

**THE *NOVA SCOTIA COMPANIES ACT*, R.S.N.S. 1989, c. 81
COMPANY LIMITED BY GUARANTEE**

ARTICLES OF ASSOCIATION

Of

TRURO DEVELOPMENT CORPORATION LIMITED

Revised June 16, 2016

1. In These Presents, unless there be something in the subject or context inconsistent therewith:

- (a) “Act” means the said *Nova Scotia Companies Act*, R.S.N.S., 1989, c. 81 as amended;
- (b) “Company” means the above named Company;
- (c) “Office” means the registered office for the time being of the Company;
- (d) “Registrar” means the Registrar of Joint Stock Companies for the time being;
- (e) “in writing” and “written” means and include words printed, lithographed, represented or reproduced in any mode in a visible form;
- (f) “These Presents” includes these Articles of Association and any modification or alteration thereof for the time being in force;
- (g) “Directors” or the “Board” means the Directors for the time being of the Company.

Words importing the singular number only, include the plural number and vice versa. Words importing the masculine gender only, include the feminine gender. Words importing persons include corporations.

2. The regulations contained in Table “A” in the first schedule to the Act shall not apply to the Company.

3. The Directors may enter into and carry into effect or adopt and carry into effect any agreement or agreements from time to time made by or with the promoters of the Company by or on behalf of the Company with full power nevertheless from time to time to agree to any modification of the terms of such agreement either before or after the execution thereof.

4. The Directors may, out of any moneys of the Company for the time being in their hands, pay all expenses incurred in or about the formation and establishment of the Company, including the expenses of registration.

5. Head Office

The head office of the Company shall be in the Town of Truro, in the Province of Nova Scotia, and at such place therein as the Directors may from time to time determine.

6. Seal

The Directors shall procure a seal for the Company and shall provide for its safe custody. The seal of the Company shall not be affixed to any instrument except by the authority of a Resolution of the Board of Directors or of a committee thereof and in the presence of at least one Director and of the Secretary or such other person as the Directors may appoint for the purpose; and that one Director and Secretary or other person as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence. For purposes of certification of documents or proceedings, the Secretary or any Director or Officer appointed by the Board may affix the seal of the Company.

7. Membership

Membership in the Company shall be restricted to:

- (a) Business owners located in the geographical boundaries of the Urban Regional Core, as was originally defined in the Municipal Planning Strategy of the Town of Truro, a map of which is attached to these Articles as Schedule "A", and who currently contribute to the Commercial Property Tax of the Town of Truro;
- (b) Representatives of the businesses as defined in the preceding paragraph, which includes employees as identified by their employers as representatives of the business;

- (c) Landlords who own buildings located in the aforementioned Urban Regional Core and who currently contribute to the Commercial Property Tax of the Town of Truro.

8. Membership Fees

Each member shall contribute to the Commercial Property Tax of the Town of Truro, the rate of which shall be set by the Board of Directors of the Company.

9. Rights and Privileges of Members

Each member shall:

- (a) be entitled to attend all general meetings and functions of the Company;
- (b) have one vote at all general meetings of the Company;
- (c) be entitled to participate in any distribution of the property of the Company upon dissolution of the same in the same proportion that he or it contributed to the Company in the last complete fiscal year of the Company;
- (d) continue to be a member so long as the member's Commercial Taxes are regularly paid and so long as he or it has not been expelled as a member by resolution of the Board of Directors.

10. Registers

- (a) The Directors shall cause to be kept at the Company's head office a register of the members of the Company, a register of the bond and debenture holders of the Company and a register of the Directors.
- (b) The Directors shall cause minutes to be entered in books designated for the purpose:
 - (i) of all appointments of Officers;
 - (ii) the names of the Directors present at each meeting of Directors and of any Committees of Directors;
 - (iii) of all orders made by the Directors and Committees of Directors;

- (iv) of all resolutions and proceedings of meetings of the members and of the Directors.

11. Meetings

- (a) The first meeting of the Company hereinafter called the Statutory Meeting shall be held within four months from the date of the registration of the Memorandum of Association of the Company and at such place as the Directors may determine.
- (b) An Annual General Meeting shall be held once in every calendar year, at such time and place as may be determined by the Directors and not more than ninety (90) days after the fiscal year end.
- (c) All other meetings of the Company shall be called Special General Meetings
- (d) The Directors may, whenever they think fit, convene a Special General Meeting and they shall on the requisition of members of the Company holding at least a total number of voting rights of all the members having at the date of the deposit of the requisition a right to vote at general meetings of the Company that is equal to the number of Directors then sitting at the Board, and in respect of whose Commercial Taxes have been paid, forthwith to proceed to convene a special general meeting of the Company to be held at such time and place as may be determined by the Directors.
- (e) The requisition must state the objects of the meeting required and must be signed by the members making the same and shall be deposited at the registered office of the Company, and may consist of several documents in like form each signed by one or more of the requisitionists.
- (f) If the Directors do not proceed to cause a meeting to be held within twenty-one (21) days from the date of the requisition being so deposited, the requisitionists, or any of them representing more than one-half ($\frac{1}{2}$) of the total voting rights of all of them, may themselves convene the meeting, but any meeting so convened shall not be held after three (3) months from the date of such deposit.

- (g) If at any such meeting a resolution requiring confirmation at another meeting is passed, the Directors shall forthwith convene a further Special General Meeting for the purpose of considering such resolution; and if thought fit, of confirming it as a Special Resolution; and if the Directors do not convene the meeting within seven (7) days from the date of the passing of the first resolution, the requisitionists, or any of them representing more than one-half (½) of the total voting rights of all of them may themselves convene the meeting.
- (h) Any meeting convened under the foregoing provisions by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by Directors.
- (i) Seven (7) clear days' notice at the least of every Special General Meeting and every Annual General Meeting specifying the place, day and hour of the meeting and, in case of special business, the general nature of such business shall be given to the members entitled to be present at such meeting either by advertisement or by notice sent by post, email or otherwise served as hereinafter provided; and with the consent in writing of all the members entitled to vote at such meeting, a meeting may be convened by a shorter notice and in any manner they think fit, or if all the members are present at a meeting, notice thereof may be waived.
- (j) The accidental omission to give any such notice to any of the members or the non-receipt of any such notice by any of the members shall not invalidate any resolution passed at any such meeting.

12. Proceedings at Annual General Meetings

- (a) The business of an Annual General Meeting shall be to receive the approved audited statements and the report of the Directors and of the auditors, to elect Directors and to transact any other business which under these Articles may be transacted at the Annual General Meeting.
- (b) Any Annual General Meeting or Special General Meeting of the Company may consider and transact any business, either special or general, without any notice thereof to the members, except that notice shall be required of every meeting as provided for in Article 11(i) hereof.

- (c) A quorum for the transaction of business at an Annual General Meeting or a Special General Meeting shall consist of a number of the members or their representatives present in person that is at least equal to the number of Directors then sitting on the Board.
- (d) At all meetings of members every question shall be decided by a majority of the votes of the regular members or their representatives present in person unless otherwise required by the Articles of the Association, or by-law. Every question shall be decided in the first instance by a show of hands of the members or their representatives present in person unless a poll be demanded by any member or representative present in person. Upon a show of hands, every member or his representative shall have one vote and unless a poll be demanded, a declaration by the Chair that a resolution has been carried or not carried and an entry to that effect in the minutes of the Company shall be sufficient evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn, but if a poll be demanded and not withdrawn, the question shall be decided by a majority of votes given by the regular members or their representatives present in person, and such poll shall be taken in such manner as the Chair shall direct and the result of such poll shall be deemed the decision of the Company in general meeting upon the matter in question. In case of an equality of votes at any general meeting, whether upon a show of hands or at a poll, the Chair shall be entitled to a casting vote.
- (e) Meetings of the Company may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place.

No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.

13. Directors

- a. Notwithstanding anything herein contained, the subscribers to the Memorandum of Association of the Company shall be the first directors of the Company.

- b. Unless otherwise determined by an Annual General Meeting or a Special General Meeting, there shall not be less than seven (7) Directors and no more than fourteen (14) Directors.
- c. The Directors shall have power at any time to appoint any member of the Company as a Director either to fill a casual vacancy or as an addition, but the total number of Directors shall not at any time exceed the maximum number fixed in Article 13(b) hereof and no such appointment shall be effective unless two-thirds of the Directors concur therein.
- d. To qualify as a director a person must be a member of the Company.
- e. To qualify as a director a person must first sign the TDCL Confidentiality and Non Disclosure Agreement and will renew that agreement annually as long as they sit on the Board.
- f. To qualify as a director a person must first sign the TDCL Code of Conduct Agreement and will renew that agreement annually as long as they sit on the Board.
- g. The office of a Director shall be vacated if he ceases to be a member of the Company or if he is removed by resolution of the Company as provided in Article 13(g) or Article 14(e).
- h. The office of a Director shall be vacated upon a Director providing written notice of his or her intention to retire, with such resignation be effective as of the date of the notice.
- i. Non attendance of a Director of three (3) or more regular board meetings in any fiscal year period, unless there are extenuating circumstances, may be considered a form of resignation of the Director at the discretion of the Board.
- j. A Director may be removed from the Board if he/she is deemed to have failed to perform any duty or task as set up in any governing policies.
- k. A Director may be removed from the Board if he/she is deemed to have breached the provisions of Conflict of Interest and/or Confidentiality and Non Disclosure and/or the Code of Conduct of TDCL.

1. At the discretion of the Board, the Chair may invite Ex Officio participation on the Board from members of affiliated groups or organizations with a vested interest in the objectives of the Company. Such Ex Officio invited members to the Board shall not be entitled to vote and shall refrain from voting.

14. Election of Directors

- (a) At every Annual General Meeting, all the Officers and Directors of the Board whose terms are completed, shall retire from office, but shall hold office until the dissolution of the meeting at which their successors are elected. The Company shall at such meeting fill up the vacant offices by electing a like number of persons to be Directors, unless it is determined at such meeting to reduce or increase the number of Directors.
- (b) Directors shall be elected for a two (2) year term. Directors are eligible for re-election for successive terms, provided that the total of the terms served shall not exceed a total of six (6) years.
- (c) If at any Annual General Meeting at which an election of Directors ought to take place no such election takes place, or if no such Annual General Meeting is held in any year or period of years, the retiring Directors shall continue in office until their successors are elected and an Annual General Meeting for that purpose may on notice be held at any time.
- (d) In nominating members for the Board, the Board Nominating Committee shall, whenever possible, be guided by a Board-approved 'profile' showing the desired make-up of the Board, requirements for all members, and categories of special expertise that is desired on the Board which will be a true representation of the member percentages.
- (e) The Company in an Annual General Meeting or Special General Meeting may from time to time increase or reduce the number of Directors, and may determine or alter their qualifications.

- (f) The Company may, by a majority of two-thirds of the membership present and voting, remove any Director before the expiration of his period of office and appoint another person who may be qualified or become qualified in his stead; and the person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed.

15. Powers of Directors

- (a) The management of the business of the Company shall be vested in the Directors, who, in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by statute expressly directed or required to be exercised or done by the Company in an Annual General Meeting or Special General Meeting, but subject nevertheless to the provisions of the statutes in that behalf, and of these Articles and to any regulations from time to time made by the Company in General Meetings; provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.
- (b) Without restricting the generality of the terms of the preceding article and without prejudice to the general powers conferred thereby, and the other powers conferred by these articles, it is hereby expressly declared that the Directors shall have the following powers, that is to say power from time to time:
 - (i) To take such steps as they think fit to carry into effect any agreement or contract made by or on behalf of the Company;
 - (ii) To pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment, and registration of the Company;
 - (iii) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, and at such price and generally on such terms and conditions as they think fit;

- (iv) To appoint such employees, counsel, consultants or other persons and for such purposes as they from time to time deem necessary;
- (v) To raise or borrow money for the purposes of the Company and to secure the repayment of money so raised or borrowed in such manner and upon such terms and conditions in all respect as they think fit, and in particular by the execution and delivery of mortgages of the Company's real and personal property, or by the issue of bonds debentures or debenture stock of the Company secured by mortgage or other charge upon all or any part of the property of the Company, both present and future, including its uncalled capital for the time being;
- (vi) To pledge debentures as security for loans;
- (vii) Bonds, debentures and other securities may be made assignable, free from any equities between the Company and the person to whom such securities were issued;
- (viii) Bonds, debentures and other securities may be issued at a discount, premium or otherwise and with special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of directors and other matters
- (ix) To sign or endorse bills, notes, acceptances, cheques, contracts, and other evidence of or securities for money borrowed or to be borrowed for the purposes aforesaid;
- (x) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company;
- (xi) To refer any claims or demands by or against the Company to arbitration, and observe and perform the awards;

- (xii) To make and give receipts, releases and other discharges for money payable to the Company and for claims and demands of the Company;
- (xiii) To enter into all such negotiations and contracts, and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid; or otherwise for the purpose of the Company;
- (xiv) To appoint committees of members to assist in the operations of the Company;
- (xv) To provide for the management of the affairs of the Company in such manner as they shall think fit.

16. Officers

- (a) The Directors shall elect the Officers of the Company from among their numbers. The elected Officers will include a President, a Vice-President, a Secretary and a Treasurer. The Past-President shall be an Officer.
- (b) The Officers shall be elected by the Board of Directors at the first meeting of the Board after the election of such Board of Directors from among the membership of the Company
- (c) The President shall serve as Chair of every meeting of the Company and the Board of Directors but will refrain from voting with the exception of instances fixed in Article 12(d) and 17(d) hereof.
- (d) The President, Vice-President, Secretary and Treasurer shall hold office for a two (2) year term and are eligible for re-election for successive terms in the same position, with such terms not to exceed a maximum of eight (8) years in the same position.

17. Proceedings of Directors

- (a) The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business, but until otherwise determined, a majority of Directors shall constitute a quorum.
- (b) Meetings of Directors will be held within the Town of Truro and within the Province of Nova Scotia and the Directors may from time to time make arrangements relating to the time and place of holding Directors' meetings, the notices to be given thereof and what meetings may be held without notice. Unless otherwise provided by such arrangements:
 - (i) A meeting of Directors may be held at the close of an Annual General Meeting of the Company without notice;
 - (ii) Notice of every other Directors' meeting shall be delivered or mailed or telephoned or emailed to each Director two days (exclusive of the day on which the notice is delivered or mailed or telephoned or emailed but inclusive of the day for which notice is given) before the meeting is to take place;
 - (iii) A meeting of Directors may be held without formal notice if all the Directors are present, or if those absent have signified their assent to such meeting or their consent to the business transacted thereat;
 - (iv) A meeting of Directors may be held by telephone-conference;
 - (v) In the event that a meeting cannot be scheduled to allow for Directors to deal with an issue in a timely manner, the Directors may vote electronically provided that there is a quorum of Directors responding.
- (c) The President or any Director may at any time upon the request of the President or Director shall convene a meeting of the Directors.
- (d) Questions arising at any meeting of Directors shall be decided by a majority of votes, and in case of an equality of votes the Chair shall have a casting vote.

- (e) A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the statutes in that behalf or of the regulations of the Company for the time being vested in or exercisable by the Directors generally.
- (f) The Directors may delegate any of their powers to committees, consisting of such number of members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors.
- (g) The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions contained in these Articles for regulation the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the preceding clause.
- (h) All acts done at any meeting of the Directors or of a committee of Directors, or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director.
- (i) Resolution in writing, signed by all the Directors, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.

18. Protection of Directors and Officers

No Director or Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipts or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the moneys, securities or effects of the Company shall be deposited or for any loss occasioned

by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

19. Banking Arrangements

The banking business of the Company or any part thereof shall be transacted with such bank, trust company or other firm or corporation carrying on a banking business as the Directors may designate from time to time by resolution.

All cheques, bills of exchange or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Company shall be signed by such officers or as shall from time to time be determined by resolution of the Directors and any one of such officers or agents may alone endorse notes and drafts for collection on account of the Company through its bankers, and endorse notes and cheques for the deposit with the Company's bankers for the credit of the Company or the same may be endorsed "for collection" or "for deposit" with the bankers of the Company by using the Company's rubber stamp for the purpose. Any one of such officers or agents so appointed may arrange, settle, balance and certify all books and accounts between the Company and the Company's bankers and may receive all paid cheques and vouchers and sign all the bank's form or settlement of balance and release or verification slips.

20. Books and Records

The Directors shall see that all necessary books and records of the Company required by the Articles of Association of the Company or by any applicable statute or law are regularly and properly kept.

21. Deposit of Securities for Safekeeping

The securities of the Company shall be deposited for safekeeping with one or more bankers, trust companies or other financial institutions to be selected by the Directors. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Company signed by such officers, or agents of the Company and in such manner as shall, from time to time, be determined by resolution of the Directors and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians by the Directors shall be fully protected in acting in

accordance with the directions of the Directors and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

22. Fiscal Year

Unless otherwise ordered by the Directors, the fiscal year of the Company shall terminate on March 31st of each year.

23. Notice

Whenever under the provisions of the Articles of Association of the Company, notice is required to be given, such notice may be given either personally, or emailed or by depositing the same in a post office or a public letter-box, in a post-paid, sealed wrapper addressed to the Director, Officer or member at his or their address as the same appears on the books of the Company. A notice or other document so sent by post shall be held to be sent at the time when the same was deposited in a post office or public letter-box as aforesaid, or if emailed shall be held to be sent at the time stamp when the same was issued. For the purpose of sending any notice the address of any member, Director or Officer shall be his last address as recorded on the books of the Company.

Any notice required to be given by the Company to the members, or any of them, and not expressly provided for by these Articles, shall be sufficiently given if given by advertisement. Any notice given by advertisement shall be advertised twice in a newspaper that is published in the Town of Truro and if there is no newspaper published in the Town of Truro then notice may be published in any newspaper published in the province of Nova Scotia with distribution to the Town of Truro.

24. Parliamentary Authority

The parliamentary authority covering the conduct of meetings of both the general membership and the Directors shall be Robert's Rule of Order.

25. Audit

- (a) Auditors shall be appointed and their duties regulated in accordance with the *Act*.

- (b) Every account of the Directors, when audited and approved by the Board of Directors shall be conclusive. Any errors subsequently discovered will be treated appropriately under Canadian accounting standards for Not for Profit organizations.

26. Amendments

The Articles of Association may be amended, altered or added to by special resolution at any Annual General Meeting or a Special General Meeting upon fourteen (14) days notice in writing of amendments being proposed.