors present may elect the chair of their meeting.
5. All acts effected by any meeting of the Board or of a committee of Directors shall be valid, notwithstanding that it may subsequently be determined that there was some defect in the appointment of any Directors, or that they or any of them were disqualified from acting.
6. Meetings of the Board may be summoned at any time by the Secretary at the request of the President, the Vice-President or a Director if the President and Vice-President are absent.
7. If all the Directors consent, a Director may participate in a meeting of the Directors or of a committee of the Directors by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a Director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Directors and of committees of the Directors held while a Director holds office.
8. Notice of the time and place of each meeting of the Directors shall be given to each Director verbally, or in writing, by telephone or by fax or other means of electronic communication, not less than 72 hours before the time when the meeting is to be held.

9. A notice of a meeting of Directors shall specify such matters to be dealt with at the meeting as are required by the *Companies Act* to be specified therein but need not specify the purpose of or the business to be transacted at the meeting.
10. A Director may in any manner and at any time waive notice of or otherwise consent to a meeting of the Directors.

### **13. EXECUTIVE COMMITTEE**

1. The Directors may appoint an executive committee comprising the President, Vice-President, Secretary and Treasurer and such other Directors as the Board may from time to time determine, to hold office at the pleasure of the Board.
2. The executive committee shall meet at such times as the Directors shall determine and shall at all times be subject to the direction of the Board.
3. Notice of any meeting may be given in the same manner as for meetings of the Board.
4. During the intervals between meetings of the Directors, the executive committee shall possess and exercise (subject to any restrictions imposed by the Board) the powers of the Directors to manage the business and affairs of the Company in such manner as the executive committee shall deem to be in the best interests of the Company.
5. All proceedings of the executive committee shall be reported to the Board as and when the Directors shall direct.
6. The Directors may from time to time remove and fill any vacancy in the membership of the executive committee.

### **14. OTHER COMMITTEES OF DIRECTORS**

1. The Board may appoint one or more other committees of Directors and delegate to such committees any responsibilities as the Board shall deem advisable; provided that any committee so formed shall conform to any regulations that may be imposed by the Board.
2. A committee shall elect a chair of their meetings and if no such chair is elected, or if at any meeting the chair is not present within 15 minutes after the time appointed for holding it, the members present may choose one of their number to be chair of the meeting.
3. A committee shall meet as the Director members think proper; provided that all questions arising at any meeting shall be determined by a majority of votes of the members present and in case of an equality of votes the chair shall have a deciding vote.

### **15. COMPANY SEAL**

The seal of the Company shall be affixed to all contracts, instruments and other documents

as approved by the Board and shall be attested to and signed by any 2 Directors as shall be determined by the Board from time to time.

## **16. DIVIDENDS**

The members shall not be entitled to any dividends on the shares held in the Company.

## **17. ACCOUNTS**

1. The Board shall cause true accounts to be kept
  - (a) of all sums of money received and disbursed by the Company and the matters in respect of which such receipt and expenditure took place,
  - (b) of the assets and liabilities of the Company, and
  - (c) all other transactions affecting the financial position of the company.
2. The books of account shall be kept at the registered office of the Company, or at such other place as the Board shall determine by resolution, and shall always be open to inspection by the Directors.
3. The Board shall from time to time determine the conditions by which the accounts and books of the Company shall be open to the inspection by the members not being Directors, and no member, not being a Director, shall have the right to inspect any account or book or document of the Company except as conferred by law or authorized by the Board.
4. The Board shall at the annual general meeting present a financial statement for the period since the preceding statement, or, in the case of the first financial statement, since the incorporation of the Company, made up to a date not more than 6 months before the meeting.
5. The financial statement shall be accompanied by the report of the auditors and by a report of the Board as to the state of the affairs of the Company.

## **18. AUDIT**

Auditors and/or accountants shall be appointed by the Board and their duties regulated in accordance with the *Companies Act* or any statutory modification thereof for the time being in force and as otherwise determined by the Board.

## **19. NOTICES**

1. A notice may be given by the Board, or if applicable the Company, to any member personally, or by mail or by fax or electronically, to the last known address of the member and shall be deemed to be effective the date next following the notice being provided as aforesaid.
2. Notice of every general meeting shall be given in the manner hereinbefore authorized to every member of the Company except those members who, having no registered address within Alberta, have not supplied to the Company an address within Alberta for the giving of notices

to them otherwise no other person shall be entitled to receive notices of general meetings unless otherwise determined by the Board.

Dated at the Town of Coaldale in the Province of Alberta this 21<sup>st</sup> day of September, 2017