

**MEMORANDUM OF ASSOCIATION
OF
THE COUGAR RIDGE RESIDENTS ASSOCIATION**

1. The name of the Company is **"THE COUGAR RIDGE RESIDENTS ASSOCIATION"**.
2. The Company is incorporated under Part 9 of the *Companies Act* of the Province of Alberta, R.S.A. 1980, Chapter C-20 as a non-profit corporation.
3. The objects for which the Company is established are:
 - (a) upon the issuance by The City of Calgary of a Final Acceptance Certificate for each Phase of those individual residential communities within the Cougar Ridge Subdivision respectfully developed, or which may hereafter be developed, by the Developers identified below by the installation of municipal services for and the subdivision of those certain parcels of land being composed of:

Firstly: Plan Calgary 6262AC
The East half of Block "A"
Excepting thereout all mines and minerals

(United Inc.)

Secondly: Meridian 5 Range 2 Township 24 Section 28
Legal Subdivisions 1, 7 and 8
Excepting thereout all mines and minerals

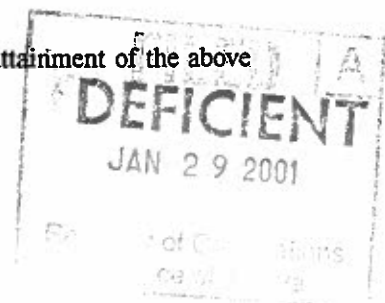
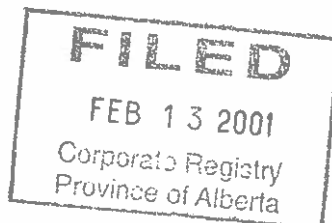
(United Inc. and Madacalo Investments Ltd. jointly)

Thirdly: Meridian 5 Range 2 Township 24 Section 28
Legal Subdivision 2
Excepting thereout all mines and minerals

(United Inc. and Hidden Valley Holdings Ltd. jointly)

to undertake responsibility for the additional operational, maintenance and replacement services at a level of service over and above the standard of service provided by The City of Calgary, to the extent legally permissible, for the public utility lots, environmental reserves, municipal reserves, public walkways, road boulevards, road medians, entrance features and associated community and related signage (the "Amenities") within each relevant Phase;

- (b) to enforce and receive payment of the Annual Rent Charge payable pursuant to an Encumbrance to be registered in the Land Titles Office for the South Alberta Land Registration District against the titles to the "Residential Lots" (as defined in the Articles of Association) created within each such Phase and to apply the same in satisfaction of the costs, as and when incurred by the Company, for the additional operational, maintenance and replacement services, as aforesaid, for the Amenities;
- (c) to do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.



4. The liability of the members is limited.




5. Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up during the time that he is a member, or within one year afterwards, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributors amongst themselves, such amount as may be required not exceeding ONE (\$1.00) DOLLAR.

6. The Company shall apply the profits, if any, or any other income of the Company solely in promoting the objects of the Company and no dividend whatsoever or other distribution of the property of the Company shall ever be paid to its members; PROVIDED ALWAYS that nothing herein shall prevent the payment in good faith, of reasonable and proper remuneration to any servant of the Company in return for any service actually rendered to the Company, but so that no Officer, Director or member of the Company shall be appointed to any salaried office in the Company, or any office in the Company paid by fees, and that no remuneration or other benefit in money or money's worth shall ever be paid or given by the Company to any member.

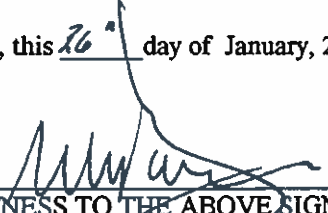
7. No additions, deletions, alterations or amendments shall be made to or in the Memorandum of Association or Articles of Association of the Company for the time being in force until after the Company has acquired both title to and management of the Amenities and unless the same shall have been approved by not less than seventy-five percent (75%) of the members of the Company.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company pursuant to this Memorandum of Association.

NAMES, ADDRESSES AND OCCUPATIONS OF SUBSCRIBERS

Subscribers	Occupation	Address
 Chris Kolozetti	Professional Engineer	200, 808 - 4 th Avenue S.W. Calgary, Alberta T2P 3E8
 Paul Simpson	Financial Officer	200, 808 - 4 th Avenue S.W. Calgary, Alberta T2P 3E8
 Gerald Barron	Development Manager	200, 808 - 4 th Avenue S.W. Calgary, Alberta T2P 3E8

DATED at the City of Calgary, in the Province of Alberta, this 26th day of January, 2001.


WITNESS TO THE ABOVE SIGNATURES
WALTER C. BARRON
2020, 777 - 8th Avenue S.W.
Calgary, Alberta T2P 3R5