

COURT FILE NUMBER

1503 03309

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

APPLICANT(S)

CLAUDE COLGAN, ERICKA CLARKE,
DARLENE MACKENZIE, KURT LUCHIA and
STEPHEN BUDDO

RESPONDENT(S)

CANADA'S NATIONAL FIREARMS
ASSOCIATION and SHELDON CLARE

DOCUMENT

ORIGINATING APPLICATION

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AND

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NOTICE TO THE RESPONDENT(S)

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date: March 20, 2015

Time: 10:00 a.m.

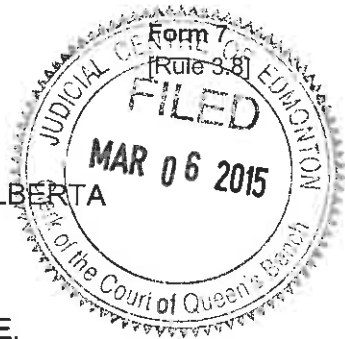
Where: Edmonton Law Courts

Before: Justice in General Chambers

Go to the end of this document to see what you can do and when you must do it.

Basis for this claim:

1. The Respondent Canada's National Firearms Association (the "Association") is a corporation continued under the *Canada Not-For-Profit Corporations Act*, SC 2009 c 23 (the



"Act"). The Association's registered office is located in Alberta and its principal place of business or activity in Alberta is in Edmonton.

2. The Applicants are individuals who are voting members and duly-elected directors of the Association.

3. The Respondent Sheldon Clare is an individual resident in Prince George, British Columbia, and is listed as a director of the Association on the records of the Director of Corporations Canada.

4. A real and substantial connection exists between Alberta and the facts on which the claims in this Originating Application are based on the following grounds:

a. The Respondent Sheldon Clare, although outside Alberta, is a necessary and proper party to this Originating Application brought against the Association; and

b. The Originating Application relates to a breach of a legal duty in Alberta.

5. The Association is required by its governing legislation to maintain and keep the following official records at its registered office:

(a) the articles and the by-laws, and amendments to them, and a copy of any unanimous member agreement;

(b) the minutes of meetings of members and any committee of members;

(c) the resolutions of members and any committee of members;

(d) if any debt obligation is issued by the corporation, a debt obligations register that complies with section 44 of the *Act*;

(e) a register of directors;

(f) a register of officers;

(g) a register of members; and

(h) accounting records and records containing minutes of meetings of the directors and any committee of directors as well as resolutions adopted by the directors or any committee of directors.

(the "Official Records")

6. The Applicants, in their respective capacities as directors of the Association, are entitled to inspect the Official Records at all reasonable times, and request that the Association provide them with any extract of the Official Records free of charge.

7. The Applicants, in their respective capacities as voting members of the Association, are entitled to examine the Official Records during usual business hours, and request that the Association provide them with any extract of the Official Records upon payment of a reasonable fee, other than the register of members.

8. On February 27, 2015 and March 2, 2015, the Applicant Ericka Clarke requested to inspect and have copies of the Official Records.

9. The Association refused the Applicant Ericka Clarke's request.

10. The Association is and at all material times has been required by its governing legislation and its by-laws to elect or appoint an auditor of the Association.

11. The Association has not elected or appointed an auditor of the Association since at least 2010.

12. The Association is and at all material times has been required by its governing legislation and its by-laws to prepare, keep, and present to its members an audited financial statement for each year of its operations.

13. The Association has not prepared, kept, presented to its members an audited financial statement since at least 2010.

14. The Association does not keep minutes of meetings of members, of directors, or of its committees.

15. Absent rectification of the foregoing matters, the Applicants are significantly hindered in their ability to discharge the responsibilities associated with their respective offices as directors of the Association, and the Association is exposed to the risk of economic loss and damage to its business reputation.

16. The Association has failed to notify the Director of Corporations Canada of changes to the composition of its board of directors, which has caused the records of the Director to be inaccurate.

17. The Respondent Sheldon Clare has, in his capacity as a director of the Association, disseminated amongst the officers, leadership and members false and misleading statements that the Applicants Ericka Clarke and Darlene MacKenzie have been removed as directors for unethical behavior.

18. In fact, the Applicants Ericka Clarke and Darlene MacKenzie have never been removed as directors and have not committed any unethical behavior, either as adjudged by the Association or otherwise.

19. The Association has failed to hold a by-election as required by the by-laws of the Association for the vacant Manitoba director position.

20. The Applicants have attempted to address the foregoing matters with the board of directors of the Association, but the board has hitherto failed to act.

21. The foregoing matters are oppressive and unfairly prejudicial to, and unfairly disregards the interests of the Applicants as voting members and as directors of the Association, or causes such a result.

Remedy sought:

22. An order that the Association deliver copies of the Official Records to the Applicant Ericka Clarke forthwith;

23. An order that the Association prepare minutes of the meetings of its directors and members from 2011 to the present, and comply with its obligation to do so on an ongoing basis;

24. An order that the Association appoint an auditor within 15 days of the order, failing which the Applicants may apply to the court for the appointment of an auditor;

25. An order that the auditor of the Association, within a reasonable time after appointment, report on the financial statements of the Association for the fiscal years ending 2011, 2012, 2013 and 2014.

26. An order that the Association rectify its register of directors and file the appropriate notice of change of directors with the Director of Corporations Canada forthwith;

27. A declaration that the Applicants Ericka Clarke and Darlene MacKenzie are directors of the Association and were never removed as directors whether for unethical behavior or otherwise, and that any statements by the Respondent Sheldon Clare to the contrary were unfounded;

28. An order restraining the Respondent Sheldon Clare from disseminating the false statement about the Applicants Ericka Clarke and Darlene MacKenzie;

29. An order that the Association conduct an election for the Manitoba director forthwith; and

30. The costs of this Originating Application.

Affidavit or other evidence to be used in support of this application:

31. Affidavit of Ericka Clarke sworn March 6, 2015

Applicable Acts and regulations:

32. *Canada Not-for-Profit Corporations Act*, SC 2009 c 23
33. *Canada Corporations Act*, RSC 1970 c C-32

WARNING

You are named as a respondent because you have made or are expected to make an adverse claim in respect of this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the applicant(s) and against all persons claiming under the applicant(s). You will be bound by any order the Court makes, or another order might be given or other proceedings taken which the applicant(s) is/are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.