

BY-LAWS
OF
CONDOMINIUM CORPORATION NO. 0310928

THESE BY-LAWS HAVE BEEN PASSED BY CONDOMINIUM CORPORATION NO. 0310928 FOR THE PURPOSE OF REPLACING AND SUBSTITUTING THE BY-LAWS SET OUT IN APPENDIX 1 OF THE CONDOMINIUM PROPERTY ACT, BEING CHAPTER C-22 OF THE REVISED STATUTES OF ALBERTA, 2000, AND AMENDMENTS THERETO.

INDEX

Section	Page
1.1 Definitions and Interpretation	1
1.2 Miscellaneous Provisions	3
2 Duties of the Owners	4
3 Duties of the Corporation	6
4 Powers of the Corporation	8
5 The Corporation and the Board	9
6 Composition of Board	9
7 Retirement from Board	9
8 Eligibility for Election to Board	9
9 Removal from Board	10
10 Casual Vacancy on Board	10
11 Quorum for Board	10
12 Officers of the Corporation	10
13 Chairman of Board Meetings	10
14 Duties of Officer	10
15 Votes of Board	10
16 Further Powers of Board	11
17 Additional Duties of the Board	12
18 Defects in Appointment to Board	13
19 Vacating Office of Board Members	13
20 Signing Authorities	13
21 Corporate Seal	14
22 Annual General Meetings	14
23 Extraordinary General Meetings	14
24 Convening Extraordinary General Meetings	14

25	Notice of General Meetings	14
26	Proceedings at General Meetings	14
27	Quorum for General Meetings	14
28	Adjournment for Lack of Quorum	15
29	Chairman for General Meetings	15
30	Order of Business for General Meetings	15
31	Voting by Show of Hands	16
32	Poll Votes	16
33	Voting Calculation	16
34	Votes Personally or by Proxy	16
35	Proxies	16
36	Eligibility to Vote	16
37	Vote by Co-Owners	16
38	Resolution of the Owners	17
39	Successive Interests	17
40	Trustee Vote	17
41	Voting Rights of Mortgagee	17
42	Violation of By-laws	17
43	Developer's Rights	19
44	Damage or Destruction	19
45	Insurance	20
46	Contribution for common Expenses and Budgets	22
47	Developer's Obligations for Contribution	25
48	Special Assessments	25
49	Default in Payment of Assessments	25
50	Estoppel Certificate	26

51	Leasing of Units	27
52	Severability	27
53	Notices	27
54	Notice of Default to Mortgagees	28
55	Debt Retirement on Termination	28
56	Company Which is Member of Board	28
57	Alternate Board Representative	28
58	Exclusive Use Areas and Parking Areas	28
59	Realty Taxes	29
60	Indemnification of Officers and Managers	30
61	Non-Profit Corporation	30
62	Use and Occupancy Restrictions	30
63	Amendments of By-laws	33
64	Change of Legislation	34
65	Easements	34
66	Redivision	34
67	Signage	35
68	Hazardous Substances	36
69	Yards	37
70	Access Right of Way Plan 031 1410	38
71	Storm Sewer	39

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NO. 0310928**

DEFINITIONS AND INTERPRETATION

1.1 In these by-laws unless the context or subject matter requires a different meaning:

- a. "Act" means the CONDOMINIUM PROPERTY ACT, Revised Statutes of Alberta, 2000, Chapter C-22, as amended from time to time or any statute or statutes passed in substitution therefor;
- b. "bareland unit" means units 1 to 3, inclusive, of the initial condominium plan;
- c. "board" means the Board of directors of the corporation;
- d. "by-laws" means the by-laws of the corporation, as amended from time to time, but do not include the statutory by-laws found in the Appendices of the Act;
- e. "common expenses" mean the expense of performance of the objects and duties of the corporation and any expenses specified as common expenses in these by-laws;
- f. "common property" means so much of the parcel as is not comprised in or does not form part of any unit and includes common property units, but does not include party walls;
- g. "common property unit" means a unit resulting from a redivision of a bareland unit that is, or is intended to be, common property of the corporation (such as roofs, exterior walls and foundations of a building) and shall not include any unit that is, or is intended to be, occupied by an owner;
- h. "condominium plan" means the bareland condominium plan registered under the Act as No. 0310928 and any condominium redivision plan thereof;
- i. "corporation" means the corporation constituted under the Act by the registration of the condominium plan whose legal name is "Condominium Corporation No. 0310928";
- j. "developer" means 1007407 Alberta Ltd. or any successor or assign thereof;
- k. "insurance trustee" means an entity authorized to carry on the business of a trust company under the laws of Alberta selected from time to time on ordinary resolution of the board, whose duties include the receiving, holding and disbursing of proceeds of policies of insurance pursuant to these by-laws and the Act. If no insurance trustee is appointed, then the insurance trustee shall be the board;
- l. "interest rate" means that rate of interest per annum which may be or shall become payable hereunder by an owner in respect of monies owing by him to the corporation and shall be equal to the commercial prime rate in Lethbridge, Alberta of the Canadian chartered bank or Alberta

Treasury Branch with which the corporation conducts its banking business plus four (4%) percent on the earliest date on which any portion of the said monies becomes due and payable by an owner;

- m. “manager” means any property manager contractually retained by the board to assist the board in carrying the duties imposed on the corporation;
- n. “ordinary resolution” has the same definition and meaning given in the Act;
- o. “owner” means a person who is registered as the owner of the fee simple estate in a unit;
- p. “parcel” means the land comprised in the condominium plan;
- q. “party wall” or “party walls” means the walls on the property lines between units;
- r. “project” means all of the real and personal property and fixtures comprising the parcel, land and buildings which constitute the units and common property;
- s. “redivision plan” means a condominium plan of redivision for each bareland unit;
- t. “special resolution” has the same definition and meaning given in the Act;
- u. “unanimous resolution” means a resolution:
 - i. passed unanimously at a properly convened meeting of the corporation by all the persons entitled to exercise the power of voting conferred by the Act or these by-laws representing the total unit factors for all units; or
 - ii. signed by all persons who, at a properly convened meeting of the corporation, would be entitled to exercise the powers of voting conferred by the Act or these by-laws;
- v. “unit” means an area designated as a unit by the condominium plan or any redivision plan but does not include any common property unit created by a redivision plan, and wherever “unit” is referred to in these by-laws, the same shall mean and include the yard, unless the by-law in which the term “unit” appears should expressly state otherwise or the context thereof precludes the same;
- w. “unit factor” means the unit factor for each unit and each common property unit as more particularly specified or apportioned and described in and set forth on the condominium plan or any redivision plan;
- x. “yard” means the portion of a unit that is not part of the building and which is intended for open air uncovered storage for the unit of which the yard comprises a portion thereof.

Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these by-laws, and other expressions used in these by-laws and not defined in the Act or in these by-laws have the same meaning as may be assigned to them in the Land Titles Act of Alberta or the Law of Property Act of Alberta, as amended from time to time or in any statute or statutes passed in substitution therefor. Words importing the singular number also include the plural, and vice versa, and words importing the masculine gender include the feminine gender or neuter, and vice versa, and words importing persons include firms and corporations and vice versa, where the context so requires.

MISCELLANEOUS PROVISIONS

1.2 a. HEADINGS

The headings used throughout these by-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of any by-law.

b. RIGHTS OF OWNERS

The rights and obligations given or imposed on the corporation or the owners under these by-laws are in addition to any rights or obligations given or imposed on the corporation or the owners under the Act;

c. CONFLICT WITH ACT

If there is any conflict between the by-laws and the Act, the Act prevails;

d. INTEREST AND DATE DUE

Any monies whatsoever payable by an owner to the corporation for whatever reason shall bear interest at the interest rate (unless the corporation should otherwise agree in writing) notwithstanding that there may no reference, inference, or specific provision allowing or permitting the corporation to charge interest on any amounts, costs, expenses, assessments, sums or charges that may be payable by an owner to the corporation pursuant to or under these by-laws. The obligation to pay interest under this provision shall supercede and take priority over any provision that may be contrary to the same, and where there is any provision in these by-laws obligating an owner to pay monies to the corporation, the owner shall automatically be obligated to pay interest at the interest rate on such monies by virtue of this provision. Where it is unclear or imprecise in these by-laws as to when interest commences and is calculated from, such interest at the interest rate shall be calculated as at and from the date that the corporation provides an owner with any written notice, letter, invoice, bill, account, demand or any other written communication whatsoever for the payment of monies by an owner to the corporation; PROVIDED, however, that in the event that any by-law specifically stipulates or states when an owner is required to pay any amounts, costs, expenses, assessments, sums or charges to the corporation, and such by-law is precise as to the date when interest commences and is calculated from, then those provisions as set forth in such by-laws to the commencement and calculation of interest shall apply.

e. EXTENDED MEANINGS

- i. If and whenever reference hereunder is made to "repair", it is hereby implied and extended to include in its meaning the making of improvements or betterments or the enhancement or replacement with a better thing of or for any thing to which such repair could be made;
- ii. If and whenever reference hereunder is made to "owner", it is hereby implied and extended to include in its meaning a tenant of an owner, an occupant of the owner's unit or any other person, firm or corporation that an owner is responsible for at law, unless the by-law in which the term "owner" appears expressly or implicitly by the context of such by-law excludes the inclusion of either a tenant, an occupant or any other person, firm or corporation that an owner is responsible for at law;

f. CORPORATION'S APPROVAL

Wherever in these by-laws it is necessary for the corporation's approval or consent to be obtained, the corporation may at its sole and absolute discretion withhold such approval or consent arbitrarily without any liability to the corporation for doing so.

DUTIES OF THE OWNERS

2. An owner SHALL:

- a. permit the corporation and its agents, at all reasonable times on a minimum of twenty-four (24) hours notice (except in case of emergency when no notice is required), to enter his unit for the purpose of:
 - i. inspecting the unit and maintaining, repairing or renewing party walls and pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities for the time being existing in the unit;
 - ii. maintaining, repairing or renewing the common property;
 - iii. ensuring that the by-laws are being observed;
 - iv. doing any work for the benefit of the corporation generally;
 - v. gaining access to meters monitoring the use of any utility.

In the event the corporation must gain access for the aforesaid purposes by using a locksmith, the cost of such locksmith shall be borne by the unit owner;

- b. forthwith:
 - i. carry out all work that may be required pursuant to these by-laws or ordered by any municipality or public authority in respect of his unit;
 - ii. and pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his unit;
- c. repair and maintain (including replacement where necessary):
 - i. his unit and all mechanical systems therein, including, without limitation, plumbing, heating, venting and electrical;
 - ii. his unit, including all windows (which includes all glass, sashes, window hardware, the casing and caulking of all windows and all structural frames and any leakage around windows) and the washing of all windows;
 - iii. all doors and all structural components and hardware relating to all doors, including the exterior surface of access doors;
 - iv. exterior windows and any damage to the same;

- v. any interior wall, ceiling mounted or external air conditioning equipment that provides cooled air to his unit;
- vi. any rooftop mechanical system on his unit;
- vii. any loading or overhead door of his unit;
- viii. any portion of a party wall relative to an owner's unit;
- ix. the mechanical systems contained within a party wall, including, without limitation, plumbing, heating, venting and electrical that are relative, pertain to or are appurtenant to an owner's unit;

and keep his unit in a state of good repair, except such maintenance, repairs and damages as are insured against by the corporation or for which the corporation is responsible pursuant to these by-laws;

- d. not paint nor make any changes, additions or alterations to the exterior of his unit or the building (including interior and exterior load bearing or partition walls) of which his unit forms a part or to the mechanical systems within his unit (which include, without limitation, plumbing, heating, venting and electrical) without first obtaining the written consent of the corporation;
- e. use and enjoy the common property in accordance with these by-laws and all rules and regulations prescribed by the corporation and in such a manner as to not unreasonably interfere with the use and enjoyment thereof by other owners;
- f. not use his unit or permit it to be used in any manner for any purpose which may be illegal, injurious or that will cause nuisance or hazard to any occupier of another unit (whether an owner or not);
- g. notify the corporation forthwith upon any change of ownership or of any mortgage, lease or other dealing in connection with his unit;
- h. comply strictly with these by-laws and with such rules and regulations as may be adopted pursuant thereto from time to time and cause all occupiers of and visitors to his unit to similarly comply;
- i. pay to the corporation (or if requested to the manager) when due all contributions levied or assessed against his unit together with interest on any arrears thereof at the interest rate calculated from the due date and the corporation is hereby permitted to charge such interest in accordance with section 40 of the Act;
- j. pay to the corporation all legal expenses incurred as a result of having to take proceedings to collect any common expenses levied or assessed against his unit, and such legal expenses shall be paid on a solicitor and his own client full indemnity basis;
- k. allow the corporation entry to his unit in the event of an emergency, for the purposes of protecting the property of other owners or occupiers and the property of the corporation, and in the event his unit is so entered, the owner shall save harmless and indemnify the corporation, its agents and employees from any claims arising from such entry;

- l. upon the request of the corporation, obtain or have any manager who leases the unit on or behalf of an owner obtain from any tenant an undertaking in writing to the following effect:

I, _____, covenant and agree that I will, in using the unit (including the yard) rented by me, any exclusive use areas related to the unit and all the common property, comply with the Condominium Property Act, the by-laws and all rules and regulations of the condominium corporation during the term of my tenancy;

- m. keep in a clean and sightly condition, any exclusive use area (and any plants or landscaping therein) which is located on or which comprises any part of the common property to which the owner has been granted exclusive use pursuant to by-law 4 or by-law 58, and if the owner shall not maintain such exclusive use area to a standard similar to that of the remaining common property, the corporation may give sixty (60) days' notice to the owner to this effect, and if such notice has not been complied with at the end of that period, then the corporation may carry out such work and the provisions of by-law 42 shall apply;
- n. if an owner wishes the corporation to respond to his suggestions, questions or complaints, express them in writing placed in an envelope delivered to the manager or a board member. The board shall not be required to act on any suggestion, question or complaint that is not in writing and properly submitted to the board or to the manager;
- o. deposit with the corporation, if requested, twelve (12) duly executed post-dated cheques or monthly bank debit, as directed by the corporation, for duly assessed Condominium contributions;
- p. comply with all laws, by-laws, regulations, orders or decrees of any federal, provincial or municipal government or any other governmental or non-governmental agency, association or entity having authority or jurisdiction over the owner or the owner's business or affairs (including, without limitation, all applicable municipal zoning, by-laws and health and safety laws and regulations);
- q. not conduct any business or operations from the owner's unit without first having obtained all necessary approvals, licenses or permits or any other necessary or requisite approval or consent from any applicable federal, provincial or municipal government or any other governmental or non-governmental agency, association or entity having authority or jurisdiction over the owner or the owner's business or affairs.

DUTIES OF THE CORPORATION

3. In addition to the duties of the corporation set forth in the Act, the corporation through its board SHALL:
- a. control, manage, maintain, repair, replace and administer the common property (except as hereinbefore and hereinafter set forth) and all real property, chattels, personal property or other property owned by the corporation for the benefit of all of the owners and for the benefit of the entire condominium project;
- b. do all things required of it by the Act, these by-laws and any other rules and regulations in force from time to time and shall take all necessary steps it sees fit to uphold and enforce these by-laws;
- c. maintain and repair (including renewal where reasonably necessary), all pipes, wires, cables,

ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities for the time being existing in the parcel and capable of being used in connection with the enjoyment of one or more units or common property;

- d. provide and maintain in force all such insurance as is required by the Act and by the provisions of these by-laws and enter into any insurance trust agreements from time to time as required by any insurance trustee and approved by the board and, on the written request of an owner or registered mortgagee of a unit, or the duly authorized agent of such owner or mortgagee, produce to the owner or mortgagee, a certified copy of the policy or policies of insurance effected by the corporation or a certificate or memorandum thereof and the receipt or receipts for the last premium or premiums in respect thereof;
- e. subject to any obligations imposed by the by-laws or by the corporation upon any owners to maintain any part of the common property or a unit over which such owners are granted exclusive right of use, maintain and repair:
 - i. all common outside accoutrements (if any) affecting the appearance, usability, value or safety of the parcel or the units;
 - ii. all common landscaped areas, common sidewalks, any driveway, any garbage space or enclosure, and all fencing, gates and related posts;
- f. collect or cause to be collected and receive or cause to be received all contributions towards the common expenses and deposit same in a separate account with a chartered bank or trust company or Province of Alberta Treasury Branch or credit union incorporated under the Credit Union Act;
- g. provide and maintain out of the contributions to be levied by the corporation towards the common expenses and such amounts as may be required from time to time for a capital replacement reserve fund pursuant to the Act and its Regulations, and generally to comply with the provisions of the Act and its Regulations regarding a capital replacement reserve fund (hereinafter referred to in these by-laws as "the capital replacement reserve fund" or "the reserve");
- h. pay all sums of money properly required to be paid on account of all services, supplies and assessments pertaining to or for the benefit of the parcel, the corporation and the owners as the board may seem justifiable in the management and administration of the entire condominium project, including, without limitation, payment of any and all property taxes for common property units;
- i. remove snow, slush and debris from and keep and maintain in good order and condition all common areas of the common property designated for vehicular or pedestrian traffic or outside parking and keep and maintain in good order and condition all grassed or landscaped areas of the common property, PROVIDED THAT the general cleaning and structural maintenance of any exclusive use area designated to an owner shall be the responsibility of the owner to whom such exclusive use area has been assigned;
- j. at all times keep and maintain for the benefit of the corporation and all owners copies of all warranties, guarantees, drawings and specifications, plans, written agreements, certificates and approvals provided to the corporation pursuant to section 46 of the Act;
- k. not plant any trees or substantial landscaping or make any unauthorized grade changes within any lands which are the subject of an easement or similar grant to any utility company, municipality

or local authority;

- l. maintain lawns, trees and shrubs and other landscaping on the common property that may have been initially installed by the developer and promptly replace on a continuing basis, such lawns, trees or shrubs which die;
- m. not interfere with, prevent or obstruct any redivision of any bareland unit, or interfere with, prevent or obstruct any of the developer's rights as set forth in these by-laws;
- n. repair, replace and maintain any common property units.

POWERS OF THE CORPORATION

- 4. In addition to the powers of the corporation set forth in the Act, the corporation through its board, MAY and is hereby authorized to:
 - a. purchase, lease or otherwise acquire personal property and/or real property for use by owners in connection with the maintenance, repair, replacement or enjoyment of the real and personal property of the corporation or the common property, or their units or any of them, PROVIDED THAT real property shall only be acquired or disposed of by special resolution of the corporation, with the exception of common property units which shall be acquired from the developer without the necessity of any approvals or resolutions of the owners;
 - b. borrow monies required by it in the performance of its duties or the exercise of its powers PROVIDED THAT each such borrowing in excess of twenty-five (25%) per cent of the current year's common expenses budget has been approved by special resolution;
 - c. secure the repayment of monies borrowed by it, and the payment of interest thereon, by negotiable instrument, or mortgage of unpaid contributions (whether levied or not), or mortgage of any property vested in it, or by any combination of those means;
 - d. invest as it may determine any contributions towards the common expenses subject to the restrictions set forth in section 43 of the Act;
 - e. make an agreement with an owner, tenant or other occupier of a unit for the provision of amenities or services by it to the unit or to the owner, tenant or occupier thereof;
 - f. grant to an owner the right to exclusive use and enjoyment of part of the common property or special privileges in respect thereof; any such grant to be determinable on reasonable notice, unless the corporation by special resolution otherwise resolves;
 - g. make such rules and regulations as it may deem necessary or desirable from time to time in relation to the use, enjoyment and safety of the common property and do all things reasonably necessary for the enforcement of these by-laws and for the control, management and administration of the common property (including but not limited to the exclusive use areas, parking areas and parking spaces) generally including the commencement of an action under section 36 of the Act and all subsequent proceedings relating thereto;
 - h. determine from time to time the amounts to be raised and collected for the purposes hereinbefore mentioned;

- i. raise the amounts of money so determined by levying contributions on the owners in proportion to the unit factors for their respective units or on such other basis as may be determined by the board or as otherwise herein provided;
- j. charge interest under section 40 of the Act on any contribution or common expenses owing to it by an owner at the interest rate;
- k. pay an annual honorarium, stipend or salary to members of the board in the manner and in the amounts as may be from time to time determined by ordinary resolution at a general meeting;
- l. join any organization serving the interests of the corporation and assess the membership fee in such organization as part of the common expenses;
- n. do all things which are, either or both, incidental or conducive to the exercise of its powers granted under the Act and the by-laws;
- m. grant a lease to an owner under section 50 of the Act.
- o. subject to any limitations and prohibitions contained in the Act, these by-laws and otherwise by law, have such powers and do all such things which any body corporate shall be empowered and authorized to do under the Business corporations Act of Alberta (as amended and replaced from time to time) and do all things and have such rights, powers and privileges of a natural person.

THE CORPORATION AND THE BOARD

- 5. The powers and duties of the corporation shall, subject to any restriction imposed or direction given at a general meeting, be exercised and performed by the board.

COMPOSITION OF THE BOARD

- 6. The board shall consist of not less than two (2) nor more than seven (7) individuals who may be nominees of the developer, owners or spouses of owners, representatives of mortgagees of units, representatives or principals of corporate owners, or any combination of the foregoing, and the composition of the board pursuant to the provisions of this by-law shall be valid notwithstanding the provisions of section 28(10) of the Act. The board shall be elected at each annual general meeting (although members may also be elected at an extraordinary general meeting). Where a unit has more than one owner, only one person in respect of that unit may sit on the board at any point in time. Notwithstanding the foregoing or the provisions of section 28(10) of the Act, the board shall be composed of a majority of the nominees of the developer until the first annual general meeting of the non-developer owners, unless the developer should waive this provision.

RETIREMENT FROM BOARD

- 7. At each annual general meeting of the corporation all of the members of the board shall be deemed to have retired from office and the corporation shall elect new board members accordingly.

ELIGIBILITY FOR ELECTION TO BOARD

- 8. A retiring member of the board shall be eligible for re-election. An owner who has not paid to the corporation the contributions due and owing in respect of that owner's unit is not eligible for election to

the board. A board member must be eighteen (18) years of age or older. This by-law shall not operate so as to disentitle any nominee of the developer to be elected to the board by reason of the developer's exemption from paying contributions to the corporation by virtue of these by-laws.

REMOVAL FROM BOARD

9. Except where the board consists of representatives of the developer pursuant to by-law 6 herein, the corporation may, by resolution at an extraordinary general meeting, remove any member of the board before the expiration of his term of office and appoint another owner in his place, to hold office until the next annual general meeting.

CASUAL VACANCY ON BOARD

10. Where a vacancy occurs on the board under by-law 19, the remaining members of the board may appoint a person to fill that office for the remainder of the former member's term.

QUORUM FOR BOARD

11. A quorum of the board is two where the board consists of four or less members, three where the board consists of five or six members and four where it consists of seven members. Any member of the board may waive notice of a meeting before, during or after the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting.

OFFICERS OF THE CORPORATION

12. At the first meeting of the board held after each annual general meeting of the corporation, the board shall elect from among its members a president, a vice-president, a Treasurer and/or a secretary who shall hold their respective offices until the conclusion of the next annual general meeting of the corporation or until their successors are elected or appointed. The president shall be the chairman of the board and shall have a casting vote in addition to his original vote. A person ceases to be an officer of the corporation if he ceases to be a member of the board. Where a person ceases to be an officer of the corporation, the board shall designate from its members a person to fill that office for the remainder of the term. A person may simultaneously hold two offices.

CHAIRMAN OF BOARD MEETINGS

13. The president shall act as chairman of every meeting of the owners. Where the president is absent from any meeting of the board or vacates the chair during the course of any meeting, the vice-president shall act as the chairman and shall have all the duties and powers of the chairman while so acting. In the absence of both the president and the vice-president the members present shall from among themselves appoint a chairman for the meeting who shall have all the duties and powers of the chairman while so acting.

DUTIES OF OFFICERS

14. The other duties of the officers of the board shall be as determined by the board from time to time.

VOTES OF BOARD

15. At meetings of the board all matters shall be determined by simple majority vote. A resolution of the board in writing signed by all of the members shall have the same effect as a resolution passed at a

meeting of the board duly convened and held.

FURTHER POWERS OF BOARD

16. The board MAY:

- a. meet together for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit, and it shall meet when any member of the board gives to the other members of the board not less than three (3) days' notice of a meeting proposed by him, specifying the reason for calling the meeting PROVIDED THAT the board shall meet at the call of the president on such notice as he may specify without the necessity of the president giving reasons for the calling of the meeting;
- b. appoint or employ for and on behalf of the corporation such agents or servants as it thinks fit in connection with the control, management and administration of the common property and the exercise and performance of the powers and duties of the corporation;
- c. subject to any valid restriction imposed or direction given at a general meeting of owners, delegate to one or more members of the board such of its powers and duties as it thinks fit, and at any time revoke such delegation;
- d. obtain and retain by contract the services of a manager or of any professional real property management firm or professional real property manager or agent for such purposes (including but not so as to limit the generality of the foregoing the supervision, management and performance of any or all of the duties of the corporation) and upon such terms as the board may from time to time decide SUBJECT ALWAYS to, the control and direction of the corporation and the board, such manager to be reasonably fit and suited to perform such duties. The manager employed by the board need not devote its full time to the performance of duties of the corporation so long as those duties are performed in a good and sufficient fashion. If under such contract the manager holds funds for the corporation, the contract shall require the manager to arrange or maintain a fidelity bond owned by and in the name of the corporation and for the benefit of the corporation and such bond shall be in an amount required by the corporation but in any event not less than:
 - i. the total amount of any capital replacement reserve funds as required under the Act or its Regulations in the hands of or controlled by the manager; and
 - ii. one month's total condominium contributions of the corporation or one-twelfth (1/12) of the total annual condominium contributions for all units in the project (EXCLUDING any special assessments) whichever is greater; and
 - iii. a sum representing the average monthly amount of cash in the control of the manager;
- e. enter into an insurance trust agreement in form and on terms as required by any insurance trustee;
- f. set and charge for and on behalf of the corporation reasonable fees to compensate the corporation for expenses it incurs in producing and providing any documents or copies required to be issued by it under the Act or pursuant to these by-laws.

ADDITIONAL DUTIES OF THE BOARD

17. The board SHALL:

- a. subject to any valid restrictions or directions given at a general meeting of the owners, carry on the day to day business and affairs of the corporation;
- b. keep minutes of its proceedings and, upon written request at the expense of the person requesting, provide copies thereof to owners and to mortgagees who have notified their interests to the corporation;
- c. cause minutes to be kept of general meetings of the owners and, upon written request at the expense of the person requesting, provide copies thereof to owners and to mortgagees who have notified their interests to the corporation;
- d. cause proper books of account to be kept in respect of all sums of money received and expended by it and the matters in respect of which receipt and expenditure shall take place;
- e. prepare proper accounts relating to all monies of the corporation, and the income and expenditure thereof; for each annual general meeting;
- f. maintain financial records of all the assets, liabilities and equity of the corporation;
- g. on written application of an owner or mortgagee, or any person authorized in writing by him, make the books of account available for inspection at a time convenient to the board or the manager;
- h. at least once a year, cause the books and accounts of the corporation to be audited by an independent chartered accountant, certified general accountant or certified management accountant to be selected at each annual general meeting of the corporation and cause to be prepared and distributed to each owner and to each mortgagee who has, in writing, notified its interest to the corporation, a copy of the audited Financial Statement of the receipts of contributions of all owners towards the common expenses and disbursements made by the corporation and a copy of the Auditor's Report within ninety (90) days of the end of the fiscal year of the corporation. The report of the Auditor shall be submitted to each annual general meeting of the corporation. Any obligations under this paragraph may be waived upon the passing of an ordinary resolution to that effect;
- i. keep a register noting the names and addresses of all owners and any mortgagees who have given notice of their interests to the corporation;
- j. at all times, keep and maintain in force, all insurance required hereunder and by the Act to be maintained by the corporation;
- k. within thirty (30) days of a person becoming or ceasing to be a member of the board, file or cause to be filed at the Land Titles Office a notice in the prescribed form stating the name and address of that person and the day that the person became or ceased to be, as the case may be, a member of the board;
- l. file or cause to be filed at the Land Titles Office a notice in the prescribed form of any change in the address for service of the corporation;

- m. appoint committees to fulfill any function the board deems necessary, including if necessary an audit committee, maintenance committee or social committee and may appoint any other committee for any purpose it sees fit. Each committee shall appoint a chairman and each chairman shall report to the board on each committees activities. Any committee of the board shall have only that authority to deal with the owners of units, the occupants of units, or others, as the board may expressly confer on each committee.

DEFECTS IN APPOINTMENTS TO BOARD

- 18. All acts done in good faith by the board are, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any member of the board, as valid as if the member had been duly appointed or had duly continued in office.

VACATING OFFICE OF BOARD MEMBER

- 19. The office of a member of the board shall be vacated if the member:
 - a. by notice in writing to the corporation resigns his office; or
 - b. dies; or
 - c. is in arrears more than sixty (60) days of any contribution, levy or assessment required to be made by him as an owner; or
 - d. becomes bankrupt; or
 - e. is found lunatic or becomes of unsound mind, or is the subject of a certificate issued under the Mental Health Act or the Dependant Adults Act;
 - f. is convicted of an indictable offence; or
 - g. is absent from meetings of the board for a continuous period of three (3) months or three (3) consecutive meetings without the consent of the remaining members of the board and a majority of the remaining members of the board resolve at the next subsequent meeting of the board that his office be vacated; or
 - h. in the case of a company which is a member of the board, if the company shall become bankrupt or make an assignment for the benefit of creditors or if proceedings are commenced to wind up the company, otherwise than for the purpose of amalgamation or reconstruction; or
 - i. is refused bonding, at a reasonable premium, by a recognized bonding institution; or
 - j. commences any legal proceedings against the board or the corporation.

SIGNING AUTHORITIES

- 20. The board shall determine, by resolution from time to time, the manner in which an officer or officers shall sign cheques, drafts, notes and other instruments and documents, including banking forms and authorities not required to be under corporate seal and may authorize the manager to sign the same with or without co-signing by any officer or officers.

CORPORATE SEAL

21. The corporation shall have a common seal which shall at no time be used or affixed to any instrument except in the presence of at least one member of the board or by the persons as may be authorized from time to time by resolution of the board, except that where the board consists solely of representatives of the developer one signature shall be sufficient for the purposes of this by-law.

ANNUAL GENERAL MEETINGS

22. The first annual general meeting of the non-developer owners shall be convened by the board within the time prescribed by the Act. Subsequent annual general meetings shall be held once in each calendar year, and not more than fifteen (15) months shall elapse between the date of one annual general meeting and that of the next.

EXTRAORDINARY GENERAL MEETINGS

23. All general meetings other than annual general meetings shall be called extraordinary general meetings.

CONVENING EXTRAORDINARY GENERAL MEETINGS

24. The board may whenever it thinks fit and shall upon a requisition in writing by owners representing not less than 5000 unit factors for all the units or upon the request in writing from mortgagees holding registered mortgages (and who have notified their interests to the corporation) against units in respect of which corresponding unit factors represent not less than 5000 unit factors or a combination of such owners or mortgagees entitled to vote with respect to 5000 unit factors convene an extraordinary general meeting which meeting shall be held within thirty (30) days of the board's receipt of the said requisition. The agenda for such meeting shall include any items specified by the requisitioners.

NOTICE OF GENERAL MEETINGS

25. A minimum of seven (7) days' notice of every general meeting specifying the place, the date and the hour of meeting, and in the case of special business the general nature of such business, shall be given to all owners and mortgagees who have notified their interests to the corporation. Notice shall be given to the owner and to such mortgagees in the manner prescribed in these by-laws, but the accidental omission to give notice to an owner or mortgagee or non-receipt by an owner or mortgagee does not invalidate the meeting or any proceedings thereat. In computing the number of the days of notice of a general meeting required under these by-laws, the day on which the notice is deemed to have been received and the day of the meeting shall be counted. Notice of any meeting may be waived either at, before or after the meeting by persons entitled to vote at the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting.

PROCEEDINGS AT GENERAL MEETINGS

26. All business that is transacted at an annual general meeting, with the exception of the consideration of accounts and election of members to the board, or at any extraordinary general meeting, shall be deemed special.

QUORUM FOR GENERAL MEETINGS

27. Save as in these by-laws otherwise provided, no business shall be transacted at any general meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business and one-

half (½) of the persons entitled to vote representing not less than 5000 unit factors present in person or by proxy shall constitute a quorum.

ADJOURNMENT FOR LACK OF QUORUM

28. If within thirty (30) minutes from the time appointed for a meeting of the corporation, a quorum is not present, the meeting shall stand adjourned for a further fifteen (15) minutes and if after the fifteen (15) minute adjournment a quorum is not present, the persons entitled to vote who are present constitute a quorum.

CHAIRMAN FOR GENERAL MEETINGS

29. The president of the board shall be the chairman of all general meetings or in his absence from the meeting or in case he shall vacate the chair, the vice-president of the board shall act as chairman PROVIDED ALWAYS that if the president and vice-president be absent or shall vacate the chair or refuse to act, the meeting shall elect a chairman.

ORDER OF BUSINESS FOR GENERAL MEETINGS

30. The Order of Business at general meetings, and as far as is appropriate at all extraordinary general meetings, shall be:
- a. if the president or vice-president of the board shall be absent or elects to vacate the chair or refuses to act, the election of the chairman of the meeting;
 - b. call to order by the chairman and establish quorum;
 - c. calling of the roll and certifying of proxies;
 - d. proof of notice of meeting or waiver of notice;
 - e. reading and disposal of any unapproved minutes;
 - f. reports of officers;
 - g. reports of committees;
 - h. financial report;
 - i. appointment of auditors;
 - j. election of board;
 - k. unfinished business;
 - l. new business;
 - m. adjournment.

VOTING BY SHOW OF HANDS

31. At any general meeting a resolution by the vote of the meeting shall be decided on a show of hands, unless a poll is demanded by any owner or registered mortgagee present in person or by proxy. Unless a poll be so demanded, a declaration by the chairman that a resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour or against the resolution. Except for matters requiring a special resolution or unanimous resolution, all matters shall be determined by ordinary resolution.

POLL VOTES

32. A poll, if demanded, shall be taken in whatever manner the chairman thinks fit, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In the case of equality in the votes, whether on a show of hands or on a poll, the chairman of the meeting is entitled to a casting vote in addition to his original vote. A demand for a poll may be withdrawn.

VOTING CALCULATION

33. On a show of hands, each person entitled to vote for any unit shall have one vote for that unit. On a poll, the votes of persons entitled to vote for such unit shall correspond with the number of unit factors for the respective units owned or mortgaged to them.

VOTES PERSONALLY OR BY PROXY

34. Votes at any general meeting may be given either personally or by proxy.

PROXIES

35. An instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney, and may be either general or for a particular meeting. A proxy need not be an owner.

ELIGIBILITY TO VOTE

36. Except in cases where by or under the Act or these by-laws a unanimous resolution or special resolution is required, no owner is entitled to vote at any general meeting unless all assessments payable in respect of his unit have been duly paid to the date thirty (30) days prior to the date of such meeting but the presence of any such defaulting owner shall be included in the count for quorum constitution purposes pursuant to by-law 27.

VOTE BY CO-OWNERS

37. a. Co-owners may vote by proxy but only if the proxy is jointly appointed by them or by one of the co-owners appointed by the other or all others, as the case may be, and in the absence of such proxy, co-owners are not entitled to vote separately on a show of hands except when a unanimous resolution is required by the Act, but any one co-owner may demand a poll;
- b. On any poll, each co-owner is entitled to such part of the vote applicable to a unit as is proportionate to his interest in the unit. The joint proxy (if any) on a poll shall have a vote proportionate to the interests in the unit of the joint owners as do not vote personally or by individual proxy.

RESOLUTION OF THE OWNERS

38. A resolution of the owners in writing signed by each owner or his duly appointed proxy shall have the same effect as a resolution passed at a meeting of the owners duly convened and held.

SUCCESSIVE INTERESTS

39. Where owners are entitled to successive interests in a unit, the owner entitled to the first interest (or if his interest is mortgaged by registered first mortgage notified to the corporation, the mortgagee under such mortgage) is alone entitled to vote, whether on a show of hands or a poll.

TRUSTEE VOTE

40. Where an owner is a trustee, he shall exercise the voting rights in respect of the unit to the exclusion of persons beneficially interested in the trust, and those persons shall not vote.

VOTING RIGHTS OF MORTGAGEE

41. Notwithstanding the provisions of these by-laws with respect to appointment of a proxy, where the owner's interest is subject to a registered mortgage and where the mortgage or these by-laws or any statute provides that the power of vote conferred on an owner may or shall be exercised by the mortgagee and where the mortgagee has given written notice of his mortgage to the corporation, no instrument or proxy shall be necessary to give the mortgagee the said power to vote and the mortgagee's power to vote shall not be limited or proscribed by the owner's failure to pay contributions.

VIOLATION OF BY-LAWS

42. a. Any infraction or violation of or default under these by-laws or any rules and regulations established pursuant to these by-laws on the part of an owner, his servants, agents, licensees, invitees, occupants or tenants that has not been corrected, remedied or cured within ten (10) days of having received written notification from the corporation to do so, may be corrected, remedied or cured by the corporation and any costs or expenses incurred or expended by the corporation including costs as between a solicitor and his own client on a full indemnity basis, in correcting, remedying or curing such infraction, violation or default shall be charged to such owner and shall be added to and become part of the assessment of such owner for the month next following the date when such costs or expenses are expended or incurred (but not necessarily paid) by the corporation and shall become due and payable on the date of payment of such monthly assessment and shall bear interest both before and after judgement at the interest rate until paid;
- b. In addition, the corporation may also recover from an owner by an action for debt in any court of competent jurisdiction any sum of money which the corporation is required to expend as a result of any act or omission by the owner, his servants, agents, licensees, invitees, occupants or tenants, which violates these by-laws or any rules or regulations established pursuant to these by-laws and for which ten (10) days prior written notice has been given by the corporation and there shall be added to any judgement, all costs of such action including costs as between a solicitor and his own client on a full indemnity basis. Nothing herein shall be deemed to limit any right of any owner to bring an action or proceeding for the enforcement and protection of his rights and the exercise of his remedies;
- c. In addition, the corporation may also exercise the powers provided for in section 35 and section 36 of the Act, and accordingly, if the board determines that a breach or violation of any by-law

or of any rules or regulations established pursuant to these by-laws has occurred or is occurring, the board may impose a penalty by fine as follows:

- i. for a first breach or infraction of a by-law by an owner (which for the purpose of this by-law includes such owner's servants, agents, licensees, invitees, customers, contractors, occupants or tenants), the board may impose a penalty by fine on such owner not to be less than \$25.00 and not to exceed \$10,000.00;
- ii. for a second breach or infraction of a by-law by an owner (which for the purpose of this by-law includes such owner's servants, agents, licensees, invitees, customers, contractors, occupants or tenants), the board may impose a penalty by fine on such owner not to be less than \$50.00 and not to exceed \$10,000.00;
- iii. for a third (or more) breach or infraction of a by-law by an owner (which for the purpose of this by-law includes such owner's servants, agents, licensees, invitees, customers, contractors, occupants or tenants), the board may impose a penalty by fine on such owner not to be less than \$100.00 and not to exceed \$10,000.00;
- iv. if the breach or infraction of a by-law by an owner (which for the purpose of this by-law includes such owner's servants, agents, licensees, invitees, customers, contractors, occupants or tenants) is in the determination of the board a continuous infraction or violation of the by-law, the board may impose a penalty by fine on such owner not to be less than \$25.00 per day and not to exceed \$10,000.00 in the aggregate. (Each day of a continuing breach shall be deemed a contravention of a by-law);

The foregoing penalties shall be payable immediately by an owner, subject to the owner's right to appeal herebelow within ten (10) days of receipt of a written notice from the board specifying the violation and the amount of the penalty or fine imposed;

- d. An owner aggrieved by a fine levied pursuant to by-law 42(c) may appeal the actions of the board to an extraordinary general meeting of the owners convened in the manner specified by these by-laws;
 - i. The owners convened in an extraordinary general meeting may rescind, amend or confirm the actions of the board, and in so doing may inquire into all the circumstances of the alleged breach, its rectifications, any fine levied or leviable, the collection or forgiveness of any fine, and generally, to act in their discretion to uphold the by-laws;
 - ii. The appeal to the owners shall be conducted according to rules of natural justice. No error in procedure shall operate so as to nullify the proceedings unless the error is sufficiently grave so to prejudice the rights of all or any one of the owners;
 - iii. An owner's right to appeal any penalty imposed by the board pursuant to by-law 42(c) shall expire sixty (60) days following receipt of the notice specified in by-law 42(c) or the date that proceedings have been commenced against the owner pursuant to section 36 of the Act, whichever shall last occur;
- e. The rights and remedies of the corporation as set forth in this by-law 42 are supplemental to and not in substitution for any other rights or remedies that the corporation may have under these by-laws, the Act and the Regulations under the Act, at law or at equity, or otherwise. The corporation may exercise, employ or pursue its rights and remedies under these by-laws,

including, without limitation, the rights and remedies under this by-law 42, either selectively, cumulatively or consecutively, and the election by the corporation to pursue or employ any one right or remedy or to pursue or employ several rights or remedies together shall not constitute an election by the corporation to abandon any of its other rights or remedies, none of which are waived by the corporation.

DEVELOPER'S RIGHTS

43. a. During such time as the developer, its successors or assigns, is the owner of one or more units, it shall have the right to maintain a reasonable number of units, whether owned or leased by it, as display units and to carry on all sales, leasing functions and construction management as it considers necessary from such units. The developer, its agents, employees and mortgage inspectors shall have the right to enter onto any unit and access to the common property in order to complete any incomplete items, repair deficiencies, inspect the unit and make any modifications or repairs to the utilities;
- b. At all times while the developer is redividing, constructing, building or improving any portion of the bareland units and any Condominium redivision plan thereof, the developer shall have the unfettered and exclusive right to complete such redivision, construction, building or improvements without interference, interruption or obstruction by any owner or the corporation, and all owners and the corporation shall fully co-operate with the developer to facilitate such redivision, construction, buildings or improvements of such bareland units and any Condominium redivision plan thereof.

DAMAGE OR DESTRUCTION

44. a. In the event of damage or destruction as a result of fire or other casualty, the board shall determine within sixty (60) days of the occurrence whether there has been substantial damage. For the purpose of this paragraph, substantial damage shall mean damage to the extent of twenty-five (25%) per cent or more of the replacement value of all units and common property immediately prior to the occurrence. Prior to making any determination under this subparagraph the board shall obtain the opinion of an independent insurance appraiser to the effect that substantial damage has or has not occurred. If there has been substantial damage the board shall convene an extraordinary general meeting and give at least ten (10) days' notice by registered mail to all registered mortgagees;

Unless there has been substantial damage and the owners by special resolution resolve not to proceed with repair or restoration within one hundred (100) days after the damage or destruction, the board shall arrange for prompt repair and restoration using proceeds of insurance for that purpose. The board shall cause the proceeds of all insurance policies to be disbursed to the contractors engaged in such repair and restoration in appropriate progress payments. Any costs of such repairs and restoration in excess of the insurance proceeds shall constitute a common expense and the board may assess all the unit owners for such deficiency as part of the common expenses;

Where there has been substantial damage and the owners resolve by special resolution within one hundred (100) days after the damage or destruction not to repair, the board shall on behalf of the owners make application to terminate the condominium status of the parcel in accordance with the provisions of the Act, and each of the owners shall be deemed to consent to such application. Upon termination of the condominium status:

- i. any liens or charges affecting any of the units shall be deemed to be transferred in accordance with their existing priorities to the interests of the respective owners in the parcel; and
 - ii. the proceeds of insurance shall be paid to the insurance trustee, if any, the owners and mortgagees, as their respective interests may appear, in proportion to their respective interests in the parcel in accordance with the terms of any insurance trust agreement in effect;
- b. The corporation is not responsible for any damage or loss whatsoever caused by or to any property or contents of any nature or kind in or upon a unit or in or upon any part of the common property designated for the exclusive use of any unit owner;
- c. No owner shall be entitled to claim any compensation from the corporation for any loss or damage to the property or person of the owner arising from any defect or want of repair of the common property or any part thereof; unless such loss or damage is covered by the insurance held or required to be held by the corporation pursuant to the Act or these by-laws, whichever is the greater;
- d. Where the corporation is required to enter a unit for the purpose of maintaining, repairing or renewing pipes, wires, cables and ducts for the time being existing in the unit, the corporation and its servants, employees and agents shall in carrying out any work or repairs do so in a proper and workmanlike manner and shall make good any damage to the unit occasioned by such work and restore the unit to its former condition, leaving the unit clean and free from debris;
- e. An owner shall indemnify and save harmless the corporation from the expenses of any maintenance, repair or replacement rendered necessary to the common property or to any unit by his act or omission or by that of any of his employees, contractors, customers, servants, agents, invitees, licensees or tenants, but only to the extent that such expense is not met by the proceeds of insurance carried by the corporation.

INSURANCE

- 45. a. The board, on behalf of the corporation, shall obtain and maintain, subject always to the Act, in particular section 47 thereof and the Regulations under the Act pertaining to insurance, the following insurance:
 - i. fire insurance with extended coverage endorsement for all perils as stipulated in the Act and such perils as the board shall deem advisable insuring: (1) all of the insurable common property; (2) all insurable property of the corporation, both real and personal of any nature whatsoever; (3) all of the units (EXCLUDING all improvements and betterments made to the units by owners and EXCLUDING furnishings, trade fixtures and other personal property of each owner, whether or not installed in the unit, but INCLUDING all party walls) for the full replacement cost thereof; without deduction for depreciation; (4) the interests of and naming as insureds all owners from time to time; (5) all mortgagees who have given written notice to the corporation; (6) the corporation and (7) the board and any person referred to in by-law 12 hereof; (all of the foregoing parties are hereinafter collectively called the "Insureds") as their respective interests may appear;
 - ii. boiler and vessel insurance if any boilers or vessels exist;

- iii. commercial general liability insurance insuring the Insureds against any liability to the public and/or to the owners and their invitees, licensees or tenants, incidental to the ownership and/or use of the common property and units and such insurance shall be limited to liability in an amount not less than \$2,000,000.00 inclusive for bodily injury and/or property damage per occurrence;
 - iv. liability insurance, including errors and omissions coverage, in such amounts and with such deductible as the board may determine, insuring the board and every member thereof from time to time from and against all loss, costs, and expenses, including counsel fees, reasonably incurred by them in connection with any action, suit or proceeding to which they may be made a party by reason of being or having been a manager or officer of the corporation, except as to matters as to which they shall be finally adjudged in such action, suit or proceeding to be liable for fines or penalties imposed in a criminal suit or action or for unjustified profit or advantage or for any wrongful act done or attempted in bad faith or dishonesty;
 - v. such other insurance and coverage for such other risks or causes as the board may determine or as may be determined by special resolution;
- b. Each and every said policy of insurance shall name the Insureds and shall, as available and where applicable, provide that the policy may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to all insureds;
 - c. A certificate or memorandum of all insurance policies and endorsements thereto shall be issued by the board, or by the manager on its behalf; as soon as practicable to each of the Insureds immediately upon written request therefore, and a duplicate original or certified copy of each such policy shall be forwarded as aforesaid to each mortgagee who has in writing notified the board of its interest. Further, a renewal certificate or memorandum of new insurance policies shall be furnished to each Insured. The Master policy of all insurance coverage shall be retained by the corporation in its offices, and shall be available for inspection by any and all of the insureds upon reasonable request;
 - d. Notwithstanding anything aforesaid, all proceeds of insurance on loss or claim shall be paid to the insurance trustee (if any), and exclusive authority to adjust losses and settle proceeds under all insurance policies shall be vested in the board or its authorized representative, and the insurance trustee (if any) and any expenses of the insurance trustee shall be treated as common expenses of the corporation;
 - e. The owners may, and upon written request of any mortgagee shall, carry insurance on their own units as permitted by the Act PROVIDED THAT the liability of the insurers issuing insurance obtained by the board hereunder shall not be affected or diminished by reason of insurance so carried by any unit owner AND PROVIDED FURTHER that neither the corporation nor the board shall be required or have any duty to insure the interests of tenants against liability or the interests of tenants or owners for their improvements and betterments, trade fixtures, furnishings, personal property or any other property. The insuring of any of the foregoing within a unit is the sole responsibility of the owner, tenant or occupier of the unit and they shall not require the corporation or the board to repair any damage to any of the same however caused;
 - f. In the event an owner incurs or suffers damage or loss to his unit that is covered or insured under any insurance policy of the corporation and such owner elects to pursue recovery of such loss or damage under any insurance policy of the corporation, such owner shall be responsible for and

pay the full amount of any deductible on such claim if, in the sole opinion of the board, such damage or loss was caused by or arose out of any act or omission by such owner, his employees, contractors, customers, servants, agents, licensees, invitees or tenants and such amount shall be recoverable by the corporation as a contribution against all other costs, charges and liabilities arising out of any loss that may be sustained or incurred by the corporation.

CONTRIBUTIONS FOR COMMON EXPENSES AND BUDGETS

46. a. The common expenses of the corporation shall be paid by the unit owners in proportion to the unit factors for their respective units and, without limiting the generality hereof; shall include the following:
- i. all levies or charges on account of garbage removal, electricity, water, sewer, gas and fuel services and television antenna or cable services (if any) supplied to the corporation for the project and for the benefit of all owners and not charged directly to any one owner either by meter or otherwise;
 - ii. management fees and insurance trustee fees, if any, wages, salaries, taxes and other expenses payable to or on account of employees or independent contractors of the corporation;
 - iii. all the charges on account of cleaning or sweeping of parking areas, lawn maintenance and landscaping and for ice, snow and debris removal from common property not designated as exclusive use areas;
 - iv. all charges on account of lighting fixtures owned by the corporation or on common property, except the front, rear and exterior lights on the building in which the unit is situated where such lights pertain to or relate to such unit, and in such case, the owner shall be responsible for the charges on account of such lighting;
 - v. all charges on account of maintenance for any unit owned by the corporation, or those portions of a unit or common property for which the corporation is responsible under these by-laws;
 - vi. all costs of furnishings, tools and equipment for use in and about the project facilities or amenities including the repair, maintenance or replacement thereof;
 - vii. all insurance costs in respect of the insurance for which the corporation is responsible under these by-laws and/or the Act;
 - viii. all costs of and charges for all manner of consultation, professional and servicing assistance required by the corporation including without limiting the generality of the foregoing all legal, accounting, auditing and engineering (including capital replacement reserve fund studies as required under the Act and its Regulations) fees and disbursements;
 - ix. all reserves for repairs and replacement of common property and portions of units or buildings the repair or replacement of which is the responsibility of the corporation;
 - x. maintenance of the exterior walls, roofs and other structural costs of the buildings in the project;

- xi. the cost of borrowing money for the purpose of carrying out the duties and objects of the corporation;
 - xii. the allocable or pro rata portion of the cost of any electricity taken from any exterior plug which is billed directly to an owner by the provider of such electricity and which is used by the corporation for purposes of operating or maintaining common property;
 - xiii. the cost of maintaining fidelity bonds as provided in these by-laws;
- b. At least fifteen (15) days prior to the end of each fiscal year the corporation shall deliver or mail to each owner at the municipal address of his unit:
- i. a copy of the budget for the ensuing fiscal year; and
 - ii. a notice of the assessment for his contribution towards the common expenses for said ensuing fiscal year. Said assessment shall be made to the owners in proportion to their unit factors except, that any expenses that in the sole discretion of the board, should be charged on a per unit basis to be fair and equitable may (subject to the provisions of by-law 70), in the sole discretion of the board, be so charged or any expenses that relate directly and solely to the maintenance or operation of any one or more units and not all the units, may, in the sole discretion of the board, be charged and shall be paid solely by the recipient units of such maintenance or operation;
- c. The budget shall set out by categories an estimate of the common expenses of the corporation for the next fiscal year;
- d. In establishing a budget, the board shall comply with the requirements set forth in the Act and its Regulations respecting the capital replacement reserve fund. The capital replacement reserve fund may be used for the repair or replacement of any real and personal property owned by the corporation and the common property, but is not intended to be used to cover annually recurring maintenance and repair costs which are to be set out and provided for in the annual budget;
- e. The common expenses set forth in each contribution shall be payable to the corporation, or to any other person, firm or corporation to whom the corporation shall direct payment to be made from time to time, in twelve (12) equal consecutive monthly instalments payable, in advance on the first day of each month, the first instalment to be made on the 1st day of the month immediately following receipt of such notice of assessment, or such other time as may be prescribed by the corporation;
- f. All payments of whatsoever nature required to be made by each owner and not paid within ten (10) days from the due date for payment shall bear interest at the interest rate from the date when due until paid. All payments on account shall first be applied to interest and then to the assessment payment first due;
- g. The corporation shall, on the application of an owner or any person authorized in writing by him, certify within twenty (20) days:
- i. the amount of any contribution determined as the contribution of the owner;
 - ii. the manner in which the contribution is payable;

- iii. the extent to which the contribution has been paid by the owner; and
- iv. the interest owing, if any, on any unpaid balance of a contribution;

and, in favour of any person dealing with that owner the certificate is conclusive proof of the matters certified therein;

- h. Upon the written request of an owner, purchaser or mortgagee of a unit the corporation shall, within twenty (20) days of receiving that request, provide to the person making the request one or more of the following 'as requested by that person:
 - i. a statement setting forth the amount of any contributions due and payable in respect of a unit;
 - ii. the particulars of:
 - (1) any action commenced against the corporation and served upon the corporation;
 - (2) any unsatisfied judgement or order for which the corporation is liable; and
 - (3) any written demand made upon the corporation for an amount in excess of \$5,000.00 that, if not met, may result in an action being brought against the corporation;
 - iii. the particulars of or a copy of any subsisting management agreement;
 - iv. a copy of the current budget of the corporation;
 - v. a copy of the most recent financial statement of the corporation;
 - vi. a copy of the by-laws of the corporation;
 - vii. a copy of any minutes of proceedings of a general meeting of the corporation or of the board;
 - viii. the particulars of or a copy of any subsisting lease of any of the common property;
- i. Notwithstanding anything to the contrary hereinbefore contained, during the initial stages of development and before ninety (90%) per cent of the units have been occupied or sold by the developer of the project and prior to the first annual general meeting being convened and the fiscal year of the corporation established, the following provisions will apply:
 - i. The developer may cause to be prepared an interim statement of anticipated common expenses, which may be revised and sent to the owners every three (3) months;
 - ii. The owner or occupier of a unit shall pay to the corporation on the first day of each month, commencing on the first day of the following receipt by the owner or occupier of Notice of Estimated Monthly Assessment, the amount of the estimated monthly assessment towards common expenses for which his unit is responsible, based on the unit factor for his unit;

- j. The omission by the board to fix the contributions hereunder for the next ensuing fiscal year or other period provided for herein, shall not be deemed a waiver or modification in any respect of the provisions of these by-laws or release of the owner or owners from their obligation to pay the contributions or special assessments, or any instalments thereof for any year or period, but the contributions fixed from time to time shall continue until new contributions are fixed. No owner can exempt himself from liability for his contributions toward the common expenses by waiver of the use or enjoyment of any of the common property or by vacating or abandoning his unit;
- k. The board or the manager supplying any documents required to be provided in these by-laws or under the Act, shall be entitled to charge a reasonable fee for the production thereof. Notwithstanding the foregoing, the corporation shall not charge the developer for any of the foregoing documents required by the developer to complete a sale of a unit to a purchaser of any unit owned by the developer.

DEVELOPER'S OBLIGATION FOR CONTRIBUTION FOR COMMON EXPENSES AND BUDGETS

- 47. Notwithstanding anything to the contrary contained in these by-laws, the developer shall be relieved and shall not be liable for any condominium fees or assessments whatsoever as resolved or assessed by the corporation in respect of the project, and no condominium fees, charges, levies, assessments or costs shall be charged by the corporation to the developer or paid by the developer by reason of the developer being an owner of any units. Nothing herein shall prohibit or prevent any condominium fees, charges, levies, assessments or costs being charged or levied against any unit once the same has been transferred by the developer to a purchaser of the same; PROVIDED ALWAYS that the developer is not responsible for payment of the same, nor shall the purchaser of such unit be responsible for such fees, charges, levies, assessments or costs that may have been chargeable against the unit being purchased during the time that the developer was the owner of the same.

SPECIAL ASSESSMENTS

- 48. If at any time it appears that the annual contributions towards the common expenses will be insufficient to meet the common expenses, the corporation may assess and collect a special contribution or assessment against each unit in an amount sufficient to cover the additional anticipated common expenses. The corporation shall give notice of such further assessment to all owners which shall include a written statement setting out the reasons for the assessment and each assessment shall be due and payable by each owner in the manner and on the date or dates specified in the notice. Each such special assessment shall be determined and assessed against the owners in proportion to their unit factors. All such special assessments shall be payable within ten (10) days of the due date for payment as specified in the notice and if not paid shall bear interest at the interest rate from the due date until paid.

DEFAULT IN PAYMENT OF ASSESSMENTS

- 49. a. The corporation shall and does hereby have a lien on and a charge against the estate or interest of any owner for any unpaid contribution, assessment, instalment or payment due to the corporation, which lien shall be a lien against such estate or interest subject only to the rights of any registered mortgagee and any municipal or local authority in respect of unpaid realty taxes, assessments or charges of any kind against the unit title or interest of such owner. The corporation shall have the right to file a caveat or encumbrance against the unit title or interest of such owner in respect of the lien or charge for the amount of such unpaid contribution, assessment, instalment or payment as hereinbefore mentioned, and for so long as such unpaid contribution assessment, instalment or payment remains unpaid, PROVIDED THAT each such

caveat or encumbrance shall not be registered until after the expiration of thirty (30) days following the due date for the first payment in arrears. As further and better security, each owner responsible for any such unpaid contribution, assessment, instalment or payment which is in arrears for more than thirty (30) days, shall give to the corporation a mortgage or encumbrance for the full amount thereof and all contributions, assessments, instalments and/or payments, and interest thereon at the interest rate from the due date or dates for payment of the same, and the corporation shall be entitled to enforce its lien, charge and security and pursue such remedies as may be available to it at law or in equity, from time to time including the recovery by the corporation of its legal fees and disbursements on a solicitor and his own client basis from such defaulting owner;

- b. Any other owner or person, firm or corporation whatsoever may pay any unpaid contribution, assessment, instalment or payment after the expiration of thirty (30) days following the due date for payment by the owner in default, with respect to a unit, and upon such payment, such party, person, firm or corporation shall have a lien, subject to the estates or interests hereinbefore mentioned and shall be entitled to file a caveat or encumbrance in respect of the amount so paid on behalf of the owner in default, and shall be entitled to enforce his lien, thereby created, in accordance with the other terms and conditions of this provision;
- c. Notwithstanding and in addition to any other term, condition or provision herein contained or implied, each unpaid contribution, assessment, instalment or payment shall be deemed a separate, distinct and personal debt and obligation of the owner against whom the same is assessed and collectible as such. Any action, suit or proceeding to recover such debt or to realize on any judgment therefore shall be maintainable as a separate action, suit or proceeding without foreclosing or waiving the lien, charge or security, securing the same;
- d. In the event of any assessment against or instalment or payment due from an owner remaining due and unpaid for a period of ninety (90) days, the board shall give notice of such default to all mortgagees having an interest in such owners unit who have notified their interests to the corporation;
- e. In the event of any assessment against or instalment or payment due from an owner remaining due and unpaid for a period of thirty (30) days, the board, at its election, may accelerate the remaining monthly contributions, assessments, instalments and payments for the fiscal year then current upon notice to the owner in arrears, and thereupon all such unpaid and accelerated monthly contributions, assessments, instalments and payments shall become payable on and as of the date of the said notice;
- f. All reasonable costs of the manager and legal costs and disbursements incurred by the corporation (including costs on a solicitor and his own client basis) in registering and discharging a Caveat which either the manager or the corporation expends as a result of any act or omission of an owner, his servants, agents, licensees, invitees or tenants which violates these by-laws or any rules or regulations established pursuant thereto or incurred or in any way for securing or enforcing its interests hereunder or the taking of any remedies to cure any default hereunder shall constitute a payment due the corporation.

ESTOPPEL CERTIFICATE

- 50. Any certificate as to an owner's position with regard to contributions, expense assessments or otherwise, issued by an officer of the corporation or the manager shall be deemed to be an estoppel certificate and the corporation and all of the owners shall be estopped from denying the accuracy of such certificate

against any mortgagee, purchaser or other person dealing with the unit owner but this shall not prevent the enforcement against the unit owner incurring the said expense of all obligations of the said unit owner whether improperly stated in such estoppel certificate or not.

LEASING OF UNITS

51. a. In the event that any owner desires to lease or rent his unit he shall furnish to the corporation an undertaking, in form satisfactory to the corporation, signed by the proposed lessee or occupant, that the proposed lessee or occupant of the unit will comply with the provisions of the Act and of the by-laws of the corporation. The owner shall not be released of any of his obligations and shall be jointly and severally liable with the proposed lessee or occupant with respect to such obligations;
- b. The corporation is authorized to:
- i. impose and collect deposits under section 53 of the Act. If any deposit is used in accordance with the Act or these by-laws, the owner shall replace that portion of the deposit used within ten (10) days of being notified, in writing, by the board of its use;
 - ii. give notices to give up possession of units under section 54 of the Act; and
 - iii. make applications to the Court under sections 55 and 56 of the Act;
- c. No tenant shall be liable for the payment of contributions or assessments or common expenses under these by-laws unless notified by the corporation that the owner from whom he rents the unit is in default of payment of contributions, in which case the tenant shall deduct from the rent payable to the owner, such default contributions and shall pay the same to the corporation. Any such payment by the tenant shall be deemed to be a rental payment made to the owner;
- d. An owner shall not lease or rent his yard independently or separately from the rest of the owner's unit, and any leasing or rental arrangement shall be for the entire unit, inclusive of the yard, unless the owner obtains the written approval and consent of the corporation.

SEVERABILITY

52. The provisions hereof shall be deemed independent and severable and the invalidity in whole or in part of any by-law does not affect the validity of the remaining by-laws, which shall continue in full force and effect as if such invalid portion had never been included herein.

NOTICES

53. Unless otherwise expressly provided in these by-laws, service of any notice required to be given under the Act or under these by-laws shall be well and sufficiently given if sent by prepaid registered mail to the owner at the address of his unit or other known address or if left with him or some adult person at the said address or to the corporation at its address for service shown on the condominium plan, or to a mortgagee at its address supplied to the corporation. Any notice given by post shall be deemed to have been sent and received forty eight (48) hours after it is posted. An owner or a mortgagee may at any time in writing advise the corporation of any change of address at which notices shall be served or given and thereafter the address specified therein shall be deemed to be the address of such owner or a mortgagee, as the case may be, for the giving of notices. The word "notice" shall include any request, statement or other writing required or permitted to be given hereunder or pursuant to the Act or these by-laws.

NOTICE OF DEFAULT TO MORTGAGEES

54. Where a mortgagee has notified the corporation of its interest, any notice of default sent to an owner shall also be sent to the mortgagee.

DEBT RETIREMENT ON TERMINATION

55. Subject to the provisions of the Act, upon termination of the condominium status for any purpose, all debts of the corporation shall first be paid out of the assets, and the balance of the assets, if any, shall be distributed to the owners in proportion to their unit factors subject to the interests of any mortgagees.

COMPANY WHICH IS MEMBER OF BOARD

56. A company which is a member of the board may by proxy, power of attorney or resolution of its directors appoint such person as it thinks fit to act as its representative on the board and to attend meetings thereof and vote at such meetings on behalf of the company and such representative shall be entitled to act provided notice in writing thereof shall have been given to the board. Where a company is the only member of the board a minute or resolution signed by its representative or by the alternate of its representative duly appointed pursuant to the by-law next following shall be deemed to be a resolution of the board.

ALTERNATE BOARD REPRESENTATIVE

57. A representative of a company on the board may appoint any person whether another owner or not and whether a member of the board or not to serve as his alternate representative on the board and as such to attend and vote in his stead at meetings of the board and to do anything specifically provided for in these by-laws. Such alternate shall, if present, be included in the count for quorum and if he be a member of the board he shall be entitled to two votes, one as a member of the board and the other as an alternate representative of a member of the board. If the representative so directs, notice of meetings of the board shall be sent to the alternate representative of a member of the board. If and when the appointing representative vacates the office of a representative of a member of the board or removes the alternate representative from office as alternate representative, any appointment or removal under this by-law shall be made in writing under the hand of the representative making the same.

EXCLUSIVE USE AREAS AND PARKING AREAS

58. a. i. The corporation may assign or license by way of license of use agreement, or the corporation may designate (wherever possible in writing), parking areas or parking spaces ("parking area") or exclusive use areas;
- ii. The corporation may in its absolute discretion, in addition to other restrictions and powers set out in these by-laws, specify and limit the nature and extent of the use or uses of any exclusive use area or parking area assigned or designated by it hereunder;
- iii. While any exclusive use areas are not included in the condominium plan (or redivision plan) as part of a unit, and shall not be deemed to be an area leased pursuant to section 50 of the Act, any such exclusive use areas shall be maintained at the sole expense of the owner to the standards and requirements of the corporation that may be imposed or regulated from time to time;
- iv. There are no separate titles in the condominium plan (or redivision plan) for parking

areas, and therefore, no owner shall exclusively own a parking area and the same shall not be deemed to be an area leased pursuant to section 50 of the Act;

- b. The corporation may, in addition to other restrictions set out in these by-laws, specify and limit the nature and extent of the use or uses of any parking areas or exclusive use areas assigned or designated by it hereunder, and in addition to the corporation's powers and obligations as set forth in these by-laws, may in its sole and absolute discretion:
 - i. specify and limit the nature and extent of any parking portion of the common property set aside for parking by the corporation;
 - ii. the use or uses of such parking areas;
 - iii. pass rules and regulations regarding such parking;
 - iv. assign and control parking spaces in such parking areas, PROVIDED THAT wherever possible, each unit will be entitled to three (3) parking spaces;
 - v. specify and limit the nature and extent of the use or uses of any exclusive use areas;
 - viii. pass rules, requirements, regulations or standards with respect to exclusive use areas and parking areas;
- c. Each owner that has an exclusive use area assigned to such owner or where the exclusive use area has been designated as an area to be used by such owner shall properly maintain such exclusive use area in accordance with the requirements and specifications of the corporation. If the owner shall fail to properly maintain any such exclusive use area, after ten (10) days' notice to the owner to correct any maintenance problems set forth in such notice from the corporation, the corporation's representative may order the maintenance corrected and the owner affected shall reimburse the corporation for all monies expended and all costs incurred in order to rectify such maintenance problem and pay interest thereon at the interest rate after demand for payment. The owner shall also indemnify the corporation for all of the corporation's legal fees and costs on a solicitor and his own client full indemnity basis in the event that the corporation is required to obtain a solicitor in order to enforce these provisions;
- d. The term "exclusive use area" does not include any fence, rail, exterior wall or similar structure bordering such exclusive use area;
- e. The corporation and its servants and agents shall notwithstanding the grant of any right, license or privilege or exclusive use of any area to any owner have and enjoy full and free right at any and all times from time to time to enter upon, pass and repass over and occupy any and all parts of such exclusive use area or parking area for the purposes of carrying out any of the duties or functions that the corporation and the corporation shall have unlimited rights of ingress and egress over the same.

REALTY TAXES

- 59. The realty taxes and other municipal and governmental levies or assessments against land, including improvements, comprising all or any part of the units and the common property comprising the condominium project shall be assessed and imposed in accordance with provisions of the Act, but until such time as the assessing authority assesses each unit and the share in the common property appurtenant

thereto pursuant to the Act such realty taxes and other municipal and governmental levies or assessments shall be apportioned and adjusted amongst all the owners according to their respective unit factors.

INDEMNIFICATION OF OFFICERS AND MANAGERS

60. The corporation shall indemnify every member of the board, manager, officer or employee and his or her heirs, executors and administrators against all loss, costs and expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a board member, manager or officer of the corporation, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for fines or penalties imposed in a criminal suit or action or for unjustified profit or advantage or for any illegal act done or attempted in bad faith or dishonesty. All liability, loss, damage, costs and expenses incurred or suffered by the corporation by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the corporation as common expenses. The corporation may by ordinary resolution, require that all members of the board be bonded by a recognized bonding institution in an amount not less than Ten Thousand (\$10,000.00) Dollars, the cost of such bonding to constitute a common expense of the corporation. The foregoing provision shall not relieve the corporation from obtaining insurance for any liability incurred by a member of the board or an officer of the corporation as required under section 47(7) of the Act, and the corporation shall not be obligated to indemnify any member of the board, manager, officer or employee, or his/her heirs, executors and administrators against the liabilities referenced hereabove in the event that the insurance placed and maintained by the corporation under section 47(7) of the Act fully indemnifies and reimburses such member of the board, manager, officer or employee for any such liability suffered or incurred or any portion thereof.

NON-PROFIT CORPORATION

61. The corporation is not organized for profit. No owner, member of the board or person from whom the corporation may receive any property or funds or shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof. The foregoing, however, shall neither prevent nor restrict the following:
- a. reasonable compensation may be paid to any member of the board or owner while acting as an agent or employee of the corporation for services rendered in effecting one or more of the purposes of the corporation; and
 - b. any member of the board or owner may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the corporation;
 - c.. members of the board may receive an annual honorarium, stipend or salary established pursuant to by-law 4(k).

USE AND OCCUPANCY RESTRICTIONS

62. a. In this by-law:
- i. "occupant" means a person present in a unit or in or upon the real or personal property of the corporation or the common property with the permission of an owner;
 - ii. "owner" includes a tenant;

- b. An owner shall not:
- i. use his unit for any purpose which may be illegal or injurious to the reputation of the condominium project;
 - ii. make or permit noise in or about any unit or the common property or allow any odour to emanate or escape from his unit which, in the opinion of the board, constitutes a nuisance or unreasonably interferes with the use and enjoyment of a unit or the common property by any other owner or Occupant. No instrument or other device shall be used within a unit which in the opinion of the board causes a disturbance or interferes with the comfort of other owners;
 - iii. keep or allow any animal of any kind at any time to be in his unit or on the common property without the prior and express written consent and approval of the board;
 - iv. do any act or permit any act to be done, or alter or permit to be altered his unit in any manner, which will alter the exterior appearance of the structure comprising his or any other units without the prior written approval of the board;
 - v. erect or place any building or structure on the owner's yard or on the common property or on any exclusive use area assigned to him without the prior written consent of the board;
 - vi. permit, erect or hang over or cause to be erected or to remain outside any window or door, or visible from the outside, on any part of a unit or on the common property or on the real property of the corporation, any sign, fences, hedges, barriers, partitions, awnings, shades or screens or any other matter or thing without the consent in writing of the board and the municipality (if applicable) first had and obtained;
 - vii. overload existing electrical circuits or store any combustible, inflammable or offensive goods, provisions or materials in his unit or on the common property, normal cleaning products excepted;
 - viii. do anything or permit anything to be done in his unit or upon the common property or the real or personal property of the corporation or fail to do any act or thing which will or would tend to increase the risk of fire or the rate of fire insurance premiums with respect thereto or which would render invalid any insurance maintained by the corporation;
 - ix. allow any of the mechanical systems in the unit to be rendered inoperable;
 - x. do anything or permit anything to be done by any occupier of his unit in his unit, or the common property that is contrary to any statute, ordinance, by-law or regulation of any government authority whether Federal, Provincial, Municipal or otherwise;
 - xi. do or permit anything to be done that may cause damage to trees, plants, bushes, flowers or lawns and shall not place anything on the lawns and grounds which may cause damage or to interfere with the cutting of the lawns or the maintenance of the grounds generally;
 - xii. deposit customary refuse and garbage outside his unit other than in proper garbage containers or enclosures provided by the owner but must be approved as to type and

location by the corporation. All bulk waste items which the municipality will not normally collect shall be removed from the project by the owner at his sole cost and expense;

- xiii. erect, place, allow, keep or display signs, billboards, advertising matter, window lettering, flags, realtor lock boxes or other notices or displays of any kind on the common property, including any exclusive use area assigned to him or in or about any unit (including, without limitation, the exterior windows of the unit), in any manner which may make the same visible from the outside of the unit without the prior written approval of the board;
- xiv. permit any person, firm or corporation for which the owner is responsible to trespass on the part of the parcel to which another owner is entitled to exclusive occupation;
- xv.
 - (1) use for parking any part of the common property other than that designated by the board;
 - (2) carry out any repairs, maintenance or adjustments to motor vehicles on the common property;
 - (3) keep on the common property any vehicle which is not currently licensed, in operating condition and being used without the prior written consent of the board;
 - (4) drive any motor vehicle on the common property at a speed in excess of fifteen (15) kilometres per hour or in any manner that the board, in its sole discretion, deems hazardous or dangerous;
- xvi. obstruct or permit any walkways, passages, driveways or parking areas to be obstructed by his employees, contractors, servants, agents, customers, licensees or invitees or their vehicles;
- xvii. allow his unit or exclusive use area assigned to him to become unsanitary or unsightly in appearance;
- xviii. make or cause to be made any structural, common mechanical, common plumbing, common drainage, gas system or common electrical changes, alterations or additions to his unit or any structural alterations to be made to the outer boundary of any unit, including load bearing or partition walls or any ceiling or floor, without first having the design and specifications of such alteration or addition approved in writing by the board. The owner requesting such approval agrees to pay the cost of any engineer or architect engaged by the board to review the design and specifications. Any alteration or addition made by an owner without such approval may be restored or removed by the board or its duly authorized representative or representatives and any costs incurred by the corporation as a result thereof shall forthwith be paid by such owner to the corporation and shall bear interest at the interest rate from the time such costs are incurred until paid;
- xix. allow the area around his unit to become untidy. The board shall be at liberty to remove any rubbish or clean up the common property in close proximity to an owner's unit to its satisfaction and charge the expense to the owner;

- xx. without the written consent of the board, have any right or access to those portions of the common property used from time to time for mechanical systems utilities areas building maintenance, storage areas not specifically assigned to him, operating machinery or any other parts of the common property used for the care, maintenance or operation of the project generally;
 - xxi. paint, decorate or otherwise alter any portion of a unit or common property required to be maintained by the corporation without the express, prior, written consent of the board;
 - xxii. interfere with, prevent or obstruct any of the developer's rights, privileges or entitlements as set forth in these by-laws;
 - xxiii. without limiting the generality of the foregoing provisions, interfere with, prevent or obstruct any redivision of any bareland unit by the developer;
 - xxiv. do any act or thing to create, produce or manufacture any hazardous substances as defined in by-law 68(a) even where the creation, production or manufacture of hazardous substances in the unit has been permitted or allowed by any governmental authority having jurisdiction;
 - xxv. do any act or thing to create, produce or cause any fungi, even where the activity creating, producing or causing such fungi has been permitted or allowed by any governmental authority having jurisdiction. For the purposes of this by-law, "fungi" includes, but is not limited to, any form or type of mould or yeast, whether or not allergenic, pathogenic or toxigenic, and any substance, vapor or gas produced by, emitted from or arising out of any fungi or spores ("spores" includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any fungi) or resultant microtoxins, allergens or pathogens;
 - xxvi. alter, remove, relocate or damage the party wall, or do any act or thing or permit any act or thing that shall change the nature of any party wall as being a common dividing wall;
 - xxvii. damage, alter or affect any other unit owner's mechanical systems (including, without limitation, plumbing, heating, venting or electrical) contained in the party wall, or any other mechanical systems, services or utilities contained within, running through, over or under such party wall, that are for the benefit of or appurtenant to the unit owners in the project or the corporation;
- c. An owner shall ensure that his occupants comply with those requirements that the owner must comply with under Subsection (b) hereof.

AMENDMENTS OF BY-LAWS

63. These by-laws, or any of them, may be added to, amended or repealed by special resolution of the corporation and not otherwise. The corporation shall cause to be prepared and distributed to each owner and mortgagee who has notified its interest to the corporation, a notice or memorandum of any proposed amendments, additions or repeal thirty (30) days prior to the date of any such special resolution and thereafter provide each such mortgagee with a copy of any registered amendment, addition or repeal. Notwithstanding the foregoing, by-law 47 shall not be added to, amended or repealed by special resolution but shall require a unanimous resolution of the corporation.

CHANGE OF LEGISLATION

64. Should the Act be amended and changed in the future, then these by-laws shall be deemed to have been amended accordingly to adopt any and all such changes to the Act which are required to be adopted to enable the corporation to operate at all times with the full powers of the Act and to use all remedies available to it under the Act.

EASEMENTS

65. Following registration of the condominium plan (and redivision plans) there shall be implied in respect of each unit shown on said plans:
- a. in favour of the owner of the unit as appurtenant to the unit, an easement for subjacent and lateral support of the premises and unit by the common property and by every other premises or unit capable of affording support;
 - b. in favour of the owner of the unit, and as appurtenant to the unit, an easement for the shelter of the premises and unit by every other premises or unit capable of affording shelter;
 - c. in favour of the owner of the unit, and as appurtenant to the unit, easements for access and for the passage or provision of water, sewerage, drainage, gas, electricity, garbage, artificially heated or cooled air and other services including telephone, radio, cable and television services, through or by means of any pipes, wires, cables or ducts for the time being in the parcel to the extent to which those pipes, wires, cables or ducts are capable of being used in connection with enjoyment of the premises or any unit;
 - d. as against the owner of the unit, an easement to which the unit is subject, for the subjacent and lateral support of the common property and of every other premises or unit capable of enjoying support;
 - e. as against the owner of the unit an easement, to which the unit is subject to provide shelter to every other premises or unit capable of enjoying shelter;
 - f. as against the owner of a unit, easements, to which the unit is subject for access and the passage or provision of water, sewerage, drainage, gas, electricity, garbage, artificially heated or cooled air and other services including telephone, radio, cable and television services, through or by means of any pipes, wires, cables or ducts for the time being existing within the premises or unit, as appurtenant to the common property and also to every other premises or any unit capable of enjoying those easements.

When an easement is implied by this by-law, the owner of any utility service who is providing his service to the parcel, or to any unit on it, is entitled to the benefit of any of those easements that are appropriate to the proper provision of that service but not to the exclusion of the owner of any other utility service. The provisions set forth in this by-law are in addition to and not in substitution for the provisions of sections 22 through 24 inclusive of the Act.

REDIVISION

66. a. The developer intends to construct multiple unit buildings on some or all of the bareland units created by the bareland condominium plan and to redivide each of such bareland units by registration of a redivision plan relating to each such bareland unit. Nothing in these by-laws

shall require the corporation to incur any costs, charges or expenses in relation to the construction of the buildings or the redivision of any bareland unit by the said developer or the redivision of any bareland unit by filing a redivision plan, all of which costs shall borne by the said developer;

- b. The developer, its tenants, contractors, sub-contractors, officers, servants, agents and workmen shall have the full and free right and liberty to have ingress and egress to and to pass and repass on the common property, including without limitation the common property units, and the corporation's lands and buildings, either on foot or by means of vehicles or necessary machinery whatsoever and to remain on the bareland units, the common property and the corporation's lands and buildings for all purposes of the developer's construction project;
- c. The corporation and all owners shall do all things necessary to facilitate and co-operate with the completion of the developer's construction of the developer's project and shall take all necessary action to effect the combining of the phases of the project once completed and constructed into one cohesive and functioning condominium project;
- d. The corporation and any owner will not build, erect or maintain, nor permit or suffer to be built, erected or maintained on or upon any common property or any of the corporation's lands and buildings any structure or other improvement which would or could prevent or hinder the reasonable exercise by the developer of any of its rights and privileges under these by-laws;
- e. Upon the construction of each phase by the developer and upon notification verbal or otherwise by the developer to the corporation, the corporation shall purchase for a nominal consideration any common property units created by the registration of a redivision plan.

SIGNAGE

67. Signage shall not be placed by an owner any place on the project, other than the area or place constructed or designated by the developer (or the corporation) on any common property unit specifically for signage ("the receptacle"). The cost for any signage to be installed in any such receptacle (or removed therefrom) shall be at the sole expense of the owner. The owner shall obtain the approval of the corporation to the proposed sign prior to the installation of the owner's sign in the said receptacle. The owner shall be responsible for maintaining and repairing his signage in order that the same shall have a neat, clean and professional appearance at all times. The corporation shall be responsible for maintaining and repairing the receptacle unless the owner causes damage to the receptacle necessitating repairs or maintenance, and in such an event, the costs of such maintenance and repairs shall be charged to the owner and shall bear interest at the interest rate from the date due until paid. The developer may, but is not obligated to, construct a pylon sign for the project, which, if constructed, shall be built on the common property and upon completion of construction shall be common property owned by and under the control and management of the corporation in accordance with and pursuant to the Act and these by-laws. If such pylon sign has been constructed by the developer, the corporation shall endeavor on a best efforts basis to ensure that each owner has space for a sign on such pylon, the costs of such signage, including the installation and removal of such signage, shall be at the sole expense of the owner. The corporation shall have sole and absolute authority as to which owners receive a place for signage on the pylon and where their sign shall be situated on the pylon. It is the intention that all signage on the pylon shall be consistent, and accordingly, the owner in respect of creating such signage shall comply with the corporation's directions with respect to the same. The corporation reserves the right to reject or approve all signage to be placed on the pylon sign.

HAZARDOUS SUBSTANCES

68. a. References herein to "hazardous substances" means any substance which is hazardous to persons or property and includes, without limiting the generality of the foregoing:
- i. radioactive materials;
 - ii. explosives or any other flammable substance;
 - iii. any substance that, if added to any water, would degrade or alter or form part of a process of degradation or alteration of the quality of that water to the extent that it is detrimental to its use by man or by any animal, fish or plant;
 - iv. any solid, liquid, gas or odour or combination of any of them that, if emitted into the air, would create or contribute to the creation of a condition of the air that:
 1. endangers the health, safety or welfare of persons or the health of animal life;
 2. interferes with normal enjoyment of life or property; or
 3. causes damage to plant life or to property;
 - v. toxic substances including, without restriction, urea formaldehyde foam insulation, asbestos and polychlorinated biphenyls;
 - vi. any substance harmful to the environment;
 - vii. substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority having jurisdiction over the owner (which also includes a tenant for the purposes of this by-law) or the owner's business or affairs;
 - viii. waste materials and substances, the storage, manufacture, disposable treatment generation use of which is prohibited, controlled or licensed under any environmental or hazardous materials laws whatsoever; and
 - ix. waste materials and substances, the remediation or release of which into the environment is likely, immediately or in the future, to cause harm or degradation to a unit, common property units, common property, the condominium project or the environment, including, without limitation, contaminants, pollutants, corrosive substances, toxic substances, special wastes, substances deleterious to people, fish or wildlife, and any other substance, material or waste referred to hereabove in this by-law;
- b. An owner shall not allow any hazardous substance to be placed, held, located or disposed of on, under or at the unit without the prior written consent of the corporation;
- d. An owner shall not allow the unit to be utilized in any manner in contravention of any applicable laws intended to protect the environment, including, without limitation, laws respecting the disposal and emission of hazardous substances;
- e. To the extent that hazardous substances are, with the corporation's consent, placed, held, located or disposed of on or at the unit in accordance with the terms hereof, the owner shall:
- i. comply with, or cause to be complied with, all applicable laws and regulations relating to the use, storage and disposal of hazardous substances;
 - ii. at the request of the corporation, provide evidence to the corporation of compliance with all applicable laws and regulations, such evidence to include inspection reports and such tests as the corporation may require in its sole and absolute discretion, all of the same to be at the expense of the owner;
- f. Without restricting the generality of the foregoing, in the event that the corporation should consent to a gasoline or other storage tank to be located in a yard (and in no instance shall a gasoline or other storage tank be located in the building portion of a unit or buried in a yard), the owner shall:

- i. maintain and repair such storage tanks in a manner satisfactory to the corporation; and
 - ii. at the request of the corporation, assign any warranties or guarantees received from the manufacturer or installer of such storage tanks in favour of the corporation;
- g. As a condition of providing consent or approval to any owner to allow hazardous substances to be placed, held, located or disposed of on, under or at the unit, the corporation may require the owner to provide insurance coverages in respect of such hazardous substances, with such insurances to be on terms and conditions and in such amounts as prescribed by the corporation, and all such insurance coverages shall be at the expense of the owner notwithstanding any provision to the contrary contained in these by-laws regarding insurances;
- h. Notwithstanding any provisions in these by-laws express or implied, the corporation shall not be obligated to monitor or police hazardous substances in the project and the corporation shall not be responsible or liable for any losses, costs, damages, consequential damages, expenses or liabilities suffered or incurred by any party caused by hazardous substances in the project, including, without limitation, an owner environmentally contaminating his unit, any other owner's unit, or any portion of the common property.

YARDS

69. With respect to yards, and owner SHALL:

- a. keep his yard in a sanitary and safe condition and with an appearance at least equal to all other yards in the project;
- b. keep his yard free from all junk, scrap, refuse, waste, garbage or any other unsightly or unclean condition;
- c. not build any permanent structures, and any temporary structures to be built in the yard must firstly be approved by the municipality, and secondly approved by the corporation;
- d. keep his yard free from all pests and vermin;
- e. not construct or install any item or thing below ground, including, without limitation, any storage tanks;
- f. not damage the fencing which demarcates the legal boundary of the yard in respect of the owner's unit, and should the owner damage such fencing, the costs of repairing such fencing shall be charged to the owner and the owner shall pay the same together with interest thereon at the interest rate from when such amount or amounts are due until paid;
- g. keep his yard free from all weeds whatsoever;
- h. not lease the yard separately or independently from the rest of the owner's unit without first obtaining the written consent of the corporation.

The corporation shall be entitled to pass rules and regulations with respect to yards, including raising the standards reference in by-law 69(a) hereabove in the event that the corporation should determine in its absolute discretion that the standards referenced in the same are inadequate or insufficient. Each owner upon receiving notice of any rules or regulations passed or promulgated by the corporation regarding yards shall immediately comply with the same. These by-laws regarding yards are in addition to and not

in substitution for any by-laws regarding a unit, which for the purposes of the by-laws includes yards unless any specific by-law should expressly exclude the yard from its application or the context of such by-law should preclude such by-law from applying to a yard.

ACCESS RIGHT OF WAY PLAN 031 1410

70. a. References herein to "ARW" means access right of way plan 031 1410 and the same is subject to an access easement for the benefit and privilege of the owners of units created from a redivision of bareland unit 1 (referred to herein as "the accessed units"), the provisions of which are or will be set out in a mutual access easement registered or to be registered against the titles to the accessed units ("the mutual access easement"). The other owners in the project and persons, firms, corporations or other legal entities for which they are responsible shall not use the ARW unless they fall under the class of parties named as being entitled to utilize the same as set forth in the mutual access easement;
- b. The ARW is not and shall not become common property; however, notwithstanding the same, the ARW shall receive all of the rights, entitlements, benefits and privileges as if the same were common property, and all duties and obligations in respect of common property, including, but not limited to, the maintenance, repair or replacement (if requirement) of the ARW is the sole and exclusive responsibility of the corporation and not the owners of the access units. The corporation shall maintain, repair or replace (if required) the ARW to the same extent and in the same manner as other common property in the project, and without limiting the generality of the foregoing, the corporation shall take all steps and measures necessary to ensure and facilitate the right of way easement in favour of the owners of the accessed units in accordance with the provisions of the mutual access easement which, without limitation, shall obligate the corporation to keep such ARW free from ice and snow, as weather conditions permit;
- c. In the event that any of the accessed unit owners should cause damage to the ARW or should allow garbage or refuse or any other debris to remain on the ARW, or do any act or thing that necessitates any repair or maintenance to the ARW (other than the ordinary use of the same for the purposes for which the ARW was intended pursuant to the mutual access easement), the costs and expenses of any such repair, maintenance or replacement of the ARW as caused or created by such owner or any person for which the owner is responsible shall be charged to the owner and the owner shall pay the same together with interest at the interest rate from the date that such costs and expenses are due until the same are paid;
- d. The owners of the accessed units shall allow and permit the corporation and its successors, assigns, managers, servants, employees, contractors, subcontractors, officers and agents the full and unfettered right and liberty of ingress to and egress from and the right and liberty to pass and repass on, over, in and through the ARW, either by foot or by way of vehicle or machine to complete the corporation's obligations pursuant to this by-law 70;
- e. All of the expenses and costs of the corporation in performing its obligations pursuant to this by-law shall be a common expense. The provisions of by-law 46(b)(ii) regarding the ability of the corporation to charge assessments to any owner that relate directly and solely to the maintenance or operation of any one or more units shall not apply, and the corporation shall not do so unless such costs and expenses are those that are referred to or provided for in by-law 70(c) hereabove;
- f. Notwithstanding any provision to the contrary in these by-laws, any amendment to this by-law 70 requires a special resolution, together with the written consent of all of the owners of the accessed units.

STORM SEWER

71. a. The storm sewer drainage system primarily, but not entirely, constructed within Utility Right of Way Plan 0310929, Area B, and all appurtenances thereto, including, without limitation, catch basins ("the storm sewer"), shall be common property, and as such, the corporation shall maintain and repair the same. The storm sewer shall run under certain units in the project (including yards), and therefore, in the event that the corporation should damage such units (including yards) while maintaining or repairing the storm sewer, the corporation shall repair any such damage caused by the corporation. ;
- b. An owner shall not:
- i. alter or interfere with the storm sewer or damage the storm sewer in any manner;
 - ii. alter or interfere with any grading or drainage system established or constructed from time to time in respect of the project for the proper drainage of precipitation ("the grading/drainage system");
 - iii. interfere with or prevent the corporation from inspecting, maintaining or repairing the storm sewer or the grading/drainage system;
- c. An owner shall permit the corporation access to the owner's unit (including the unit's yard) with machinery, equipment, materials, tools, contractors, agents and employees as required by the corporation to inspect, maintain and repair the storm sewer and the grading/drainage system, if necessary. Access to an owner's unit by the corporation for the purposes set forth hereabove are to be made in accordance with the provisions of these by-laws;
- d. Should an owner interfere with or damage the grading/drainage system or interfere with, alter or damage the storm sewer, all costs and expenses for remediating any of the foregoing shall be paid by such owner;
- e. This by-law is in addition to and not in substitution for:
- i. the statutory easements set out in the Act;
 - ii. the corporation's right to enter or access an owner's unit for the varied purposes provided for in these by-laws, including, without limitation, the corporation's right to enter or access an owner's unit for the purposes of repairing, maintaining or inspecting common property.

BY-LAWS
of
CONDOMINIUM CORPORATION NO.0310928

