

Sunnyhill Housing Co-operative Ltd.
Articles of Incorporation
under the
Cooperatives Act
Chapter C 28.1
Statutes of Alberta 2001

1.1 Name

The name of the association is Sunnyhill Housing Co-operative Ltd.

2.1 Purpose

Sunnyhill's purpose is to promote the interest of continuing not-for-profit cooperative housing and the economic and social well-being of the members by using their united efforts to provide housing and related services.

Sunnyhill was established for the purpose of providing affordable and quality housing and related services to persons - the majority of whom are members of Sunnyhill and who will occupy the housing units as shareholders rather than as individual owners.

Sunnyhill is founded on the values of self-help, self-responsibility, democracy and equality.

Sunnyhill operates in accordance with the Co-operative Principles as adopted by the International Co-operative Alliance.

Sunnyhill's members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

Sunnyhill Housing Cooperative board of directors administers the co-operative with the direction of the members through the articles, by-laws, shareholders' agreement, and policies, and by decisions that are made at general meetings.

3.1 Objectives

Sunnyhill's objectives are:

- a) to develop and operate a responsible and sustainable community which will foster tolerance, understanding and personal growth for its members

- b) to accept into membership persons who represent a diverse mix in multi-cultural heritage, economic background., social position, political views, religious beliefs, age, family status, sexual orientation, and who are willing to accept the responsibilities of membership
- c) to foster opportunities for the members to maintain control over their living environment through co-operative democratic participation in all aspects of their housing services
- d) to develop and maintain not-for-profit operations, subject to the Cooperatives Act
- e) to provide for ongoing education of the members, directors and employees of Sunnyhill plus the general public in the principles of co-operative housing development and organization
- f) to promote co-operation with co-operative associations at the local, regional, national, and international level
- g) to foster mutually beneficial interaction between Sunnyhill and the larger local community subject to the Cooperatives Act.

3.2 Interpretation of objectives

Each objective will be viewed in its broadest sense and no objective will have priority over another.

4.1 No monetary gain

Sunnyhill's business will be conducted without monetary gain to its individual members as follows:

- a) Shares will be par value and no interest will be paid on shares.
- b) Shares may be indexed as described in the share indexing policy. They will be issued at prices decided by special resolution at a general meeting.
- c) Shares cannot be transferred.
- d) Any accumulated money will be used to promote Sunnyhill's objectives and no patronage dividends will be paid.
- e) When a member withdraws from membership in Sunnyhill, or when membership and occupancy rights are terminated for any reason, Sunnyhill

will purchase at par value all shares of the member. The purchase will be made as described in the Cooperatives Act and Sunnyhill's by-laws.

- f) Directors and officers will serve without payment. The board can approve payment of directors' and officers' expenses.
- g) If Sunnyhill decides to wind up, its assets will first be used to pay its debts. Sunnyhill will purchase at par value all shares of the members. No other money will be paid and no assets will be distributed to Sunnyhill's members.
 - i) The distribution of any balance will be decided by the members by majority vote at the meeting where the decision to wind up is made. Any balance will be transferred to, or distributed among, one or more non-profit housing cooperatives, non-profit organizations or charitable organizations with objectives that are similar to Sunnyhill's objectives. Any organization that receives assets from Sunnyhill must agree that it will not pay any of that income to its members.
 - ii) This clause can only be changed if members from 100% of Sunnyhill's member households are present at a general meeting and vote in favour of the change.

5.1 Shares

- a) Membership in Sunnyhill is based on shares. Shares consist of an unlimited number of common shares with a par value of \$1.00 each. The number of shares to be purchased is decided at a general meeting.
- b) Sunnyhill shall not issue investment shares and shall not make any provision for member loans.

6.1 Compliance

Sunnyhill Housing Cooperative is organized and operated, and will carry on business, on a co-operative basis. The co-operative will comply with Part 18, Division 1 Housing Co-operatives, of the Cooperatives Act of Alberta.

7.1 Amendment of Articles

- a) Sunnyhill Housing Cooperative's Articles can be amended or repealed by special resolution only at a general meeting of the co-operative. Any change to the Articles becomes effective on the date shown on the certificate of amendment that is issued by the Director of Cooperatives.
- b) Sunnyhill Housing Cooperative is a non-profit housing cooperative and it shall not change to any other type of cooperative or corporation.

8.1 By-laws

By-laws can be made, amended or repealed by special resolution only at a general meeting of the co-operative.

- a) A by-law or an amendment to a by-law becomes effective on the day on which the by-law or amendment is made.
- b) Sunnyhill Housing Co-operative must file a by-law or an amendment to a by-law with the Director of Cooperatives within 60 days of the date the by-law or amendment is made.

9.1 Number of directors

The board will consist of a minimum of 5 directors and a maximum of 9 directors. The exact number will be decided by majority vote at a general meeting. This vote must take place before any election.

The following are the incorporating directors:

Garth Boucher

803 – 3 Street N.W., Calgary, Alberta

Don McCabe

755 – 3 Street N.W., Calgary, Alberta

Richard Harrison

18 – Sunnyhill Lane N.W., Calgary, Alberta

Traci Dunlop

813 – 3 Street N.W., Calgary, Alberta

J.R. Hourie

4 Sunnyhill Lane N.W., Calgary, Alberta

10.1 Registered office

Sunnyhill's registered office is in Calgary, Alberta.