

**ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE**

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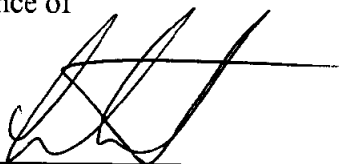
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Condominium Property Act
Section 32

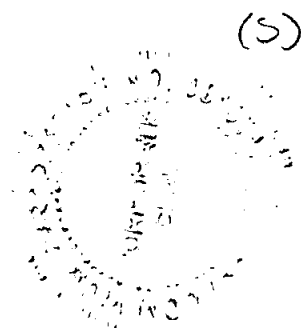
Notice of Change of By-laws

Condominium Corporation No. 0813547 hereby certifies that, by a special resolution passed on August 7, 2008, the current by-laws of the corporation were hereby deleted in their entirety and the same were replaced with the Substitutional By-Laws contained in Schedule "A" which are attached hereto.

The seal of Condominium Corporation No. 0813547 was affixed on August 7, 2008 in the presence of



LES HARTLAND, Director



SCHEDULE "A"

BY-LAWS

OF

CONDOMINIUM CORPORATION NO. 0813547

THESE BY-LAWS HAVE BEEN PASSED BY CONDOMINIUM CORPORATION NO. 0813547 FOR THE PURPOSE OF REPLACING AND SUBSTITUTING THE BY-LAWS SET OUT IN APPENDIX 1 OF THE CONDOMINIUM PROPERTY ACT, BEING CHAPTER C-22 OF THE REVISED STATUTES OF ALBERTA, 2000, AND AMENDMENTS THERETO.

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**BY-LAWS
OF
CONDOMINIUM CORPORATION
NO. 0813547**

DEFINITIONS AND INTERPRETATION

- 1.1 In these by-laws unless the context or subject matter requires a different meaning:
- a. "Act" means the CONDOMINIUM PROPERTY ACT, Revised Statutes of Alberta, 2000, Chapter C-22, as amended from time to time or any statute or statutes passed in substitution therefor;
 - b. "Board" means the Board of directors of the Corporation;
 - c. "by-laws" means the by-laws of the Corporation, as amended from time to time, but do not include the statutory by-laws found in the Appendices of the Act;
 - 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;
 - f. "condominium plan" means the condominium plan registered under the Act as No. 0813547 and any condominium redivision plan thereof;
 - g. "Corporation" means the Corporation constituted under the Act by the registration of the condominium plan whose legal name is "Condominium Corporation No. 0813547";
 - h. "developer" means Condo-Condo Lethbridge Portfolio Ltd. or any successor or assign thereof;
 - i. "insurance trustee" means an entity authorized to carry on the business of a trust company under the laws of Alberta selected from time to time on ordinary resolution of the Board, whose duties include the receiving, holding and disbursing of proceeds of policies of insurance pursuant to these by-laws and the Act. If no insurance trustee is appointed, then the insurance trustee shall be the Board;
 - j. "interest rate" means that rate of interest per annum which may be or shall become payable hereunder by an owner in respect of monies owing by him to the Corporation and shall be equal to the commercial prime rate in Lethbridge, Alberta of the Canadian chartered bank or Alberta Treasury Branch with which the Corporation conducts its banking business plus four (4%) percent on the earliest date on which any portion of the said monies becomes due and payable by an

- owner;
- k. "manager" means any property manager contractually retained by the Board to assist the Board in carrying the duties imposed on the Corporation;
 - l. "ordinary resolution" has the same definition and meaning given in the Act;
 - m. "owner" means a person who is registered as the owner of the fee simple estate in a unit;
 - n. "parcel" means the land comprised in the condominium plan;
 - o. "Project" means all of the real and personal property and fixtures comprising the parcel, land and buildings which constitute the units and common property;
 - p. "special resolution" has the same definition and meaning given in the Act;
 - q. "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;
 - r. "unit" means an area designated as a unit by the condominium plan;
 - s. "unit factor" means the unit factor for each unit and each common property unit as more particularly specified or apportioned and described in and set forth on the condominium plan.

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

MISCELLANEOUS PROVISIONS

1.2 a. HEADINGS

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

b. RIGHTS OF OWNERS

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

c. CONFLICT WITH ACT

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

d. INTEREST AND DATE DUE

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

e. EXTENDED MEANINGS

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

f. CORPORATION'S APPROVAL

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

DUTIES OF THE OWNERS

2. An owner SHALL:

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

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

- b. forthwith:
 - i. carry out all work that may be required pursuant to these by-laws or ordered by any municipality or public authority in respect of his unit;
 - ii. pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his unit;
- c. repair and maintain (including replacement where necessary):
 - i. The interior of his unit;
 - ii. his unit, including any broken glass and the washing of windows that are accessible to the occupant;
 - iii. any interior wall, ceiling mounted or external air conditioning equipment that provides cooled air to his unit;
 - iv. all wood, patio, and screen doors and all structural components and hardware relating to all interior doors;

- v. doorbell buttons, doorknobs and locks;
- vi. light fixtures and their bulbs attached to the exterior of the unit;
- vii. any thermostat and any interior wall or ceiling mounted air conditioning equipment that provides cooled air to the unit;

but excluding the painting of the exterior surface or finishing of any windows or access doors and all other outer boundaries, walls and other outside surfaces and roofs and eavestroughs and all other outside hardware and accouterments (except as noted herein) affecting the appearance, useability, value or safety of the unit, and keep his unit in a state of good repair, except such maintenance, repairs and damages as are insured against the Corporation for which the Corporation is responsible pursuant to these by-laws;

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

harmless and indemnify the Corporation, its agents and employees from any claims arising from such entry;

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

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

- m. **keep in a clean and sightly condition, any exclusive use area (and any plants or landscaping therein) which is located on or which comprises any part of the common property to which the owner has been granted exclusive use under the Condominium Plan or pursuant to by-law 4 or by-law 58, and if the owner shall not maintain such exclusive use area to a standard similar to that of the remaining common property, the Corporation may give sixty (60) days' notice to the owner to this effect, and if such notice has not been complied with at the end of that period, then the Corporation may carry out such work and the provisions of by-law 42 shall apply;**
- n. if an owner wishes the Corporation to respond to his suggestions, questions or complaints, express them in writing placed in an envelope delivered to the manager or a Board member. The Board shall not be required to act on any suggestion, question or complaint that is not in writing and properly submitted to the Board or to the manager;
- o. deposit with the Corporation, when requested, twelve (12) duly executed post-dated cheques or monthly bank debit, as directed by the Corporation, for duly assessed Condominium contributions;

DUTIES OF THE CORPORATION

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

- used in connection with the enjoyment of one or more units or common property;
- d. provide and maintain in force all such insurance as is required by the Act and by the provisions of these by-laws and enter into any insurance trust agreements from time to time as required by any insurance trustee and approved by the Board and, on the written request of an owner or registered mortgagee of a unit, or the duly authorized agent of such owner or mortgagee, produce to the owner or mortgagee, a certified copy of the policy or policies of insurance effected by the Corporation or a certificate or memorandum thereof and the receipt or receipts for the last premium or premiums in respect thereof;
 - e. subject to any obligations imposed by the by-laws or by the Corporation upon any owners to maintain any part of the common property or unit over which such owners have exclusive right of use, clean, maintain and repair the exterior or outside services of the buildings comprised in the unit (excluding any broken window, glass and the washing of windows that are accessible to an occupant the interior surface of interior access doors, all structural components and hardware relating to all doors, screen doors, doorbell buttons, light fixtures and their bulbs attached to the exterior of the unit, thermostats and any interior air conditioning equipment, all of which shall be the responsibility of an owner) but including the repair of any leakage around the windows and the maintenance and repair of all outside accouterments affecting the appearance, usability, value or safety of the parcel or the units and the common property including the structural maintenance of any privacy area and parking area which is located on any part of the common property to which an owner has exclusive use by virtue of the Condominium Plan or pursuant to by-law 4 or by-law 58 and including all landscaped areas, common sidewalks, driveways, roadways and all balcony walls, rails, fencing and related posts;
 - f. collect or cause to be collected and receive or cause to be received all contributions towards the common expenses and deposit same in a separate account with a chartered bank or trust company or Province of Alberta Treasury Branch or credit union incorporated under the Credit Union Act;
 - g. provide and maintain out of the contributions to be levied by the Corporation towards the common expenses and such amounts as may be required from time to time for a capital replacement reserve fund pursuant to the Act and its Regulations, and generally to comply with the provisions of the Act and its Regulations regarding a capital replacement reserve fund (hereinafter referred to in these by-laws as "the capital replacement reserve fund" or "the reserve");
 - h. pay all sums of money properly required to be paid on account of all services, supplies and assessments pertaining to or for the benefit of the parcel, the Corporation and the owners as the Board may seem justifiable in the management and administration of the entire condominium Project including, without limitation, payment of any and all property taxes for common property units;
 - i. remove snow, slush and debris from and keep and maintain in good order and condition all common areas of the common property designated for vehicular or pedestrian traffic or outside parking and keep and maintain in good order and

condition all grassed or landscaped areas of the common property, PROVIDED THAT the general cleaning and non-structural maintenance of any exclusive use area that has been allocated to a unit or designated to an owner shall be the responsibility of the owner of such unit;

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 46 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 that may have been initially installed by the developer and promptly replace on a continuing basis, such lawns, trees or shrubs which die;

n. repair, replace and maintain walls separating units unless the reason or cause for such repair, replacement or maintenance in the negligent act or omission of a unit owner;

o. not interfere with, prevent or obstruct any of the developer's rights as set forth in these by-laws;

p. repair, replace and maintain any common property units.

POWERS OF THE CORPORATION

4. In addition to the powers of the Corporation set forth in the Act, the Corporation through its Board, MAY and is hereby authorized to:

a. purchase, lease or otherwise acquire personal property and/or real property for use by owners in connection with the maintenance, repair, replacement or enjoyment of the real and personal property of the Corporation or the common property, or their units or any of them, PROVIDED THAT real property shall only be acquired or disposed of by special resolution of the Corporation, with the exception of common property units which shall be acquired from the developer without the necessity of any approvals or resolutions of the owners;

b. borrow monies required by it in the performance of its duties or the exercise of its powers PROVIDED THAT each such borrowing in excess of twenty-five (25%) per cent of the current year's common expenses budget has been approved by special resolution;

c. secure the repayment of monies borrowed by it, and the payment of interest thereon, by negotiable instrument, or mortgage of unpaid contributions (whether

levied or not), or mortgage of any property vested in it, or by any combination of those means;

- d. invest as it may determine any contributions towards the common expenses subject to the restrictions set forth in section 43 of the Act;
- e. make an agreement with an owner, tenant or other occupier of a unit for the provision of amenities or services by it to the unit or to the owner, tenant or occupier thereof;
- f. grant to an owner the right to exclusive use and enjoyment of part of the common property or special privileges in respect thereof; any such grant to be determinable on reasonable notice, unless the Corporation by special resolution otherwise resolves;
- g. make such rules and regulations as it may deem necessary or desirable from time to time in relation to the use, enjoyment and safety of the common property and do all things reasonably necessary for the enforcement of these by-laws and for the control, management and administration of the common property (including, but not limited to, the exclusive use areas, parking areas and parking spaces) generally including the commencement of an action under section 36 of the Act and all subsequent proceedings relating thereto;
- h. determine from time to time the amounts to be raised and collected for the purposes hereinbefore mentioned;
- i. raise the amounts of money so determined by levying contributions on the owners in proportion to the unit factors for their respective units or on such other basis as may be determined by the Board or as otherwise herein provided;
- j. charge interest under section 40 of the Act on any contribution or common expenses owing to it by an owner at the interest rate;
- k. pay an annual honorarium, stipend or salary to members of the Board in the manner and in the amounts as may be from time to time determined by ordinary resolution at a general meeting;
- l. join any organization serving the interests of the Corporation and assess the membership fee in such organization as part of the common expenses;
- m. do all things which are, either or both, incidental or conducive to the exercise of its powers granted under the Act and the by-laws;
- n. grant a lease to an owner under section 50 of the Act.
- o. subject to any limitations and prohibitions contained in the Act, these by-laws and otherwise by law, have such powers and do all such things which any body corporate shall be empowered and authorized to do under the Business Corporations Act of Alberta (as amended and replaced from time to time) and do all things and have such rights, powers and privileges of a natural person.

THE CORPORATION AND THE BOARD

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

COMPOSITION OF THE BOARD

6. The Board shall consist of not less than one(1) nor more than six (6) individuals who may be nominees of the developer, owners or spouses of owners, representatives of mortgagees of units, representatives or principals of corporate owners, or any combination of the foregoing, and the composition of the Board pursuant to the provisions of this by-law shall be valid notwithstanding the provisions of section 28(10) of the Act. The Board shall be elected at each annual general meeting (although members may also be elected at an extraordinary general meeting). Where a unit has more than one owner, only one person in respect of that unit may sit on the Board at any point in time. Notwithstanding the foregoing or the provisions of section 28(10) of the Act, the Board shall be composed of a majority of the nominees of the developer until the first annual general meeting of the non-developer owners, unless the developer should waive this provision.

RETIREMENT FROM BOARD

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

ELIGIBILITY FOR ELECTION TO BOARD

8. A retiring member of the Board shall be eligible for re-election. An owner who has not paid to the Corporation the contributions due and owing in respect of that owner's unit is not eligible for election to the Board. A Board member must be eighteen (18) years of age or older. This by-law shall not operate so as to disentitle any nominee of the developer to be elected to the Board by reason of the developer's exemption from paying contributions to the Corporation by virtue of these by-laws.

REMOVAL FROM BOARD

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

CASUAL VACANCY ON BOARD

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

QUORUM FOR BOARD

11. A quorum of the Board is two where the Board consists of four or less members, and three

where the Board consists of five or six members. Any member of the Board may waive notice of a meeting before, during or after the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting.

OFFICERS OF THE CORPORATION

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

CHAIRMAN OF BOARD MEETINGS

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

DUTIES OF OFFICERS

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

VOTES OF BOARD

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

FURTHER POWERS OF BOARD

16. The Board MAY:
 - a. meet together for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit, and it shall meet when any member of the Board gives to the other members of the Board not less than three (3) days' notice of a meeting proposed by him, specifying the reason for calling the meeting PROVIDED THAT the Board shall meet at the call of the president on such notice as he may specify without the necessity of the president giving reasons for the calling of the meeting;
 - b. appoint or employ for and on behalf of the Corporation such agents or servants as it thinks fit in connection with the control, management and administration of the common property and the exercise and performance of the powers and duties of

the Corporation;

c. subject to any valid restriction imposed or direction given at a general meeting of owners, delegate to one or more members of the Board such of its powers and duties as it thinks fit, and at any time revoke such delegation;

d. obtain and retain by contract the services of a manager or of any professional real property management firm or professional real property manager or agent for such purposes (including, but not so as to limit the generality of the foregoing, the supervision, management and performance of any or all of the duties of the Corporation) and upon such terms as the Board may from time to time decide SUBJECT ALWAYS to, the control and direction of the Corporation and the Board, such manager to be reasonably fit and suited to perform such duties. The manager employed by the Board need not devote its full time to the performance of duties of the Corporation so long as those duties are performed in a good and sufficient fashion. If under such contract the manager holds funds for the Corporation, the contract shall require the manager to arrange or maintain a fidelity bond owned by and in the name of the Corporation and for the benefit of the Corporation and such bond shall be in an amount required by the Corporation but in any event not less than:

i. the total amount of any capital replacement reserve funds as required under the Act or its Regulations in the hands of or controlled by the manager; and
ii. one month's total condominium contributions of the Corporation or one-twelfth (1/12) of the total annual condominium contributions for all units in the Project (EXCLUDING any special assessments) whichever is greater; and
iii. a sum representing the average monthly amount of cash in the control of the manager;

e. enter into an insurance trust agreement in form and on terms as required by any insurance trustee;

f. set and charge for and on behalf of the Corporation reasonable fees to compensate the Corporation for expenses it incurs in producing and providing any documents or copies required to be issued by it under the Act or pursuant to these by-laws.

ADDITIONAL DUTIES OF THE BOARD

17. The Board SHALL:

a. subject to any valid restrictions or directions given at a general meeting of the owners, carry on the day to day business and affairs of the Corporation;

b. keep minutes of its proceedings and, upon written request at the expense of the person requesting, provide copies thereof to owners and to mortgagees who have notified their interests to the Corporation;

- c. cause minutes to be kept of general meetings of the owners and, upon written request at the expense of the person requesting, provide copies thereof to owners and to mortgagees who have notified their interests to the Corporation;
- d. cause proper books of account to be kept in respect of all sums of money received and expended by it and the matters in respect of which receipt and expenditure shall take place;
- e. prepare proper accounts relating to all monies of the Corporation, and the income and expenditure thereof; for each annual general meeting;
- f. maintain financial records of all the assets, liabilities and equity of the Corporation;
- g. on written application of an owner or mortgagee, or any person authorized in writing by him, make the books of account available for inspection at a time convenient to the Board or the manager;
- h. at least once a year, cause the books and accounts of the Corporation to be audited by an independent chartered accountant, certified general accountant or certified management accountant to be selected at each annual general meeting of the Corporation and cause to be prepared and distributed to each owner and to each mortgagee who has, in writing, notified its interest to the Corporation, a copy of the audited Financial Statement of the receipts of contributions of all owners towards the common expenses and disbursements made by the Corporation and a copy of the Auditor's Report within ninety (90) days of the end of the fiscal year of the Corporation. The report of the Auditor shall be submitted to each annual general meeting of the Corporation. The auditing obligations under this paragraph may be waived upon the passing of a special resolution to that effect;
- i. keep a register noting the names and addresses of all owners and any mortgagees who have given notice of their interests to the Corporation;
- j. at all times, keep and maintain in force, all insurance required hereunder and by the Act to be maintained by the Corporation;
- k. within thirty (30) days of a person becoming or ceasing to be a member of the Board, file or cause to be filed at the Land Titles Office a notice in the prescribed form stating the name and address of that person and the day that the person became or ceased to be, as the case may be, a member of the Board;
- l. file or cause to be filed at the Land Titles Office a notice in the prescribed form of any change in the address for service of the Corporation;
- m. appoint committees to fulfill any function the Board deems necessary, including if necessary an audit committee, maintenance committee or social committee and may appoint any other committee for any purpose it sees fit. Each committee shall appoint a chairman and each chairman shall report to the Board on each committee activities. Any committee of the Board shall have only that authority to deal with the owners of units, the occupants of units, or others, as the Board may expressly confer on each committee.

DÉFECTS IN APPOINTMENTS TO BOARD

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

VACATING OFFICE OF BOARD MEMBER

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

SIGNING AUTHORITIES

20. The Board shall determine, by resolution from time to time, the manner in which an officer or officers shall sign cheques, drafts, notes and other instruments and documents, including banking forms and authorities and may authorize the manager to sign the same with or without co-signing by any officer or officers. In the absence of a resolution, any two (2) officers may sign cheques, drafts, notes and other instruments and documents, including banking forms and authorities and may authorize the manager to sign the same with or without co-signing by any officer or officers.

CORPORATE SEAL

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

ANNUAL GENERAL MEETINGS

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

EXTRAORDINARY GENERAL MEETINGS

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

CONVENING EXTRAORDINARY GENERAL MEETINGS

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

NOTICE OF GENERAL MEETINGS

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

PROCEEDINGS AT GENERAL MEETINGS

26. All business that is transacted at an annual general meeting, with the exception of the

consideration of accounts and election of members to the Board, or at any extraordinary general meeting, shall be deemed special.

QUORUM FOR GENERAL MEETINGS

27. Save as in these by-laws otherwise provided, no business shall be transacted at any general meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business and one-half ($\frac{1}{2}$) of the persons entitled to vote representing not less than 5000 unit factors present in person or by proxy shall constitute a quorum.

ADJOURNMENT FOR LACK OF QUORUM

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

CHAIRMAN FOR GENERAL MEETINGS

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

ORDER OF BUSINESS FOR GENERAL MEETINGS

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

- k. unfinished business;
- l. new business;
- m. adjournment.

VOTING BY SHOW OF HANDS

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

POLL VOTES

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

VOTING CALCULATION

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

VOTES PERSONALLY OR BY PROXY

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

PROXIES

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

ELIGIBILITY TO VOTE

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

VOTE BY CO-OWNERS

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

RESOLUTION OF THE OWNERS

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

SUCCESSIVE INTERESTS

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

TRUSTEE VOTE

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

VOTING RIGHTS OF MORTGAGEE

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

VIOLATION OF BY-LAWS

42. a. Any infraction or violation of or default under these by-laws or any rules and regulations established pursuant to these by-laws on the part of an owner, his servants, agents, licensees, invitees, occupants or tenants that has not been corrected, remedied or cured within ten (10) days of having received written notification from the Corporation to do so, may be corrected, remedied or cured by the Corporation and any costs or expenses incurred or expended by the Corporation

including costs as between a solicitor and his own client on a full indemnity basis, in correcting, remedying or curing such infraction, violation or default shall be charged to such owner and shall be added to and become part of the assessment of such owner for the month next following the date when such costs or expenses are expended or incurred (but not necessarily paid) by the Corporation and shall become due and payable on the date of payment of such monthly assessment and shall bear interest both before and after judgment at the interest rate until paid;

- b. In addition, the Corporation may also recover from an owner by an action for debt in any court of competent jurisdiction any sum of money which the Corporation is required to expend as a result of any act or omission by the owner, his servants, agents, licensees, invitees, occupants or tenants, which violates these by-laws or any rules or regulations established pursuant to these by-laws and for which ten (10) days prior written notice has been given by the Corporation and there shall be added to any judgement, all costs of such action including costs as between a solicitor and his own client on a full indemnity basis. Nothing herein shall be deemed to limit any right of any owner to bring an action or proceeding for the enforcement and protection of his rights and the exercise of his remedies;
- c. In addition, the Corporation may also exercise the powers provided for in section 35 and section 36 of the Act, and accordingly, if the Board determines that a breach or violation of any by-law or of any rules or regulations established pursuant to these by-laws has occurred or is occurring, the Board may impose a penalty by fine as follows:
 - i. for a first breach or infraction of a by-law by an owner (which for the purpose of this by-law includes such owner's servants, agents, licensees, invitees, customers, contractors, occupants or tenants), the Board may impose a penalty by fine on such owner not to be less than \$25.00 and not to exceed \$10,000.00;
 - ii. for a second breach or infraction of a by-law by an owner (which for the purpose of this by-law includes such owner's servants, agents, licensees, invitees, customers, contractors, occupants or tenants), the Board may impose a penalty by fine on such owner not to be less than \$50.00 and not to exceed \$10,000.00;
 - iii. for a third (or more) breach or infraction of a by-law by an owner (which for the purpose of this by-law includes such owner's servants, agents, licensees, invitees, customers, contractors, occupants or tenants), the Board may impose a penalty by fine on such owner not to be less than \$100.00 and not to exceed \$10,000.00;
 - iv. if the breach or infraction of a by-law by an owner (which for the purpose of this by-law includes such owner's servants, agents, licensees, invitees, customers, contractors, occupants or tenants) is in the determination of the Board a continuous infraction or violation of the by-law, the Board may impose a penalty by fine on such owner not to be less than \$25.00 per day and not to exceed \$10,000.00 in the aggregate. (Each day of a continuing breach shall be deemed a contravention of a by-law);

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

- d. An owner aggrieved by a fine levied pursuant to by-law 42(c) may appeal the actions of the Board to an extraordinary general meeting of the owners convened in the manner specified by these by-laws;
 - i. The owners convened in an extraordinary general meeting may rescind, amend or confirm the actions of the Board, and in so doing may inquire into all the circumstances of the alleged breach, its rectifications, any fine levied or leviable, the collection or forgiveness of any fine, and generally, to act in their discretion to uphold the by-laws;
 - ii. The appeal to the owners shall be conducted according to rules of natural justice. No error in procedure shall operate so as to nullify the proceedings unless the error is sufficiently grave so to prejudice the rights of all or any one of the owners;
 - iii. An owner's right to appeal any penalty imposed by the Board pursuant to by-law 42(c) shall expire sixty (60) days following receipt of the notice specified in by-law 42(c) or the date that proceedings have been commenced against the owner pursuant to section 36 of the Act, whichever shall last occur;
- e. The rights and remedies of the Corporation as set forth in this by-law 42 are supplemental to and not in substitution for any other rights or remedies that the Corporation may have under these by-laws, the Act and the Regulations under the Act, at law or at equity, or otherwise. The Corporation may exercise, employ or pursue its rights and remedies under these by-laws including, without limitation, the rights and remedies under this by-law 42, either selectively, cumulatively or consecutively, and the election by the Corporation to pursue or employ any one right or remedy or to pursue or employ several rights or remedies together shall not constitute an election by the Corporation to abandon any of its other rights or remedies, none of which are waived by the Corporation.

DEVELOPER'S RIGHTS

43.
 - a. During such time as the developer, its successors or assigns, is the owner of one or more units, it shall have the right to maintain a reasonable number of units, whether owned or leased by it, as display units and to carry on all sales, leasing functions and construction management as it considers necessary from such units. The developer and its contractors, agents, employees, inspectors, advisors and professionals shall have the right to enter onto any unit and access to the common property in order to complete any construction, renovation or improvement, repair deficiencies, conduct inspections and make any modifications or repairs to the utilities;
 - b. At all times while the developer is constructing, building, renovating or improving

any unit or units, the developer and its contractors, agents, employees, inspectors, advisors and professionals shall have the unfettered and exclusive right to complete such construction, building, renovations or improvements without interference, interruption or obstruction by any owner or the Corporation, and all owners and the Corporation shall fully co-operate with the developer to facilitate such construction, buildings or improvements of such unit or units;

- c. The developer's rights as set forth in this by-law 43 are in addition to and not in substitution for any agreement that the developer enters into with the Corporation from time to time (if any) with respect to the developer's rights in respect of the Project including, without limitation, the developer's rights to construct, build, improve, renovate and sell units, and each owner:
- i. shall observe and comply with all of the terms of any such agreement; and
 - ii. shall not interfere with the developer or prevent the developer and its contractors, agents, employees or advisors from completing the developer's objectives, rights and entitlements as may be set out in such agreement or agreements.

DAMAGE OR DESTRUCTION

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

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

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

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

INSURANCE

45. a. The Board, on behalf of the Corporation, shall obtain and maintain, subject always to the Act, in particular section 47 thereof and the Regulations under the Act pertaining to insurance, the following insurance:
 - i. fire insurance with extended coverage endorsement for all perils as stipulated in the Act and such perils as the Board shall deem advisable insuring: (1) all of the insurable common property; (2) all insurable property of the Corporation, both real and personal of any nature whatsoever; (3) all of the units (EXCLUDING all improvements and betterments made to the units by owners and EXCLUDING furnishings, and other personal property of each owner, whether or not installed in the unit), for the full replacement cost thereof; without deduction for depreciation; (4) the interests of and naming as insureds all owners from time to time; (5) all mortgagees who have given written notice to the Corporation; (6) the Corporation and (7) the Board and any person referred to in by-law 12 hereof; (all of the foregoing