

ARTICLES OF ASSOCIATION OF  
WOOD BUFFALO ECONOMIC DEVELOPMENT CORPORATION

ARTICLE 1 - PREAMBLE AND INTERPRETATION

1.1 Applicable Legislation

These Articles are to be read to comply with the Companies Act, R.S.A. 2000 and other applicable legislation. Unless otherwise specified in these Articles, terms used herein shall be taken as having the same meaning they have when used in the Companies Act.

1.2 Repeal of Previous Articles of Association

Those articles of association as filed at the Registrar on October 22, 2018 are hereby repealed in their entirety and are replaced with these Articles.

1.3 Definitions

In these Articles, unless the context otherwise requires:

- (a) "**Articles**" means these Articles of Association and any amendments thereto;
- (b) "**Board of Directors**" or "**Board**" means the Board of Directors of the Company;
- (c) "**Board Meeting**" means a duly called and constituted meeting of the Board of Directors;
- (d) "**Chair**" means the member of the Board who is appointed or elected as Chair;
- (e) "**Chief Administrative Officer**" or CAO means the person appointed by Council as Chief Administrative Officer of the Municipality;
- (f) "**Chief Executive Officer**" means the person appointed by the Board to serve as the senior executive officer of the Company;
- (g) "**Chief Legislative Officer**" means the person holding the position of Chief Legislative Officer of the Municipality;
- (h) "**Company**" means the Wood Buffalo Economic Development Corporation, a not-for-profit Company established under the Companies Act;
- (i) "**Companies Act**" means the Companies Act RSA 2000 C.-21 as amended;
- (j) "**Council**" means the elected council of the Municipality;
- (k) "**Councillor**" means an elected councillor of the Municipality;
- (l) "**Director**" means a ~~director~~member of the Board of Directors of the Company;

(m) "**Members**" means the members of the Company as defined by the Companies Act and Article 2.1 of these Articles. When there is more than one Member a reference to a "Member" in the singular shall be read as a reference to "Members" in the plural;

(n) "**Meeting of the Directors**" includes any meeting of the Board, including Committee Meetings;

(o) "**Memorandum**" means the Memorandum of Association for Wood Buffalo Economic Development Corporation dated June 14, 2018 and filed with the Registrar of Corporations for the Province of Alberta on July 5, 2018.

~~(+)(p)~~ "**Municipality**" means the Regional Municipality of Wood Buffalo, a specialized municipality under the Municipal Government Act (Alberta);

(q) "**Officer**" means an officer of WBEDC designated and appointed as such by the Board;

~~(+)(r)~~ "**Resolution**" means a resolution passed by a majority of votes cast at a meeting of the Members or of the Directors, as the case may be.

## ARTICLE 2 - MEMBERSHIP

### 2.1 Members

The initial Members of the Company upon formation are the Municipality and the Chief Administrative Officer. In the event of a vacancy in the position of Chief Administrative Officer, the Council may appoint a replacement to serve as a Member while the vacancy in the position of Chief Administrative Officer exists. If after formation of the Company the Chief Administrative Officer resigns as a Member, the Council has no obligation to appoint a replacement Member and if the Council does not appoint a replacement the Company may continue with the Municipality as its sole Member.

### 2.2 Conflict-of-Interest

The Municipality shall not be deemed to be in conflict-of-interest with the Company by reason only of the Municipality entering into Contracts with the Company from time to time.

## ARTICLE 3 - APPOINTMENT OF DIRECTORS

### 3.1 Number of Directors

~~Except for the first-~~The Board shall consist of no less than 9 Directors ~~which shall be 1 Director, the Board consists of eleven and no more than 13~~ Directors.

#### 3.2.1 Appointment of ~~First~~ Directors

~~After the replacement of the first Director, the second slate of Directors of the Company shall be appointed as follows:~~

~~The Council shall by resolution appoint ten Directors of the Company, including the Chair, and in so doing shall designate the term of each initial Director's appointment provided that three of the initial Directors shall be appointed for a term of one year, four for a term of two years, and three for a term of three years, with the Chair being one of the three Directors appointed for a term of three years; and Vice-Chair~~

As Directors' terms expire, the Board shall appoint persons to fill the vacancies resulting from the expiring terms, in accordance with the following:

- (a) not more than 30 days prior to the expiry of the term of a Director the Board shall appoint a person to replace that Director, and the Director whose term is about to expire shall be entitled to vote on their replacement;
- (b) a Director who wishes to continue to serve in that capacity beyond one term may be re-appointed upon the expiry of that Director's first term of appointment, provided that no person shall serve more than six consecutive years in the capacity of Director;
- (c) if a Director whose term is expiring is also the Chair, then the Board shall also appoint from among the Directors (either existing or incoming) a replacement Chair as the case may be, provided however that no Director shall serve for more than three consecutive years in the capacity of Chair;
- (d) all appointments of Directors made by the Board shall be for terms of exactly three years, so that once per year only three of the twelve Directors terms will expire, but the Board may appoint its Chair for any period of time up to three years;
- ~~(a)~~(e) one of the Directors shall be the CAO and the person who holds the position of the CAO shall be appointed for an indefinite term; and
- (f) one of the directors shall have a tourism skillset;
- (g) if at any time a Director, except the Chair, is unable to continue in that capacity through to the end of that person's term then the Board shall appoint a replacement whose term of appointment shall be the unexpired portion of the term of the Director who is unable to continue; and
- (h) if the Board fails to make new appointments of Directors at the prescribed times under these Articles, then incumbent Directors shall continue in office until the new appointments are made.

~~(b)~~(i) Residency of Directors: At all times, the following shall be the composition of the Board:

- a. No less than six Directors and no more than ~~nineteen~~ten Directors shall be ordinarily resident within the municipal boundaries of the Municipality;
- b. No less than two Directors and no more than five Directors shall be ordinarily resident outside the municipal boundaries of the Municipality; and
- c. For the purposes of this subsection, "ordinarily resident" means the place where in the settled routine of an individual's life, the individual regularly, normally or customarily lives.

### ~~3.2.2 Appointment of Subsequent Directors, Chair and Vice-Chair~~

~~After the first appointment in Section 3.1 and second appointment in Section 3.2.1 the Council shall no longer appoint Directors. As Directors' terms expire, the Board shall appoint persons to fill the vacancies resulting from the expiring terms, in accordance with the following:~~

- ~~(a) not more than 30 days prior to the expiry of the term of a Director the Board shall appoint a person to replace that Director, and the Director whose term is about to expire shall be entitled to vote on his or her replacement;~~
- ~~(a) a Director who wishes to continue to serve in that capacity beyond one term may be re-appointed upon the expiry of that Director's first term of appointment, provided that no person shall serve more than six consecutive years in the capacity of Director;~~
- ~~(b) if a Director whose term is expiring is also the Chair, then the Board shall also appoint from among the Directors (either existing or incoming) a replacement Chair as the case may be, provided however that no Director shall serve for more than three consecutive years in the capacity of Chair;~~
- ~~(c) all appointments of Directors made by the Board shall be for terms of exactly three years, so that once per year only three of the nine Directors terms will expire, but the Board may appoint its Chair for any period of time up to three years;~~
- ~~(d) if at any time a Director, except the Chair, is unable to continue in that capacity through to the end of that person's term then the Board shall appoint a replacement whose term of appointment shall be the unexpired portion of the term of the Director who is unable to continue;~~
- ~~(e) if the Board fails to make new appointments of Directors at the prescribed times under these Articles, then incumbent Directors shall continue in office until the new appointments are made; and~~
- ~~(f) residency of Directors: At all times, the following shall be the composition of the Board:
  - ~~i. No less than six Directors and no more than nine Directors shall be ordinarily resident within the municipal boundaries of the Municipality;~~
  - ~~ii. No less than two Directors and no more than five Directors shall be ordinarily resident outside the municipal boundaries of the Municipality; and~~
  - ~~iii. For the purposes of this subsection, "ordinarily resident" means the place where in the settled routine of an individual's life, the individual regularly, normally or customarily lives.~~~~

### **3.3 Exclusions**

None of the following is eligible to be a Director:

- (a) a person under the age of 18 years;
- (b) a person who is found by a court to be mentally incompetent or of unsound mind;
- (c) a person who has been convicted of an indictable offence or a criminal offence involving fraud; or
- (d) a person who is a corporation.

### **3.4 Termination of Directors**

- (a) A Director's appointment is terminated if:
- (i) the Director delivers a written resignation to the ~~Chief Executive Officer~~Chair with an effective resignation date;
  - (ii) the Director becomes a person described in Article 3.3;
  - (iii) the Director dies; or
  - (iv) the Director is absent from three ~~(3)~~ consecutive Board meetings.
- (b) If clause 3.43(a)(iv) applies the remaining Directors may by resolution at a subsequent Board meeting excuse the absences and reinstate the Director. Such reinstatement may be issued on such terms and conditions set out in the resolution as the Directors consider to be in the best interests of the company.

### **3.5 Casual Vacancies**

The Board may at any time and from time-to-time appoint a new person as a Director to fill a vacancy on the Board for the balance of the term of the person whose departure created the vacancy.

### **3.6 Remuneration of Directors**

No Director shall be remunerated for ~~his~~their services to the Board except for the Chair. The Chair shall be remunerated for ~~his~~their services as the Board may specify. The Board shall annually make publicly available the details of all remuneration received by the Chair.

### **3.7 Expense Reimbursement**

The Directors shall be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the Member, the Board, committees of the Board, Council meetings and Council committee meetings.

### **3.8 Conflict-of-Interest**

No Director shall directly or indirectly receive any profit or financial benefit from ~~his~~their position provided that any Director who is engaged in or is a member of a firm or corporation engaged in any business or profession may, subject to the conflict of interest guidelines established by the Board, act in and be paid the usual professional fees and business charges for any professional work or other business required to be done in connection with the administration of the affairs of the Company.

## **ARTICLE 4 - POWERS OF DIRECTORS**

### **4.1 Administer Affairs**

The Board shall oversee the affairs of the Company in all things and make or cause to be made for the Company, in its name, any contract that the Company may lawfully enter into and, save as hereinafter provided, generally exercise all other powers and do all other acts and things as the Company is authorized to do by its Memorandum ~~of Association~~, the Companies Act or otherwise. The powers and authority granted to the Board of Directors shall be subject to any limitations and directions as set forth herein.

### **4.2 Delegation to the Chief Executive Officer**

The Board may, by governance policy or by specific resolution, delegate specified responsibilities and decisions to the Chief Executive Officer, provided that the Board may not delegate responsibility for corporate governance, approval of budgets, or audit. The Board shall develop and approve a governance policy that specifies the accountabilities of the Board and Chief Executive Officer, one to the other.

### **4.3 Disposition or Pledging Assets**

The Board has the authority to dispose of by sale or by lease any of the real or personal property of the Company in the ordinary course of carrying out the operations of the Company. The Board has the power to borrow money and to mortgage, pledge, or grant any security encumbering the real or personal property of the Company for the purposes of the company.

### **4.4 General Restriction of Board Power**

The power of the Board to manage the business and affairs of the Company with respect to any matter which is expressed to be subject to any action or approval of the Member, is hereby restricted and reserved to the Member as outlined in Section 4.5.

### **4.5 Specific Restriction of Board Power**

In addition to all other matters which are subject to the exclusive authority of the Members of a company under any provision of the Companies Act or are subject to any approval or action of the Member under these Articles, the following matters pertaining to the business and affairs of the Company are reserved exclusively to the authority and approval of the Member who shall have all power to:

- (a) make, amend or repeal the Memorandum and the Articles;
- (b) authorize any investigation of the business and affairs of the Company;
- (c) cause or enable the Company to enter into any merger or amalgamation with any other corporate entity;
- (d) approve the sale, lease, exchange or disposal of all or substantially all or a material portion of the property of the Company;

- (e) approve the continuance of the Company under any other legislation including the laws of another jurisdiction.

#### **4.6 Specific Board Authority**

Without limiting the generality of Section 4.1, for greater certainty the Board shall have all power to:

- (a) approve operating and capital budgets;
- (b) approve all re-allocations among programs for operating and capital budgets;
- (c) approve the compensation to be paid to and benefit plans, if any, to be established for the Chair of the Board but in respect only to their ~~his~~ services as Chair;
- (d) approve the compensation to be paid and benefit plans, if any, to be established for the Chief Executive Officer of the Company;
- (e) assess, review and approve strategic plans for the Company and its divisions;
- (f) safeguard the assets of the Company;
- (g) prepare annual and quarterly financial operating reports and deliver them to the Member;
- (h) report to the Member at the meetings of the Company and otherwise as the Member may request on strategies, goals and objectives ~~of~~ the Company;
- (i) recommend to the Member for approval all necessary or desirable alterations or additions to the Memorandum and the Articles to enable and better facilitate the efficient management of the Company and the pursuit of its objects;
- (j) meet regularly with and receive the reports of the auditor;
- (k) delegate to committees of the Board or any one or more officers, special powers with respect to the execution of instruments and the use of the corporate seal;
- (l) approve all borrowing requirements of the Company within its operating and capital budgets;
- (m) authorize and delegate to one or more financial officers of the Company the authority to deal directly with one or more persons designated by the Board in respect of the short-term borrowing requirements of the Company; and
- (n) appoint and reappoint all officers of the Company for one or more terms and remove any person appointed or reappointed to any office.

## ARTICLE 5 - INDEMNITIES OF DIRECTORS AND OTHERS

### 5.1 Indemnities

Every Director and Officer of the Company and their respective heirs, executors and administrators, and estates and effects, shall at all times be indemnified and saved harmless by the Company from and against:

- (a) all costs, charges and expenses which such Director or Officer incurs or sustains resulting from any legal action, suit or proceeding arising from executing the duties of ~~his or her~~their office; and
- (b) all other costs, charges and expenses relating to the Company's affairs.

provided however that a Director is not indemnified against costs, charges or expenses resulting from the Director's own neglect or misconduct.

### 5.2 Contract of Indemnity

The Board may cause the Company to enter into a contract to indemnify any Director, Officer, employee, agent or other person who has undertaken or is about to undertake any liability on the Company's behalf.

### 5.3 Insurance

The Board shall ensure that Directors' and Officers' errors and omissions and liability insurance coverage is maintained at all times.

## ARTICLE 6 - OFFICERS AND THE CHIEF EXECUTIVE OFFICER

### 6.1 Officers

- (a) The Officers of the Company shall be the Chair, Vice-Chair, Secretary, Treasurer, Chief Executive Officer and such other officers as the Board may by resolution determine (the "Officers"). Any two ~~(2)~~ or more offices may be held by the same person. ~~An Officer, with the exception of the Chief Executive Officer, shall be a Director.~~
- (b) All Officers shall be appointed by resolution of the Board and shall hold office at the pleasure of the Board. Officers are eligible for reappointment.

~~(a) Notwithstanding the foregoing, the inaugural Chair that is part of the second slate of Directors of the Company shall be appointed by resolution of Council in accordance with Section 3.2.1.~~

### ~~1.2 Chair~~



## 6.2 Chair

The Chair shall preside ~~at over~~ all meetings of the Members, and the Board, ~~and any committees of which the Chair is a member.~~

## 6.3 Vice-Chair

The Vice-Chair shall, in the absence of the Chair, perform the duties and exercise the powers of the Chair.

## 6.4 Secretary

The Board shall appoint and, thereafter, may reappoint or remove any person as the Secretary. The Secretary shall attend at and be the secretary of all meetings of the Board and all meetings of the Member. The Secretary shall ordinarily:

- (a) enter or cause to be entered in records kept for that purpose, minutes of all proceedings at all meetings;
- (b) give or cause to be given, as and when instructed, all notices to the Member, ~~the Councillors,~~ Directors, officers, auditors, and members of committees of the Board;
- (c) except when another officer or agent has been appointed by the Board or the CEO for that purpose, be the custodian of the corporate seal of the Company and of all books, papers, records, documents and instruments belonging to the Company;  
~~(a) — maintain a depository for all certificates of the Chief Legislative Officer with respect to the designation or revocation of the status of any person as a “Councillor”;~~
- (d) maintain all registers required by the Members, the Board, the Articles and the Companies Act; and
- (e) maintain registers of ~~Councillors,~~ Directors, officers, auditors, and members of committees of the Board and in each register specify the recorded address of each person named therein.

The Secretary shall also have such other powers and duties as the Board or the CEO may specify.

## 6.5 Treasurer

The Board shall appoint and, thereafter may reappoint or remove any person as the Treasurer. The Treasurer shall ordinarily.

- (a) have general charge of the finances of the Company;
- (b) regularly report to the Board and render true accounts of the financial condition of the Company and of all transactions of the Company made by or within the knowledge of the Treasurer;
- (c) as soon as possible after the close of each financial year, make and submit to the Board a report of all transactions of the Company made by or within the knowledge of the Treasurer; and

- (d) together with the Chief Executive Officer and employees, have charge and custody of and be responsible for keeping the books of account required to be kept pursuant to the laws governing the Company.

The Treasurer shall also have all other powers and duties as the Board or the CEO may specify

#### **6.6 Chief Executive Officer**

The Board shall appoint and, thereafter, may reappoint or remove the Chief Executive Officer. The Chief Executive Officer, subject to and in accordance with these Articles including without limitation the power and authority reserved to the Board and the Member, may act for and on behalf of and in the name of the Board or the Company concerning any matter that is within the power of the Board and the Company. The CEO shall ordinarily:

- (a) make recommendations to the Board regarding policies and general oversight of the affairs of the Company;
- (b) in consultation with the Board, establish organizational structure of the Company;
- (c) establish overall objectives and plans for Board approval and take reasonable steps to ensure implementation of the overall objectives and plans approved by the Board;
- (d) in consultation with the Board, establish corporate priorities and allocate corporate resources accordingly;
- (e) direct the management of the Company;
- (f) establish employee compensation and benefit plans;
- (g) except as limited by the Board, specify the powers and duties of the Company's officers and employees;
- (h) consult with the Chair on the performance of the officers and review their performance on a periodic basis;
- (i) together with the Chair of the Board:
  - (i) advise the Board of the business and affairs of the Company;
  - (ii) sign reports, recommendations and proposals of the Board to be presented to the Members; and
  - (iii) attend at and report to all meetings of the Member and the Board.

#### **6.7 Variation of Duties**

The Board may vary, add to or limit the powers and duties of any Officer.

## 6.8 Remuneration of Officers

Officers, except for the Chief Executive Officer and Chair, shall not be paid any remuneration for their services, but shall receive reimbursement for all reasonable expenses necessarily incurred in fulfillment of their duties.

## 6.9 Removal from Office

With the exception of the Chair, the Board may remove any officer of the Company without prejudice to the rights of that officer under any employment contract with the Company. Until an officer is removed, resigns, or becomes ineligible to hold office, that officer shall hold office until a successor to that officer is appointed.

## 6.10 Conflict of Interest

An officer who has, or who serves as an employee, director or officer of a person who has, a financial interest in a material contract or proposed contract with the Company shall disclose in writing to the Board or request to have entered in the minutes of meetings of the Board the nature and extent of the disclosed interest substantially as contemplated herein.

# ARTICLE 7 - DIRECTOR MEETINGS, DUTIES AND RULES

## 7.1 Meetings

The Directors may meet in person, by teleconference, videoconference or other satisfactory means of communication that enables all members to hear one another, subject always to these Articles. A Director participating in a meeting by electronic means shall be deemed to be present at the meeting.

- (a) the Directors will meet at least once every three ~~(3)~~ months;
- ~~(b) Board meetings shall be generally open to the public provided that if a matter of business is deemed by the Chair in consultation with the Chief Executive Officer to be a matter that should be kept confidential in the best interests of the Company and/or in accordance with the request of a person with whom the Company does or proposes to do business, that matter may be dealt with *in camera*;~~
- ~~(c) Board meetings shall be preceded by public notice which shall include a copy of the proposed meeting agenda; and~~
- (b) The Mayor of the Municipality shall be entitled to attend at and participate in all Board meetings, including those held in camera, provided that the Mayor shall not be entitled to exercise a vote at a Board meeting, and provided also that the same notices of meeting, agendas and background material for Board meetings shall be provided to the Mayor as are provided to Directors, with the same advance notice as is given to Directors.

## 7.2 Chair

If the Chair is not present within thirty ~~(30)~~ minutes after the time appointed for the holding of a meeting, or if the Chair is unable to attend the meeting, the Vice-Chair shall be the chair of the meeting.

Failing the attendance of both the Chair and the Vice-Chair, the Board, if a quorum is present, may appoint a temporary chair of the meeting or reschedule the meeting to a new date and time within ten days, in consultation with the Chair.

### 7.3 Quorum

- (c) A quorum of the Board is a majority of Directors.
- (d) If quorum cannot be achieved, the meeting cannot be called to order and must be rescheduled to a new date and time not sooner than three ~~(3)~~ days and not more than fifteen ~~(15)~~ days later in consultation with the Chair. All Directors shall be sent timely notice of the new date and time.

### 7.4 Requisition of Board Meeting

A meeting of Directors shall be called by the Secretary promptly upon receipt of a requisition for a meeting signed by three ~~(3)~~ or more Directors, or may be called at any time at the direction of the Chair.

### 7.5 Notice

- (a) The Board of Directors and the Chief Legislative Officer of the Municipality shall be provided at least ten ~~days~~days' written notice of a Board meeting.
- (b) If the Board of Directors shall appoint a day or days in a month or months for its regular meetings, specific notice of such meetings will not be required, but each Director will be provided with an agenda and supporting material at least ~~two (2)~~seven days before each meeting.
- (c) Directors may by unanimous consent in writing waive the notice period to convene a meeting and may give such waiver before, during or after the meeting.

### 7.6 Resolutions

- (a) Any Director, excluding the Chair of the meeting, shall be entitled to move or propose a resolution at a Board Meeting.
- (b) A resolution in writing, signed by all the Directors ~~shall be entitled to vote on that resolution at a meeting of the Board, is as valid and effectual as if it had been passed at a Board Meeting duly called and constituted~~ meeting of the Board and a resolution so signed shall be held to relate back to any date therein stated to be the effective date thereof.

### 7.7 Voting

Each Director present at a Board meeting shall have one vote, including the Chair of the meeting. All votes shall be taken by a show of hands or by any other means, unless a resolution is passed to adopt a secret ballot.

### **7.8 Deficiencies**

No act or proceeding of the Board is invalid because of a defect in the appointment of a Director or the disqualification of a Director.

### **7.9 Disclosure of Interest in Contracts**

Every Director who has, directly or indirectly, any interest in any contract or transaction to which the Company is or is to be a party shall declare ~~his~~their interest in such contract or transaction at a Board meeting and shall, at that time, disclose the nature and extent of such interest. Such a Director shall absent ~~himself~~themselves during any discussions and the vote of the Directors on said matter.

### **7.10 Action by the Board**

The Board may transact any business within its power at a meeting at which a quorum is present at the commencement thereof. If quorum is lost after a Board meeting begins ~~that~~then the meeting may nevertheless continue and business may be transacted if all the remaining Directors who were present at the beginning of the meeting give their consent.

### **7.11 Board Action Despite Vacancy**

Where there is a vacancy in the Board, the remaining Directors shall constitute and may exercise all the powers of the Board so long as a quorum remains in office.

### **7.12 Place of Meetings**

Meetings of the Board shall ordinarily be held at any place in the Regional Municipality of Wood Buffalo but, with the consent of all Directors, may be held at any place in Alberta.

### ~~1.3~~ **Notice of Meeting**

~~Notice of the time and place of each meeting of the Board shall be given in the manner provided in these Articles to each Director and to the Chief Administrative Officer and Chief Legislative Officer of the Municipality, not less than three working days before the day when the meeting is to be held. A notice of a meeting of the Board must specify the purpose of, or the business to be transacted at the meeting.~~

### **7.13 Meeting Agenda**

The agenda for any meeting of the Board may be set or approved by the Chair of the Board or by another person who is the chair for that meeting.

### **7.14 Rules of Procedure**

The chair of any meeting of the Board may establish and rule on the rules of procedure to be followed at the meeting at which that person is the chair.

## 7.15 Votes to Govern

At all meetings of the Board, every question shall be decided by a majority of the votes cast on the question.

### ~~1.4 — Signed Resolution~~

~~A resolution in writing, signed by all the Directors entitled to vote on that resolution at a meeting of the Board, is as valid as if it had been passed at a meeting of the Board and a resolution so signed shall be held to relate back to any date therein stated to be the effective date thereof.~~

## 7.16 Conflict of Interest

~~(a) — In this article:~~

~~(i) — “contract” includes arrangement;~~

~~(ii) — “meeting of Directors” includes a meeting of any committee of the Board;~~

- (a) Subject to this article, a Director who is in any way, directly or indirectly, financially interested in a contract or proposed contract with the Company shall declare that interest at a meeting of the Board;
- (b) In the case of a proposed contract, the declaration to be made by a Director shall be made at the meeting of Directors at which the question of entering into the contract is first taken into consideration, or, if the Director is not at the date of that meeting interested in the proposed contract, at the next meeting of the Board held after that Director becomes so interested, and in a case where that Director becomes interested in a contract after it is made, the declaration shall be made at the first meeting of the Board held after that Director becomes so interested;
- (c) For the purpose of this article, a general notice given by a Director to the effect that the Director is a member of or otherwise interested in any other company or is a member of a specified firm and is to be regarded as interested in any contract made with that other company or firm, shall be deemed to be a sufficient declaration of interest in relation to any contract so made;
- (d) No Director shall vote in respect of any contract or proposed contract in which that Director is so interested and if that Director does so vote, that vote shall not be counted;
- (e) Section (ed) does not apply:
- (i) in the case of a contract by or on behalf of the Company to give to the Directors or any of them security for advances or by way of indemnity;
- (ii) in the case of a contract between the Company and any other company when the interest of the Director in that other company consists solely of being a director or officer of that other company and the holder of not more than the minimum number of shares in that other company (if any) required to qualify as a director;
- (f) A Director who has made a declaration of interest in a contract or proposed contract in compliance with this article and has voted in respect of that contract contrary to the prohibition in section (ed)

if the prohibition applies, is not accountable to the Company or the Member or any creditors of the Company, by reason only of the Director holding that office or of the fiduciary relationship thereby established, for any profit realized by the contract

#### **7.17 Duties of Directors**

Every Director shall act honestly and in good faith with a view to the best interests of the Company and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

#### **7.18 Minutes**

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all appointments of officers;
- (b) of the names of the Directors present at each meeting of the Board and of any committee of the Board;
- (c) of all resolutions made by the Board and of committees of the Board;
- (d) of all resolutions and proceedings of meetings of the Members and of meetings of the Board and of Committees of the Board;
- (e) and any of those minutes if purporting to be signed by the chair of that meeting, or by the chair of the next succeeding meeting, shall be receivable as prima facie evidence of the consideration of the matters stated, business conducted and resolutions considered and passed as stated therein.

#### **7.19 Transaction of Business**

The powers of a committee of the Board may be exercised by a meeting at which a majority of the members of that committee is present or by resolution in writing signed by all members of that committee who would have been entitled to vote on that resolution at a meeting of that committee and a resolution so signed shall be held to relate back to any date therein stated to be the effective date thereof.

### **ARTICLE 8 - COMMITTEES**

#### **8.1 Committees**

- (a) The Board may create standing and ad hoc committees consisting of such Directors and other persons, and for such purposes, as the Board deems appropriate.
- (b) The chair of each committee created by the Board shall be a Director.
- (c) Committee members, including the committee chair, shall be appointed by resolution.

- (d) Each committee shall have a Terms of Reference or work plan consistent with the Company's governance policies.
- (e) The provisions relating to proceedings at Board Meetings set forth in these Articles shall apply to committee meetings except as otherwise specifically provided for in this Article 8. Committees shall conform to any additional rules imposed by Directors.
- (f) Standing and ad hoc committees shall provide a written or verbal report to the Board at every Board meeting. The Board shall take into consideration, but shall not be bound by, the recommendations of any committee.

### **8.2 Committee Meetings**

Meetings of any committee shall be held at any time and place to be determined by its members, provided that forty-eight (~~48~~) hours' notice of a meeting is given to each member by e-mail, telephone or fax. Otherwise, notice ~~by mail~~ shall be sent at least ~~seven (7)~~ten days prior to the meeting.

### **8.3 Notice of Committee Meetings**

No error or omission in giving notice of any meeting of any standing or ad hoc committee shall invalidate the meeting or make void any of its proceedings. Any member of a committee may at any time waive notice of any meeting and may ratify, approve and confirm any and all proceedings of that meeting.

### **8.4 Remuneration of Committee Members**

Committee members shall not be paid any remuneration for their services, but shall receive reimbursement for all reasonable expenses necessarily incurred in fulfillment of their duties.

## **ARTICLE 9 - MEETINGS OF THE MEMBER**

### **9.1 Annual General Meeting**

There shall be an annual general meeting of the Member which shall be held on such day and at such place each year as the Board shall determine.

### **9.2 Business of the Meeting**

At every annual general meeting of the Member, in addition to any other business that may be transacted, the report of the Directors, the financial statements and the report of the auditors of the Company shall be presented and auditors appointed for the ensuing year. The Member may consider and transact any business, either special or general, at any meeting of the Member.

### **9.3 Notice**

At least twenty-one (~~21~~) days prior written notice shall be given to the Member, the public and each Director of each Annual General Meeting of the Company.



#### 9.4 Persons Entitled to be Present

The persons entitled to be present at any meeting of the Member shall be the ~~Councillors, the~~ Directors, officers and auditors of the Company, ~~and Mayor, Council and~~ the Chief Administrative Officer ~~and Chief Legislative Officer and Regional Legal Counsel~~ of the Municipality (or their designates). Any other person may attend upon the invitation of the chair of the meeting or with the consent of all persons present and entitled to vote.

#### 9.5 Quorum and Voting

A quorum is present for any meeting of the Member if a majority of ~~the Councillors~~ Mayor and Council are present, regardless of whether the Chief Administrative Officer is present or is still a Member at the time of the meeting. A resolution at any meeting of the Member is passed if a majority of ~~the Councillors~~ Mayor and Council present vote in favour of the resolution.

#### 9.6 Meetings of Member Following Council Meeting

A notice of a meeting of the Member may specify that the meeting of the Member shall commence after a specified meeting of the Council and any notice to that effect, when otherwise given in compliance with these Articles shall not be invalid and the meeting of the Member convened thereby shall not be considered to be improperly convened or improperly held.

#### 9.7 Business at Annual General Meetings

At every annual general meeting of the Member required by the Companies Act, the Member shall consider and may pass one or more resolutions with respect to:

- (a) the financial statements of the Company;
- (b) the ~~auditor's~~ auditor's report;
- ~~(c)~~ appointment of the auditor;
- ~~(c)~~ (d) significant events, past or expected;
- ~~(d)~~ (e) an outlook or plan for the remainder of the calendar year;
- ~~(e)~~ (f) goals and objectives for the next calendar year;
- ~~(f)~~ (g) all outstanding matters requiring the approval of the Members;
- ~~(g)~~ (h) matters of concern to the Members or any Member ~~or any Councillor~~ with respect to the company; and
- ~~(h)~~ (i) all other matters which the Board wishes to raise with the Mem\_ber.

### **9.8 Extraordinary General Meetings**

The Board and the ~~Municipality~~Member shall each have the right to call an extraordinary general meeting of the Company.

### **9.9 Notice of Several Meetings**

An extraordinary general meeting and the annual general meeting may be convened by the same notice, and it shall be no objection to that notice that it only convenes the second meeting contingent upon any resolution being passed by the requisite majority at the first meeting.

### **9.10 Meetings Without Notice**

A meeting of the Member may be held without notice at any time and place permitted by the ~~Companies~~ Act if all Councillors are present or waive notice of or otherwise consent to the meeting being held.

### **9.11 Resolution of Council**

A resolution of the Council in the exercise of any Member's right shall only be binding on the Company as an exercise of that right when a copy of that resolution is certified by the Chief Legislative Officer and deposited with the Secretary.

## **ARTICLE 10 - CORPORATE SEAL AND EXECUTION OF DOCUMENTS**

### **10.1 Corporate Seal**

- (a) The Secretary shall be responsible for the corporate seal, which, along with all relevant corporate documents, shall be kept at the Company's head office.
- (b) The Directors shall pass a resolution regarding the execution of instruments and the use of the seal with respect to contracts, documents or instruments in writing not inconsistent with these Articles. All contracts, documents and instruments in writing so executed shall be binding upon the Company without any further authorization or formality.
- (c) The Directors may from time to time, by Resolution, appoint an Officer or Officers on behalf of the Company to sign a specific contract, document or other instrument in writing, with or without the corporate seal.

### **10.2 Securing Corporate Documents**

The Chief Executive Officer shall take reasonable steps to ensure that Board meeting agenda packages, minutes, resolutions, notices, filings, corporate reports and any other documentation required by the Companies Act, other applicable legislation and these Articles are secured in the head office.

### **10.3 Banking Authority**

Directors shall by resolution designate the Chair and Treasurer or alternates as signing authorities for the Company's bank account or accounts.

## **ARTICLE 11 – FINANCIAL RECORDS, AUDIT AND ACCOUNTING**

### **11.1 Records and Accounts**

The Chief Executive Officer shall take reasonable steps to ensure that proper accounting records for the Company are maintained to enable accurate identification of the Company's financial position, operations, surplus, cash flow, deficits and liabilities, and every other transaction affecting the financial position of the Company.

### **11.2 Inspection of Books and Records**

Unless the Board determines otherwise, the books of account and accounting records of the Company shall be kept at the registered office of the Company and those books and records shall always be open to the inspection of any Director, ~~Councillor~~Member or auditor ~~or the Chief Administrative Officer (or designate).~~

### **11.3 Fiscal Year**

The Company's fiscal year begins on January ~~1<sup>st</sup>~~1 and concludes on December ~~31<sup>st</sup>~~31 in each year.

### **11.4 Auditor**

- (a) The Directors shall ~~appoint~~recommend to the Member appointment of an auditor qualified as an auditor in the Province of Alberta at the Annual General Meeting.
- (b) The Directors shall forthwith fill any vacancy occurring in the office of the auditor.
- (c) An auditor may be removed before the expiration of ~~his~~their term by Special Resolution of the Member upon which another auditor shall be appointed by a majority vote of the Member for the duration of the term.
- (d) No Director and no employee of the Company shall be an auditor of the Company or employed by an auditor of the Company.
- (e) The auditor may attend Board Meetings.
- (f) The auditor shall audit the accounts of the Company and shall report to the Member at the Annual General Meeting.
- (g) The Company's auditor shall report its results to the Board and the Board will report the results to the Member.

### **11.5 Audited Financial Statements**

- (a) The Board shall at least once in every fiscal year cause financial statements of the Company to be prepared and audited. The financial statements shall be prepared in accordance with Generally Accepted Accounting Principles as established by the Canadian Institute of Chartered Accountants.
- (b) Following the Board's approval, the audited financial statements shall be provided to the ~~Chief Administrative Officer~~ Member at the Annual General Meeting.

### **11.6 Banking**

The Chief Executive Officer shall cause one or more accounts to be established in a bank, trust company, credit union, Province of Alberta Treasury Branch or other like financial institution with respect to the funds of the Company (the "Bank Accounts") and shall ensure that appropriate controls are imposed on the Bank Accounts.

The Board shall by resolution designate the persons who have signing authority on any Bank Account.

## **ARTICLE 12 - INVESTMENTS AND BORROWING**

### **12.1 Investment Powers of the Board**

The Board shall be restricted to the same investment restrictions as imposed upon the Municipality by statute or regulation. The Board may develop and approve governance policies dealing with investments as long as they are not inconsistent with the Municipality's investment restrictions.

### **12.2 Borrowing**

The Board of Directors may, with the consent or approval of Council, borrow for operating or capital purposes or guarantee the debts or obligations of a third party.

## **ARTICLE 13 - NOTICES**

### **13.1 Delivery of Notice**

Any notice to be given pursuant to these Articles may be delivered to the Member or to a Director either personally or by prepaid mail addressed to the last address as recorded in the records of the Company. A notice sent by mail shall be deemed to be delivered on the third ~~(3<sup>rd</sup>)~~ business day following the date of mailing. In the case of a postal strike or other disruption of service, only personal delivery or delivery by courier shall be effective. A notice may also be given by fax transmission or e-mail where a Member or a Director provides a fax number or e-mail address to the Secretary, in which case service shall be deemed to have been effected at the time of the transmission as long as transmission receipt or delivery receipt is retained by the Secretary.

## **ARTICLE 14 - DISTRIBUTION OF ASSETS AND DISSOLUTION**

### **14.1 Distribution of Assets upon Dissolution**

Upon dissolution of the Company, after payment of all liabilities, the assets and property of the Company shall be paid and distributed to the Municipality.

## **ARTICLE 15 - RELATIONS WITH NOMINATING ENTITIES AND THE PUBLIC**

### **15.1 Public Notices**

The Directors may from time to time cause to be published public notices with respect to the affairs of the Company.

## **ARTICLE 16 - PRIVATE COMPANY**

### **16.1 Public Subscription**

The Company prohibits any invitation to the public to subscribe for any debenture of the Company.

### **16.2 Restriction on Transfer of Interest**

Transfer of a Member's interest in the Company is prohibited with the exception that the Chief Administrative Officer, upon ~~his/her~~their departure from office as Chief Administrative Officer and if still a Member at that time, shall transfer membership interest to any successor Chief Administrative Officer.

### **16.3 Restriction on Members**

The Company limits the number of its members to 50 or less, exclusive of persons who are in the employment of the Company, and persons who, having been formerly in the employment of the Company, were while in that employment and continued after the determination of that employment to be members of the Company.