

NOTICE OF CHANGE OF BY-LAWS
(THE CONDOMINIUM PROPERTY ACT, s. 26(3))

THE OWNERS: CONDOMINIUM PLAN NO. 8110076 HEREBY CERTIFIES THAT BY A SPECIAL RESOLUTION PASSED ON THE 19th day of JULY, A.D. 1989 THE BY-LAWS APPLICABLE TO THE BUILDING REFERRED TO IN THE AFORESAID CONDOMINIUM PLAN WERE ADDED TO, AMENDED OR REPEALED AS FOLLOWS:

"UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the by-laws applicable to Condominium Plan No. 8110076 being the by-laws registered on May 19, 1981 as Instrument No. 811092912 are repealed and the by-laws attached to this Notice are passed in substitution and replacement therefor, effective as of the date on which the Registrar of the Land Titles Office for the South Alberta Land Registration District has made a memorandum of the filing hereof on the said Condominium Plan."

The seal of The Owners: Condominium Plan No. 8110076 was hereunto affixed on the 19th day of July, A.D. 1989.

THE OWNERS: CONDOMINIUM PLAN
NO. 8110076

per:

per:

32.	VOTING BY SHOW OF HANDS.....	12
33.	POLL VOTES.....	13
34.	VOTING CALCULATION.....	13
35.	VOTES PERSONALLY OR BY PROXY.....	13
36.	PROXIES.....	13
37.	ELIGIBILITY TO VOTE.....	13
38.	VOTE BY CO-OWNERS.....	13

HALLMARK ESTATES CONDOMINIUM

BY-LAWS OF THE OWNERS: CONDOMINIUM PLAN NO. 8110076

SUMMARY OF CONTENTS

IN SUBSTITUTION FOR THE BY-LAWS REGISTERED IN THE
SOUTH ALBERTA LAND REGISTRATION DISTRICT ON MAY 21ST, 1981
AS INSTRUMENT NO. 811092912

I N D E X		
<u>Number</u>		<u>Page</u>
1.	DEFINITIONS & INTERPRETATION.....	1
2.	MISCELLANEOUS PROVISIONS.....	2
3.	DUTIES OF THE OWNERS.....	3
4.	DUTIES OF THE CORPORATION.....	4
5.	POWERS OF THE CORPORATION.....	5
6.	THE CORPORATION AND THE BOARD.....	7
7.	NUMBER ON BOARD.....	7
8.	RETIREMENT FROM BOARD.....	7
9.	ELIGIBILITY FOR RE-ELECTION TO BOARD.....	7
10.	REMOVAL FROM BOARD.....	7
11.	CASUAL VACANCY ON BOARD.....	7
12.	QUORUM FOR BOARD.....	7
13.	OFFICERS OF THE CORPORATION.....	7
14.	CHAIRMAN OF BOARD MEETINGS.....	8
15.	DUTIES OF OFFICERS.....	8
16.	VOTES OF BOARD.....	8
17.	FURTHER POWERS OF BOARD.....	8
18.	ADDITIONAL DUTIES OF BOARD.....	9
19.	DEFECTS IN APPOINTMENTS TO BOARD.....	10
20.	VACATING OFFICE OF BOARD MEMBER.....	10
21.	SIGNING AUTHORITIES.....	10
22.	CORPORATE SEAL.....	11
23.	ANNUAL GENERAL MEETINGS.....	11
24.	EXTRAORDINARY GENERAL MEETINGS.....	11
25.	CONVENING EXTRAORDINARY GENERAL MEETINGS.....	11
26.	NOTICE OF GENERAL MEETINGS.....	11
27.	PROCEEDINGS AT GENERAL MEETINGS.....	11
28.	QUORUM FOR GENERAL MEETINGS.....	11
29.	ADJOURNMENT FOR LACK OF QUORUM.....	12
30.	CHAIRMAN FOR GENERAL MEETINGS.....	12
31.	ORDER OF BUSINESS FOR GENERAL MEETINGS.....	12
32.	VOTING BY SHOW OF HANDS.....	12
33.	POLL VOTES.....	13
34.	VOTING CALCULATION.....	13
35.	VOTES PERSONALLY OR BY PROXY.....	13
36.	PROXIES.....	13
37.	ELIGIBILITY TO VOTE.....	13
38.	VOTE BY CO-OWNERS.....	13

39. RESOLUTION OF THE OWNERS.....	13
40. SUCCESSIVE INTERESTS.....	13
41. TRUSTEE VOTE.....	14
42. VOTING RIGHTS OF MORTGAGEE.....	14
43. VIOLATION OF BY-LAWS.....	14
44. AMENDMENT OF BY-LAWS.....	15
45. DAMAGE OR DESTRUCTION.....	15
46. INSURANCE.....	16
47. ASSESSMENTS FOR COMMON EXPENSES AND BUDGETS.....	18
48. SPECIAL ASSESSMENTS.....	21
49. DEFAULT IN PAYMENT OF ASSESSMENTS.....	22
50. ESTOPPEL CERTIFICATE.....	23
51. LEASING OF UNITS.....	23
52. SEVERABILITY.....	24
53. NOTICES.....	24
54. NOTICE OF DEFAULT TO MORTGAGEES.....	24
55. DEBT RETIREMENT ON TERMINATION.....	25
56. COMPANY WHICH IS MEMBER OF BOARD.....	25
57. ALTERNATE BOARD REPRESENTATIVE.....	25
58. EXCLUSIVE USE AREAS AND PARKING AREAS.....	25
59. REALTY TAXES.....	26
60. INDEMNIFICATION OF OFFICERS AND MANAGERS.....	26
61. NON-PROFIT CORPORATION.....	27
62. USE AND OCCUPANCY RESTRICTIONS.....	27

NOTE: These By-Laws have been passed by the Owners: Condominium Plan No. 8110076 for the purpose of repealing, replacing and substituting the By-Laws registered in the South Alberta Land Registration District on the 21st day of May, 1981, as Instrument No. 811092912

HALLMARK ESTATES

BY-LAWS OF THE OWNERS: CONDOMINIUM PLAN NO. 8110076

DEFINITIONS AND INTERPRETATION

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, 1980, Chapter C-22, as amended from time to time or any statute or statutes passed in substitution thereof;
- (b) "Board" means the Board of Managers of the Corporation;
- (c) "by-laws" means the by-laws of the Corporation, as amended from time to time;
- (d) "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;
- (e) "common property" means so much of the parcel as is not comprised in or does not form part of any unit shown on the condominium plan;
- (f) "condominium plan" means the plan registered under the Act as No. 8110076;
- (g) "Corporation" means the corporation constituted under the Act by the registration of the condominium plan;
- (h) "Insurance Trustee" means a trust company authorized to carry on the business of a trust company under the laws of Alberta selected from time to time on resolution of the Board;
- (i) "Interest Rate" means Twenty (20%) per centum per annum;
- (j) "Manager" means the manager contractually appointed by the Board;
- (k) "ordinary resolution" means a resolution:
 - (i) passed at a properly convened meeting of the Corporation by a majority of not less than 51% of all the persons entitled to exercise the power of voting conferred under the Act or these by-laws and representing not less than 51% of the total unit factors for all of the units; or
 - (ii) in writing signed by not less than 51% of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the power of voting conferred by the Act or these by-laws and representing not less than 51% of the total unit factors for all of the units;
- (l) "owner" means a person who is registered as the owner of the fee simple estate in a unit and where the term "owner" is used in By-Law 62, that term includes a tenant;
- (m) "parcel" or "project" means the land comprised in the condominium plan;
- (n) "special resolution" means:
 - (i) a resolution passed at a properly convened meeting of the Corporation, of which at least seven (7)

days' notice specifying the proposed resolution has been given, by a majority of not less than 75% of all the persons entitled to exercise the power of voting conferred under the Act or these by-laws and not less than 75% of the total unit factors for all the units; or

- (ii) a written resolution signed by not less than 75% of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the power of voting conferred by the Act or these by-laws and representing not less than 75% of the total unit factors for all the units;

(o) "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;

(p) "unit" means a space that is situated within a building and described in the condominium plan by reference to floors, walls and ceilings within the building and the only portion of that floor, wall or ceiling, as the case may be, that forms part of the unit is the finishing material that is in the interior of that unit, including any lath and plaster, panelling, gypsum board, panels, flooring material or coverings or any other material that is attached, laid, glued or applied to the floor, wall or ceiling as the case may be, and all doors and windows of a unit are part of that unit and the units are "residential units" as defined in the Act;

(q) "unit factor" means the unit factor for each unit as more particularly specified or apportioned and described in and set forth on the condominium plan.

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

- 2. (a) 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) 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) If there is any conflict between the by-laws and the Act, the Act prevails.

DUTIES OF THE OWNERS

3. An owner shall:

- (a) permit the Corporation and its agents, at all reasonable times on notice (except in case of emergency when no notice is required), to enter his unit for the purpose of inspecting the unit and maintaining, repairing or renewing pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities for the time being existing in the unit and capable of being used in connection with the enjoyment of any unit or common property, or for the purpose of maintaining, repairing or renewing the common property, or for the purpose of ensuring that the by-laws are being observed, or for the purpose of doing any work for the benefit of the Corporation generally or for the purpose of 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 payable by the unit owner;
- (b) forthwith carry out all work that may be ordered by any municipality or public authority in respect of his unit and pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his unit;
- (c) repair and maintain his unit, including all windows (which includes all glass, sashes and sliding glass doors but excludes structural frames) and the washing thereof and the interior surface of doors which provide the means of ingress and egress from a unit, but excluding outer boundaries, walls and other outside surfaces and roofs and eavestroughs and all other outside hardware and accoutrements affecting the appearance, useability, value or safety of the unit, and keep it in a state of good repair, except such maintenance, repairs and damage as are insured against by the Corporation or for which the Corporation is responsible pursuant to these By-Laws; and shall maintain in a reasonable manner any area 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 5 or By-Law 58 and if the owner shall not maintain such area to a standard similar to that of the remaining common property, the Corporation may give ten (10) 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 58 shall apply;
- (d) not make any repairs, additions or alterations to the exterior of his unit or the building (including interior and exterior load bearing and partition walls) of which his unit forms a part or to the plumbing, mechanical or electrical systems within his unit 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, their families or visitors;

- (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) or the family of such an occupier;
- (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 adult 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 32 of the Act.

DUTIES OF THE CORPORATION

4. In addition to the duties of the Corporation set forth in the Act, the Corporation, through its Board shall:

- (a) control, manage, maintain, repair 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;
- (c) maintain and repair (including renewal where reasonably necessary) the elevators and 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 unit(s) or common property and shall sweep all fireplace chimneys from time to time;
- (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) maintain and repair the exterior or outside surfaces of the buildings comprising the units (excluding windows,

sashes, sliding glass doors and washing of windows but including all other outside accoutrements affecting the appearance, useability, value or safety of the parcel or the units) and the common property including the lobby, vestibule, waiting area, office, storage area, stairs, stairwells, corridors, mechanical and electrical room, generator room, garbage chutes and garbage room, janitorial room, meter room, sprinkler room, and all fencing and posts, including any fencing bordering any exclusive use area;

- (f) collect and receive all contributions towards the common expenses and deposit same in a separate account with a chartered bank or trust company;
- (g) provide and maintain out of the assessments to be levied by the Corporation towards the common expenses or otherwise such amount as the Board may determine from time to time to be fair and prudent for a replacement reserve fund and the replacement reserve fund shall be an asset of the Corporation;
- (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 to the Board may seem justifiable in the management or administration of the entire condominium project;
- (i) remove ice, snow, slush and debris from and keep and maintain in good order and condition all areas of the common property designated for vehicular or pedestrian traffic or outside parking and keep and maintain in good order the driveway ramp, garage door and all grassed or landscaped areas of the common property PROVIDED THAT the maintenance of any exclusive area designated to an owner under By-Law 5 or By-Law 58 shall be the prime responsibility of the owner to whom such exclusive use area has been assigned;
- (j) provide adequate garbage receptacles or containers on the common property for use by all the owners and provide for regular collection therefrom;
- (k) 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 37 of the Act;
- (l) 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;
- (m) establish and maintain lawns, trees and shrubs and other landscaping on the common property and promptly replace on a continuing basis, any lawns, trees or shrubs which die.

POWERS OF THE CORPORATION

5. 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, hire 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;
- (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 15% 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 35 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 a lease in respect of areas adjoining or relating to such owner's unit under Section 41 of the Act, on such terms and conditions as may be determined by the Board from time to time PROVIDED THAT such lease shall be available for the benefit only of owners, purchasers, tenants and other lawful occupants of such unit, shall not be assignable to anyone who is not an owner or purchaser by agreement for sale of such unit and shall be terminable on 30 days notice by the Corporation as against any grantee, lessee or assignee who ceases to be an owner or purchaser under an agreement for sale of such unit;
- (g) grant to an owner the right to exclusive use and enjoyment of part of the common property (including extra parking space) or special privileges in respect thereof, and, except for the provisions of these By-Laws relating to parking privileges attached to each unit, any such grant to be determinable on reasonable notice, unless the Corporation by special resolution otherwise resolves;
- (h) 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 generally including the commencement of an action under Section 29 of the Act and all subsequent proceedings relating thereto;
- (i) determine from time to time the amounts to be raised and collected for the purposes hereinbefore mentioned;
- (j) raise amounts so determined by levying contributions on the owners in proportion to the unit factors for their respective units or as otherwise herein provided;

- (k) charge interest under Section 32 of the Act on any contribution or common expenses owing to it by an owner at the Interest Rate;
- (l) join any organization serving the interests of the Corporation and assess the membership fee in such organization as part of the common expenses.

THE CORPORATION AND THE BOARD

6. 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.

NUMBER ON BOARD

7. The Board shall consist of not less than three nor more than seven owners or legal spouses of owners or representatives of mortgagees who have notified their interests to the Corporation and the Board shall be elected at each annual general meeting. A Board member must be 18 years of age or older. Where a unit has more than one owner, only one owner in respect of that unit may sit on the Board at any point in time.

RETIREMENT FROM BOARD

8. At each annual general meeting of the Corporation all the members of the Board shall retire from office and the Corporation shall elect a new Board.

ELIGIBILITY FOR RE-ELECTION TO BOARD

9. A retiring member of the Board shall be eligible for re-election.

REMOVAL FROM BOARD

10. Except where the Board consists of all of the owners, 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

11. Where a vacancy occurs on the Board under By-Law 20, the remaining members of the Board may appoint a person to fill that office for the remainder of the former member's term provided such person qualifies for membership pursuant to By-Law 7.

QUORUM FOR BOARD

12. Except where there is only one owner, 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

13. 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.

CHAIRMAN OF BOARD MEETINGS

14. 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

15. The other duties of the officers of the Board shall be as determined by the Board from time to time.

VOTES OF BOARD

16. 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

17. 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 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 replacement reserve funds in the hands of or controlled by the Manager; and
 - (ii) one month's total condominium contributions of the Corporation or 1/12 of the total annual condominium contributions for all units in the Project (excluding any special contributions) 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.

ADDITIONAL DUTIES OF THE BOARD

18. The Board shall:

- (a) 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;
- (b) 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;
- (c) 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;
- (d) prepare proper accounts relating to all monies of the Corporation, and the income and expenditure thereof, for each annual general meeting;
- (e) maintain financial records of all the assets, liabilities and equity of the Corporation;
- (f) 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 all reasonable times;
- (g) cause to be prepared and distributed to each owner and to each mortgagee who has notified its interest to the Corporation a copy of the Financial Statement of the receipts of contributions of all owners towards the common expenses and disbursements made by the Corporation within one hundred eighty (180) days of the

end of the fiscal year of the Corporation;

- (h) keep a register of all owners and mortgagees who have notified their interests to the Corporation;
- (i) at all times, keep and maintain in force, all insurance required hereunder and by the Act to be maintained by the Corporation;
- (j) within fifteen (15) 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;
- (k) 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.

DEFECTS IN APPOINTMENT TO BOARD

19. 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

20. 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) is in arrears more than sixty (60) days of any contribution, levy or assessment required to be made by him as an owner or becomes bankrupt; or
- (c) is found lunatic or becomes of unsound mind, or dies, or is the subject of a Certificate of Incapacity issued under the MENTAL HEALTH ACT; or
- (d) is convicted of an indictable offence; or
- (e) is absent from meetings of the Board for a continuous period of two (2) months or two (2) consecutive meetings without the consent of the remaining members of the Board; or
- (f) he ceases to qualify for membership pursuant to By-Law 7; or
- (g) 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.

SIGNING AUTHORITIES

21. The Board shall determine, by resolution from time to time, the manner and which 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

22. The Corporation shall have a common seal, which shall be adopted by resolution and 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 there is only one member of the Corporation his signature shall be sufficient for the purposes of this by-law, and if the only member is a company the signature of its appointed representative on the Board shall be sufficient for the purpose of this by-law.

ANNUAL GENERAL MEETINGS

23. An annual general meeting 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

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

CONVENING EXTRAORDINARY GENERAL MEETINGS

25. The Board may whenever it thinks fit and shall upon a requisition in writing by owners representing not less than 15% of the total 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 15% of the total unit factors or a combination of such owners or mortgagees entitled to vote with respect to 15% of the total unit factors convene an extraordinary general meeting.

NOTICE OF GENERAL MEETINGS

26. 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

27. 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

28. 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-quarter of the persons entitled to vote present in person or by proxy shall constitute a quorum.

ADJOURNMENT FOR LACK OF QUORUM

29. If within one-half hour from the time appointed for a general meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same place and time and if at the adjourned meeting a quorum is not present within one-half hour from the time appointed for the meeting, the persons entitled to vote who are present shall be a quorum.

CHAIRMAN FOR GENERAL MEETINGS

30. 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

31. 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) calling of the roll and certifying the proxies;
- (c) proof of notice of meeting or waiver of notice;
- (d) reading and disposal of any unapproved minutes of general meetings;
- (e) reports of officers;
- (f) reports of committees;
- (g) financial report;
- (h) appointment of auditors;
- (i) resignation of Board;
- (j) election of Board;
- (k) unfinished business;
- (l) new business;
- (m) adjournment.

VOTING BY SHOW OF HANDS

32. 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

33. 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

34. On a show of hands, each Unit shall have one vote. 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

35. On a show of hands or on a poll, votes may be given either personally or by proxy.

PROXIES

36. 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

37. Except in cases where by or under the Act 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 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 28.

VOTE BY CO-OWNERS

38. (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

39. 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

40. 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

41. 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

42. 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 assessments.

VIOLATION OF BY-LAWS

43. (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 or tenants that has not been corrected, remedied or cured within two weeks 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, 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 judgment at the Interest Rate until paid;
- (b) The Corporation may 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 or tenants, which violates these by-laws or any rules or regulations established pursuant to these by-laws and for which two weeks prior written notice has been given by the Corporation and there shall be added to any judgment, all costs of such action including costs as between a solicitor and his own client. 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 exercise the powers provided for in Section 29 of the Act.

AMENDMENT OF BY-LAWS

44. These By-Laws, or any of them, may be added to, amended or repealed by special resolution of the Corporation and not otherwise and the Corporation shall cause to be prepared and distributed to each 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.

DAMAGE OR DESTRUCTION

45. (a) In the event of damage or destruction as a result of fire or other casualty, the Board shall determine within thirty (30) 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 25% 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 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) 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;

- (c) 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 and capable of being used in connection with the enjoyment of any other unit or the common property, 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;
- (d) 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 member of his family or his or their guests, 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

- 46. (a) The Board, on behalf of the Corporation, shall obtain and maintain, subject always to the Act, and in particular, Section 18 thereof, the following insurance:
 - (i) Fire insurance with extended coverage endorsement for such perils as the Board shall deem advisable insuring: (A) all of the insurable common property; (B) all insurable property of the Corporation, both real and personal of any nature whatsoever; (C) all of the units, including all improvements and betterments made to the units by the owners of which the Board has knowledge and all bathroom and kitchen fixtures (but excluding furnishings and other personal property of each owner whether or not installed in the unit), for the full replacement cost thereof, without deduction for depreciation; and insuring the interests of and naming as insureds; (D) all owners from time to time; (E) the First Mortgagee and all other mortgagees who have given written notice to the Corporation; (F) the Corporation; and (G) the Board of Managers and any person referred to in By-Law 17 hereof (hereinafter collectively called the "Insureds") as their respective interests may appear;
 - (ii) Boiler and vessel insurance if any boilers and vessels exist;
 - (iii) Public 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 \$1,000,000.00 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 and all employees of the Corporation from and against all loss, costs, and expenses, 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 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 gross negligence or wilful misconduct;
 - (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:
- (i) that the policy may not be cancelled or substantially modified without at least sixty (60) days' prior written notice to all Insureds;
 - (ii) that in no event shall insurance coverage be brought into contribution with insurance purchased by any owner or mortgagee and such insurance shall be deemed as primary insurance;
 - (iii) standard mortgage endorsements attached to each such policy;
 - (iv) a waiver by the insurer of its rights of subrogation against the Corporation, its Manager, agents, employees and servants, and the owners and any member of the household or guests of any owner, except for arson and fraud;
 - (v) a waiver by the insurer of any defence based upon co-insurance (provided that policies of physical damage insurance may contain co-insurance on a stated amount basis so long as the appraisal provisions of this by-law are met) or of invalidity arising from the conduct of or any omission or act or breach of a statutory condition by any Insured;
 - (vi) a waiver of the insurer's option to repair, rebuild or replace in the event that after damage the status of the condominium is terminated; and
 - (vii) a cross liability endorsement wherein the rights of any Insured shall not be prejudiced with respect to another Insured;
- (c) Prior to obtaining any policy of insurance hereunder or any renewal thereof, and at least annually, the Board shall obtain an appraisal from a duly qualified appraiser setting out the full replacement cost of the common property, units, and all of the property of the Corporation. A copy of such appraisal shall be delivered to each mortgagee who has given written notice of his mortgage to the Corporation. The Board shall

forthwith obtain insurance coverage under any and all such policies of insurance in accordance with such appraisal to insure the full replacement value as set forth in such appraisal. In addition to such insurance coverage for the replacement value of the common property, units and any other property of the Corporation, the Board shall review and adjust the level of insurance coverage for other risks (including liability) to such amounts and levels required by and as would be maintained by an owner of similar property in the locality in which the condominium property is situate;

- (d) 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 therefor, 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;
- (e) 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); provided that any expense of the Insurance Trustee shall be treated as common expenses of the Corporation;
- (f) 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;
- (g) In the event an owner incurs or suffers damage or loss to the windows or doors (which constitute part of the unit) or to any interior finishing or improvements of his unit and/or the common property adjacent thereto 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 servants, agents, licensees, invitees or tenants.

ASSESSMENTS FOR COMMON EXPENSES AND BUDGETS

- 47. (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 an exclusive use area under By-Law 5 or By-Law 58;
 - (iv) All charges on account of lighting fixtures situated on common property;
 - (v) All charges on account of maintenance for those portions of a unit or common property for which the Corporation is responsible under these by-laws;
 - (vi) All costs of furnishings and equipment for use in and about the project facilities 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 and accounting 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) The cost of maintaining fidelity bonds as provided in these By-Laws;
 - (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;
- (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;

- (c) The budget shall set out by categories an estimate of the common expenses of the Corporation for the next fiscal year. The budget shall include a reasonable provision for contingencies and replacements ("replacement reserve fund");
- (d) The 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. The Corporation may by resolution determine the maximum amount that may be paid from the replacement reserve fund in respect of a single expenditure;
- (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

- (A) any action commenced against the Corporation and served upon the Corporation;
 - (B) any unsatisfied judgment or order for which the Corporation is liable; and
 - (C) 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) the particulars of or a copy of any subsisting recreational agreement;
 - (v) a copy of the current budget of the Corporation;
 - (vi) a copy of the most recent financial statement of the Corporation;
 - (vii) a copy of the by-laws of the Corporation;
 - (viii) a copy of any minutes of proceedings of a general meeting of the Corporation or of the Board;
 - (ix) the particulars of or a copy of any subsisting lease of any of the common property;
- (i) 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;
 - (j) The Board or the Manager supplying any documents required to be provided in these By-Laws or under Section 36 of the Act, shall be entitled to charge a reasonable fee for the production thereof.

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. Default in payment of assessments and lien for unpaid assessments, instalments and payments:

- (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 owner's 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, PROVIDED THAT no such acceleration shall affect the interests of or be binding upon the First Mortgagee or any registered mortgagee;
- (f) Notwithstanding all other provisions hereof the lien, charge, or security created, as hereinbefore mentioned and referred to in the preceding paragraphs, shall be subject always and subordinate to, and shall not affect the rights of the holder of, any indebtedness secured by any registered mortgage and the Corporation or other party shall, upon the request of such registered mortgagee, at the expense of such other party or the Corporation, as the case may be, execute and deliver such postponements, agreements or instruments of subordination as the said mortgagee shall reasonably require to fully and effectively establish or maintain its priority as a registered mortgagee in respect of a unit title against which it has registered its mortgage;
- (g) 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 44 of the Act;
- (ii) give notices to give up possession of residential units under Section 45 of the Act; and
- (iii) make applications to the Court under Sections 46 and 47 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) The owner of a unit must have professionally supervised move-ins and move-outs of tenants or have such move-ins and move-outs supervised by the Corporation at the expense of the owner. The Manager must be given a minimum of seventy two (72) hours notice by an owner of any move and the name of the supervisor of such move.

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 pre-paid 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 so 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) The Board shall assign an area of the common property in the underground or at grade parking area for exclusive use by the owner of a unit for the sole purpose of parking one private passenger automobile thereon;
- (b) The owner of a Unit shall have the exclusive use of any balcony or patio area immediately adjacent to his Unit to which he has sole access which shall also constitute an exclusive use area;
- (c) The Board 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 such exclusive use area assigned or designated by it hereunder;
- (d) While any such parking area or exclusive use area is not included in the condominium plan as part of a condominium unit, and shall not be deemed to be an area leased pursuant to Section 41 of the Act, any such parking or exclusive use area shall be maintained at the sole expense of the owner to whom it has been assigned PROVIDED THAT the Board shall be responsible for

removing ice, slush and snow from the driveway, common walkways and outside parking areas, sweeping the underground parkade and structurally maintaining parking areas and balconies to a standard considered reasonable by the Board;

- (e) If the owner shall fail to properly maintain any such exclusive use area assigned to him after ten (10) days' notice to him to correct any maintenance problem set forth in said notice from the Board, then the Board or its representative may order the maintenance corrected and the owner affected shall reimburse the Board for all monies expended and all costs incurred in order to rectify said maintenance problem and pay interest thereon at the Interest Rate after demand for payment;
- (f) The term exclusive use area does not include any fence, rail or similar structure bordering any designated exclusive use area;
- (g) The Corporation, at its option, may require an owner to pay electrical charges for and in connection with any plug-in facility where such plug-in facility is not metered to the unit of an owner who is using such plug-in facility.
- (h) The Corporation and its servants and agents shall, notwithstanding the grant of any right, licence or privilege of exclusive use of any area to any owner, have and enjoy free and uninterrupted right at any and all times and from time to time to enter upon, pass and repass over, and occupy any and all parts of such exclusive use area for the purpose of carrying out any of the duties or functions of the Corporation.

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 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 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 gross negligence or wilful misconduct. 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.

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.

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 or any part thereof for any commercial, professional or other business purposes or for any purpose which may be illegal or injurious to the reputation of the condominium project or for a purpose involving the attendance of the public at such unit;
- (ii) make or permit noise in or about any unit or the common property which in the opinion of the Board is 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, livestock, fowl or pet of any kind (other than birds or fish) at any time to be in his unit or on the common property without the specific approval in writing of the Board, which approval the Board may arbitrarily withhold and may, if given, be withdrawn anytime on seven (7) days notice to that effect. No dogs will be approved;

(iv) use or permit the use of his unit other than as a single family dwelling or for a purpose other than for residential purposes and for purposes of this By-Law:

- (A) "single family dwelling" means a unit occupied or intended to be occupied as a residence by one family alone and containing one kitchen

and in which no roomers or boarders are allowed; and

- (B) "Boarder" means a person to whom room and board is regularly supplied for consideration; and
- (C) "Roomer" is a person to whom a room is regularly supplied for consideration;
- (v) permit his unit to be occupied as a place of residence by more than three (3) persons (whether adult or minor) at any given time without the consent in writing of the Board;
- (vi) 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. An owner shall not install an air conditioning unit that is visible from outside of the unit without the prior written consent of the Board;
- (vii) permit laundry to be hung other than inside the unit;
- (viii) erect or place any building, structure, tent, or trailer, (either with or without living, sleeping or eating accommodation) on the common property or on any exclusive use area assigned to him without the prior written approval of the Board;
- (ix) permit, erect or hang over or cause to be erected or to remain outside any window or door or any other part of a unit or on the common property or on the real property of the Corporation, clothes lines, garbage disposal equipment, recreational or athletic equipment, fences, hedges, barriers, partitions, awnings, shades or screens or any other matter or thing without the consent in writing of the Board first had and obtained. No television or mobile telephone or radio antenna, tower or similar structure or appurtenances thereto or satellite dish shall be erected on or fastened to any unit or on the common property except in connection with a common television antenna or cable system as authorized by the Board and then only in accordance with the regulations therefor which may be established by the Board;
- (x) store any combustible, inflammable or offensive goods, provisions or materials in his unit or on the common property;
- (xi) 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;
- (xii) 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;

- (xiii) do or permit anything to be done that may cause damage to trees, plants, bushes, flowers or lawns and shall not place chairs, tables, or other devices or other objects on the lawns and grounds so as to damage them or to prevent growth or to interfere with the cutting of the lawns or the maintenance of the grounds generally;
- (xiv) deposit customary household refuse and garbage outside his unit other than in proper secure garbage bags placed in the garbage chutes;
- (xv) erect, place, allow, keep or display signs, billboards, advertising matter or other notices or displays of any kind on the common property or in or about any unit in any manner which may make the same visible from the outside of the unit without the prior written approval of the Board;
- (xvi) permit any member of his household, guests or visitors to trespass on the part of the parcel to which another owner is entitled to exclusive occupation;
- (xvii)
 - (A) use the driveway or any part of the common property other than a parking area designated under By-Law 5 or By-Law 58 for the parking of any motor vehicles except in accordance with permission in writing from the Board;
 - (B) carry out any repairs or adjustments to motor vehicles on the project;
 - (C) bring onto the project any vehicles other than private passenger automobiles, 1/2 ton trucks or 4 X 4 vehicles without the written consent of the Board or the Manager or duly authorized nominee thereof;
 - (D) allow vans, trailers, campers, boats, snowmobiles, trail bikes, all terrain vehicles, or any type of motor home or recreational vehicle or equipment to be parked or stored on the common property;
 - (E) keep on the common property any private passenger automobile which is not currently licensed, in operating condition and being used from day to day without the prior written consent of the Board;
 - (F) drive any motor vehicle on the common property at a speed in excess of 15 kilometers per hour;
- (xviii) obstruct or permit any walkway, passage or drive-ways or parking areas to be obstructed by his family, guests or visitors or their vehicles;
- (xix) shake mops or dusters of any kind nor throw anything out any windows in his unit or on the common property, nor permit anything of this kind

to be done;

- (xx) allow his unit, designated parking area or exclusive use area assigned to him to become unsanitary or unsightly in appearance;
- (xxi) make or cause to be made any structural, mechanical or electrical alterations or additions to his unit or any load bearing wall 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;
- (xxii) use a toilet, sink, tub, drain or other plumbing fixture for a purpose other than that for which it is constructed;
- (xxiii) allow the area around his premises 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 premises to its satisfaction and charge the expense to the owner;
- (xxiv) be responsible for ice and snow removal other than from the balcony adjoining or adjacent to his own unit;
- (xxv) chop wood on a balcony or in a unit or anywhere on the common property;
- (xxvi) allow or cause any household or personal effects or articles belonging to him to be kept anywhere except inside his respective unit when not in actual use, and each owner will comply with all requests of the Board or its representatives that all household or personal effects or articles, including bicycles, toys and like things belonging to an owner's household be put away inside such unit when not in actual use;
- (xxvii) without the prior written approval of the Board, have any right of access to those portions of the common property used from time to time for utilities areas, building maintenance, storage areas not specifically assigned to him under By-Law 58, operating machinery or any other parts of the common property used for the care, maintenance or operation of the project generally;
- (xxviii) use or permit to be used, any draperies or window coverings that are visible from the exterior of the building unless such draperies are of a neutral, white, off-white or ivory shade, or are so lined, and shall not use foil or other opaque material on any window.

- (c) An owner shall ensure that his occupants comply with those requirements that the owner must comply with under Subsection (b) hereof.