

THE PEAKS AT EAGLE RIDGE

BYLAWS OF CONDOMINIUM CORPORATION NO. 0728880

SUMMARY OF CONTENTS

IN SUBSTITUTION AND REPLACEMENT FOR THE BYLAWS REGISTERED IN THE NORTH ALBERTA LAND REGISTRATION DISTRICT AS INSTRUMENT #072661 779 ON NOVEMBER 8, 2007.

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Personal Information Protection Act, S.A. 2003 c. P-6.5 ("PIPA") "The Board of Directors shall endeavour to keep individual Owners' personal information confidential and will not disclose same without their consent, as set forth in PIPA, however, the Unit Owners agree and specifically consent to give the Board sole discretion to release any information which the Board, in its sole discretion, deems to be in the best interest of the Corporation."

NOTE: These Bylaws have been passed by Condominium Corporation No. 072 8880 for the purpose of repealing, substituting and replacing the Bylaws registered as instrument #072 661 779 registered in the North Alberta Land Registration District on November 8,2007.

THE PEAKS AT EAGLE RIDGE

BYLAWS OF CONDOMINIUM CORPORATION NO. 072 8880

DEFINITIONS AND INTERPRETATION

1. In these Bylaws, where capitalized and unless the context or subject matter requires a different meaning:

- a) "Act" means the *Condominium Property Act*, R.S.A. 2000, c. 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) "Bylaws" means the Bylaws of the Corporation, as amended from time to time;
- d) "Capital Replacement Reserve Fund" means a fund established in accordance with the provisions of the Act, to be used for major repairs and replacements of any portions of the Units for which the Corporation is responsible, any real and personal property of the Corporation and the Common Property;
- e) "Common Expenses" means the expenses of performance of the objects and duties of the Corporation and any expenses specified as Common and Reserve Expenses in these Bylaws;
- f) "Common Property" means so much of the Parcel as is not comprised in or does not form part of any Residential Unit or Parking Unit or Storage Unit shown on the Condominium Plan;
- g) "Condominium Plan" means the Condominium Plan registered under the Act as No. 072 8880, and all subsequent phased condominium development plans thereof;
- h) "Corporation" means the Corporation constituted under the Act by the registration of the Condominium Plan whose legal name is "Condominium Corporation No. 072 8880";
- i) "Emergency Situation" means a situation normally and reasonably perceived as one which would endanger either or both person or property if not immediately remedied or rectified;
- j) "Equipment" means the heating, ventilations, air-conditioning, elevating and other Equipment installed by the developer in each building and necessary for the operation thereof;

- k) "Insurance Trustee" means an entity authorized to carry on the business of a trust company under the laws of Alberta selected from time to time on resolution of the Board, whose duties include the receiving, holding and disbursing of proceeds of policies of insurance pursuant to these Bylaws and the Act. If no Insurance Trustee is appointed, then the Insurance Trustee is the Board;
- l) "Interest Rate" means eighteen (18) percent per annum, calculated annually, or such lesser or greater rate as is equal to the maximum rate permitted under the Regulation to the Act;
- m) "Manager" means any property manager contractually appointed by the Board including, but not limited to, a resident manager;
- n) "Occupant" means a person present in a Unit or in or upon the real or personal property of the Corporation or the Common Property with the permission of an Owner for more than thirty (30) days in any calendar year
- o) "Ordinary Resolution" means a resolution:
- i) passed at a properly convened meeting of the Corporation by a majority of all the persons present or represented by proxy at the meeting and entitled to exercise the powers of voting conferred by the Act or these Bylaws; or
 - ii) signed by a majority 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 Bylaws and representing more than 50 of the total Unit Factors for all of the Units;
- p) "Owner" means a person who is registered as the Owner of the fee simple estate in a Unit and where the term "Owner" is used in Bylaw 62, that term includes a tenant or Occupant;
- q) "Parcel" means the land comprised in the Condominium Plan;
- r) "Parking Units" means the Units intended to be used for parking purposes;
- s) "Privacy Area(s)" means the balcony or patio area immediately adjacent to and affixed to a Residential Unit to which such Unit Owner has sole access;
- t) "Private Motor Vehicle" means cars, station wagons, light trucks up to 1 ton size, vans, mini-vans, motorcycles and sport utility vehicles;
- u) "Project" means all of the real and personal property and fixtures comprising the Parcel, land and buildings which constitute the Units and

Common Property;

- v) "Regulation" or "Regulations" means the *Condominium Property Regulation* currently being Alberta Regulation 168/2000 and any other Regulation made from time to time in substitution, replacement or addition thereto by the Lieutenant Governor in Council in Alberta pursuant to the Act;
- w) "Residential Unit" or "Residential Unit Owner" means the Units intended to be used for residential purposes, or the persons who are registered as "Owners" thereof;
- x) "RMWB" means the Regional Municipality of Wood Buffalo;
- y) "Special Resolution" means a resolution:
 - i) passed at a properly convened meeting of the Corporation by a majority of not less than 75 of all the persons entitled to exercise the powers of voting conferred by the Act or these Bylaws and representing not less than 75 of the total Unit Factors for all the Units; or
 - j) agreed to in writing 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 Bylaws and representing not less than 75 of the total Unit Factors for all the Units;
 - k) "Spouse" includes persons who are in a legal married state or who are in a "relationship of interdependence", meaning a relationship outside marriage in which any 2 persons share one another's lives, are emotionally committed to one another, and function as an economic and domestic unit;
 - aa) "Storage Unit" means the Units intended to be used for storage purposes;
 - bb) "Unit" means land that is situated within the Parcel and is described as a Unit in the Condominium Plan by reference to boundaries governed by monuments placed pursuant to the provisions of the *Surveys Act*, R.S.A. 2000, c. S-26, respecting subdivision surveys, or a space situated within a building and described as a Unit in the Condominium Plan by reference to floors, walls and ceilings within the building and shall include for the purposes of these Bylaws:
 - i) all window screens and screen doors;
 - ii) all ceiling and wall coverings including, but not limited to, paint, wallpaper, ceiling stipple, drywall or any substance used in lieu

- installed throughout the total Unit;
- iii) all floor coverings of whatever nature including, but not limited to, carpet, carpet underlay, linoleum, tiles, hardwood and hardwood look-alikes;
 - iv) all non-load bearing partitions, including their studs;
 - v) all items not necessarily common to all Units including, but not limited to, intercommunication systems, security systems and air-conditioning systems, whether or not they were installed at the time of Unit construction or at a later date;
 - vi) all electrical appliances and fixtures and all insulation in the Unit;
 - vii) all Unit plumbing (EXCLUDING heating), including pipes and fixtures, inside the interior finishing of the floors, walls and ceilings of a Unit including, but not limited to:
 - (A) bathroom fixtures such as baths, toilets and sinks;
 - (B) bathtub trap and overflow;
 - (C) kitchen sink and pipes under sink;
 - (D) all water taps (kitchen and bathroom);
 - viii) all interior doors and hardware;
 - ix) all Unit electrical including, but not limited to, panel circuit breakers, wire, fixtures, cables and conduits inside the interior finishing of the floors, walls and ceilings of a Unit;
- cc) "Unit Factor" means the Unit Factor for each Unit as more particularly specified or apportioned and described in and set forth on the Condominium Plan.

Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these Bylaws and other expressions used in these Bylaws and not defined in the Act or in these Bylaws have the same meaning as may be assigned to them in the *Land Titles Act*, R.S.A. 2000, c. L-4 or the *Law of Property Act*, R.S.A. 2000, c. L-7, as amended from time to time or in any statute or statutes passed in substitution therefor. Words importing the singular number also include the plural, and vice versa, and words importing the masculine gender include the feminine gender or neuter, and vice versa, and words importing persons include firms and corporations and vice versa, where the context so requires.

MISCELLANEOUS PROVISIONS

2. In addition:

a) HEADINGS

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

b) RIGHTS OF OWNERS

The rights and obligations given or imposed on the Corporation or the Owners under these Bylaws 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 Bylaws and the Act, the Act prevails.

d) EXTENDED MEANINGS

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 anything to which such repair could be made.

DUTIES OF THE OWNERS

3. An Owner SHALL:

- a) subject always to the Act, permit the Corporation and its agents, at all reasonable times on a minimum of ninety-six (96) hours' written notice (except in case of an Emergency Situation when no notice is required), to enter his Unit for the purpose of:
 - b) inspecting the Unit and maintaining, repairing or renewing party walls and pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities for the time being existing in the Unit;
 - ii) maintaining, repairing or renewing the Common Property;
 - iii) ensuring that the Bylaws are being observed;
 - iv) doing any work for the benefit of the Corporation generally; and
 - 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 ordered by the Municipality or public authority in respect of his Unit; and
 - ii) pay all rates, taxes, charges, fines, outgoings and assessments that may be payable in respect of his Unit.
- c) duly and properly clean, wash, repair, maintain and, when required, replace:
 - d) the interior of the Unit and all contents therein including all fixtures, appliances, improvements and additions thereto;
 - ii) all windows of the Unit that are located on the interior walls of the Unit and the washing of all windows or patio doors that are accessible to an Occupant. All windows that pop out shall be considered accessible. An Owner shall repair and replace all window screens, window hardware, weather stripping and the interior trim of windows;
 - iii) the doors of a Unit located on the interior walls of a Unit including the painting of the interior finishing of Unit access doors. An Owner shall repair and replace all door screens, door hardware, weather stripping and the interior trim of Unit access doors;
 - iv) bulbs in the light fixtures attached to the exterior of the Unit;
 - v) any interior wall or ceiling mounted air-conditioning equipment installed by or at the request of an Owner that provides cooled air to the Unit;
 - vi) all thermostats in a Unit; and
 - vii) any Privacy Area (and any plants or landscaping therein) which is located on or which comprises any part of the Common Property to which the Owner has been granted exclusive use pursuant to Bylaw 5 or Bylaw 58 and, if the Owner shall not maintain such Privacy Area to a standard similar to that of the remaining Common Property, the Corporation may give ten (10) days' notice to the Owner to this effect and if such notice has not been complied with at the end of that period, then the Corporation may carry out such work and the provisions of Bylaw 58 shall apply;

BUT EXCLUDING the painting of the exterior surface or finishing of any access doors and all other outer boundaries, walls and other outside surfaces and roofs and eavestroughs and all other outside hardware and accoutrements (except as noted herein) affecting the appearance, usability, value or safety of the Unit, and keep his Unit in a state of good repair, except such maintenance, repairs and damage as are insured against by the Corporation or for which the Corporation is responsible pursuant to these Bylaws;

- d) not paint the exterior of the Unit or building nor make any repairs, additions or alterations to the exterior of the Unit or the building (INCLUDING interior and exterior load bearing and partition walls) of which his Unit forms a part or to the common plumbing, common mechanical or common electrical systems within his Unit without first obtaining the written consent of the Corporation;
- e) use and enjoy the Common Property in accordance with these Bylaws and all rules and regulations prescribed by the Corporation and in such a manner as to not unreasonably interfere with the use and enjoyment thereof by other Owners, their families or visitors;
- f) not use his Unit or permit it to be used in any manner for any purpose which may be illegal, injurious or that will cause nuisance or hazard to any occupier of another Unit (whether an Owner or not) or the family of such an occupier;
- g) notify the Corporation forthwith upon any change of ownership or of any mortgage, lease or other dealing in connection with his Unit;
- h) comply strictly with these Bylaws 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 and all other amounts due from him to the Corporation under these Bylaws, together with interest on any arrears thereof at the Interest Rate calculated from the due date until paid, and the Corporation is hereby permitted to charge such interest in accordance with Sections 39 and 40 of the Act and Section 76 of the Regulation;
- j) pay to the Corporation all legal expenses incurred as a result of it having to take proceedings to collect any Common Expenses levied or assessed against his Unit and all other amounts due from him to the Corporation under these Bylaws, and such expenses shall be paid on solicitor and his own client full indemnification basis;

- k) if he wishes the Corporation to respond to his suggestions, questions or complaints, express them in writing sent by electronic mail or placed in an envelope delivered to the Manager. The Board shall not be required to act on any suggestion, complaint or question that is not in writing and properly submitted to the Manager;
- l) indemnify the Corporation for damage to or the cost of repairing or replacing damage to any part of the building, Common Property or any Unit caused or aggravated by the act or omission of such Owner, his Occupants, invitees, or by any default under these Bylaws by such Owners, his Occupants and invitees;
- m) deposit with the Corporation, if requested, duly executed post-dated cheques or monthly bank debit authorization for duly assessed condominium contributions for the appropriate forthcoming or remaining budgetary term; and
- n) pay to the Corporation on demand any bank charges or Corporation charges for any late or "NSF" cheque written by such Owner.

DUTIES OF THE CORPORATION

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

- a) control, manage, maintain, repair, 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 Project;
- b) do all things required of it by the Act, these Bylaws and any other rules and regulations in force from time to time and shall take all necessary steps it sees fit to enforce these Bylaws;
- c) maintain and repair (INCLUDING renewal where reasonably necessary) the elevators and shafts, exterior lighting, all heating systems, any security system, all electrical and mechanical rooms, and all pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities for the time being existing in the Parcel and capable of being used in connection with the enjoyment of more than one (1) Unit or Common Property;
- d) provide and maintain in force all such insurance as is required by the Act and by the provisions of these Bylaws 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 copy of the policy or policies of insurance effected by the Corporation or a certificate or memorandum thereof;

- e) subject to any obligations imposed by the Bylaws or by the Corporation upon any Owners to maintain any part of the Common Property or a Unit over which such Owners are granted exclusive right of use, clean, maintain and repair:
 - f) the exterior or outside surfaces of the buildings comprising the Units (INCLUDING all windows and doors except to the extent the Owner is required to repair and maintain under Bylaw 3(c));
 - ii) the repair of any leakage or exterior caulking around windows;
 - iii) all other outside accoutrements 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 which is located on any part of the Common Property to which an Owner has been granted exclusive use pursuant to Bylaw 5 or Bylaw 58;
 - iv) all Common Property storage areas, Storage Units, all parking areas, landscaped areas, loading areas, all walkways and the garbage rooms;
 - v) all patio walls, balcony rails, fencing and related posts;
 - vi) all common utility services serving more than one (1) Unit within, on, in, under or through the Units, all utilities outside the interior finishing of the floors, walls and ceilings of a Unit, and all utilities on Common Property, including the main domestic water line, the main heating supply line and any underground sprinkler system;
- 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, in the Province of Alberta, with a chartered bank or trust company or Province of Alberta Treasury Branch or credit union incorporated under the *Credit Union Act*, R.S.A. 2000, c. C-32;
- g) subject always to and in accordance with the Act and any Regulation, establish and maintain out of the contributions 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 the Capital Replacement Reserve Fund to be used to provide sufficient funds that can reasonably be expected to provide for major repairs and replacements of any portions of the Units for which the Corporation is

responsible, any real and personal property owned by the Corporation, and the Common Property where the repair or replacement is of a nature that does not occur annually. Funds shall not be taken from a Capital Replacement Reserve Fund for the purposes of making capital improvements not contemplated by the Capital Replacement Reserve Fund report of the Corporation unless such improvements are authorized by Special Resolution. The Capital Replacement Reserve Fund shall be an asset of the Corporation and no part of that money shall be refunded or distributed to any Owner of a Unit except where the Project ceases to be governed by the Act. The Board SHALL:

- i) prepare an annual report each fiscal year respecting the Capital Replacement Reserve Fund, setting out at least the following:
 - (A) the amount of the reserve fund as of the last day of the immediately preceding fiscal year;
 - (B) all the payments made into and out of the reserve fund for that year and the sources and uses of those payments;
 - (C) a list of the depreciating property that was repaired or replaced during that year and the costs incurred in respect of the repair or replacement of that property;
- b) supply a copy of the approved Capital Replacement Reserve Fund plan to each Owner prior to the collection of any funds for the purpose of those matters dealt with in the reserve fund report;
- iii) no later than five (5) years from the day that the most recent Capital Replacement Reserve Fund plan was approved, carry out a new reserve fund study, prepare a new reserve fund report, approve a new reserve fund plan, and provide a copy of the newly approved plan to each Owner prior to the collection of any further funds for the purposes of the reserve fund;
- iv) upon written request, at the expense of the person requesting, provide the most recent reserve fund report, most recent reserve fund plan and most recent annual report prepared under Section 29 of the Regulation to any person purchasing a Unit or any mortgagee of a Unit;
- 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 deem justifiable in the management or administration of the entire Project;
- i) clear snow, slush and debris from and keep and maintain in good order

and condition all areas of the Common Property designated for vehicular or pedestrian traffic and keep and maintain in good order and condition the hallways, stairs and stairwells, mailboxes, intercom system, lobbies, vestibules, garbage room, mechanical/electrical room, elevator room, fire prevention system and boxes, the gym, games room, meeting/party room, the yoga room, the parkade ramps, the parkades and the automatic garage doors, and all grassed or landscaped areas of the Common Property PROVIDED THAT the general cleaning and maintenance of any Privacy Area designated to an Owner under Bylaw 5 or Bylaw 58 shall be the prime responsibility of the Owner to whom such Privacy Area has been assigned;

- j) provide adequate garbage receptacles or containers on the Common Property for use by all the Owners and provide for regular collection therefrom;
- k) at all times keep and maintain for the benefit of the Corporation and all Owners copies of all warranties, guarantees, drawings and specifications, plans, written agreements, certificates and approvals provided to the Corporation pursuant to Section 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 and replace, in the discretion of the Board, any lawns, trees or shrubs which die;
- n) repair, replace and maintain zone valves within a Unit at the expense of the Owner;
- o) repair, replace and maintain party walls separating Units. If the Owner is responsible for the reason or cause for such repair, replacement or maintenance, the cost of such repair (or the amount of the insurance deductible if an insured loss) will be charged back to the responsible Owner; and
- p) repair, replace and maintain windows and doors on the exterior walls of a building. If the Owner is responsible for the reason or cause for such repair, replacement or maintenance, the cost of such repair (or the amount of the insurance deductible if an insured loss) will be charged back to the responsible Owner.

POWERS OF THE CORPORATION

5. In addition to the powers of the Corporation set forth in the Act, the Corporation

through its Board, MAY and IS HEREBY AUTHORIZED TO:

- a) purchase, hire or otherwise acquire personal property and/or real property for use by Owners in connection with the maintenance, repair, replacement or enjoyment of the real and personal property of the Corporation or the Common Property, or their Units or any of them, provided that real property shall only be acquired or disposed of by Special Resolution of the Corporation;
- b) borrow monies required by it in the performance of its duties or the exercise of its powers provided that each such borrowing in excess of fifteen (15) percent 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, and, except for the provisions of these Bylaws relating to Privacy Areas, 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 Bylaws and for the control, management and administration of the Common Property generally including the commencement of an action under Section 36 and/or Section 67 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 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) acquire Parking Units or Storage Units for purposes of visitor parking, storage, resale or otherwise;
- n) do all things which are, either or both, incidental or conducive to the exercise of its powers granted under the Act and the Bylaws;
- o) subject to any limitations and prohibitions contained in the Act, these Bylaws 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*, R.S.A. 2000, c. B-9 (as amended and replaced from time to time) and do all things and have such rights, powers and privileges of a natural person; and
- p) levy monetary or non-monetary sanctions, or commence such other proceedings as may be available, for the contravention of any Bylaws including, but not limited to, the right of the Corporation to restrict or prohibit the occupancy of a Unit by an Owner.

THE CORPORATION AND THE BOARD

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

COMPOSITION OF THE BOARD

7. The composition of the Board shall provide that:
- a) The Board shall consist of not fewer than three (3) nor more than nine (9) Owners, Spouses of Owners, representatives of corporate Owners, or representatives of mortgagees who have notified their interests to the Corporation. The number of members of the Board for the next ensuing year shall be fixed by resolution at the annual general meeting just prior to the election of the Board.
 - b) A Board member must be eighteen (18) years of age or older.

- c) Where a Unit has more than one (1) Owner, only one (1) Owner in respect of that Unit may sit on the Board at any point in time.
- d) Any member of the Board shall make full disclosure of any potential conflict of interest and any direct or indirect relationships he or she may have with the Corporation either contractual, financial or employment related and shall refrain from voting on any matter of conflict.
- e) Every member of the Board shall exercise the powers and discharge the duties of the office of member of the Board honestly and in good faith.
- f) No Owner who is indebted to the Corporation for a contribution, assessment or levy that is more than thirty (30) days overdue shall be eligible for election to or membership on the Board.

TERM OF OFFICE AND RETIREMENT FROM BOARD

8. A Board member shall be elected for a one (1) year term. 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 members accordingly.

ELIGIBILITY FOR RE-ELECTION TO BOARD

9. A retiring member of the Board shall be eligible for re-election. Any prospective member of the Board shall, as a condition of his nomination, make full disclosure of any potential conflict of interest and any direct or indirect relationships he or she may have with the Corporation either contractual, financial or employment related.

REMOVAL FROM BOARD

10. The Corporation may, by resolution at an extraordinary general meeting, remove any member of the Board before the expiration of his term of office and appoint another Owner in his place, to hold office until the next annual general meeting.

CASUAL VACANCY ON BOARD

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

QUORUM FOR BOARD

12. A quorum of the Board is two (2) where the Board consists of four (4) or less members, three (3) where the Board consists of five (5) members, four (4) where the Board consists of six (6) or seven (7) members, and five (5) where the Board consists of eight (8) or nine (9) 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. If at any time during a meeting the

quorum requirement is absent, no business of the Board shall be conducted except for procedural actions.

OFFICERS OF THE CORPORATION

13. At the first meeting of the Board held after each annual general meeting of the Corporation, the Board shall elect from among its members a President, a Vice-President, a Treasurer and/or a Secretary who shall hold their respective offices until the conclusion of the next annual general meeting of the Corporation or until their successors are elected or appointed. The President shall be the Chairman of the Board and shall have a casting vote to break a tie 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 Board member may simultaneously hold two (2) offices.

CHAIRMAN OF BOARD MEETINGS

14. The President shall act as chairman of every meeting of the Board where he is present. 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. Each meeting of the Board shall be held within the RMWB unless the Owners agree by Ordinary Resolution to hold the meeting in another location.

DUTIES OF OFFICERS

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

VOTES OF BOARD

16. Voting by Board members shall be governed as follows:

- a) At meetings of the Board all matters shall be determined by simple majority vote.
- b) A resolution of the Board in writing signed by a majority of the members shall have the same effect as a resolution passed at a meeting of the Board duly convened and held.
- c) All Board meetings shall be conducted in accordance with the rules of procedure established by the Board.

d) A Board meeting may be held by electronic means including web, video or

tele-conference. An interim resolution of the Board passed by electronic means and approved by a majority vote shall have the same effect as a resolution passed at a meeting of the Board duly convened and held, and shall be ratified and documented into the minutes at the next scheduled meeting of the Board.

FURTHER POWERS OF BOARD

17. The Board MAY:

- a) meet together for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit, and it shall meet when any member of the Board gives to the other members of the Board not less than three (3) days' notice of a meeting proposed by him, specifying the reason for calling the meeting provided that the Board shall meet at the call of the President on such notice as he may specify without the necessity of the President giving reasons for the calling of the meeting;
- b) appoint or employ for and on behalf of the Corporation such agents or servants as it thinks fit in connection with the control, management and administration of the Common Property and the exercise and performance of the powers and duties of the Corporation;
- c) subject to any 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 any professional real property management firm or professional real property Manager or agent, including a resident Manager 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 and is a sole signing authority 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:
 - e) the total amount of any Capital Replacement Reserve Funds in the hands of or controlled by the Manager;

- ii) Two months' total condominium contributions of the Corporation or 2/12 of the total annual condominium contributions for all Units in the Project (EXCLUDING any special contributions) whichever is greater; and
- iii) a sum representing the average monthly amount of cash in the control of the Manager;
- e) enter into an insurance trust agreement in form and on terms as required by any Insurance Trustee; and
- 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 Bylaws.

ADDITIONAL DUTIES OF THE BOARD

18. 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 such Board member;
- h) at least once a year, cause the books and accounts of the Corporation to

be audited or reviewed 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 notified its interest to the Corporation in writing, a copy of the audited Financial Statement or Notice to Reader Report 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 or Notice to Reader Report within ninety (90) days of the end of the fiscal year of the Corporation. The report of the Auditor or Reviewer shall be submitted to each annual general meeting of the Corporation. Any obligations under this paragraph may be waived upon the passing of an Ordinary Resolution to that effect;

- i) keep a register noting the names and addresses of all Owners and any mortgagees who have given notice of their interests to the Corporation;
- j) at all times, keep and maintain in force, all insurance required hereunder and by the Act to be maintained by the Corporation;
- k) within thirty (30) days from the conclusion of the Corporation's annual general meeting, 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.

DEFECTS IN APPOINTMENT TO BOARD

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

VACATING OFFICE OF BOARD MEMBER

20. The office of a member of the Board shall be vacated if the member:

- a) by notice in writing to the Corporation resigns his office;
- b) dies;
- c) is in arrears more than thirty (30) days of any contribution, levy or assessment required to be made by him as an Owner;
- d) becomes bankrupt;

- e) is a represented adult as defined in the Adult Guardianship and Trusteeship Act, S.A. 2008, c. A-4.2, or is the subject of a Certificate of Incapacity that is in effect under the Public Trustee Act, S.A. 2004, c. P-44.1 ;
- f) is convicted of an indictable offence;
- g) is absent from meetings of the Board for a continuous period of two (2) 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;
- h) ceases to qualify for membership pursuant to Bylaw 7;
- i) in the case of a company which is a member of the Board, if the company is in arrears as set forth in sub-paragraph c) above, if it becomes bankrupt or makes 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;
- j) is refused bonding, at a reasonable premium, by a recognized bonding institution; or
- k) commences any legal proceedings against the Board or the Corporation.

SIGNING AUTHORITIES

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

CORPORATE SEAL

22. The Corporation shall have a common seal, which shall be adopted by resolution and which shall at no time be used or affixed to any instrument except in the presence of at least one member of the Board or by the persons as may be authorized from time to time by resolution of the Board, except that where there is only one member of the Corporation his signature shall be sufficient for the purposes of this Bylaw, 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 Bylaw.

ANNUAL GENERAL MEETINGS

23. 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. Each such meeting shall be held within the RMWB, unless the

Owners agree, by Ordinary Resolution, passed at the Corporation's annual general meeting, to hold the meeting in another location.

EXTRAORDINARY GENERAL MEETINGS

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

CONVENING EXTRAORDINARY GENERAL MEETINGS

25. The Board may whenever it thinks fit and shall upon a requisition in writing by Owners representing not less than 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 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 legally valid items specified by the requisitioners.

NOTICE OF GENERAL MEETINGS

26. 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 Bylaws, 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 Bylaws, the day on which the notice is deemed to have been received and the day of the meeting shall be counted. Notice of any meeting may be waived either at, before or after the meeting by persons entitled to vote at the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting.

PROCEEDINGS AT GENERAL MEETINGS

27. Proceedings at general meetings shall include that:

- a) All business that is transacted at any extraordinary meeting or at an annual general meeting, with the exception of the consideration of accounts and financial statements, appointment of auditors and solicitors, election of members to the Board, election of the Chairman, calling of the roll, certification of proxies and proving notice of meeting, shall be deemed special business.

- b) Items of special business must be set forth in the notice of general meeting in sufficient detail so as to permit an Owner or mortgagee to form a reasoned judgment on the nature of that business. Items of special business may or may not require a Special Resolution.
- c) All general meetings of the Corporation shall be conducted in accordance with the rules of procedure established by the Board.
- d) If at any time during a general meeting the quorum requirement is absent, no business of the meeting shall be conducted except for procedural actions.

QUORUM FOR GENERAL MEETINGS

28. Save as in these Bylaws 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 fifteen (15) of the persons entitled to vote representing not less than 1500 of the Unit Factors present in person or by proxy shall constitute a quorum.

ADJOURNMENT FOR LACK OF QUORUM

29. If within ten (10) minutes from the time appointed for a general meeting a quorum is not present, the meeting shall stand adjourned for fifteen (15) minutes on the same day, at the same place and if at the adjourned meeting a quorum is not present within five (5) minutes from the time appointed for the meeting, the persons entitled to vote who are present shall constitute a quorum.

CHAIRMAN FOR GENERAL MEETINGS

30. The President of the Board shall be the Chairman of all general meetings or in his absence from the meeting or in case he shall vacate the chair, the Vice-President of the Board shall act as Chairman provided always that if the President and Vice-President be absent or shall vacate the chair or refuse to act, the meeting shall elect a Chairman.

ORDER OF BUSINESS FOR GENERAL MEETINGS

31. The Order of Business at general meetings, and as far as is appropriate at all extraordinary general meetings, shall be:

- a) if the President or Vice-President of the Board shall be absent or elects to vacate the chair or refuses to act, the election of the Chairman of the meeting;
- b) call to order by the Chairman and establish quorum;
- c) proof of notice of meeting or waiver of notice;

- d) reading and disposal of any unapproved minutes;
- e) reports of officers;
- f) reports of committees;
- g) financial report;
- h) appointment of auditors and solicitors;
- i) resignation of the Board;
- j) election of Board;
- k) unfinished business;
- l) new business; and
- m) adjournment.

VOTING BY SHOW OF HANDS

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

POLL VOTES

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

VOTING CALCULATION

34. 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. Notwithstanding anything to the contrary herein contained, the Chairman, if he determines such procedure is prudent, may hold a vote by secret ballot (one vote per Unit) in regard to election to the Board.

VOTES PERSONALLY OR BY PROXY

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

PROXIES

36. An instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney, and may be either general or for a particular meeting. A proxy need not be an Owner. A non-Owner carrying a proxy from an Owner is not eligible for election to the Board as a non-Owner.

ELIGIBILITY TO VOTE

37. An Owner is not entitled to exercise the power of voting conferred on the Owner by the Act or the Regulation where any contribution payable in respect of his Unit or any other obligation owing to the Corporation in respect of the Owner's Unit or Common Property is in arrears for more than thirty (30) days prior to the day that the power of voting may be exercised but the presence of any such defaulting Owner shall be included in the count for quorum constitution purposes pursuant to Bylaw 28.

VOTE BY CO-OWNERS

38. Votes by Co-Owners will be governed by the following terms:

- 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 Special Resolution is required by the Act, but anyone Co-Owner may demand a poll.
- b) On any poll, each Co-Owner is entitled to such part of the vote applicable to a Unit as is proportionate to his interest in the Unit. The joint proxy (if any) on a poll shall have a vote proportionate to the interests in the Unit of the joint Owners as do not vote personally or by individual proxy.

RESOLUTION OF THE OWNERS

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

SUCCESSIVE INTERESTS

40. Where Owners are entitled to successive interests in a Unit, the Owner entitled to the first interest (or if his interest is mortgaged by registered first mortgage notified to the Corporation, the mortgagee under such mortgage) is alone entitled to vote, whether on a show of hands or a poll, including those conducted electronically.

TRUSTEE VOTE

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

VOTING RIGHTS OF MORTGAGEE

42. Notwithstanding the provisions of these Bylaws with respect to appointment of a proxy, where the Owner's interest is subject to a registered mortgage and where the mortgage or these Bylaws or any statute provides that the power of vote conferred on an Owner mayor shall be exercised by the mortgagee and where the mortgagee has given written notice of its mortgage to the Corporation, no instrument or proxy shall be necessary to give the mortgagee the said power to vote. The mortgagee's power to vote shall be limited by the Owner's failure to pay contributions as set forth in the Act.

VIOLATION OF BYLAWS

43. Where there is a violation of these Bylaws:

- a) Any infraction or violation of or default under these Bylaws or any rules and regulations established pursuant to these Bylaws on the part of an Owner, his servants, agents, licensees, invitees 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, in correcting, remedying or curing such infraction, violation or default shall be charged to such Owner and shall be added to and become part of the assessment of such Owner for the month next following the date when such costs or expenses are expended or incurred (but not necessarily paid) by the Corporation and shall become due and payable on the date of payment of such monthly assessment and shall bear interest both before and after judgment at the Interest Rate until paid.
- b) The Corporation may recover from an Owner by an action for debt in any court of competent jurisdiction any sum of money which the Corporation is required to expend as a result of any act or omission by the Owner, his servants, agents, licensees, invitees or tenants, which violates these Bylaws or any rules or regulations established pursuant to these Bylaws and for which ten (10) days prior written notice has been given by the Corporation and there shall be added to any judgment, all costs of such action including costs as between a solicitor and his own client. Nothing herein shall be deemed to limit any right of any Owner to bring an action or proceeding for the enforcement and protection of his rights and the exercise of his remedies.

- c) If the Board determines that a breach of any Bylaw has occurred, it may, by resolution, cause a notice to be delivered to the Owner alleged to be in breach specifying the nature and the particulars of the breach, and specifying a reasonable time in which the breach is to be rectified. The time specified shall be no earlier than ten (10) days from the date the notice is delivered to the Owner allegedly in breach. Upon resolution, the Board may impose a reasonable non-monetary or monetary sanction, the minimum monetary sanction to be Fifty (\$50.00) Dollars to a maximum monetary sanction of Ten Thousand (\$10,000.00) Dollars, to be leviable upon the expiry of the time specified to rectify the breach if the breach has not been rectified. The notice alleging the breach shall also specify the non-monetary or monetary sanction to be levied if the breach is not rectified. If a tenant of an Owner is alleged to be in breach, the notice shall also be served on the tenant and it shall specify whether the Owner, the tenant, or both are liable for payment of the monetary sanction. Each day of a continuing breach shall be deemed a contravention of a Bylaw.
- d) Where a person fails to abide by a non-monetary sanction or to pay to the Corporation a monetary sanction imposed hereunder, the Corporation may proceed under Section 36 and/or Section 67 of the Act to enforce the sanction.
- e) A sanction may not be imposed that has the effect of prohibiting or restricting the devolution of Units or any transfer, lease, mortgage or other dealing with the Units or of destroying or modifying any easement implied or created by the Act.
- f) Any member of the Board who observes that an Owner or his agents, licensees or invitees are violating the provisions of Bylaw 62b)xx) may contact the RMWB Police requesting that any vehicle parked or left on the Common Property or in a Parking Unit in violation of the said Bylaw may be removed therefrom and be impounded in a pound maintained for that purpose. The Unit Owner will be responsible for all costs including towing charges and recovery of the impounded vehicle. The Corporation will not be responsible for any damage caused to the Common Property or the Parking Unit by such towing, or to the violator's vehicle while on the Common Property or at any time while the infraction is being remedied.

AMENDMENT OF BYLAWS

44. These Bylaws, or any of them, may be added to, amended or repealed by Special Resolution of the Corporation and not otherwise. The Corporation shall cause to be prepared and distributed to each Owner and mortgagee who has notified its interest to the Corporation, a notice or memorandum of any proposed amendments, additions or repeal at least fifteen (15) days prior to the date of any such Special Resolution.

DAMAGE OR DESTRUCTION

45. Damage or destruction shall be governed by the Board in the following manner:

- 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) percent 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 to advise the Owners that substantial damage has occurred. At least seven (7) days' notice of such meeting must be given by registered mail to all Owners and mortgagees who have given notice.

Unless there has been substantial damage and the Owners resolve by Special Resolution not to proceed with repair or restoration within one hundred and twenty (120) 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. Costs of repair and restoration within the deductible of any insurance coverage shall constitute a Common Expense, unless otherwise charged to an Owner under Bylaw 46.

Where there has been substantial damage and the Owners resolve by Special Resolution within one hundred twenty (120) 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:

- b) 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
- c) 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.

- d) 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.
- e) No Owner shall be entitled to claim any compensation from the Corporation for any loss or damage to the property or person of the Owner arising from any defect or want of repair of the Common Property or any part thereof, unless such loss or damage is covered by the insurance held or required to be held by the Corporation pursuant to the Act or these Bylaws, whichever is the greater.
- f) 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.
- g) Notwithstanding anything to the contrary herein expressed or implied, each Owner shall be responsible for damage caused to all items in any Unit or the Common Property by himself, members of his family, his tenants or members of their families, his invitees and contractors or licensees that are not required by these Bylaws to be insured against by the Corporation (or in fact insured against by it whether required or not but only to the extent of the insurance deductible). Should any Owner fail to repair such damage in a manner satisfactory to the Board or its representative then the Board or its representative may do or cause to be done such repair; and the Owner affected agrees to and shall reimburse the Corporation for all monies expended for labour, materials, normal overhead and profit and all costs incurred in collection in respect of the doing of such repairs and the Board or its representative may use all or any of the remedies open to it as hereinafter set out to recover such monies for the Corporation together with interest thereon as herein provided for overdue assessments and such monies 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.

INSURANCE

46. The insurance of the Corporation shall be governed by the Board in the following manner:

- a) The Board, on behalf of the Corporation, shall obtain and maintain, subject

always to the Act, and in particular, Section 47 thereof, the following insurance:

- i) Fire insurance with extended coverage endorsement for such perils as required by the Act (the perils insured against shall be "all risks" as that term is generally understood, in the insurance business, of physical loss or damage) insuring:
 - (A) all of the insurable Common Property;
 - (B) all insurable property of the Corporation, both real and personal of any nature whatsoever;
 - (C) all of the Units including all improvements and betterments made to the Units of which the Board has knowledge and all bathroom and kitchen fixtures (BUT EXCLUDING furnishings and other personal property of each Owner whether or not installed in the Unit), for the full replacement cost thereof, without deduction for depreciation; and insuring the interests of and naming as insureds;
 - (i) all Owners from time to time;
 - (ii) all mortgagees who have given written notice to the Corporation;
 - (iii) the Corporation; and
 - (iv) the Board of Directors and any person referred to in Bylaw 17 hereof;

(hereinafter collectively called the "Insureds") as their respective interests may appear;
- ii) Boiler and vessel insurance if any boilers and vessels exist, and elevator insurance;
- iii) Public liability insurance insuring the Insureds against any liability to the public and/or to the Owners and their invitees, licensees or tenants, incidental to the ownership and/or use of the Common Property and such insurance shall be limited to liability in an amount not less than Two Million (\$2,000,000.00) Dollars inclusive for bodily injury and/or property damage per occurrence;
- iv) Directors and Officers liability insurance, including errors and omissions coverage, in such amounts and with such deductible as the Board may determine, insuring the Board and every member thereof from time to time and all employees of the Corporation from

and against all loss, costs, and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a member or officer of the Board;

- v) Liability insurance for the Corporation arising out of a breach of duty as the occupier of the Common Property;
 - vi) Liability insurance for the Corporation arising out of the ownership, use or operation of any machinery, Equipment, and vehicles;
 - vii) Such other insurance and coverage for such other risks or causes as the Board may determine or as may be determined by Special Resolution; and
 - viii) For the purposes of any insurance obtained and maintained by the Corporation pursuant to this Bylaw 46 or pursuant to the Act, it is reasonable in the circumstances of this Corporation for that insurance coverage to contain, among other limitations, exceptions, exclusions or restrictions, a deductible in an amount agreed to by the Board and the insurer.
- b) Each and every said policy of insurance shall name the Insureds and shall, as available and where applicable, provide:
- c) that in no event shall insurance coverage be brought into contribution with insurance purchased by any Owner or mortgagee and such Corporation insurance shall be deemed as primary insurance;
 - ii) standard mortgage endorsements (IBC 3000 or its equivalent) attached to each such policy;
 - iii) a waiver by the insurer of its rights of subrogation against the Corporation, its Manager, agents, employees and servants, and the Owners and any member of the household or guests of any Owner, except for arson, fraud and vehicle impact;
 - iv) the policy shall be written on a stated amount basis;
 - v) a cross liability endorsement wherein the rights of any Insured shall not be prejudiced with respect to another Insured and the insurance indemnities each insured as if a separate policy had been issued to each Insured; and
 - vi) subject to sub-clause (g) below, the Corporation shall obtain and pay for all glass insurance for the Project.

- c) Annually, the Board shall obtain an appraisal or appraisal update from a duly qualified appraiser setting out the full replacement cost of the Common Property, Units, and all of the property of the Corporation. A copy of such appraisal or appraisal update shall be delivered to each mortgagee who has given written notice of his mortgage to the Corporation. The Board shall forthwith obtain insurance coverage under any and all such policies of insurance in accordance with such appraisal or appraisal update to insure the full replacement value as set forth in such appraisal or appraisal update. In addition to such insurance coverage for the replacement value of the Common Property, Units and any other property of the Corporation, the Board shall review and adjust the level of insurance coverage for other risks (INCLUDING liability) to such amounts and levels required by and as would be maintained by an Owner of similar property in the locality in which the condominium property is situate.
- d) A certificate or memorandum of all insurance policies and endorsements thereto shall be provided by the Board, or by the Manager on its behalf, as soon as practicable to each of the Insureds upon written request therefor, and a duplicate original or certified copy of each such policy shall be forwarded upon request as aforesaid to each mortgagee who has in writing notified the Corporation of its interest. Further, a renewal certificate or memorandum of new insurance policies shall be furnished to each Insured upon request. The Master policy of all insurance coverage shall be retained by the Corporation in its offices, and shall be "available for inspection by any and all of the Insureds upon reasonable request.
- e) Notwithstanding anything aforesaid, all proceeds of insurance on loss or claim shall be paid to the Insurance Trustee (if any) or the Corporation, and exclusive authority to adjust losses and settle proceeds under all insurance policies shall be vested in the Board or its authorized representative, and the Insurance Trustee (if any) and any expenses of the Insurance Trustee shall be treated as Common Expenses of the Corporation.
- f) The Owners may, and upon written request of any mortgagee shall, carry insurance on their own Units as permitted by the Act provided that the liability of the insurers issuing insurance obtained by the Board hereunder shall not be affected or diminished by reason of insurance so carried by any Unit Owner AND PROVIDED FURTHER that neither the Corporation nor the Board shall be required or have any duty to insure the interests of tenants against liability or the interests of tenants or Owners for their belongings, contents or other property. The insuring of any contents within a Unit is the sole responsibility of the Owner, tenant or occupier of the Unit and they shall not require the Corporation or the Board to repair any damage to any contents or personal property within or to the Unit however caused.

- g) In the event a claim is made under any insurance policy of the Corporation and the Board, in its sole discretion and acting reasonably, determines that the Owner (or members of his family, his tenants or members of their families, his invitees, contractors or licensees) is responsible for the loss or damage that gave rise to the claim, the Corporation may recover the deductible portion of the claim from that Owner and such amount shall be recoverable by the Corporation as a contribution due to the Corporation from the Owner for the amount of the deductible and all costs, charges and liabilities associated therewith, and with the collection thereof, incurred by the Corporation.

CONTRIBUTIONS FOR COMMON EXPENSES AND BUDGETS

47. The particulars that govern the contributions for Common Expenses and budgets shall include that:

- a) The Common Expenses of the Corporation shall be paid by the Unit Owners in proportion to the Unit Factors for their respective Units or as otherwise set forth herein and, without limiting the generality hereof, shall include the following:
- b) All levies or charges on account of garbage and/or recycling removal, electricity, water, sewer, gas and fuel services and television antenna or cable services (if any) supplied to the Corporation for the Project and for the benefit of all Owners and not charged directly to anyone Owner either by meter or otherwise;
 - ii) Management fees and Insurance Trustee fees, if any, wages, salaries, taxes and other expenses payable to or on account of employees or independent contractors of the Corporation;
 - iii) All the charges on account of cleaning or sweeping of parking areas, lawn maintenance and landscaping and for clearing snow and debris from Common Property as designated herein;
 - iv) All charges on account of lighting fixtures situated on any Unit owned by the Corporation or on Common Property except the bulbs in the exterior light fixture(s) on a Unit;
 - v) All charges on account of maintenance for any Unit owned by the Corporation, or those portions of a Unit or Common Property for which the Corporation is responsible under these Bylaws;
 - vi) All costs of furnishings, tools and equipment for use in and about the Project facilities or amenities including the repair, maintenance or replacement thereof;

- vii) All insurance costs in respect of the insurance for which the Corporation is responsible under these Bylaws and/or the Act;
 - viii) All charges incurred by the Corporation on account of maintenance, operation, repair or restoration of any Unit or the Common Property, either in the absence of insurance coverage or within the deductible of insurance coverage;
 - ix) All costs of and charges for all manner of consultation, professional and servicing assistance required by the Corporation including without limiting the generality of the foregoing all legal, accounting, auditing and engineering (INCLUDING Capital Replacement Reserve Fund studies) 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 costs of the building;
 - xii) The cost of maintaining fidelity bonds as provided in these Bylaws;
 - xiii) The cost of borrowing money for the purpose of carrying out the duties and objects of the Corporation;
 - xiv) The allocable or pro rata portion of the cost of any electricity taken from any exterior plug which is billed directly to an Owner by the provider of such electricity and which is used by the Corporation for purposes of operating or maintaining Common Property.
- b) At least fifteen (15) days prior to the end of each fiscal year the Corporation shall deliver or mail to each Owner at the municipal address of his Unit or to such other address as notified to the Manager or the Corporation:
- 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 the Unit Factors for their respective Units EXCEPT, in the sole discretion of the Board, acting reasonably:
 - (A) any expenses which should be paid on a per Unit basis, rather than a Unit Factor basis, to be fair and equitable may be so charged;