

SCHEDULE "C" TO BETWEEN ELBOW SPRINGS GOLF CLUB
LIMITED PARTNERSHIP AND ELBOW SPRINGS GOLF CLUB
DATED THE 24TH DAY OF OCTOBER 1990 AND AMENDED THE 2ND
DAY OF APRIL, 1996

POST 1996 AMENDMENTS MADE BY THE CLUB AND FILED WITH
ALBERTA REGISTRAR OF CORPORATIONS IN 2017, 2021, AND 2023
ARE INCORPORATED AND NOTED HEREIN.

BY-LAWS

IN THE MATTER OF THE SOCIETIES ACT, BEING
CHAPTER S-18 OF THE REVISED STATUTES OF
ALBERTA, 1980;

AND IN THE MATTER OF THE INCORPORATION OF
ELBOW SPRINGS GOLF CLUB

APPLICATION FOR THE INCORPORATION
OF A SOCIETY

We, the undersigned, hereby declare that we desire to form a society under the Societies Act, and that:

- (1) The name of the society is ELBOW SPRINGS GOLF CLUB:
- (2) The objects of the society are as follows, namely:
 - (a) To carry on and conduct a golf and country and in connection therewith to deal in all manner of goods and provide all related services and facilities whatsoever to be used for athletic or recreational purposes and as might be advantageously operated in conjunction with a golf course.
 - (b) To promote and further the game of golf and all related or compatible sporting and recreational activities and for that purpose to conduct, sponsor and encourage the instruction of golf and all manner of golf tournaments and similar activities both at the professional and amateur levels.
 - (c) To acquire by purchase, lease and otherwise and to hold and own, deal in and dispose of all manner of real and personal property in connection with the activities of the society.
 - (d) To enter into management, development and construction contracts and all other contracts whatsoever as may be considered appropriate in connection with the management and operation of the assets and activities of the society.

- (e) To promote and accommodate other forms of recreational and athletic activities as the members may from time to time consider appropriate.

DATED at the City of Calgary, in the Province of Alberta, this "17" day of October, 1990.

"Scott Allred"

SCOTT S ALLRED
Box 9, Site 5, S.S. 3
Calgary, Alberta T 3C 3N9
Golf Instructor

"Edward Kelly"

EDWARD G. KELLY
400, 1010 - 8 Avenue S W.
Calgary, Alberta T2P 1J2
Lawyer

"Grant Coates"

190 Wildwood Drive S.W.
Calgary, Alberta T3C 3C9
Businessman

"Richard Tingle"

Name of Witness Printed

RICHARD TINGLE

Name of Witness Printed

1900 - 350 - 7 Avenue S.W. Calgary
Address of Witness

Solicitor

Occupation of Witness

"Ron Ehlert"

AL (RON) EHLERT
74 Christie Knoll Heights S.W.
Calgary, Alberta
Landscape Architect

"Bernard McKenna"

BERNARD J. McKENNA
4 Dalroy Crescent N.W.
Calgary, Alberta T3A 1G3
Land Surveyor

BY-LAWS OF
ELBOW SPRINGS GOLF CLUB

(UPDATED DECEMBER 2023)

INDEX

PART I INTERPRETATION

- 1.01 DEFINITIONS
- 1.02 SINGULAR AND PLURAL
- 1.03 HEADINGS
- 1.04 SECTION, ETC.

PART II TERMS OF ADMISSION OF MEMBERS AND
THEIR RIGHTS AND OBLIGATIONS

- 2.01 MEMBERS OF THE CLUB
- 2.02 ADMISSION OF MEMBER
- 2.03 LIMITED MEMBERSHIP
- 2.04 NUMBERING OF MEMBERS
- 2.05 ASSOCIATE / EXTENDED ASSOCIATE MEMBER
- 2.06 CORPORATE MEMBER
- 2.07 NOMINAL MEMBER
- 2.08 MULTIPLE MEMBERSHIP
- 2.09 EVIDENCE OF MEMBERSHIP
- 2.10 TRANSFERABILITY OF MEMBERSHIP
- 2.11 INITIAL MEMBERSHIP FEE
- 2.12 CAPITAL LEVIES
- 2.13 ANNUAL ASSOCIATE OR EXTENDED ASSOCIATE
MEMBERSHIP FEE
- 2.14 ANNUAL MEMBERSHIP DUES
- 2.15 LIMITED LIABILITY OF MEMBERS
- 2.16 REDEMPTION OF MEMBERSHIPS
- 2.17 DESIGNATION OF OTHERS TO USE MEMBERSHIP
GOLFING PRIVILEGES
- 2.18 NO DISTRIBUTION OF INCOME TO CLUB MEMBERS
- 2.19 DISSOLUTION OR WINDING-UP OF THE CLUB
- 2.20 GOOD AND SERVICES TAX

PART III CONDITIONS OF WITHDRAWAL OF MEMBERS AND
MANNER IN WHICH A MEMBER MAY BE EXPELLED

- 3.01 FAILURE TO PAY ANNUAL MEMBERSHIP DUES

- 3.02 FAILURE TO PAY OTHER LEVIES, FEES OR CHARGES
- 3.03 EXPULSION OF A MEMBER
- 3.04 TERMINATION OF MEMBERSHIP

PART IV MODE AND TIME OF CALLING GENERAL AND SPECIAL MEETINGS
OF THE CLUB AND NUMBER CONSTITUTING A QUORUM
AT ANY SUCH MEETINGS, AND RIGHTS OF VOTING

- 4.01 ANNUAL GENERAL MEETING
- 4.02 SPECIAL GENERAL MEETING
- 4.03 NOTICE OF MEETINGS
- 4.04 QUORUM
- 4.05 PERSONS ENTITLED TO BE PRESENT
- 4.06 CHAIRMAN, SECRETARY AND SCRUTINEERS
- 4.07 PROCEDURES
- 4.08 VOTES TO GOVERN
- 4.09 SHOW OF HANDS
- 4.10 BALLOTS
- 4.11 RESOLUTION IN LIEU OF GENERAL MEETING

PART V APPOINTMENT OR REMOVAL OF DIRECTORS AND OTHER OFFICERS
AND THEIR DUTIES, POWERS AND REMUNERATION

- 5.01 BOARD OF DIRECTORS
- 5.02 ELECTION OF DIRECTORS
- 5.03 REMOVAL OF A DIRECTOR
- 5.04 POWERS OF DIRECTORS
- 5.05 DUTIES OF DIRECTORS
- 5.06 VACANCIES ON THE BOARD OF DIRECTORS
- 5.07 VACATING OFFICE
- 5.08 QUORUM
- 5.09 MEETINGS OF DIRECTORS
- 5.10 RESOLUTION IN WRITING
- 5.11 ERRORS IN NOTICE
- 5.12 OFFICERS
- 5.13 REMUNERATION OF OFFICERS AND DIRECTORS
- 5.14 DELEGATION OF AUTHORITY
- 5.15 EXECUTION OF DOCUMENTS
- 5.16 CONFLICT OF INTEREST OF A DIRECTOR
- 5.17 INDEMNITY

PART VI EXERCISE OF BORROWING POWERS

- 6.01 BORROWING POWERS
- 6.02 CHEQUES AND OTHER INSTRUMENTS

PART VII AUDITS OF ACCOUNTS

- 7.01 APPOINTMENT OF ACCOUNTANTS
- 7.02 ANNUAL FINANCIAL STATEMENTS
- 7.03 FISCAL YEAR

PART VIII CUSTODY AND USE OF THE SEAL OF THE CLUB

- 8.01 FORM OF THE SEAL
- 8.02 DIRECTORS TO CONTROL USE OF THE SEAL

PART IX MANNER OF MAKING, ALTERING AND RESCINDING BY-LAWS

- 9.01 AMENDMENT OF THE BY-LAWS

PART X PREPARATION AND CUSTODY OF MINUTES OF PROCEEDINGS OF MEETINGS OF THE CLUB AND OF THE DIRECTORS AND OTHER BOOKS AND RECORDS OF THE CLUB

- 10.01 BOOKS AND RECORDS
- 10.02 MINUTES

PART XI TIME AND PLACE AT WHICH THE BOOKS AND RECORDS OF THE CLUB MAY BE INSPECTED BY MEMBERS

- 11.01 INSPECTION OF BOOKS BY ME MB
- 11.02 COPY OF THESE BY-LAWS
- 11.03 REGISTERED OFFICE
- 11.04 REGISTER OF MEMBERS

PART XII MISCELLANEOUS

- 12.01 NOTICES
- 12.02 RESPONSIBILITY FOR LOSS

ATTACHMENTS

- AGREEMENT OF SALE
- BY-LAWS AS PER 1996

BY-LAWS OF
ELBOW SPRINGS GOLF CLUB
(UPDATED DECEMBER 2023)

PART 1

INTERPRETATION

1.01 DEFINITIONS

"Act" shall mean the Societies Act, R.S.A. 1980 c.s-18, as amended.

"Annual General Meeting" shall mean the regular Annual General Meeting of the Club pursuant to Section 4.01.

"Associate Member" or "Extended Member" shall mean an individual who becomes an Associate Member or an Associate Extended Members of the Club pursuant to Section 2.05. *[amended 2017]*

"Board" shall mean the Board of Directors of the Club.

"By-Laws" shall mean these by-laws and any amendments hereto.

"Club" shall mean Elbow Springs Golf Club, a society incorporated under the Act.

"Corporate Designee" shall mean an individual designated as the person entitled to enjoy the rights of membership attributable to a membership in the Club held by a corporation or a partnership.

"Extraordinary General Meeting" shall mean any General Meeting other than an Annual General Meeting.

"General Meeting" shall mean a meeting of the Members of the Club.

"Golf Course Lands" shall mean all or any part of the South Half of Section 5 and the South East Quarter of Section 4, Township 24, Range 2, West of the 5th Meridian in the Province of Alberta, on which the Club may from time to time have the right to carry on its activities.

"Members" shall mean those persons who are members of the Club as referred to in Section 2.01.

"Ordinary Resolution" shall mean:

- (i) a resolution passed at a General meeting by a vote of not less than 51% of those Members who are present and entitled to vote;
- (ii) a resolution consented to in writing by all the Members who would have been entitled at a General Meeting to vote on the Resolution.

“person” shall mean not only individuals, but also corporations and partnerships.

"register" shall mean the Register of Members to be kept and maintained by the Club in accordance with Section 11.04.

“seal” shall mean the corporate seal of the Club or any official facsimile thereof.

"Special Resolution" shall mean.

- (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 the vote of not less than 75% of those Members who are present and entitled to vote;
- (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 the 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.

"Subscribers" shall mean the five persons who have signed the application for Incorporation of the Club.

“year” shall mean calendar year.

1.02 SINGULAR AND PLURAL

In these By-Laws, unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine gender or neuter and vice versa.

1.03 HEADINGS

The headings used throughout these By-Laws are for convenience of reference only and shall not be relied upon in the interpretation hereof.

1.04 SECTION, ETC.

The terms "Section", "subsection" and "Part" followed by a number and/or letter refer to the specified Section, subsection or Part of these By-Laws and "hereof", "herein", "hereunder" and similar expressions refer to these By-Laws and not to any particular Section, subsection, or Part hereof.

PART II

TERMS AND ADMISSION OF MEMBERS AND THEIR RIGHTS AND OBLIGATIONS

2.01 MEMBERS OF THE CLUB *[amended 2023]*

The Members of the Club shall comprise of those persons who become Members pursuant to Section 2.02 and have not redeemed their membership per Section 2.16, nor resigned, withdrawn, been expelled or otherwise terminated pursuant to Sections 3.01, 3.02, 3.03 and 3.04.

2.02 ADMISSION OF MEMBER *[amended 2023]*

Subject The Members of the Club shall comprise of those persons who become Members pursuant to Section 2.02 and have not redeemed their membership per Section 2.16, nor resigned, withdrawn, been expelled, or otherwise terminated pursuant to Sections 3.01, 3.02, 3.03 and 3.04.

2.03 LIMITED MEMBERSHIP

There shall not at any time be more than 500 Members of the Club.

2.04 NUMBERING OF MEMBERS

Each membership shall be designated by a number. A number, once used to designate a membership, shall not be used again.

2.05 ASSOCIATE MEMBER / EXTENDED ASSOCIATE MEMBER *[amended 2017]*

(a) Associate Member

Both Members and Corporate Designees may, upon acceptance by the Club of an application in writing together with the applicable Annual Associate Membership Fee referred to in Section 2.13, sponsor their spouses or their children or all or any of them, in each case, as an Associate Member of the Club on a year-by-year basis. Each child of a Member must be under 26 years of age throughout the year in order to qualify as

an Associate Member. An Associate Member shall during the year in which he is an Associate Member have all of the rights and privileges of a Member subject to any overriding rules, regulations and restrictions as may from time to time be determined by the Board of Directors concerning the use by Associate Members of the facilities of the Club provided that an Associate Member shall not qualify as an officer or Director of the Club, shall not be entitled to vote at General Meetings and shall not have the right to sponsor Associate Members pursuant to this Section 2.05.

(b) Extended Associate Member

A Member may, upon acceptance by the Club of an application in writing together with the Applicable Extended Membership Fee as set at the time, be entitled to nominate one Extended Associate Member on a year-by-year basis, instead of an Associate Member. Such Extended Associate Member need not be related to the nominating Member.

An Extended Associate Member shall during the year in which he is an Extended Associate Member have all of the rights and privileges of a Member, with the exception of charging privileges on a Member account, subject to all overriding rules, regulations and restrictions as may from time to time be determined by the Board of Directors concerning the use by Extended Associate Members of facilities of the Club provided that an Extended Associate Member shall not qualify as an Officer or Director of the Club and shall not have the right to vote at General Meetings and shall not have the right to sponsor an Associate Members nor Extended Associate Members pursuant to this Section 2.05.

A Corporate Member or Designee may not nominate an Extended Associate Member.

2.06 CORPORATE MEMBER

(a) Any Corporation or partnership may become a Member of the Club by paying the Initial Membership Fee established for Corporate Members and upon being approved as a Member of the Club in accordance with the provisions of Section 2.02. A Corporate Member shall be entitled at its option to either:

- (i) designate in writing an individual who will be entitled to exercise the golfing and other privileges available to individual Members; or
- (ii) receive fifty (50) green fee passes.

A corporate Member may be entitled to receive such other or alternate rights to utilize the facilities of the Club as shall be established from time to time by the Board and agreed to by the Corporate Designee.

(b) A corporation or a partnership may from time to time change the individual designated as the person entitled to enjoy the rights of membership attributable to the

membership held by the corporation or partnership, by written notice to the Club together with payment to the Club of a fee in such amount as the Board may from time to time determine.

2.07 NOMINAL MEMBER

Any person may hold a membership in the Club as the nominee or trustee for any other person, provided however that under such circumstances the Club shall have no obligation whatsoever to acknowledge any such trust nor deal with any person other than the person who is registered with the Club as the holder of the membership. The Club shall be entitled to treat the registered holder of a membership as the absolute owner thereof and shall not be bound to recognize any equitable or other claim to or interest in such membership on the part of any other group.

2.08 MULTIPLE MEMBERSHIP

A Member may from time to time be registered with the Club as the holder of more than one membership in the Club.

2.09 EVIDENCE OF MEMBERSHIP

Upon a person's becoming a Member of the Club, the Club shall provide him with a certificate or other evidence of membership. Any document provided to the Member in this regard shall indicate the number of the membership in question.

2.10 TRANSFERABILITY OF MEMBERSHIP

The memberships in the Club shall not be transferable except to a lineal descendent of the Member desiring to transfer his or her membership or to the spouse (as the term is defined in the Income Tax Act (Canada)) of such Member.

2.11 INITIAL MEMBERSHIP FEE

The initial Membership Fee to be paid by a person who becomes a Member of the Club pursuant to Section 2.02 shall be as determined by the Board.

2.12 CAPITAL LEVIES

Each Member shall pay when due all amounts by way of capital levies as may from time to time be assessed by the Board after the completion of the construction of the golf course on the Golf Course Lands for the purpose of construction of improvements on or directly related to the Golf Course Lands. Notice of all such capital levies shall be given in writing to each Member at least 60 days prior to the due date of the assessment.

2.13 ANNUAL ASSOCIATE OR EXTENDED ASSOCIATE MEMBERSHIP FEE
[amended 2017]

The annual fee payable by an individual who is an Associate Member or an Extended Associate Member pursuant to Section 2.05 shall be such amount as the Board from time to time determines. Such fees shall be paid at the time of nominating the Associate Member or Extended Associate Member and annually thereafter until such nomination is ended.

For an Extended Associate Member, both the Annual Member Fee and an additional fee will apply as determined annually by the Club.

2.14 ANNUAL MEMBERSHIP DUES *[amended 2023]*

All Members shall pay annual membership dues on or before January 31st of each year for the membership calendar year. The annual membership dues shall be in such amount as may from time to time be determined by the Board of Directors. If a member first becomes a Member of the Club after January 31st in a year, his obligation to pay annual membership dues with respect to that year shall be determined by the Board of Directors. The Club shall notify each Member of the amount of the annual membership dues payables in a year at least 30 days before January 31st of that year.

2.15 LIMITED LIABILITY OF MEMBERS

No Member and no Associate Member of the Club shall in his individual capacity have any liability whatsoever for any debt or liability of the Club.

2.16 REDEMPTION OF MEMBERSHIPS *[amended 2023]*

(a) A Member may, at any time after a minimum of 250 Members have paid the Initial Membership Fee referred to in Section 2. I 1, if he is not in default of any payments required hereunder and if there is no outstanding notice of capital levy which he has not paid in full, redeem a membership registered in his name by notice to the Club of his desire to do so.

(b) It shall be a condition precedent of any redemption of a membership that the Member wishing to redeem the membership (the "Retiring Member") shall submit to the Club, together with the notice referred to in subsection 2.16 (a) above, an application in writing in a form approved by the Board specifying a person who wishes to acquire a membership in the Club (the "Sponsored Member"), together with payment of a Redemption Fee of \$1,000 or such greater redemption fee as the Board shall from time to time determine. Such application shall contain confirmation that the Sponsored Member has received a copy of the provisions of the Co-Ownership Agreement entered into between Elbow Springs Golf Club Limited Partnership (the "Partnership") and the Club. Subject to the foregoing provisions of this Section 2.16 and approval by the Board of

Directors, the Club shall accept the Sponsored Member as a new Member of the Club effective as of the date of receipt by the Club of the payment referred to above (the "Redemption Date")

(c) Upon a Sponsored Member becoming a Member of the Club he shall, subject to the provisions of subsection 2.16(d), have all the rights and obligations ordinarily attributable to a Member of the Club.

(d) If a sponsored Member becomes a Member of the Club after January 31st in any year, then he shall have no obligation to pay the annual membership dues referred to in Section 2.14 with respect to that membership that year.

2.17 DESIGNATION OF OTHERS TO USE MEMBERSHIP GOLFING PRIVILEGES
[amended 2021, 2023]

(a) A Member may, upon acceptance by the Club of an application in writing and upon payment of a fee of \$500.00 annually or such greater fee as the Board shall from time to time set, be entitled to designate a person to assume all of the rights and privileges of a Member subject to all overriding rules and restrictions as may from time to time be established by the Board of Directors for the use of a Member's privileges to golf on the Golf Course Lands for the period not exceeding two years next following the receipt by the Club of such written notice as may be stipulated in such notice by such Member.

(b) In respect of Members for whom the Board has granted to or deemed to have Inactive or Non-Playing status whereby such Members are not paying to obtain their playing privileges for the upcoming season, the Board shall have the right to designate a person to assume the playing privileges of such Members that season.

2.18 NO DISTRIBUTION OF INCOME TO CLUB MEMBERS

All income generated by the Club shall be used solely by the Club in carrying out its objects. No such income shall be distributed or paid to Members exception only on the winding-up or dissolution of the Club as provided in Section 2.19.

2.19 DISSOLUTION OR WINDING-UP OF THE CLUB *[amended 2023]*

On the dissolution or winding-up of the Club all assets of the Club, after payment of all outstanding liabilities of the Club, shall be distributed as follows: Members of the Club as defined in 2.01 herein and registered with the Club at the time of the dissolution or winding up and that are in good standing shall be entitled to receive a payment based on the formula: total value of assets and holdings to be distributed divided by the total number of Club Members registered with the Club at the time of dissolution or wind-up.

2.20 GOODS AND SERVICES TAX

The amount of any Goods and Services Tax payable under the Excise Tax Act (Canada) in connection with any amounts payable to the Club by a Member shall be paid by such Member to the Club at the time he or she pays the amount due to the Club.

PART III

CONDITIONS OF WITHDRAWAL OF MEMBERS AND MANNER IN WHICH A MEMBER MAY BE EXPELLED

3.01 FAILURE TO PAY ANNUAL MEMBERSHIP DUES *[amended 2023]*

If any Member should in any year fail to pay the annual membership dues in relation to a membership as required by Section 2.14 above, then if such annual membership dues have not been paid by 12:00 o'clock at the end of the day on March 31st of that year, the membership in question shall be terminated and at an end, such that the Member shall thereafter have no rights thereunder. The Club shall have no obligation whatever to notify a Member prior to any such termination of a membership for failure to pay annual membership dues.

3.02 FAILURE TO PAY OTHER LEVIES, FEES OR CHARGES

Upon the failure of a Member to pay any indebtedness to the Club, other than annual membership dues, the Club may, in addition to all other legal remedies available to it, terminate the membership in question at any time after 30 days written notice to the Member.

3.03 EXPULSION OF A NIEMBER

The Directors of the Club shall have the power, by a unanimous vote of those present at a meeting of the Directors, to expel or suspend any Member or Associate Member who willfully commits a breach of these By-Laws or whose conduct shall have been determined by the Board of Directors of the Club to be improper, unbecoming, or likely to endanger the interests or reputation of the Club. No Member shall be expelled or suspended hereunder without first being given prior written notice of the charge or complaint against him and without having first being given an opportunity to be heard by the directors at a meeting called for that purpose.

3.04 TERMINATION OF MEMBERSHIP

Any Member who resigns, withdraws or is expelled from the Club or whose membership in the Club is terminated, shall forthwith be deemed to have relinquished all right, claim and interest in and to the membership in question.

PART IV

MODE AND TIME OF CALLING GENERAL AND SPECIAL MEETINGS OF THE CLUB AND NUMBER CONSTITUTING A QUORUM AT ANY SUCH MEETINGS, AND RIGHTS OF VOTING

4.01 ANNUAL GENERAL MEETING *[amended 2017, 2023]*

(a) The Club shall hold an Annual General Meeting each year at such time and place within the Province of Alberta as shall be determined by the Board of Directors. The Board of Directors shall at the Annual General Meeting present a financial statement setting out the Club's income, disbursements, assets and liabilities, signed by the accountants appointed by the Club.

(b) The Board may convene General Meetings using electronic media as a means of communication with and amongst members.

(c) The Board may elect to use electronic voting during electronic meetings.

4.02 SPECIAL GENERAL MEETING

The Board of Directors may from time to time call a Special General Meeting of the Members of the Club at such time and at such place within the Province of Alberta as shall be determined by the Board of Directors.

4.03 NOTICE OF MEETINGS

Written notice of all General Meetings of the Club shall be given to all persons registered as Members of the Club at least 21 days prior to the date of the meeting.

4.04 QUORUM

A quorum for the transaction of business at any General Meeting shall be five individuals present in person, each being a Member or a Corporate Designee entitled to vote at the General Meeting.

4.05 PERSONS ENTITLED TO BE PRESENT

The only persons entitled to be present at a General Meeting shall be those entitled to vote at the meeting and the auditors of the Club. Any other person may be admitted only on the invitation of the President of the Club or with consent of the General Meeting.

4.06 CHAIRMAN, SECRETARY AND SCRUTINEERS

The President of the Club or, in his absence, the Vice-President of the Club, shall be the Chairman of any General Meeting. If no such officer is present within 15 minutes from the time fixed for holding the meeting; the persons present and entitled to vote may choose one of their number to be the Chairman. If the Secretary of the Club is absent, the Chairman shall appoint some person, who need not be a Member, to act as the Secretary of the General Meeting. The Chairman may appoint one or more persons to act as scrutineers at any General Meeting.

4.07 PROCEDURES

Subject to these By-Laws, the Chairman of any General Meeting shall conduct the proceedings thereat in all respects, and his decision in any matter or thing shall be conclusive and binding upon the Members.

4.08 VOTES TO GOVERN

At any General Meeting every question shall, unless otherwise required by these By-Laws or by law, be determined by an Ordinary Resolution. In case of an equality of votes either upon a show of hands or upon a ballot, the Chairman of the General Meeting shall be entitled to a second or casting vote in addition to his original vote.

4.09 SHOW OF HANDS

Any question at a General Meeting shall be decided in the first instance by a show of hands, unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present shall have one vote for each membership registered in his name and each Corporate Designee shall have one vote for each membership with respect to which he is named as the Corporate Designee. Whenever a vote by show of hands is taken upon a question, unless a ballot thereon is required or demanded, a declaration by the Chairman of the Meeting that the vote upon the question has been carried by a particular majority or not carried, and an entry to that effect is made in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number of votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the Members upon the question.

4.10 BALLOTS

On any question proposed for consideration at a General Meeting, a Member or a Corporate Designee may demand, and the Chairman may require, that a ballot be taken either before or upon the declaration of the result of any vote by show of hands. If a ballot is demanded on the election of a Chairman or on the question of adjournment, it shall be taken forthwith without an adjournment. A ballot demanded or required on any other question shall be taken in such a manner as the Chairman shall direct. A demand or requirement for a ballot may be

withdrawn at any time prior to the taking of the ballot. If a ballot is taken, each Member present is entitled to one vote for each membership registered in his name and each Corporate Designee is entitled to one vote for each membership with respect to which he is named as the Corporate Designee. The result of the ballot so taken shall be the decision of the Members upon the question.

4.11 RESOLUTION IN LIEU OF GENERAL MEETING

A resolution in writing in one or more counterparts by all the Members and Corporate Designees entitled to vote on the resolution is as valid and binding as if it had been passed at a General Meeting and shall be effective as of the date stated in such resolution to be the effective date hereof.

PART V

APPOINTMENT AND REMOVAL OF DIRECTORS AND OTHER OFFICERS AND THEIR DUTIES, POWERS AND REMUNERATION

5.01 BOARD OF DIRECTORS

The Affairs of the Club shall be administered by a Board of Directors consisting of between three and seven individuals, each of whom at the time of his election and throughout his term of office shall be a Member of the Club or a Corporate Designee. A Director shall cease to be a Director of the Club at the time he ceases to be a Member or a Corporate Designee.

5.02 ELECTION OF DIRECTORS

The subscribers shall select the initial Directors of the Club and such persons or their nominees shall continue to serve as Directors until such time as there are 250 or more Members of the Club, at which time such Directors shall resign at the first Annual General Meeting after the 250th person has become a Member. Thereafter each Director shall serve until the first Annual General Meeting after his election or until his successor shall have been duly elected and qualified. The entire Board of Directors shall retire at each Annual General Meeting but shall be eligible for re-election.

5.03 REMOVAL OF A DIRECTOR

The Club may by Special Resolution remove any Director before the expiration of his term of office, and may by Ordinary Resolution elect any individual in his place and stead for the remainder of his term.

5.04 POWERS OF DIRECTORS

- (a) The Board of Directors, in administering the affairs of the Club, may exercise all such powers, do all such acts and things and enter into all such contracts as may be exercised or done by the Club and are not by these By-Laws or by the Act expressly required to be done by a General Meeting of the Members.
- (b) Without in any way restricting the generality of subsection 5.04(a) above, the Board of Directors shall have the power to cause the Club to enter into:
 - (i) a purchase agreement and a Co-Ownership Agreement with the present owner of the Golf Course Lands on such terms and conditions and upon the payment by the Club, on such terms and conditions as the Directors shall consider appropriate;
 - (ii) mortgages or charges of the Club's interest in the Golf Course Lands and agreements to guarantee obligations of any other owner of an interest in the Gold Course Lands relating to loans obtained by such other owner for the purpose of constructing improvements on the Golf Course Lands;
 - (iii) a management agreement with any person who is to manage and direct every aspect of the business, affairs, functions and activities of the Club including the operation of a golf course, golf clubhouse and any other facilities and activities whatsoever as may be carried on from time to time by the Club in furtherance of its objects and purposes, on such terms and conditions and upon payment of such fees and other amounts as the Directors shall consider appropriate;
 - (iv) any agreement or declaration for the appointment of an agent and/or attorney by power of attorney for the Club;
 - (v) any agreement or instrument by the terms of which all or any of the functions and duties of the Board of Directors of the Club are delegated to a person who is to serve as the manager and/or attorney of the Club.

5.05 DUTIES OF DIRECTORS

It shall be the duty and responsibility of the Directors of the Club to exercise the powers set forth in Section 5.04 for and in the best interests of the Club, and generally to see to the conduct of the affairs and actions of the Club.

5.06 VACANCIES ON THE BOARD OF DIRECTORS

Vacancies on the Board of Directors, however caused, may, so long as a quorum of Directors remains in office, be filled by the Directors from the among the qualified Members of the Club and Corporate Designees, if they shall see fit to do so, otherwise such vacancy shall be filled

at the next Annual General Meeting. If there is not a quorum of Directors at any time, the remaining Directors shall forthwith call a General Meeting to fill the vacancies.

5.07 VACATING OFFICE

If any Director shall resign his position as a Director of the Club or, without reasonable excuse, absent himself from at least three Directors' meetings within a one-year period, or if a Director ceases for any reason to be a Member of the Club or a Corporate designee, the Directors shall declare a vacancy on the Board of Directors and may appoint a successor in his place to hold office until the next Annual General Meeting.

5.08 QUORUM

A majority of the number of Directors constitutes a quorum at any meeting of the Board of Directors and, notwithstanding any vacancy among the Directors, a quorum of Directors may exercise all of the powers of the Directors.

5.09 MEETINGS OF DIRECTORS *[amended 2023]*

(a) Meetings of Directors may be held at such times and at such places as the Directors may from time to time determine. A meeting of the Directors may be convened at any time by the president or by any two Directors. Notice of a meeting shall be communicated to each Director not less than 48 hours before the meeting is to take place; provided however that meetings of the Directors may be held at any time without formal notice if all of the Directors are present or if those absent have waived notice or have signified their consent in writing to the meeting being held in their absence. The President of the Club or, in his absence, the Vice-President of the Club or, in the absence of both of them, any other Director shall serve as the Chairman of a meeting of the Board of Directors. The Secretary of the Club or, in his absence, any other Director as may be determined by the Board, shall serve as the Secretary of a meeting of the Board of Directors and shall keep minutes of the meeting. All questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting, in addition to his original vote, shall have a second or casting vote.

(b) The Board may permit any or all Directors to participate in a regular or special meeting or conduct the meeting through the use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

5.10 RESOLUTION IN WRITING

A resolution in writing, signed by all the Directors entitled to vote on that resolution at a meeting of Directors, is as if it has been passed at a duly called and constituted meeting of the Board of Directors of the Club.

5.11 ERRORS IN NOTICE

No error or omission in giving any notice of the Directors shall invalidate either such notice or the meeting or invalidate or make void any proceedings taken or had at such meeting and any Directors may at any time waive notice of any meeting and may ratify and approve any or all proceedings taken at a meeting of the Board of Directors of the Club.

5.12 OFFICERS

Each Board of Directors of the Club shall, promptly after the election of the Board at an Annual General Meeting, appoint a President, a Vice-President and a Secretary of the Club. Similarly, the Board of Directors may appoint any of the Directors to any other office or position with the Club as the Board from time to time decide. All officers of the Club are subject to removal from office by the Board of Directors at any time with or without cause and with or without notice to the person so removed.

5.13 REMUNERATION OF OFFICERS AND DIRECTORS

No member of the Board of Directors shall receive any remuneration from the Club for services rendered as a member of the Board of Directors for the Club or as an officer of the Club.

5.14 DELEGATION OF AUTHORITY

The Board of Directors may at any time and from time to time delegate to any person the authority to manage and direct the business and affairs of the Club by contract or otherwise and for whatever consideration the Board of Directors may consider appropriate.

5.15 EXECUTION OF DOCUMENTS

All deeds, contracts, leases, transfers, licenses and any other instrument or document whatsoever to be executed by the Club may be signed by the President or Vice-President and any other Director or by any two Directors as may be designated from time by the Board of Directors, and in such case the seal of the Club may be affixed by such persons.

5.16 CONFLICT OF INTEREST OF A DIRECTOR

A Director shall not be disqualified as such, nor be required to vacate his position as a Director of the Club, by reason only that he is party to, or is a Director or officer of or has a material interest in any person who is a party to, a contract or proposed contract with the Club. Such a Director shall, however, disclose the nature and extent of his interest in the contract, and shall be counted to determine the presence of a quorum at any meeting of the Board of Directors at which such a contract or proposed contract may be authorized or approved.

5.17 INDEMNITY

Except in respect of an action by or on behalf of the Club to obtain a judgement in its favour, the Club shall indemnify all Directors and all former Directors of the Club, their heirs, executors, administrators, successors and assigns, against all costs, damages, charges and expenses, including any amount paid to settle an action or satisfy a judgement, reasonably incurred by him in respect of any action or proceeding in which he is made a party by reason only of being or having been a Director or officer of the Club if:

- (a) he acted honestly and in good faith with a view to the best interests of the Club; and
- (b) he had reasonable grounds for believing that his conduct was lawful.

PART VI

EXERCISE OF BORROWING POWERS

6.01 BORROWING POWERS

The Board of Directors may from time to time cause the Club to guarantee the obligations of other owners of an interest in the Golf Course Lands and execute security in support thereof and may borrow money in any manner and without limit as to the amount of the credit of the Club and in such amounts as they may think proper and may cause to be executed, debentures, mortgages and pledges of the real and personal property and rights of the Club and may cause to be signed bills of exchange, promissory notes, contracts and other evidence of indebtedness and other security for money borrowed or to be borrowed, such monies to be borrowed from any bank or other person on such terms as the lender may be willing to advance; provided however that no debentures issued by the Club shall be issued without the sanction of the Club by way of a Special Resolution.

6.02 CHEQUES AND OTHER INSTRUMENTS

All cheques, bills of exchange, promissory notes and other evidences of indebtedness issued in the name of the Club, shall be signed by any two Directors or officers or agents of the Club as may be from time to time determined by the Board of Directors and any such Directors or officers or agents may endorse notes and drafts for collection on account of the Club and endorse notes and cheques for deposit with the Club's bankers for the credit of the Club.

PART VII

AUDITS OF ACCOUNTS

7.01 APPOINTMENT OF ACCOUNTANTS

The Board of Directors may from time to time appoint accountants for the Club for such period of time as the Directors may determine.

7.02 ANNUAL FINANCIAL STATEMENT

The accountants of the Club or a representative thereof shall be entitled to attend each Annual General Meeting of the Club and shall be responsible to present at the Annual General Meeting a financial statement setting out the Club's income, disbursements, assets and liabilities reviewed and signed by the accountants. Each such financial statement shall be with respect to the Club's previous fiscal year.

7.03 FISCAL YEAR

The fiscal year of the Club shall coincide with the calendar year.

PART VIII

CUSTODY AND USE OF THE SEAL OF THE CLUB

8.01 FORM OF THE SEAL

The Board of Directors shall adopt a seal which shall be the common seal of the Club.

8.02 DIRECTORS TO CONTROL USE OF THE SEAL

The seal of the Club shall be under the control of the Board of Directors and the responsibility for its custody and use shall be from time to time determined by the Directors.

PART IX

MANNER OF MAKING, ALTERING AND RESCINDING BY-LAWS

9.01 AMENDMENT OF THE BY-LAWS

These By-Laws may be altered, rescinded or otherwise amended from time to time by Special Resolution of the Members.

PART X

PREPARATION AND CUSTODY OF MINUTES OF PROCEEDINGS OF MEETINGS OF THE CLUB AND OF THE DIRECTORS AND OTHER BOOKS AND RECORDS OF THE CLUB

10.01 BOOKS AND RECORDS

The Board of Directors shall be responsible to see that all books and records of the Club as may be from time to time reasonably required are regularly and properly kept.

10.02 MINUTES

The Secretary, or any other Director specifically charged by the Board of Directors with the responsibility, shall prepare, keep and maintain, or shall cause to be prepared, kept and maintained, at the registered office of the Club, an official minute book which shall include:

- (a) an original filed copy of the Application for the Incorporation of the Club;
- (b) an original filed copy of the By-Laws;
- (c) the original of the minutes of all General Meetings (including the financial statements of the auditors of the Club presented at each Annual General Meeting);
- (d) the original of the minutes of all meetings of the Board of Directors;
- (e) all notices concerning the registered office of the Club;
- (f) filed copies of all annual returns made to the Registrar of Corporations pursuant to the Act;
- (g) a register of Directors of the Club;
- (h) a register of Officers of the Club;
- (i) a register of all Mortgages and other security documents granted by the Club.

PART XI

TIME AND PLACE AT WHICH THE BOOKS AND RECORDS OF THE CLUB MAY BE INSPECTED BY MEMBERS

11.01 INSPECTION OF BOOKS BY MEMBERS

The Directors shall from time to time determine whether, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the

Club or any of them shall be open to the inspection of Members not being Directors. No Member who is not a Director shall have any right of inspection of any account or book or document of the Club except as may be conferred by law or authorized by the Board of Directors.

11.02 COPY OF THESE BY-LAWS

The Club shall furnish to a Member, at his request, a copy of these By-Laws and of the Application for Incorporation of the Club.

11.03 The Club shall at all times maintain a registered office in the Province of Alberta to which all communications and notices may be sent and at which all process may be served. The registered office shall initially be located at 1900, 350 - 7 Avenue S.W. , Calgary, Alberta, and may be changed from time to time by the Board of Directors of the Club.

11.04 REGISTER OF MEMBERS [*amended 2023*]

The Club shall keep a register of its Members containing the name of every other person who is from time to time a Member of the Club or an Associate Member of the Club, together with the following particulars of each person:

- (a) full name, gender pronoun, telephone number, email address, and residential address;
- (b) date on which the person is admitted as a Member;
- (c) if the Member is a corporation or a partnership, the Corporate Designee with respect to that membership;
- (d) number to the membership as required by Section 2.04;
- (e) date on which the person ceases to be a Member.

PART XII

MISCELLANEOUS

12.01 NOTICES [*amended 2023*]

(a) Any notice, request, demand or other instrument which may be required or permitted to be delivered, given, sent or served by the Club upon a Member shall be sufficiently delivered, given, sent or served upon the Member or an Associate Member, if in writing and if either delivered by hand to the Member or Associate Member, as the case may be, at the address of the Member or Associate Member as recorded in the register as maintained by the Club pursuant to Section 11.04 above. A Member or an Associate

Member may change such address on the Register at any time and from time to time by written notice to the Club. In the case of the Club, any such notice, request, demand or other instrument may be mailed by ordinary mail addressed to the Club at its registered office. Any document delivered by hand shall be deemed to have been received on the date of actual receipt and any document mailed as aforesaid shall be deemed to have been received on the fourth day after mailing, excluding, Saturdays, Sundays and statutory holidays. Notwithstanding the foregoing, if there is a strike, lockout, threatened strike or lockout or similar disruption in the Canadian Postal Service at the time of mailing any notice hereunder, or within 5 days either before or after the date of such mailing, then notice hereunder shall be effected by delivery only.

(b) An electronic communication (“Electronic Notice”) shall be deemed written notice for purposes of Section 12.01 if sent to the electronic mail address specified by the receiving member and recorded pursuant to Section 11.04. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Electronic Notice shall be the primary source of communication with Club Members. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form (“Nonelectronic Notice”) which shall be sent to the requesting party within ten (10) days of receipt of the written request for Nonelectronic Notice.

12.02 RESPONSIBILITY FOR LOSS

Upon becoming a Member of the Club, each Member, including each Sponsored Member and Associate Member, shall be conclusively deemed to have agreed that neither the Club nor any director, officer, employee, agent or manager thereof shall be responsible in any way whatsoever for any loss of any property nor for any damage or loss whatsoever sustained by a Member, Associate Member or their guests in or about the facilities of the Club or elsewhere on the Golf Course Lands or arising directly or indirectly from the use or occupation of the Golf Course Lands or any adjacent lands.

DATED this 17th day of October, 1990.

"Scott Allred"

SCOTT S. ALLRED
Box 9, Site 5, SS 3
Calgary, Alberta T3C 3N9
Golf Instructor

"Edward G. Kelly"

EDWARD G. KELLY 400,
1010 - 8 Avenue S.W.
Calgary, Alberta T2P 1J2
Lawyer

"Grant Coates"

GRANT COATES
190 Wildwood Drive S.W.
Calgary, Alberta T3C 3C9
Businessman

"R.D. Tingle"

Witness to all signatures

Richard D. Tingle

Name of Witness Printed

1900, 350 - 7 Avenue S.W., Calgary, Alberta

Address of Witness

Solicitor

Occupation of Witness

"Ron Ehlert"

AL (RON) EHLERT
74 Christie Knoll Heights S.W.
Calgary, Alberta
Landscape Architect

"Bernard McKenna"

BERNARD J. McKENNA
4 Dalroy Crescent N.W.
Calgary, Alberta T3A 1G3
Land Surveyor

AGREEMENT OF SALE

THIS AGREEMENT MADE THIS 24TH DAY OF OCTOBER, 1990.

BETWEEN:

ELBOW SPRINGS GOLF CLUB LIMITED
PARTNERSHIP, by ALLRED'S GOLF COURSES
LTD., a body corporate incorporated under the laws
of the province of Alberta, its general partner
(Hereinafter referred to as "Vendor")

-and-

ELBOW SPRINGS GOLF CLUB, a society
incorporated under the laws of the Province of
Alberta,

(Hereinafter referred to as "Purchaser")

WHEREAS Vendor is the registered owner or has leased with an option to purchase of those lands in the M.D. of Rocky View No. 44, in the Province of Alberta, as described in schedule "A" of the Co-Ownership Agreement herein attached.

(Hereinafter collectively referred to as the "Lands")

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1 TRANSFER OF GOLF COURSE LANDS
AND DECLARATION OF TRUST

- 1.1 In consideration of the payment by Purchaser to Vendor of the sum of NINE HUNDRED THOUSAND DOLLARS (\$900,000.00), Vendor hereby transfers to Purchaser a beneficial undivided three-quarters (3/4) interest in the Lands except for those portions of the Lands identified by shading on the map attached hereto as Schedule "A" (and described on Schedule "A" as the "Highway Widening Land", "Possible Future Development Land", and "Lot Option Land") the entire beneficial interest in which shall remain with Vendor. The portion of the Lands, a beneficial interest in which is being conveyed hereunder to Purchaser shall hereinafter be referred to as the "Golf Course Lands".

- 1.2 Vendor hereby declares that from and after payment to the Vendor of the said purchase price of \$900,000.00 Vendor shall hold the title to the Golf Course Lands in trust as to an undivided three-quarters (3/4) interest for and on behalf of Purchaser. Except as otherwise contemplated hereunder and in Co-Ownership Agreement referred to in paragraph 1.7 hereof, Vendor undertakes and agrees not to transfer, mortgage or otherwise encumber the title to the Golf Course Lands without the prior written consent of Purchaser.
- 1.3 The effective date of the sale of the Golf Course Lands to the Purchaser hereunder shall be deemed to be the 1st day of November, 1990 and all adjustments of taxes and utilities shall be made as of such date.
- 1.4 The Purchaser acknowledges and agrees that the title to the Golf Course Lands shall be subject to the following encumbrances:
- (i) as to the ptn. of SE 1/4 of Section 5-24-2-W5M.
 - (a) Utility Right of Way filed as instrument number 7328DH;
 - (b) Easement filed as instrument number 1637FA;
 - (c) Mortgage of Utility Right of Way filed as instrument number 4246GD;
 - (d) Notice of Restricted Development Area filed as instrument number 761104562;
 - (e) Easement filed as instrument number 871159956;
 - (f) Easement filed as instrument number 901070795 or such replacement easement as may be agreed upon by the Vendor;
 - (g) Caveat re. option in the event golf course not constructed filed by Elbow Valley Development Corporation as instrument number 901062710;
 - (ii) as to the SW 1/4 of Section 5-24-2-W5M:
 - (a) Utility Right of Way filed as instrument number 8570DH;
 - (b) Mortgage of Utility Right of Way filed as instrument number 4246GD;
 - (c) Notice of Restricted Development Area filed as instrument number 761104562;
 - (d) Caveat by Minister of Transportation filed as instrument number 791015114;
 - (e) Easement filed as instrument number 871200485;
 - (f) Caveat re. option in the event golf course not constructed filed by Elbow Valley Development Corporation as instrument number 901062710;
 - (g) Caveat re. option agreement of "Lot Option Land" filed as instrument number 901149207;
- 1.5 Title to the Lands shall, except as otherwise set forth herein, be held in the name of the Vendor alone. Vendor hereby irrevocably undertakes at the written request of Purchaser to

transfer to Purchaser an undivided three-quarters (3/4) interest in the Golf Course Lands, at any time after a separate certificate of title to the Golf Course Lands has been created following the subdivision of the Lands contemplated hereunder.

- 1.6 It is further agreed that on Vendor's right to subdivide the Lands as contemplated hereunder expiring as hereinafter provided, Vendor shall thereupon be deemed to have transferred to Purchaser beneficial ownership as to an undivided three-quarters (3/4) interest in the remainder of the Lands (excepting those portions that may have been subdivided by Vendor as contemplated hereunder) and hold such further portions of the Lands in trust, as to an undivided three-quarters (3/4) interest, for and on behalf of Purchaser. Thereafter, Vendor hereby irrevocably undertakes to transfer to Purchaser, at the written request of Purchaser, an undivided three-quarters (3/4) interest in all of the Lands (except those portions of the Lands that Vendor may have subdivided as contemplated hereunder.)
- 1.7 Use and operation of the Golf Course Lands shall be in accordance with the terms and conditions of the Co-Ownership Agreement between the parties hereto. In the event of conflict or inconsistency between the terms and conditions of this agreement and the terms and conditions of the said Co-Ownership Agreement, the latter shall prevail. On the Vendor's right to subdivide the Lands as contemplated hereunder expiring, the said Co-Ownership Agreement shall be deemed to apply to all of the Lands (except those portions of the Lands that Vendor may have subdivided as contemplated hereunder).

2 SUBDIVISION OF LANDS

- 2.1 Vendor shall be entitled to subdivide the lands at any time within twenty-five (25) years of the date of this agreement for the purpose of creating separate certificates of title to the Highway Widening Land, the Possible Future Development Land, or the Lot Option Land. Purchaser agrees to cooperate with and support any application to subdivide the Highway Widening Land, the Possible Future Development Land, or the Lot Option Land, including by executing and delivering such consents and other documents in connection therewith as Vendor may reasonably request. In the event that separate certificates of title are created for the Highway Widening Land, the Possible Future Development Land, or the Lot Option Land, Purchaser shall have no interest whatsoever in such lands and Vendor shall be entitled to dispose of such lands and otherwise deal with such lands as Vendor deems fit, without compensation to Purchaser.
- 2.2 Purchaser acknowledges and agrees that it will have no interest, beneficial or otherwise, in the Highway Widening Land, the Possible Future Development Land, or the Lot Option Land unless the Vendor does not, within the period referenced in section 2.1, subdivide the lands to create separate certificates of title for the Possible Future Development Land, the Highway Widening Land, or the Lot Option Land.

It is acknowledged and agreed, however, by the parties hereto that it is not the intention of the parties hereto to attempt to effect a subdivision of the Lands without the necessary

approvals and that Vendor taking title to the Highway Widening Land, the Possible Future Land, or the Lot Option Land will be subject to the condition subsequent that the plan of subdivision creating such lot is registered. Purchaser agrees, if so requested by Vendor but at the sole cost and expense of Vendor, to co-operate with Vendor in registering any such subdivision. The parties hereby absolutely waive the provisions of section 95 of the Land Titles Act.

3 MISCELLANEOUS

- 3.1 This agreement shall be binding upon and ensure to the benefit of the parties hereto and their respective successors and permitted assigns.
- 3.2 Time shall be of the essence of this agreement.
- 3.3 This agreement shall be governed by and construed in accordance with the laws of the Province of Alberta.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT

ELBOW SPRINGS GOLF CLUB
LIMITED PARTNERSHIP
by ALLRED'S GOLF COURSES LTD.
its general partner

PER: "Scott Allred"

PER: "Ron Ehlert"

ELBOW SPRINGS GOLF CLUB

PER: "Grant Coates"

PER: _____

BY-LAWS AS PER 1996

Original By-Laws prior to their amendments.

1.01 DEFINITIONS

"Associate Member" shall mean an individual who becomes an Associate Member of the Club pursuant to Section 2.05.

2.01 MEMBERS OF THE CLUB

The Members of the Club shall comprise of the Subscribers (or the corporations or partnerships of which they are the Corporate Designee, as the case may be) and those persons who become Members pursuant to Section 2.02.

2.02 ADMISSION OF MEMBER

Subject to Section 2.03, a person, by submitting an application for membership in writing to the Club in the form approved by the Board of Directors of the Club together with payment of the Initial Membership Fee referred to in Section 2. I 1, may, if accepted by the Board of Directors of the Club, become a Member of the Club.

2.05 ASSOCIATE MEMBER

Both Members and Corporate Designees may, upon acceptance by the Club of an application in writing together with the applicable Annual Associate Membership Fee referred to in Section 2.13, sponsor their spouses or their children or all or any of them, in each case, as an Associate Member of the Club on a year-by-year basis. Each child of a Member must be under 26 years of age throughout the year in order to qualify as an Associate Member. An Associate Member shall during the year in which he is an Associate Member have all of the rights and privileges of a Member subject to any overriding rules, regulations and restrictions as may from time to time be determined by the Board of Directors concerning the use by Associate Members of the facilities of the Club provided that an Associate Member shall not qualify as an officer or Director of the Club, shall not be entitled to vote at General Meetings and shall not have the right to sponsor Associate Members pursuant to this Section 2.05.

2.13 ANNUAL ASSOCIATE MEMBERSHIP FEE

The annual fee payable by an individual who is an Associate Member pursuant to Section 2.05 shall be such amount as the Board from time to time determines. Such fees may be paid at the time during the year and shall be paid on a calendar year basis.

2.14 ANNUAL MEMBERSHIP DUES

All Members shall pay annual membership dues on a calendar year basis in each year for which such dues are assessed by the Board on or before January 31st of that year. The annual membership dues shall be in such amount as may from time to time be determined by the Board of Directors. If a member first becomes a Member of the Club after January 31st in a year, his obligation to pay annual membership dues with respect to that year shall be determined by the Board of Directors. The Club shall notify each Member of the Board of the amount of the annual membership dues payables in a year on or before January 31st of that year.

2.16 REDEMPTION OF MEMBERSHIPS

(b) It shall be a condition precedent of any redemption of a membership that the Member wishing to redeem the membership (the "Retiring Member") shall submit to the Club, together with the notice referred to in subsection 2.16 (a) above, an application in writing of a person who wishes to acquire a membership in the Club (the "Sponsored Member"), together with payment of a Redemption Fee of \$1,000 or such greater redemption fee as the Board shall from time to time determine. Such application shall contain confirmation that the Sponsored Member has received a copy of the provisions of the Co-Ownership Agreement entered into between Elbow Springs Golf Club Limited Partnership (the "Partnership") and the Club whereby, inter alia, the Partnership is given the right to purchase the interest of the Club in the Golf Course Lands in certain circumstances and to mortgage and charge the Golf Course Lands. Subject to the foregoing provisions of this Section 2.16 and approved by the Board of Directors, the Club shall accept the Sponsored Member as a new Member of the Club effective as of the date of receipt by the Club of the payment referred to above (the "Redemption Date") and shall thereupon pay to the Retiring Member the Initial Membership Fee paid by him.

2.17 DESIGNATION OF OTHERS TO USE MEMBERSHIP GOLFING PRIVILEGES

Upon payment of a fee of \$500.00 or such greater fee as the Board shall from time to time set, a Member of the Club shall be entitled to designate in writing a person to assume all of the rights and privileges of a Member to golf on the Golf Course Lands for the period not exceeding five years next following the receipt by the Club of such written notice as may be stipulated in such notice by such Member.

2.19 DISSOLUTION OR WINDING-UP OF THE CLUB

On the dissolution or winding-up of the Club all assets of the Club, after payment of all outstanding liabilities of the Club, shall be distributed as follows:

(a) Members of the Club shall be entitled to receive back the sum of \$12,000 being the anticipated Initial Membership Fee referred to in Section 2.11 or such greater Initial Membership Fee as may have been paid by Members of the Club, and any capital levies made pursuant to Section 2.12;

(b) the balance of any such assets shall be distributed to such Club having objects similar to the objects of the Club or such charity as specified by the Board of Directors.

3.01 FAILURE TO PAY ANNUAL MEMBERSHIP DUES

If any Member should in any year fail to pay the annual membership dues in relation to a membership as required by Section 2.14 above, then if such annual membership dues have not been paid by 12:00 O'clock midnight on April 30th of that year, the membership in question shall be terminated and at an end, such that the Member shall thereafter have no rights thereunder. The Club shall have no obligation whatever to notify a Member prior to any such termination of a membership for failure to pay annual membership dues.

4.01 ANNUAL GENERAL MEETING

The Club shall hold an Annual General Meeting during the month of March each year at such time and place within the Province of Alberta as shall be determined by the Board of Directors. The Board of Directors shall at the Annual General Meeting present a financial statement setting out the Club's income, disbursements, assets and liabilities, signed by the accountants appointed by the Club.

5.09 MEETINGS OF DIRECTORS

Meetings of Directors may be held at such times and at such places as the Directors may from time to time determine. A meeting of the Directors may be convened at any time by the president or by any two Directors. Notice of a meeting shall be communicated to each Director not less than 48 hours before the meeting is to take place; provided however that meetings of the Directors may be held at any time without formal notice if all of the Directors are present or if those absent have waived notice or have signified their consent in writing to the meeting being held in their absence. The President of the Club or, in his absence, the Vice-President of the Club or, in the absence of both of them, any other Director shall serve as the Chairman of a meeting of the Board of Directors. The Secretary of the Club or, in his absence, any other Director as may be determined by the Board, shall serve as the Secretary of a meeting of the

Board of Directors and shall keep minutes of the meeting. All questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting, in addition to his original vote, shall have a second or casting vote.

11.04 REGISTER OF MEMBERS

The Club shall keep a register of its Members containing the names of the Subscribers and the name of every other person who is from time to time a Member of the Club or an Associate Member of the Club, together with the following particulars of each person:

- (a) full name, occupation and residential address;
- (b) date on which the person is admitted as a Member;
- (c) if the Member is a corporation or a partnership, the Corporate Designee with respect to that membership;
- (d) number to the membership as required by Section 2.04;
- (e) date on which the person ceases to be a Member.

12.01 NOTICES

Any notice, request, demand or other instrument which may be required or permitted to be delivered, given, sent or served by the Club upon a Member shall be sufficiently delivered, given, sent or served upon the Member or an Associate Member, if in writing and if either delivered by hand to the Member or Associate Member, as the case may be, at the address of the Member or Associate Member as recorded in the register as maintained by the Club pursuant to Section 11.04 above. A Member or an Associate Member may change such address on the Register at any time and from time to time by written notice to the Club. In the case of the Club, any such notice, request, demand or other instrument may be mailed by ordinary mail addressed to the Club at its registered office. Any document delivered by hand shall be deemed to have been received on the date of actual receipt and any document mailed as aforesaid shall be deemed to have been received on the fourth day after mailing, excluding, Saturdays, Sundays and statutory holidays. Notwithstanding the foregoing, if there is a strike, lockout, threatened strike or lockout or similar disruption in the Canadian Postal Service at the time of mailing any notice hereunder, or within 5 days either before or after the date of such mailing, then notice hereunder shall be effected by delivery only.