

SCHEDULE A - PROPOSED BY-LAWS - THE NEST

**BY-LAWS OF
CONDOMINIUM CORPORATION
IN SUBSTITUTION OF INITIAL BY-LAWS OF THE CORPORATION
PURSUANT TO SECTION 33 OF THE *CONDOMINIUM PROPERTY ACT*,**

R.S.A. 2000, c.-22, if and as amended

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passed by The Owners: Condominium Corporation Number:

NOTE: for the purpose of repealing, replacing and substituting the By-Laws set out in the Schedule of the Condominium Property Act being Chapter C-22 of the Revised Statutes of Alberta, 2000, and amendments thereto.

These
By-Laws
have been

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, 2000, Chapter C-22, as amended from time to time or any statute passed in substitution therefore;
 - (b) **"Amenities"** means, with respect to the Building, the improvements made to the Parcel upon which the Building is located and the adjacent Common Property including sidewalks, paving, landscaping, utility lines and connections and any other such improvements intended by the Developer for the use and enjoyment of the persons occupying the Building;
 - (c) **"Architect's Certificate"** means a certificate provided by the Developer to the Corporation pursuant to By-Law 60 certifying substantial completion of any building and its Amenities and specifying the deficiencies or uncompleted work, if any, with respect thereto;
 - (d) **"Board"** means Board of Directors of the Corporation;
 - (e) **"Building"** means the thirty two thousand six hundred eighty eight square foot (32688) residential building proposed by the Developer for construction on the Parcel;
 - (f) **"By-Laws"** means the By-Laws of the Corporation, as amended from time to time;
 - (g) **"Common Expenses"** means the expense of performance of the objects and duties of the Corporation and any expenses specified as Common Expenses in these By-Laws;
 - (h) **"Common Property"** means so much of the Parcel as is not comprised in or does not form a part of any Unit shown on the Condominium Plan, and the Equipment;
 - (i) **"Condominium Plan"** means the Plan registered by the Developer under the Act;
 - (j) **"Corporation"** means the Corporation constituted under the Act by the registration of the Condominium Plan;
 - (k) **"Developer"** means 1777508 Alberta Ltd. and its successors and assigns;
 - (l) **"Easements and Restrictive Covenants"** means those registered by the Developer, if any;
 - (m) **"Equipment"** means the heating, ventilating, air conditioning, elevating, and other equipment to be installed by the Developer in the Building and necessary for the operation thereof;
 - (n) **"Interest Rate"** means the 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 Edmonton of the Royal Bank of Canada plus TWO (2%) PERCENT on the earliest date on which any portion of the said monies becomes due and payable by an Owner;
 - (o) **"Manager"** means the professional manager first retained by the Developer or any successor contractually appointed by the Board;
 - (p) **"Owner"** means a person who is registered as the Owner of the fee simple estate in a Unit;

- (q) **"Parcel"** means the land comprised in the Condominium Plan;
- (r) **"Parking Unit"** means one of the 71 surface parking units within the Lands to be used for parking purposes;
- (s) **"Party Wall"** means with respect to any Unit or Units immediately adjoining each other a wall on and adjoining the common boundary line existing between such Unit or Units;
- (t) **"Phased Possession"** means, with respect to the Building, any specific section thereof which is released for possession to purchaser(s);
- (u) **"Residential Unit"** means a Unit within the Building that is used or intended to be used for residential purposes;
- (v) **"Special Resolution"** means:
- (i) a resolution passed at a properly convened meeting of the Corporation, of which at least seven (7) days prior notice specifying the proposed resolution has been given, by a majority of not less than 75% of all the persons entitled to exercise the powers of voting conferred under the Act or these By-Laws and representing not less than 75% of the total Unit Factors for the Residential 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 powers of voting conferred by the Act or these By-Laws and representing not less than 75% of the total Unit Factors for the Residential Units for all the Units;
- (w) **"Surface Parking Stalls"** means those seventy one (71) parking stalls shown as Parking Stalls, including three handi-capped stalls and 2 car share stalls, for the exclusive use for the Owner(s), tenants and invitees of the Residential Unit(s), and as shown on the Plan attached to these by-laws as Schedule "A";
- (x) **"Unit"** means:
- (i) in the case of a Building, a space that is situated within a Building and described as a Unit in the Condominium Plans 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 the Unit, including any lath and plaster, paneling, 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, excluding exterior windows, exterior doors, and hallway doors; and
 - (ii) in the case other than that of a Building, land that is situated within the Parcel and described as a Unit in the Condominium Plan by reference to boundaries governed by monuments placed pursuant to the provisions of the Surveys Act respecting subdivision surveys;
- (y) **"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.

Subject to the foregoing, 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, as amended from time to time or in any statute or statutes passed in substitution therefore. 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.

HEADINGS

2. (a) The headings used throughout these By-Laws are inserted for reference purposes only, and shall not be considered or taken into account in construing the terms or provisions of any By-Laws;

- (b) The rights and obligations given or imposed on the Corporation by the Owners under these By-Laws are in addition to any rights or obligations given or imposed on the Corporation under the Act;
- (c) If there is any conflict between the By-Laws and Act, the Act shall prevail to the extent permitted by law;

DUTIES OF THE OWNER

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 other Unit or Common Property, or for the purpose of maintaining, repairing or renewing either the Unit or the Common Property, or for the purpose of ensuring that the By-Laws are being observed;
- (b) permit the Corporation and its agents, at all reasonable times, access to the Unit and the Common Property to maintain in good order and condition any lawn, trees or landscaped area and to maintain and repair the exterior or outside surfaces of the Building forming part of the Units or the Common Property including exterior windows and doors and all other outside accouterments affecting the appearance, usability, value or safety of the Parcel or the Units;
- (c) 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;
- (d) repair and maintain this Unit, excluding all exterior windows and sliding glass doors, outer boundaries, walls and other outside surfaces and roofs and eaves troughs and all other outside hardware and accouterments affecting the appearance, usability, value or safety of the Unit, and keep it in a state of good repair, except such damage as is insured against by the Corporation; and shall maintain in 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 54 and if the Owner does not maintain such area to a standard similar to that of the remaining Common Property, the Corporation may give one month's notice to the Owner to this effect and if such notice has not been complied with at the end of the month, then the Corporation may carry out such work and the provisions of By-Law 44 shall apply;
- (e) 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 or Party 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;
- (f) strictly comply with the architectural and landscaping guidelines of the Corporation in effect from time to time;
- (g) not place or erect on any Unit any structure without the prior approval by the Board;
- (h) use and enjoy the Common Property in such a manner as to not unreasonably interfere with the use and enjoyment thereof by other Owners, their families or visitors;
- (i) 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;
- (j) notify the Corporation forthwith upon any change of ownership or of any mortgage or other dealing in connection with his Unit;

(k) not enter nor permit his family or visitors to enter upon the Unit of another Owner (other than the Common Property) without the permission of the Owner;

- (l) 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;
- (m) pay to the Corporation when due all Common Expenses levied or assessed against his Unit together with interest on any arrears thereof at the Interest Rate calculated from the due date. The Interest herein provided on overdue assessments shall be a charge upon his Unit to the same extent as they would be if they were Common Expense charges assessed upon his Unit.
- (n) comply strictly with Encumbrances, and Easements and Restrictive Covenants.

DUTIES AND POWERS 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 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 other rules and regulations in force from time to time;
 - (c) maintain and repair (including renewal where reasonably necessary) 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 more than one Unit or the 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, on the written request of an Owner, purchaser or registered mortgagee of the Unit, produce to the Owner or mortgagee, a certified copy of the policy or policies of insurance effected by the Corporation or a certificate of memorandum thereof and the receipt for the last premium in respect thereof;
 - (e) maintain and repair the exterior or outside surface of the Building comprising the Units (including exterior windows and doors and all other outside accouterments affecting the appearance, usability, value or safety of the Building, the Parcel or the Units) and the Common Property including any landscaping which is located on any part of the Common Property and all fencing and posts;
 - (f) collect and receive all contributions towards the Common Expenses and deposit same in a separate account with a chartered bank;
 - (g) 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 or administration of the entire project;
 - (h) remove ice, snow, slush and debris from and keep and maintain in good order and condition:
 - (i) all areas of the Common Property designated for vehicular or pedestrian traffic or outside parking; and
 - (ii) all grassed or landscaped areas of the Common Property;

PROVIDED THAT THE MAINTENANCE of any exclusive use area designated under By-Law 54 shall be the prime responsibility of the Owner to whom such privacy area has been assigned;

- (i) provide garbage receptacles or containers on the Common Property for use by all the Owners and provide for regular collection therefrom;
 - (j) at all times keep and maintain for the benefit of the Corporation and all Owners copies of the warranties, guarantees, drawings and specifications, plans, written agreements, certificates, approvals and permits provided to the Corporation pursuant to Section 46 of the Act;
 - (k) not plant any trees or permit substantial landscaping within any lands which are the subject of an easement or similar grant to any utility company, municipality or local authority;
 - (l) comply with the Easements and Restrictive Covenants;
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 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;
 - (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 interest thereon, by negotiable instrument, a mortgage of unpaid contributions (whether levied or not), or a 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 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 with respect to areas adjoining or relating to such Owner's Unit, as shown on the Condominium Plan, under Section 50 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 ceased to be an Owner or occupier under Agreement for Sale of such Unit;
 - (g) grant to an Owner the right to exclusive use and enjoyment an Exclusive Use Lease, under Section 50 of the Act, of part of the Common Property (including storage area and Surface Parking Stall) or special privileges in respect thereof. This grant shall not be assignable to anyone who is not an Owner or purchaser by agreement for sale of such Unit, may be terminated 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 the By-Laws and for the control, management and administration of the Common Property generally including the commencement of an action under the Act and all subsequent proceedings relating thereto;
 - (i) 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 replacement and contingency reserve funds. Reserve funds shall be assets of the Corporation;

- (j) determine from time to time the amounts to be raised and collected for the purpose hereinbefore mentioned;
- (k) raise amounts so determined by levying assessments on the Owners in proportion to the Unit Factors for their respective Units or as otherwise herein provided;
- (l) charge interest on any contribution or Common Expenses owing to it by an Owner at the Interest Rate.

THE BOARD

- 6. The Powers and duties of the Corporation shall, subject to any restriction imposed or direction given at a general meeting or these By-Laws, be exercised and performed by the Board.
- 7. Ownership of a Unit is not necessary for election to and membership on the Board. Any person who has attained the age of majority shall be eligible for nomination and election to the Board. 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.

Where there are no Mortgagees of any Unit and not more than three (3) Owners, the Board shall consist of all Owners or such person or persons in such number as the Owners of all Units may designate.

REPRESENTATIVE OF COMPANY ON BOARD

- 8. (a) A company which is an Owner may by proxy, power of attorney or resolution of its directors, appoint such person or persons as it thinks fit to act as its representative and shall be entitled to so act provided notice in writing thereof shall have been given to the Board. Where a representative or representatives of a company is (are) the only member(s) of the Board a minute or resolution signed by the representative(s) or by the alternate(s) of its representative(s) duly appointed pursuant to the paragraph next to following shall be deemed to be a resolution of the Board;
- (b) 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. Notice of meetings of the Board shall be sent to the alternate representative of a member of the Board if and when an appointed representative vacates the office of a representative of a member of the Board or removes the alternate representative from office as alternate representative, and any appointment or removal under this By-Law shall be made in writing under the hand of the representative making the same.
- 9. (a) The Board shall consist of not less than 5 and not more than 9 members;
- (b) No more than two (2) registered Mortgagees of Units or representatives of them may be members of the Board at any time”
- 10. At each annual general meeting of the Corporation all the members of the Board shall retire from office and the Owners shall elect a new Board. Prior to the final turnover date, the Owners shall vote their shares in such a manner as will elect at least fifty percent (50%) of the positions on the Board, nominees of the Developer unless the Developer fails or otherwise elects not to nominate any or sufficient persons for such positions.
- 11. A retiring member of the Board shall be eligible for re-election.

12. ~~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 meeting.~~
13. Where a vacancy occurs on the Board under By-Law 21, 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.
14. Except where there is only one Owner and except during the period before the first annual general meeting, a quorum is the majority of the membership of the Board.
15. At the first meeting of the Board and at each meeting held after an annual general meeting of the Corporation, the Board shall elect from among its members a President and 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.
16. The duties of the officers of the Board shall be as determined by the Board from time to time.
17. 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.
18. The Board may:
 - (a) meet together for the conduct of business, adjourn and otherwise regulate its meeting as it thinks fit, and it shall meet when any member of the Board gives to the other members of the said 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 for management of the Units and Common Property or of any professional real property management firm or professional real property manager or agent for such purpose (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 good and sufficient fashion. Any such contract shall provide for the contract Manager to maintain a fidelity bond for the benefit of the named Corporation and such bond shall be in an amount at least equal to one-half (1/2) of the approved budget of the Corporation in any given fiscal year and the total amount of any replacement and contingency reserve funds. At all times when the Board consists only of nominees of the Developer no such contract shall provide for an initial term in excess of two (2) years and the termination provisions of the Act shall apply thereto.
19. The Board shall:
 - (a) keep minutes of its proceedings and, upon written request, provide copies thereof to first mortgagees of Units;

- (b) cause minutes to be kept of general meetings of the Owners and upon written request, provide copies thereof to first mortgagees;
 - (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 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 assets, liabilities and equity of the Corporation;
 - (f) on written application of an Owner or mortgagee of any Unit 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 of a Unit who has notified its interest to the Corporation a financial statement of the receipts of contributions of all Owners towards the Common Expenses and disbursements made by the Corporation within ninety (90) days of the end of the fiscal year of the Corporation;
 - (h) 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;
 - (i) 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.
20. 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.
21. 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 more than sixty (60) days in arrears in payment 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 is the subject of a Certificate of Incapacity issued under THE MENTAL HEALTH ACT, RSA 2000, Chapter M-13; or
 - (d) is convicted of an indictable offense for which he is liable to imprisonment for a term of not less than two (2) years; or
 - (e) is absent from meetings of the Board for a continuous period of four (4) months or four (4) consecutive meetings without the consent of the remaining members of the Board and a majority of the remaining members of the Board resolve at two (2) meetings of the Board held at least (7) days apart that his office be vacated; or
 - (f) fails to qualify for membership pursuant to By-Law 7 or 8 ;
 - (g) in the case of a company which by its representative 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 restructuring.

SIGNING AUTHORITIES

22. 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.

23. 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.

GENERAL MEETINGS

24. The First annual general meeting of the Owner(s) of the Residential Units shall be convened by the Board within:
- (a) ninety (90) days from the date that FIFTY (50%) PERCENT of the Units are sold and closed by the Developer, or
 - (b) one hundred and eighty (180) days from the date that the first Unit is sold and closed by the Developer,
- whichever is sooner. 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.
25. All general meetings other than general meetings shall be called extraordinary general meetings
26. The Board may, whenever it thinks fit, and shall, upon a requisition in writing by Owners representing not less than FIFTEEN (15%) PERCENT 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 FIFTEEN (15%) PERCENT of the total Unit Factors or a combination of such Owners or mortgagees entitled to vote with respect to FIFTEEN (15%) PERCENT of the total Units Factors, convene an extraordinary general meeting.

NOTICE OF GENERAL MEETING

27. 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 first mortgagees of Residential Units, only, who have notified their interests to the Corporation. Notice shall be given to the Owners 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 days 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.

PROCEEDINGS AT GENERAL MEETINGS

28. 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.
29. 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 commences. A quorum for a general meeting consists of not less than one-quarter of the persons entitled to vote being present in person or by proxy at that meeting.
30. 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 or represented by proxy shall be a quorum.

31. The President of the Board or his nominee shall be the Chairman of all general meetings.
32. The Order of Business at general meetings, and as far as is appropriate at all extraordinary general meetings, shall be:
 - (a) 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 approval of any unapproved minutes;
 - (e) reports of officers;
 - (f) reports of committees;
 - (g) financial report;
 - (h) appointment of auditors;
 - (i) election of the Board;
 - (j) unfinished business;
 - (k) new business;
 - (l) adjournment.

VOTES OF OWNERS

33. At any general meeting a resolution by the vote of the meeting shall be decided by a show of hands, unless a poll is demanded by any Owner or registered mortgagee present in person or by proxy. If 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 favor or against the resolution. Except for matters requiring a Special Resolution, all matters shall be determined by majority vote.
34. 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.
35. 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 shall correspond with the Unit Factors for the respective Units owned or mortgaged to them.
36. On a show of hands or on a poll, votes may be given either personally or by proxy.
37. An instrument appointing a proxy shall be in writing under the hand of the appointee or his attorney, and may be issued for a specific meeting, or as a general proxy. A proxy may be made by anyone with voting rights to the Condominium Association.
38. Except in cases whereby or under the Act a 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 29.
39. 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 that a poll be taken.

40. 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 interest in the Unit of the joint Owners as to not vote personally or by individual proxy.
41. 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.
 42. Where an Owner is a trustee, he shall exercise the voting rights in respect of the Unit to the exclusion of person beneficially interested in the trust, and those persons shall not vote.
 43. 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 the vote conferred on the mortgagee shall be exercised by the mortgagee and who has given written notice of his mortgage to the Corporation, no instrument or proxy shall be necessary for a power to vote and the mortgagee's power to vote shall not be limited by the Owner's failure to pay assessments.

VIOLATION OF BY-LAWS

44. (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 may be corrected, remedied or cured by the Corporation and any costs or expenses incurred or expended by the Corporation 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 assessments 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 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 there shall be added to any judgment, all costs of such action including costs as between solicitor and 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 sections 35 and 36 of the Act, and without limitation shall include the right to impose monetary or other sanctions as prescribed in those sections, such sanctions and fines to be in the general discretion of the Board.

DAMAGE OR DESTRUCTION

45. (a) In the event of damage or destruction to a Unit or Units 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 purposes of this paragraph, substantial damage shall mean damage to the extent of 25% or more of the replacement value of all Units immediately prior to the occurrence. Prior to making any determination under this sub-paragraph 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 first mortgagees;
- (b) 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;

- (c) 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 of the Parcel; and
 - (ii) the proceeds of insurance shall be paid to the Owners and mortgagees as their respective interests may appear in proportion to their respective interests in the Parcel;
- (d) 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 Corporation pursuant to the Act or these By-Laws, whichever carries the greater coverage;
- (e) 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;
- (f) 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 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 the requirements of Section 47 thereof, at all times, to the extent obtainable, the following insurance:
 - (i) Fire insurance with extended coverage endorsement insuring all the insurable Common Property and all insurable property both real and personal of any nature whatsoever of the Corporation and all of the Units including all improvements and betterments made to the Units by the Owners of which it has knowledge and the bathroom and kitchen fixtures installed by the Developer therein (but not including furnishing or other personal property of the Unit Owners) for the full replacement cost thereof, without deduction for depreciation, and covering the interests of and naming as insured all Owners from time to time and also naming as insured their mortgagees (if such mortgagees have given written notice of their interest to the Corporation) and the Corporation, as their respective interests may appear;

(ii) ~~Such other insurance~~ if any boilers or pressure vessels exist;

(iii) 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) All policies shall provide that they may not be canceled or substantially modified without at least thirty (30) days prior written notice to all the insured's, including all mortgagees of Units who have given prior written notice to the Corporation of their interests. Prior to obtaining any policy of fire insurance or any renewal thereof and at least annually, unless waived at a general meeting of the Board, the Board shall obtain an appraisal from a qualified appraiser setting out the full replacement value of the Buildings including all of the Units and the Common Property and all property of the Corporation and the Board shall forthwith deliver a copy of each appraisal to each mortgagee who has given written notice to the Corporation of its interest. The Board shall maintain the insurance at the level required by these By-Laws and suggested by the said appraisal;
- (c) Exclusive authority to adjust losses and settle proceeds under policies hereinafter in force in the project shall be vested in the Board or its authorized representative or the insurance trustee, in the event such has been appointed;
- (d) In no event shall the insurance coverage obtained and maintained by the Board be brought into contribution with insurance purchased by Owners or their mortgagees and the Board's insurance shall be deemed to be primary insurance;
- (e) The Board shall also obtain and maintain public liability insurance insuring the Board and the Owners against any liability to the public or to the Owners and their invitees, licensees or tenants, incidental to the ownership or use of the project. Limits of liability under such insurance shall be not less than \$2,000,000.00 inclusive for bodily injury or property damage per occurrence;
- (f) The limits and coverage shall be reviewed at least annually by the Board and increased in its discretion. The policy or policies shall provide a cross liability endorsement wherein the rights of a named insured under the policy or policies shall not be prejudiced as respects its, his, her or their action against another named insured;
- (g) Each insurance policy must insure the interest of the Corporation and the Owners, with standard mortgagee endorsements attached and shall also provide for:
 - (i) a waiver by the insurer of its subrogation rights against the Corporation, its manager, agents, employees and servants and the Owners and any member of the household or guests or any Owner or occupant of a Unit except for arson or fraud;
 - (ii) a waiver of the insurer of any defense based on co-insurance (provided that policies of physical damage may contain co-insurance on a stated amount basis as long as the appraisal requirements 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;
 - (iii) a waiver of the insurer's option to repair, rebuild or replace in the event that after damage the condominium status is terminated;
- (h) A certificate or memorandum of all insurance policies and endorsements thereto shall be issued as soon as possible to each Owner upon written request having been made therefore, and to a registered mortgagee who has given written notice of his mortgage to the Corporation. A renewal certificate or memorandum of new insurance policies shall be issued to each registered mortgagee who has given written notice of his mortgage to the Corporation not later than ten (10) days before the expiration of any current insurance policy. The master policy for any insurance coverage shall be kept by the Corporation;
- (i) Notwithstanding the foregoing, the Owner may, and upon the 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 shall not be affected or diminished by reason of insurance carried by a Unit Owner. PROVIDED THAT in the event any use of any Unit shall lead to an increase in the fire or other insurance premiums otherwise payable on the insurance obtained by the Board, the party

causing such increase shall be liable for payment of the same to the Corporation or individual Owner, as the case may be and such increase may be collected by the Corporation by adding the same to the Common Expenses allocated to such Unit Owner;

- (j) Notwithstanding anything elsewhere contained herein, the proceeds of any insurance obtained by the Developer with respect to damage to or destruction of any Building or its Amenities or Equipment prior to the final turnover date with respect to such Building shall be paid to the Developer or, if such payment is not permitted by law, applied to reconstruction or repair of such Building or its Amenities or Equipment as the case may be.

ASSESSMENTS FOR COMMON EXPENSES AND BUDGETS

- 47. (a) The Common Expenses of the Corporation, shall, without limiting the generality hereof, include the following:
 - (i) all levies or charges on account of garbage removal, electricity, water, gas and fuel services 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 if any, salaries, taxes and other expenses payable to or on account of employees of the Corporation;
 - (iii) all the charges on account of cleaning and sweeping of the parking areas, lawn maintenance and landscaping and for ice, snow and debris removal from Common Property not designated as a privacy area under By-Law 54;
 - (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 for which the Corporation is responsible under these By-Laws;
 - (vi) all charges on account of maintenance of Common Property for which the Corporation is responsible under these By-Laws;
 - (vii) all costs of furnishings and Equipment for use in and about the recreational facilities or Amenities including the repair, maintenance or replacement thereof;
 - (viii) all insurance costs in respect of the insurance for which the Corporation is responsible under these By-Laws and/or the Act;
 - (ix) all costs of and charges for all manner of professional consultation and servicing assistance required by the Corporation including, without limiting the generality of the foregoing, all legal and accounting fees and disbursements;
 - (x) 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;
 - (xi) maintenance of the exterior walls and other structural parts of the Buildings;
 - (xii) the cost of maintaining fidelity bonds as provided in these By-Laws;
 - (xiii) any realty tax or other municipal or government levy or assessment against the Common Property or any improvement thereon or thereto or with respect to any Building;
 - (xiv) Assessments against the Corporation as owner of the Common Property;
 - (xv) All costs associated with the Easements and Restrictive Covenants.
- (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 ("Contingency Reserve Fund");
- (d) The Contingency 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 Contingency Reserve Fund in respect of a single expenditure;
- (e) The Common Expenses set forth in each assessment shall be payable to the Corporation, or to any other persons, firm or corporation to whom the Corporation shall direct payment to be made from time to time, in twelve (12) equal, consecutive, monthly installments payable, in advance, on the first day of each month, the first installment to be made on the 1st day of the month immediately following receipt of such notice or assessment;
- (f) All payments of whatsoever nature required to be made by each Owner and not paid within ten (10) days of the due date for payment shall bear interest at the Interest Rate from the due date 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 favor 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 judgment 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) the particulars of, or a copy of, any subsisting recreational agreement;

- (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;
- (i) The omission by the Board to fix the assessments 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 assessments or special contributions. Any assessments from time to time shall continue until new assessments are fixed. No Owner can exempt himself from liability from his contributions toward the Common Expenses by waiver of the use or enjoyment 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 44 of the Act, shall be entitled to charge a reasonable fee for the production thereof;
- (k) The Corporation shall reimburse the Developer for any Common Expenses incurred and paid by the Developer and the Developer shall be entitled to set-off from any assessments against the Developer as Owner of any of the Units any amount payable by the Corporation to the Owner with respect to Common Expenses;
- (l) No assessment shall be made against the Corporation as owner of any of the Common Property;
- (m) Subject to By-Laws 64 and 48(b), each year's estimated Common Expenses shall be apportioned, levied and assessed to and upon the Owners in proportion to the Unit Factors as shown on the Condominium Plan.
- (n) **CAPITAL REPLACEMENT RESERVE FUND**
 - (i) In addition to the requirements of Sections 47 (a) to 47 (m) of these By-Laws, the Corporation, subject to the Regulations and section 38 of the Act, shall establish and maintain a Capital Replacement Reserve Fund to provide sufficient funds that can reasonably be expected to provide for major repairs and replacements of property owned by the Corporation and Common Property;
 - (ii) Such funds shall not be applied to capital improvements without a Special Resolution;
 - (iii) In order to determine the amount of such fund the Corporation shall, pursuant to Part 2 of the Regulations passed pursuant to the Act, conduct such studies as are required to create such a fund and its requirements, and shall establish a plan to fund and implement this Reserve Fund required by the studies;
 - (iv) These funds shall not be co-mingled with the regular administrative funds by the Corporation;
 - (iv) These funds shall be used solely for the Residential Units and related property.

SPECIAL ASSESSMENTS

if at any time it appears that the annual assessment or contribution towards the Common Expenses will be insufficient to meet the Common Expenses, the Corporation may assess and collect a special contribution or contributions 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 contribution shall be determined and assessed against the Owners in proportion to their Unit Factor. All such special contributions 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.

- (b) Notwithstanding anything else contained in these Bylaws, if it appears that the annual assessment or a contribution towards the Common Expenses are as a result of special circumstances relating to a Phased Possession, the Corporation may assess and collect a special contribution or contributions as against each Unit contained in any specific phased possession an amount sufficient to cover the additional or special circumstances of the anticipated Common Expenses as it relates to that Phased Possession. The Corporation shall give notice of such further or other assessment to all Owners within the particular phased possession which shall include a written statement setting out the reasons for such special or additional assessment and each such assessment shall be due and payable by each Owner of a Unit within the Phased Possession in the manner and on the date or dates specified in the notice. Each such special contribution shall be determined and assessed against those Owners and these Units all as determined in the notice, which may be on a basis other than in proportion to the Unit Factors of those Owners' respective Units.

DEFAULT IN PAYMENT OF ASSESSMENTS

49. (a) The Corporation shall and does hereby have a lien on and charge against the estate or interest of any Owner for any unpaid contribution, assessment, installment or payment due to the Corporation, which lien shall be a first, paramount lien against such estate or interest subject only to the rights of any registered first mortgagee and any municipal or local authority in respect of unpaid realty taxes, assessments or charges of any kind against the Unit title of 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, installment or payment as hereinbefore mentioned, and for so long as such unpaid contribution assessment, installment 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 against unpaid contributions, assessments, installments or payments which are in arrears for more than thirty (30) days, the Owners shall give to the Corporation a mortgage or encumbrance for the full amount thereof and all contributions, assessments, installments and/or payments, and interest thereon at the Interest Rate from the due 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 by law or in equity, from time to time;
- (b) Any other Owner, person, firm, or corporation whatsoever may pay any unpaid contribution, assessment, installment 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 Owner, person, firm or corporation shall have a first, paramount 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, installment 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 installment or payment due, from an Owner remaining due and unpaid for 30 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 installment 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, installments 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, installments 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 in registering and discharging a caveat or in any way securing its interest hereunder shall constitute a payment due to the Corporation.

ESTOPPEL CERTIFICATE

- 50. Any certificate as to the Owner's position with regard to contributions, expenses, assessments or otherwise, issued by an officer of the Corporation or the Manager shall be deemed 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 whether improperly stated in such Estoppel Certificate or not.

LEASING OF UNITS

- 51. In the event that any Owner desires to lease or rent his Unit he shall furnish to the Corporation an undertaking, in a 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 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.
- 52. The Corporation is authorized to:
 - (a) impose and collect deposits under Section 53 of the Act;
 - (b) give notices to give up possession of residential Units under Section 53 of the Act;
 - (c) make applications to the court under Section 55 and 56 of the Act.

DISTRIBUTION ON TERMINATION

- 53. Subject to the provision 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.

EXCLUSIVE USE

- 54. The Board may grant to an Owner a lease under Section 50 of the Act, or grant to the Owner the right to exclusive use and enjoyment of any Common Property, or special privileges in respect thereof and on such terms with respect to maintenance thereof as the Corporation may direct. Any such grant shall be determined on reasonable notice, unless the Corporation by Special Resolution

REALTY TAXES

55. 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 according to the respective Unit Factors.

INDEMNIFICATION OF OFFICERS AND MANAGERS

56. The Corporation shall indemnify every Manager, officer or employee and his or her heirs, executors and administrators 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 Manager or officer of the Corporation, except as to matters which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence, willful misconduct or to have deliberately contravened or breached these By-Laws. 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.

NON-PROFIT CORPORATION

57. The Corporation is not or organized for profit. No member of the Board or person from whom the Corporation may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof, and in no event shall any part of the funds or assets of the Corporation be paid as salary or compensation to, or distributed to, or enure to the benefit of any Board member. The foregoing, however, shall neither prevent nor restrict the following:
- (a) reasonable compensation may be paid to any member or Manager 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 or Manager may, from time to time, be reimbursed for his actual reasonable expenses incurred in connection with the administration of the affairs of the Corporation.

USE AND OCCUPANCY RESTRICTIONS

58. (a) In this By-Law and By-Law 59:
- (i) "Occupant" means a person present in a Unit or, in or upon the real property and 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 or professional purpose 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) allow any animal or pet of any kind (other than birds, fish, or up to 2 cats, 1 dog of a maximum of 17 inches tall measured from the ground to the top of the shoulder or other small animals) at any time to be in his Unit, or to be on the Common Property unless leashed and in care of a responsible person, nor allow such animal to defoul or defecate on the Common Property. The Board may on reasonable grounds and on seven days notice in writing require an Owner to remove an animal from the Project;
- (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;
- (v) permit his Unit to be occupied as a place of residence by more than seven (7) 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 which will alter the exterior appearance of the structure comprising his or any other Units;
- (vii) permit laundry to be hung outside 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;
- (ix) permit, erect, 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 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 obtained. No television, mobile telephone, radio antenna, tower or similar structure or appurtenances thereto shall be erected on or fastened to any Unit except in connection with a common television antenna or cable system as authorized by the Board and then only in accordance with the regulations therefore 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 property 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 an Occupant of his Unit in his Unit, or on 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, table, children's play things devices, toys or other objects on the lawns and grounds, including the Common Property, 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 garbage containers and only on days designated for garbage collection;
- (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 approval of the Board;

- (xvi) permit any member of his household, guests or visitors to trespass on the part of the Common Property to which another Owner is entitled to exclusive use;
- (xvii) use any part of the Common Property other than a parking area designated by the Board or the Condominium Plan for the parking of any motor vehicles except in accordance with permission in writing from the Board;
- (xviii) wash cars in such a manner as will cause nuisance or annoyance to the Owners and in such place and at such times as the Board may from time to time regulate, set forth or direct and no repairs or adjustments to automobiles shall be carried out on the project, nor shall any vehicles other than private passenger automobiles be brought on to the project without the written consent of the Board or a member or a Manager or nominee thereof save in the course of delivery to or removal from the respective premises;
- (xix) allow trailers, campers, boat, snowmobiles, trail bikes, or all terrain vehicles or equipment to be parked or stored other than in a Surface Parking Stall or as designated by the Board;
- (xx) keep on the Common Property any private passenger automobile which is not in operating condition and being used from day to day;
- (xxi) drive any motor vehicle on the Common Property at a speed in excess of 15 kilometers per hour;
- (xxii) obstruct or permit any entry, hallways, walkways, passages, driveway, ramps, driveways or parking areas to be obstructed by his family, guests or visitors;
- (xxiii) 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;
- (xxiv) 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. Any alteration or addition made by an Owner without such approval may be restored or removed by the Board or its duly authorized representative 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 time to time, from the date that such costs are incurred until paid;
- (xxv) use a toilet, sink, tub, drain or other plumbing fixture for a purpose other than that for which it is constructed;
- (xxvi) 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;
- (xxvii) use or permit any member of his household, guests or visitors to use any of the recreational or general amenity spaces except in accordance with any rules and regulations applicable thereto which may be established by the Corporation or the Manager;
- (xxviii) 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 reasonable 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 or a member of his household be put inside such Unit when not in actual use;
- (xxix) prevent or prohibit access to and use of exterior water taps on his Unit for purposes of maintaining Common Property; and

(xxx) without the consent in writing 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 or any other parts of the Common Property or personal property thereon used for the care, maintenance or operation of the project generally;

(c) An Owner shall ensure that his Occupants comply with those requirements that the Owner must comply with under subsections (a) and (b) hereof;

(d) **PARKING AREAS**

- (i) No Owner shall park his motor vehicle or automobile on any part of the Common Property unless the area is designated or allotted by the Board for his exclusive use;
- (ii) A visitor may only park his motor vehicle or automobile in a stall designated by the Board for such visitor parking;
- (iii) The Surface Parking Stalls and plug-in facilities pertaining thereto (if any) assigned to any Unit by the Board are for the sole use of the Owner of such Unit.

(iv) Each of the Residential Units and Surface Parking Stalls in respect thereof are hereby charged with the following restrictive covenants:

- a. an Owner of the Residential Unit shall not permit any person to use or occupy the Parking Unit or Surface Parking Stall (whether under a lease, license or otherwise howsoever) unless such person is the lawful occupant of the Residential Unit or unless such person is using or occupying the Surface Parking Stall as a visitor with the consent of the Board;
- b. an Owner of the Residential Unit shall not sell, lease or otherwise dispose or divest itself of the Surface Parking Stall except to a person acquiring the Residential Unit (whether by sale, lease or otherwise) and then only subject to the terms and conditions hereof, the intent being that at all times the Parking Unit or Surface Parking Stall shall be available for use by the Owner or occupier of the Residential Unit;
- c. an Owner of the Residential Unit who mortgages or otherwise encumbers the Residential Unit shall also be deemed to have secured the Parking Unit in respect thereof, such that in the event the mortgagee encumbrances is forced to realize on its security and effects a sale or other disposition of the Residential Unit, such sale or other disposition shall include the sale, right to use or other disposition of the Parking Unit or Surface Parking Stall;
- d. an Owner of the Residential Unit shall not sell, partition or otherwise divide any interest in the Parking Unit or Surface Parking Stall so as to diminish its size;
- e. an Owner of the Residential Unit shall not use the Parking Unit or Surface Parking Stall other than as a parking area for one standard passenger model, and light trucks and private operated motor vehicle with the prior written consent of the Board;
- f. an Owner or occupier of the Residential Unit shall not erect any structures, improvements or fixtures on or within the Parking Unit or Surface Parking Stall or alter or add to the Parking Unit or Surface Parking Stall without the prior written consent of the Board;
- g. an Owner or occupier of the Residential Unit shall not park more than one (1) vehicle of the type described in subparagraph (e) in the Parking Unit or Surface Parking Stall and shall not use those portions of the Common Property adjacent to the Surface Parking Stall other than for access and egress from the Surface Parking Stall;

- h. an Owner or occupier of the Residential Unit shall not allow the Surface Parking Stall to become or remain in an untidy or unsightly condition. The Surface Parking stall shall at all times be kept in good and proper repair and the carrying out of any operations or privileges in connection with the easement granted herein will be done in a good and workmanlike manner and will cause as little damage and inconvenience as possible to the Surface Parking Stalls, and if any damage is caused to the Surface Parking Stall by any party, such party shall restore the Parking Unit(s) or Surface Parking Stall(s) to their former condition as far as is reasonably practical. The Board shall have the right of entry and access to any Parking Unit or Surface Parking Stall as may be necessary to permit repairs or maintenance thereof or to give access to the utility and service areas adjacent thereto;
- i. an Owner or occupier of the Residential Unit shall indemnify and save harmless the Corporation from and against all fines, costs, suits, claims, demands and actions of any kind or nature to which the Corporation shall or may become liable or suffer by reason of any breach, violation or non performance by such Owner or occupier of any covenant, term or provision hereof or by reason of any injury occasioned to or suffered by any person or damage to any property by reason of wrongful act, neglect or default on the part of such Owner or occupier or any of its servants, agents, contractors, tenants, occupants or invitees;
- j. an Owner or occupier of the Residential Unit shall place and maintain, at its sole expense, in an amount and with an insurance company satisfactory to the Corporation in its sole discretion, a policy of public liability and property insurance insuring the Corporation and the Owner against all sums which either may become obligations to pay as damages by reason of injury to persons or damage to or destruction of property in or upon the Surface Parking Stall allocated to and designated for the Residential Unit.
- k. an Owner or occupier of a Residential Unit shall not park any vehicle in the Surface Parking Stall which leaks excessive amounts of oil or grease or leaks any gasoline or which is, in any other way, offensive or hazardous;
- I. an Owner or occupier of a Residential Unit shall not use the Parking Unit or Surface Parking Stall in any manner inconsistent with any by-law, regulation of the Corporation relating to the use thereof, and shall not bring onto or leave thereon any equipment, material or other thing prohibited from time to time by any by-law, resolution or regulation of the Corporation;
- II.
 - (i) an Owner shall not sell, lease or otherwise dispose of the Surface Parking Stall not allocated to or designed for a Residential Unit, except subject to the restrictive covenants contained herein;
 - (ii) the Owner will observe the restrictive covenants contained herein so long as the Owner remains possessed of any Surface Parking Stalls not allocated to or designated for a Residential Unit.

m. **FURTHER COVENANTS**

It is hereby further declared and prescribed that:

- (i) each Residential Unit shall be the dominant tenement to the Surface Parking Stall allocated to and designated for the Residential Unit for the purpose of enforcing the restrictive covenants contained herein;
- (ii) each Surface Parking Stall shall be the servient tenement to the Residential Unit in respect of which it is allocated to and designated for the purpose of having enforced against it the restrictive covenants contained herein;

- (iii) the Owner or occupier of any of the Residential Units may enforce the restrictive covenants contained herein against the Owner or occupier (including registered Owner, purchaser under agreement for sale and tenant) of any other of the Residential Units, and such enforcement may be done without the consent or participation of the Owners of the remainder of the Residential Units;
 - (iv) the Corporation shall have status hereunder to enforce the restrictive covenants for and on behalf of one or more of the Owners of the Residential Units, upon being authorized to do so by a special resolution of the Corporation.
- n. If any parking plug-in facility is provided with or in connection with any Parking Unit or Surface Parking Stall, any person given the right to exclusive use of such stall shall be responsible for keeping such facility in good repaired condition at all time during the period of such Owner's entitlement to exclusive use; and in the event that the parking plug-in is damaged, it shall be the responsibility of the Owner to repair and if the Owner fails to repair, the Corporation may repair and charge to the Owner the full costs of repair, including if necessary, indemnification of the Corporation's legal costs on a solicitor and his own client indemnification basis. Any repairs made by the Corporation of an Owner's plug-in shall be a charge against the Owner's Unit that necessitated the repairs.
 - o. No motor vehicle or automobile or any other obstacles may be left on or parked in the emergency access routes by an Owner or Occupier of a Unit.

USE OF RECREATION AREAS

- 59. The Common Property includes recreation areas available for the use of Occupants and Owners. The Board may, from time to time, make rules and regulations governing the use of recreation areas by Occupants and Owners

RELEASE AND DISCHARGE OF THE DEVELOPER

- 60. Following substantial completion of any Building and its Amenities and transfer to the Corporation of the Common Property and Equipment related thereto, the Developer shall deliver to the Corporation Architect's Certificate certifying the substantial completion of the Building and its Amenities and noting any deficiencies in connection therewith. Subject to completion of any deficiencies noted in the Architect's Certificate in compliance with the Developer's warranty provided for in By-Law 62 (b), the Corporation shall acknowledge to the Developer that the Developer is released from all liabilities to the Corporation in any way arising out of the construction and development of the Building and its Amenities.

CONSENTS AND ASSURANCES BY CORPORATION

- 61. Development as well as design and construction of the Buildings and their Amenities shall be within the sole control and discretion of the Developer without interference from the Corporation or any of the Owners. Neither the Corporation nor the Owners shall make any objections or take any steps to prevent, hinder or delay construction and completion of any of the Buildings or their Amenities. Notwithstanding anything in these By-Laws to the contrary the Developer shall have the right to enter into, execute and deliver all leases, exclusive use agreements and any other documents or assurances as the Developer may require. In such event, the Corporation shall be and is obliged and required to and shall assume, accept and be bound by an assignment of such leases, exclusive use agreements and all other documents or assurances as shall have been entered into by the Developer in contemplation of and completion of the Buildings or Amenities and in fulfillment of their obligations to Owners and others.

A member of the Board of Directors of the Corporation shall have the power on behalf of the Corporation with or without resolution of the Owners or the Board authorizing the same, to execute and deliver on behalf of the Corporation and, if required, under its seal, any such consent, plans, leases, easements, licenses, deeds, document or assurance required by the Developer and such member or officer so executing and delivering such instrument shall be fully exonerated and released by the Corporation and the Owners from any claim for so doing.

USE OF COMMON PROPERTY

62. (a) Subject to any rights of exclusive possession hereinafter provided and any regulations relating to the Common Property made by the Board each Owner and Permitted Occupant and the employees, agents and invitees of each such Owner and Permitted Occupant of a Residential Unit shall have the same non-exclusive rights-of-way over and use of the Common Property in common with the other Owners and Permitted Occupants and their respective employees, agents and invitees including for the purpose of ingress to and egress from the Residential Unit, as such persons would have with respect to the Common Property Unit as if it were common property under the Act and the Corporation shall grant to the Owners and their successors and assigns such easements or licenses as may be necessary to give effect hereto;
- (b) Each Owner of a Residential Unit shall have the right to exclusive possession, use and enjoyment of that portion of the Common Property consisting of the balcony or patio portion adjoining the said Residential Unit.
- (c) The Corporation shall grant such leases, easements or licenses as may be necessary to give effect to the rights of exclusive use provided for in this By-Law and the Board may grant to any Owner any such lease, easement or license permitting that Owner to exercise exclusive possession in respect of any other area or areas of the Common Property not in conflict with the rights of exclusive use previously provided for herein.

DEVELOPER RIGHTS

63. The Developer shall have the right of access to the Units and/or Common Property:
- (a) for the purpose of marketing the Units and for that purpose to maintain any displays or sales offices as the Developer may require; and
- (b) for the purpose of completing any repairs, deficiencies or inspections to the Buildings, Amenities or Equipment or any part thereof and for that purpose shall have access to the Units.

Nothing in these By-Laws shall restrict the right of the Developer to install signs on the Common Property or in the windows of any Units owned by the Developer relating to the marketing of the Units.

DEVELOPER'S EXEMPTION FROM FEES

64. Notwithstanding By-Law 47, no assessment for Common Expenses or the Capital Replacement reserve Fund shall be levied against the Developer as Owner of a Unit until completion of construction of the Building and the Units owned by the Developer are ready for residential purposes and actually occupied by a Purchaser;
- (a) The Corporation shall reimburse the Developer for any Common Expenses incurred and paid by the Developer and the Developer shall be entitled to set-off from any assessments against the Developer as Owner of any of the Units any amount payable by the Corporation to the Owner with respect to Common Expenses until completion of construction of the Building on the land the Building is used or ready to be used for residential purposes;
- (b) Until the passing of a resolution pursuant to Section 39, of the Act, administrative expenses may be allocated on a basis other than in proportion to the Unit Factor of the

- (c) Neither the Developer nor a Purchaser shall be required to contribute to the Capital Replacement Reserve Fund or any other Reserve Fund (as defined in the Act) until the passing of a Resolution pursuant to Section 39 of the Act;
- (d) Notwithstanding that the Developer is exempt from payment of administrative expenses as set out herein, the Purchaser shall nevertheless ensure that, until the passing of a Resolution pursuant to Section 39 of the Act, any normal interim operational expenses to the extent not covered by contributions from the Purchasers shall be paid by the Developer, not on the basis of ownership or Unit Factors, but as a contribution to the Condominium Corporation.
- (e) No assessment for Administrative Expenses shall be levied against the Developer as an owner of a Residential Unit or Units until substantial completion of the residential Unit or Units and it is (they are) ready for residential purposes.

SEVERABILITY

- 65. The provisions hereof shall be deemed independent and severable and the invalidity of any provision herein shall not affect the validity of the remainder of the by-laws which shall continue in full force and effect as if such invalid portion has never been included herein.

NOTICES

- 66. 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 and to the Developer at its registered head office 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 mail 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 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.
- 67. 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.

AMENDMENT OF BYLAWS

- 68. These By-Laws, or any of them, may be added to, amended or repealed by Special Resolution of the Corporation and not otherwise.