

LITTLE BOW RESORT

BYLAWS OF THE OWNERS: CONDOMINIUM PLAN NO. 931 1680

DEFINITIONS AND INTERPRETATIONS

1.1 In these Bylaws 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 or amendment thereof;
- b) "Architectural Standards" means those limitations and specifications limiting, restricting and otherwise affecting the use and appearance of the units, including any improvements thereto, all as prescribed by the Board from time to time;
- c) "Board" means the Board of Directors of the Corporation;
- d) "Boat Sheds" means the buildings and all related improvements situated on Unit 5 that were built by the Developer for the purpose of providing additional storage for Owners, the cost of which is shared by holders of the rights to the storage areas in each building;
- e) "Boat Shed Registry" means a written record prepared and maintained by the Corporation from time to time, listing the holders of the rights to each storage area;
- f) "Building" means for the purposes of the Bylaws and the Act any building erected on a Unit which shall thereupon become part of the Unit;
- g) "Bylaws" means the Bylaws of the Corporation, as amended from time to time;
- h) "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;
- i) "common expenses" (elsewhere commonly referred to as "condominium fees" or "special assessments") means the expense of performing the objects and duties of the Corporation and any other expenses specified as common and reserve expenses in these Bylaws and may include expenses incidental to the property of the Corporation or the common property or expenses incurred by the Corporation behalf of all owners;

- j) "common property" means any portions of the condominium plan lands which are designated as common property and so much of the Parcel as is not comprised in or does not form part of any unit, including all underground utilities and lines and shall include the common property units owned by the Corporation for the benefit of all owners;
- k) "condominium plan" means the bare land condominium plan registered at the Land Titles Office under the Act as No. 931 1680 and includes any redivision plans registered under the Act;
- l) "Corporation" means the corporation constituted under the Act by the registration of the condominium plan whose legal name is "Condominium Corporation No. 931 1680";
- m) "Developer" means Little Bow Resort Inc.;
- n) "General Meeting" includes both Annual and Extraordinary General Meetings and means those meetings, held upon notice to all members of the Corporation, at which all such members or their proxies are entitled to be present, and if qualified, to vote;
- o) "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 shall be the Board;
- p) "Interest Rate" means eighteen (18%) per cent per annum or such lesser or greater rate as is equal to the maximum rate permitted under the Regulation to the Act;
- q) "Manager" means any property manager contractually employed or appointed by the Board from time to time to manage the day to day affairs of the Corporation;
- r) "occupant" or "tenant" means the rightful and lawful occupant or lessee of a unit, whether or not the occupant is an owner, and includes all family members, invitees, licensees, servants and guests of such occupant or tenant;
- s) "ordinary resolution" means a resolution:
 - i) passed at a properly convened meeting of the Corporation by a

majority of not less than 51% of all the persons present at such meeting and entitled to exercise the power of voting conferred under the Act or these Bylaws; or

- ii) in writing signed by not less than 51% of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the power of voting conferred by the Act or these Bylaws and representing not less than 5001 of the unit factors for all of the units;
- t) "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 61, that term includes a tenant;
- u) "parcel" means the land comprised in the condominium plan;
- v) "project" means all of the real and personal property and fixtures comprising the parcel land which constitute the units and common property;
- w) "Recreation Vehicle or Trailer" means a portable structure intended as temporary accommodation for travel, vacation or recreational use. Such a structure includes a pull trailer, motor home, park model or fifth wheel trailer (excluding a tent trailer or camper)
 - i) Motor Home - A vehicular portable structure of self-propelled design;
 - ii) Pull Trailer and Fifth Wheel Trailer - A vehicular portable structure intended to be towed by a motor vehicle and that does not fold up or reduce in size;
 - iii) Park Model - A vehicular portable structure that is generally permanently parked in a recreational vehicle park;
- x) "special resolution" means:
 - i) a resolution passed at a properly convened meeting of the Corporation, of which at least seven (7) days' notice specifying the proposed resolution has been given, by a majority of not less than 75% of all the persons entitled to exercise the power of voting conferred under the Act or these Bylaws and representing not less than 7500 of the unit factors for all the units; or
 - ii) a written resolution signed by not less than 75% of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the power of voting conferred by the Act or these Bylaws and representing not less than 7500 of the unit factors for all

the units;

- y) "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*, respecting subdivision surveys;
- z) "unit factor" means that fraction expressed in ten-thousandth shares that each unit owns in the common property and as is more particularly specified or apportioned and described in and set forth on the bare land condominium plan;
- aa) "Utility Expenses" means expenses incurred by the Corporation to supply utilities or services to one or more units allocated pursuant to subsection 4 i) to the units so supplied.

DEFINITIONS - INTERPRETATION

1.2 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* 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.

NUMBER AND GENDER

1.3 Words importing the singular number also include the plural, and vice versa, and words importing the masculine gender include the feminine gender or neuter, and vice versa, and words importing persons include firms and corporations and vice versa, where the context so requires.

MISCELLANEOUS PROVISIONS

2. a) 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 any thing to which such repair could be made.

DUTIES OF THE OWNERS

3. An owner SHALL:

a) repair, maintain and replace:

- i) the interior and exterior of the Building on his unit and all improvements and additions thereto;
- ii) all windows, doors and roof of the Building on the unit; and
- iii) all exterior features including but not limited to driveways, walkways, decks, patios and all landscaping improvements;

b) not construct, erect, install or place any Building, structure, improvement, dwelling, or landscaping of any kind, type or shape whatsoever on his unit EXCEPTING ONLY those which comply in every respect with the Architectural Standards and have been approved by the Board;

c) i) be entitled for four (4) years from the acquisition date of the unit by the first owner from the Developer to bring on to the unit only one (1) Recreational Vehicle or Trailer as approved in writing, by the Board. Prior to the expiration of the said four (4) year period, unless approved in writing by the Board, an owner must build a permanent approved Building on the unit;

ii) with respect to any such Recreational Vehicle or Trailer brought onto a unit, meet any requirements stipulated by the Board with respect to age and general condition of that vehicle;

- iii) not remove any tree or modify or replace any fire pit on his unit without first obtaining the written consent of the Board;
- iv) ensure that all plans for construction on or development or alteration of a unit, including any building, concrete work, landscaping and placing of vegetation, are approved, in writing, by the Board, which may charge a reasonable fee for its review of such plans. The plans must be full detailed drawings of the proposed construction, changes or alterations to the unit or the structures thereon. All alterations must be highlighted;
- v) with respect to any work on, development of, construction or alteration of a unit approved by the Board comply with the following:
 - A) all applicable permits (if required) must be obtained prior to the commencement of any construction, changes or alterations;
 - B) the work must be completed within One Hundred and Eighty (180) days;
 - C) the work must be carried out between the hours of 8:00 a.m. and 6:00 p.m. on weekdays and 9:00 a.m. and 6:00 p.m. on Saturdays, Sundays or Statutory Holidays;
 - D) the work must be done by bonded contractors approved by the Board or, with the written approval of the Board, by the owner himself;
 - E) all set back requirements of the Board and any governmental agency having jurisdiction must be followed;
 - F) the work must comply with the current National Building Code, Alberta Building Code and Canadian Electrical Code. These codes shall govern all construction;
 - G) the Board must approve all tradesmen. Tradesmen must be licensed, bonded and carry Workers Compensation and liability insurance;
 - H) failure to comply with the Bylaws may result in removal by the Board of unauthorized construction, changes or alterations to units or structures thereon at the expense of the owner;

- I) building elevations and height must be situated such that the construction of any building does not completely block the view of any other lot or building, the elevations or heights to be as specified in the approved plans;
- J) proposed exterior treatments must be acceptable to the Board and must be specified in the application to the Board for approval, and shall be limited to wood siding, stucco, vinyl, metal or composite siding using earthtone colours, local stone or natural coloured brick, singly or in combination. Highlights of primary colour may be utilized;
- K) all dwellings, in their design must recognize the slope aspect of each lot and the suitability of the dwelling design to that lot;
- L) all cottage lots will have mandatory front drive access with on-site parking for at least two vehicles;
- M) Corner Lot Restriction - on a corner lot, nothing shall be erected, placed, planted or allowed to grow in such a manner as to materially impede vision between a height of four (4) feet above the centre line grades of the intersecting streets in the area bounded by the property lines of such corner lots joining points along the property line twenty-five (25) feet from the point of the intersection;
- N) Fencing - although fencing is discouraged, no fence shall exceed five (5) feet six (6) inches above ground level, subject to the approval of the Board and common fences on parks shall require a two-thirds majority of the owners, the cost being assessed as a special condominium fee assessment;
- O) Setbacks - no building or portion thereof, including cottages, garages, carports, awnings or porches shall be closer than five (5) feet from a side, twenty (20) feet from the front or twenty-five (25) feet from the rear property line;
- P) Cottage Construction - shall be to conventional house building standards and shall be either conventional "stick built construction" or prefabricated home construction erected on site. Prefabricated homes, modular homes or pre-assembled log homes built off-site to be moved onto the resort shall be to conventional building standards and shall require the written approval of the Board. Mobile homes and used dwellings to be moved onto the resort are strictly prohibited.

- Q) attached garages are encouraged. Where garages are used apart from the main dwelling, they shall employ similar construction materials to that of the main dwelling;
 - R) the owner must landscape the unit in a manner satisfactory to the Board;
 - S) no development or construction may be commenced without first obtaining a development permit or its equivalent from the Developer or the Board;
 - T) an owner acknowledges that, in addition to the afore-described restrictions, he/she shall not be entitled to construct upon the property buildings, fixtures or any improvements of any nature of kind without supplying the Developer or the Board with one complete set of construction plans drawn to scale to be kept on file showing site location on the unit, size in square feet or metres, side and front elevations and exterior finishing material; and receiving written permission from the Developer or the Board.
- d) duly and properly maintain and keep his unit in a good state of cleanliness and repair and, in so doing, shall:
- i) forthwith and promptly carry out and complete any work that may, from time to time and at any time, be ordered by any municipal or public authority in respect of his unit;
 - ii) repair, maintain and keep in a neat, clean and tidy state and appearance consistently with and in total integrity with the balance of the project his unit and all improvements and additions thereto and thereon and, if he fails to do so, 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 57 shall apply;
 - iii) not make repairs, additions, or alterations to his unit, the common property, or any common plumbing, common mechanical or common electrical systems within his unit or improvements thereon without first obtaining the written consent of the Board;
 - iv) not do any act or permit any act to be done, or alter or permit to be altered, his unit, in any manner whatsoever, which will alter the

- appearance or grade of his unit or any other unit without the prior written consent of the Board;
- v) not do or permit anything to be done that may cause damage to or will alter the appearance or grade of any of the common property without first obtaining the written consent of the Board;
 - vi) not to permit anything to be done on his unit or upon the common property (including the failure to do anything) which will or would tend to increase the risk of hazard of the rate of insurance premiums with respect thereof or which would render invalid any insurance maintained by the Corporation;
 - vii) comply strictly with these bylaws and the Architectural Standards in respect of the maintenance, repair, and cleanliness of, either or both, his unit and the common property and cause all adult occupiers of and visitors to his unit to similarly comply;
- e) subject always to the Act, permit the Corporation and its agents, at all reasonable times on a minimum of twenty-four (24) hours written notice (except in case of emergency when no notice is required), to come onto his unit for the purpose of:
- i) inspecting the unit and maintaining, repairing, renewing or operating common property or to ensure the operation of the common property including all pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities and capable of being used in connection with the enjoyment of any unit or common property;
 - 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;
 - v) monitoring the use of any utility;
- f) pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his unit;
- g) use and enjoy his unit and the common property in accordance with these bylaws, the Architectural Standards 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;

- h) 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) of the family of such an occupier;
- i) notify the Corporation forthwith upon any change of ownership or of any mortgage, lease or other dealing in connection with his unit;
- j) pay to the Corporation (or if requested to the Manager) when due all contributions levied or assessed against his unit together with interest on any arrears thereof at the Interest Rate calculated from the due date and the Corporation is hereby permitted to charge such interest in accordance with Section 40 of the Act;
- k) pay to the Corporation by way of reimbursement all expenses incurred by the Corporation which are wholly attributable to his unit or which are the subject of indemnification;
- l) obtain insurance on his unit including the Building thereon for property damage and liability;
- m) if he wishes the Corporation to respond to his suggestions, questions or complaints, express them in writing placed in an envelope delivered to a Board Member or 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 Board or the Manager;
- n) 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 solicitor and his own client indemnification basis;
- o) indemnify the Corporation for damage to or the cost of repairing or replacing damage to any part of the 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;
- p) pay to the Corporation on demand any bank charges or Corporation charges for any late or "NSF" cheque written by such owner;
- q) comply with the requirements of Alberta Environment Standards and Approvals Division who have approved the potable water service and wastewater treatment and disposal facilities provided by the Condominium Corporation, its successors or assigns, based on seasonal usage of the

wastewater facility, the facility being capable of providing service to not more than 10% of the total projected users on a non-seasonal basis;

- r) comply with the requirements of the restrictive covenant registered against those lands contained in Units 5 and 6 of the Condominium Plan 931 1680 and any redivision of the same.

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, any recreational facilities, the caretaker's home, the water treatment plant, the storage yard, the overnight camping area, 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;
- 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 more than one 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 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) collect and received all contributions towards the common expenses and deposit same in a separate trust account with a chartered bank or trust company or Province of Alberta Treasury Branch or Credit Union incorporated under the *CREDIT UNION ACT*;
- f) subject always to and in accordance with the Act and any Regulation passed pursuant thereto, 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 real and personal property owned by the Corporation, all of the recreational facilities and amenities described in Bylaw 4 (a) and the common property where the repair or replacement is of a nature that does not occur annually. Funds shall not be taken from the Capital Replacement Reserve Fund for the purposes of making capital additions unless such additions 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;

- g) pay all sums of money properly required to be paid on account of all services, supplies and assessments pertaining to or for the benefit of the project, the Corporation and the owners as to the Board may seem justifiable in the management or administration of the entire project;
- h) remove ice, snow, slush and debris from and keep and maintain in good order and condition all areas of the common property designated for vehicular or pedestrian traffic or visitor parking and keep and maintain in good order all grassed or landscaped areas of the common property; excepting grassed and landscaped areas within the units;
- i) pay for utilities or services supplied to one or more units, allocate the amount so paid to the units supplied from a common utility meter or supplied with the service, equally among the units so supplied without regard to actual use of the utility or service supplied or on such other basis as the Board may determine, and recover the amount allocated as owners contributions;
- j) at all times keep and maintain for the benefit of the Corporation and all owners copies of all drawings and specifications, plans, written agreements, certificates and approvals provided to the Corporation pursuant to Section 46 of the Act;
- k) not plant any trees or substantial landscaping or make any unauthorized grade changes within any lands which are the subject of an easement or similar grant to any utility company, municipality or local authority;
- l) operate on a continuous basis a water supply and wastewater facility for the purpose of providing a potable water supply and for wastewater treatment and disposal. The design, construction, operation and maintenance of the said water supply and wastewater treatment and disposal facility shall be

subject to the approval of Alberta Environmental Protection Standards and Approvals Division.

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%) 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 of part of the common property, any such grant to be terminable on reasonable notice, unless the Corporation by special resolution otherwise resolves and the Corporation may delegate its responsibility to care for and maintain that area or those areas to that owner;
- 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 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 amounts so determined by levying contributions on the owners equally 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) provide and maintain a fund to pay expenses not properly chargeable to the Capital Replacement Reserve Fund or maintenance expenses. The fund shall be called a contingency fund and shall be used to cover the cost of unexpected or abnormal repair or expense not budgeted or not covered by the operating budget or the Capital Replacement Reserve Fund;
- m) join any organization serving the interests of the Corporation and assess the membership fee in such organization as part of the common expenses;
- n) do all things which are, either or both, incidental or conducive to the exercise of its powers granted under the Act and the Bylaws;
- o) subject to any limitations and prohibitions contained in the Act, these Bylaws or 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;
- p) purchase, acquire, own and operate real property (provided such real property is a unit) for the general use or benefit of some or all of the owners or employees of the Corporation, and acquire and grant (as the case may be) rights to joint access or mutual use (including entering into and observing and performing any agreement for joint or mutual administration and management thereof) to shared services or facilities;
- q) levy penalties by way of monetary sanctions, or commence such other proceedings as may be available, for the contravention of any Bylaw.

6. The powers and duties of the Corporation shall, subject to any valid restriction imposed or direction given at a General Meeting, be exercised and performed by the Board.
NUMBER ON BOARD

7. a) The Board shall consist of not less than three (3) nor more than seven (7) owners, spouses of owners or representatives of mortgagees who have notified their interests to the Corporation and the Board shall be elected at each annual general meeting (although members may also be elected at an extraordinary general meeting). 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.
- 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. Each Board member shall be elected for a one (1) year term. At each Annual General Meeting of the Corporation all the members of the Board shall retire from office and the Corporation shall elect new Board members accordingly.

ELIGIBILITY FOR RE-ELECTION TO BOARD

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

REMOVAL FROM BOARD

10. The Corporation may, by ordinary 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) or six (6) members and four (4) where it consists of seven (7) members. Any member of the Board may waive notice of a meeting before, during or after the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting.

OFFICERS OF THE CORPORATION

13. At the first meeting of the Board held after each Annual General Meeting of the Corporation, the Board shall elect from among its members a President, a Vice-President, a Treasurer and/or a Secretary who shall hold their respective offices until the conclusion of the next Annual General Meeting of the Corporation or until their successors are elected or appointed. The President shall be the Chairman of the Board and shall have a casting vote in addition to his original vote. A person ceases to be an officer of the Corporation if he ceases to be a member of the Board. Where a person ceases to be an officer of the Corporation, the Board shall designate from its members a person to fill that office for the remainder of the term. A person 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 municipality in which the units are located unless the owners agree, by ordinary resolution, at an annual general meeting, 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. 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 all of the members shall have the same effect as a resolution passed at a meeting of the Board duly convened and held.
- c) Where a Board member has a material interest in any agreements or transactions to which the Corporation is to become a party, that Board member must disclose his interest and refrain from voting on such agreement or transaction.
- d) All meetings of the Board shall be conducted in accordance with the rules of procedure as established by 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 of any professional real property management firm or professional real property manager or agent or contract employee for such purposes (INCLUDING but not so as to limit the generality of the foregoing the supervision, management and performance of any or all of the duties of the Corporation) and upon such terms as the Board may from time to time decide SUBJECT ALWAYS to the control and direction of the Corporation and the Board, such Manager to be

reasonably fit and suited to perform such duties. The Manager employed by the Board need not devote its full time to the performance of duties of the Corporation so long as those duties are performed in a good and sufficient fashion. If under such contract the Manager holds funds for the Corporation, the contract shall require the Manager to arrange or maintain a fidelity bond owned by and in the name of the Corporation and for the benefit of the Corporation and such bond shall be in an amount required by the Corporation but in any event not less than:

- i) the total amount of any replacement reserve funds in the hands of or controlled by the Manager; and
 - ii) one year's total condominium contributions of the Corporation or 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;
- 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 imposed 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 so 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 or cause to have prepared financial statements comprising proper accounts relating to all monies of the Corporation, and the income and expenditure thereof, for each Annual General Meeting. Such financial statements shall be prepared in accordance with generally accepted accounting principals;
- 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, within twenty-eight (28) days, 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 by an independent chartered accountant or a certified general 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, a copy of the audited Financial Statements 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 at the Annual General Meeting and, in any event, within ninety (90) days of the end of the fiscal year of the Corporation. The report of the Auditor shall be submitted to each Annual General Meeting of the Corporation. Any obligations under this bylaw may be waived upon the passing of an ordinary resolution of the owners 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) 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 the members of the Board;
- k) file or cause to be filed at the Land Titles Office a notice in the prescribed form of any change in the address for service of the Corporation.

DEFECTS IN APPOINTMENTS TO BOARD

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

VACATING OFFICE OF BOARD MEMBER

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

- a) by notice in writing to the Corporation resigns his office; or
- b) dies; or
- c) is in arrears more than thirty (30) days of any contribution, levy or assessment required to be made by him as an owner; or
- d) becomes bankrupt; or
- e) becomes of unsound mind, or is the subject of a Certificate of Incapacity issued under the *MENTAL HEALTH ACT*; or
- f) is convicted of an indictable offence for which he is liable to imprisonment; or
- 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; or
- h) ceases to qualify for membership pursuant to Bylaw 7; or
- i) 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
- j) or his spouse, 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.

ANNUAL GENERAL MEETINGS

23. An Annual General Meeting shall be held once in each calendar year, and not more than fifteen (15) months shall elapse between the date of one Annual General Meeting and that of the next. Each such meeting shall be held within the municipality or municipal district on which the units are located unless the owners agree, by ordinary resolution, 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 ten (10%) per cent 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 ten (10%) per cent of the total unit factors or a combination of such owners or mortgagees entitled to vote with respect to ten (10%) per cent 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. a) All business that is transacted at an Annual General Meeting, with the exception of the consideration of accounts, appointment of the auditor and election of members to the Board, or at any Extraordinary General Meeting, shall be deemed special business. Items of special business must be set forth in the notice of General Meeting.
- b) All General Meetings of the Corporation shall be conducted in accordance with the rules of procedure as established by the Board.
- c) Subject to paragraph 27 d) below, motions from the floor may be voted upon at a General Meeting.
- d) No item of Special Business, voted upon and passed at a General Meeting, shall be effective to direct or limit the exercise by the Board of any authority, power or discretion vested in it under the Act or these Bylaws unless notice of such Special Business was mailed to all known addresses of persons eligible to vote (and delivered to all other persons at the Corporation's address) not less than seven (7) days before the General Meeting, stating:
- i) the nature of such Special Business in sufficient detail to permit an owner or mortgagee to form a reasoned judgement on that business was set out in the notice; and
 - ii) the text of any resolution to be submitted to the General Meeting concerning such Special Business was included with the notice.

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 one-tenth (1/10) of the persons entitled to vote representing not less than 1000 of the unit factors present in person or by proxy shall constitute a quorum.

ADJOURNMENT FOR LACK OF QUORUM

29. If within five (5) minutes from the time appointed for a General Meeting a quorum is not present, the meeting shall stand adjourned for ten (10) 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 of General Meetings;
- e) reports of officers;
- f) reports of committees;
- g) consideration of financial report;
- h) appointment of auditors and solicitors;

- i) resignation of Board;
- j) election of Board;
- k) unfinished business;
- l) new business;
- m) adjournment.

VOTING BY SHOW OF HANDS

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

POLL VOTES

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

VOTING CALCULATION

34. On a show of hands, each 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.

ELIGIBILITY TO VOTE

37. Except in cases where by or under the Act a special resolution is required, no owner is entitled to vote at any General Meeting unless all assessments payable in respect of his unit have been duly paid to the date thirty (30) days prior to the date of such meeting but the presence of any such defaulting owner shall be included in the count for quorum constitution purposes pursuant to Bylaw 28.

VOTE BY CO-OWNERS

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

RESOLUTION OF THE OWNERS

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

SUCCESSIVE INTERESTS

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

TRUSTEE VOTE

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

VOTING RIGHTS OF MORTGAGEE

42. Notwithstanding the provisions of these 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 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. 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. 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;
- 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 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.

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 the 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 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.

Where there has been substantial damage and the owners resolve by special resolution within one hundred and 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:

- 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 any unit or in or upon any part of the common property designated for the exclusive use of any unit owner.
- c) No owner shall be entitled to claim any compensation from the Corporation for any loss or damage to the property or person of the owner arising from any defect or want of repair of the common property or any part thereof, unless such loss or damage is covered by the insurance held or required to be held by the Corporation pursuant to the Act or these Bylaws, whichever is the greater.
- d) Where the Corporation is required to enter a unit for the purpose of maintaining, repairing or renewing pipes, wires, cables and ducts for the time being existing in the unit and capable of being used in connection with the enjoyment of any other unit or the common property, the Corporation and its servants, employees and agents shall in carrying out any work or repairs do so in a proper and workmanlike manner and shall make good any damage to the unit occasioned by such work and restore the unit to its former condition, leaving the unit clean and free from debris.
- 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 member of his family or his or their guests, servants, agents, invitees, licensees or tenants, but only to the extent that such expense is not met by the proceeds of insurance carried by the Corporation.

INSURANCE

45. 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 set forth in the Act and its Regulation (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; for the full replacement cost thereof, without deduction for depreciation; and insuring the interests of and naming as insureds; (C) all owners from time to time; (D) all mortgagees who have given written notice of their interests to the Corporation; (E) the Corporation; and (F) the Board and any person referred to in Bylaw 17 hereof (hereinafter collectively called the "Insureds") as their respective interests may appear;

EXCLUDING COVERAGE FOR THE BUILDINGS, IMPROVEMENTS AND BETTERMENTS ON THE UNITS WHICH SHALL BE INSURED BY EACH OWNER;

- ii) Boiler and vessel insurance if any boilers and vessels exist on the project;
- 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 enforcement of these bylaws and the ownership, control, management, administration and 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) Liability insurance, including errors and omissions coverage, in such amounts and with such deductibles 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 liabilities, charges, loss, costs, and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a manager or officer of the Corporation, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for fines or penalties imposed in a criminal suit or action or for unjustified profit or advantage or for any wrongful act done or

attempted in bad faith or dishonesty or for failing to discharge the duties of the office of a member of the Board honestly and in good faith;

- 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.
- b) Each and every said policy of insurance shall name the Insureds and shall, as available and where applicable, provide:
- i) that the policy may not be cancelled or substantially modified without at least sixty (60) days' prior written notice to all Insureds;
 - ii) that in no event shall insurance coverage be brought into contribution with insurance purchased by any owner or mortgagee and such Corporation insurance shall be deemed as primary insurance;
 - iii) standard mortgage endorsements (IBC 3000 or its equivalent) attached to each such policy;
 - iv) a waiver by the insurer of its rights of subrogation against the Corporation, its Manager, agents, employees and servants, and the owners and any member of the household of any owner, except for arson, fraud and vehicle impact;
 - v) a waiver by the insurer of any defence based upon co-insurance (provided that policies of physical damage insurance may contain co-insurance on a stated amount basis so long as the appraisal provisions of this Bylaw are met) or of invalidity arising from the conduct of or any omission or act or breach of a statutory condition by any Insured;
 - vi) a waiver of the insurer's option to repair, rebuild or replace in the event, that after damage, the status of the condominium is terminated; and
 - vii) a cross liability endorsement wherein the rights of any Insured shall not be prejudiced with respect to another Insured;

- c) 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, all of the recreational facilities and amenities described in Bylaw 4 (a) 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 and any other property of the Corporation, the Board shall review and adjust the level of insurance coverage for other risks (INCLUDING liability) to such amounts and levels required by and as would be maintained by an owner of similar property in the locality in which the condominium property is situate;
- d) A certificate or memorandum of all insurance policies and endorsements thereto shall be issued by the Board, or by the Manager on its behalf, within Ten (10) days from the day of receiving a request therefor from a purchaser, owner or mortgagee of a unit and a duplicate original or certified copy of each such policy shall be forwarded within Thirty (30) days from the day of receiving that request from a purchaser, owner or mortgagee of a unit. Further, a renewal certificate or memorandum of new insurance policies shall be furnished to each Insured. The original policies 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, and subject to the terms of any Insurance Trust Agreement, all proceeds of insurance on loss or claim shall be paid to the Insurance Trustee 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; provided that 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 owners or tenants against liability or for their belongings, contents or other property.

- g) In the event an owner incurs or suffers damage or loss any part of his unit and/or the common property adjacent thereto that is covered or insured under any insurance policy of the Corporation and such owner elects to pursue recovery of such loss or damage under any insurance policy of the Corporation, such owner shall be responsible for and pay the full amount of any deductible on such claim if, in the sole opinion of the Board acting reasonably, such damage or loss was caused by or arose out of any act or omission by such owner, his servants, agents, licensees, invitees or tenants and such amount shall be recoverable by the Corporation as a contribution against all costs, charges, and liabilities arising out of any loss that may be sustained or incurred by the Corporation.

CONTRIBUTIONS FOR COMMON EXPENSES AND BUDGETS

- 46. a) The common expenses of the Corporation shall be paid by the owners equally or as otherwise provided herein, and, without limiting the generality hereof, shall include the following:
 - i) All levies or charges on account of garbage removal, electricity, water, sewer, gas and fuel services supplied to the Corporation for the project, the water treatment plant and the caretaker's house and for the benefit of all owners and not charged directly to any one owner either by meter or otherwise;
 - ii) Management fees and Insurance Trustee fees, if any, wages, salaries, taxes and other expenses payable to or on account of employees or independent contractors of the Corporation;
 - iii) All the charges on account of lawn maintenance and landscaping with respect to the common property and for ice, snow and debris removal from the common property;
 - iv) All charges on account of light standards or poles and related fixtures located on the common property;
 - v) All charges on account of those other portions of the 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;
 - vi) All insurance costs in respect of the insurance for which the Corporation is responsible under these Bylaws and/or the Act;

- vii) 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 replacement reserve fund studies) fees and disbursements;
 - viii) All reserves for repairs and replacement of common property the repair or replacement of which is the responsibility of the Corporation;
 - ix) The cost of maintaining fidelity bonds as provided in these Bylaws;
 - x) The cost of borrowing money for the purpose of carrying out the duties and objects of the Corporation;
 - xi) Municipal taxes, levies or assessments on any unit owned by the Corporation;
- b) At least fifteen (15) days prior to the end of each fiscal year the Corporation shall deliver or mail to each owner at the municipal address of his unit:
- i) a copy of the budget for the ensuing fiscal year; and
 - ii) a notice of the assessment for his contribution towards the common expenses for said ensuing fiscal year. Said assessment shall be made to the owners equally however any expenses that in the sole discretion of the Board, relate directly and solely to the maintenance or operation of any one or more units and not all the units, may be charged and shall be paid solely by the recipient units of such maintenance or operation;
- c) The budget shall set out by categories an estimate of the common expenses of the Corporation for the next fiscal year. The budget shall include a reasonable provision for contingencies and replacements ("Capital Replacement Reserve Fund").
- d) The Capital Replacement Reserve Fund may be used for the repair or replacement of any real and personal property owned by the Corporation, all of the recreational facilities and amenities described in Bylaw 4 (a) and the common property but is not intended to be used to cover annually recurring maintenance and repair costs which are to be set out and provided for in the annual budget;
- e) The common expenses set forth in each contribution shall be payable to the Corporation, or to any other person, firm or corporation to whom the Corporation shall direct payment to be made from time to time, payable on an

annual basis, in advance within thirty (30) days following receipt of notice of assessment, or such other time as may be prescribed by the Corporation;

- f) All payments of whatsoever nature required to be made by each owner and not paid within ten (10) days from the due date for payment shall bear interest at the Interest Rate from the date when due until paid. All payments on account shall first be applied to interest and then to the contribution payment first due.
- g) The Corporation shall, on the application of an owner, or any person authorized in writing by any of those persons, certify within ten (10) days:
 - i) the amount of any contribution determined as the contribution of the owner;
 - ii) the manner in which the contribution is payable;
 - iii) the extent to which the contribution has been paid by the owner; and
 - iv) the interest owing, if any, on any unpaid balance of a contribution;

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

- h) Upon the written request of an owner, purchaser or mortgagee of a unit the Corporation shall, within ten (10) days of receiving that request, provide to the person making the request one or more of the following as requested by that person:
 - i) a statement setting forth the amount of any contributions due and payable in respect of a unit;
 - ii) the particulars of:
 - (A) any action commenced against the Corporation and served upon the Corporation;
 - (B) any unsatisfied judgment or order for which the Corporation is liable; and
 - (C) any written demand made upon the Corporation for an amount in excess of Five Thousand (\$5,000.00) Dollars that, if not met, may result in an action being brought against the Corporation;
 - iii) the particulars of or a copy of any subsisting management agreement;

- iv) the particulars of or a copy of any subsisting recreational agreement;
 - v) a copy of the current budget of the Corporation;
 - vi) a copy of the most recent financial statements, if any, of the Corporation;
 - vii) a copy of the Bylaws of the Corporation;
 - viii) a copy of any minutes of proceedings of a General Meeting of the Corporation or of the Board;
 - ix) a copy of any lease agreement or exclusive use agreement with respect to the possession of a portion of the common property;
 - x) the particulars of or a copy of any subsisting lease or exclusive use agreement with respect to the possession of any portion of the common property;
 - xi) a statement setting forth the amount held in the Capital Replacement Reserve Fund;
 - xii) the unit factors and the criteria used to determine unit factor allocation;
 - xiii) a statement setting forth any structural deficiencies that the Corporation has knowledge of at the time of the request in any of the units that are included in the condominium plan;
 - xiv) in the case of a mortgagee, the records pertaining to the management or administration of the Corporation as prescribed in Section 45 of the Act.
- i) The omission by the Board to fix the contributions hereunder for the next ensuing fiscal year or other period provided for herein, shall not be deemed a waiver or modification in any respect of the provisions of these Bylaws or release of the owner or owners from their obligation to pay the contributions or special assessments, or any installments thereof for any year or period, but the contributions fixed from time to time shall continue until new contributions are fixed. No owner can exempt himself from liability for his contributions toward the common expenses by waiver of the use or enjoyment of any of the common property or by vacating or abandoning his unit.
- j) The Board or the Manager supplying any documents required to be provided in these Bylaws or under Section 44 of the

Act, shall be entitled to charge a reasonable fee for the production thereof.

SPECIAL ASSESSMENTS

47. If at any time it appears that the annual contributions towards the common expenses will be insufficient to meet the common expenses, the Corporation may assess and collect a special contribution or assessment against each unit in an amount sufficient to cover the additional anticipated common expenses. The Corporation shall give notice of such further assessment to all owners which shall include a written statement setting out the reasons for the assessment and each assessment shall be due and payable by each owner in the manner and on the date or dates specified in the notice. Each such special assessment shall be determined and assessed against the owners equally or as set forth in Bylaw 46 b) ii). Unless otherwise provided, all such special assessments shall be payable within ten (10) days of the due date for payment as specified in the notice and if not paid shall bear interest at the Interest Rate from the due date until paid.

DEFAULT IN PAYMENT OF CONTRIBUTIONS

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

- a) The Corporation shall and does hereby have a lien on and a charge against the estate or interest of any owner for any unpaid contribution, assessment, installment or payment due to the Corporation, which lien shall be a lien against such estate or interest subject only to the rights of the municipal or local authority in respect of unpaid realty taxes, assessments or charges of any kind against the unit title or interest of such owner to the extent provided for in the Act. The Corporation shall have the right to file a caveat or encumbrance against the unit title or interest of such owner in respect of the lien or charge for the amount of such unpaid contribution, assessment, installment or payment as hereinbefore mentioned, and for so long as such unpaid contribution, assessment, installment or payment remains unpaid, provided that each such caveat or encumbrance shall not be registered until after the expiration of thirty (30) days following the due date for the first payment in arrears. As further and better security, each owner responsible for any such unpaid contribution, assessment, installment or payment which is in arrears for more than thirty (30) days, shall be deemed to have given to the Corporation a mortgage or encumbrance for the full amount thereof and all contributions, assessments, installments and/or payments, and interest thereon at the Interest Rate from the due date or dates

for payment of the same, and the Corporation shall be entitled to enforce its lien, charge and security and pursue such remedies as may be available to it at law or in equity, from time to time including the recovery by the Corporation of its reasonable costs, including legal expenses and fees incurred by the Corporation in collecting the amount owing and disbursements on a solicitor and his own client basis from such defaulting owner;

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

pursuant thereto or incurred or in any way for securing or enforcing its interests hereunder or the taking of any remedies to cure any default hereunder shall constitute a payment due the Corporation.

ESTOPPEL CERTIFICATE

49. Any certificate as to an owner's position with regard to contributions, expense assessments or otherwise, issued by an officer of the Corporation or the Manager shall be deemed to be an estoppel certificate and the Corporation and all of the owners shall be estopped from denying the accuracy of such certificate against any mortgagee, purchaser or other person dealing with the unit owner but this shall not prevent the enforcement against the unit owner incurring the said expense of all obligations of the said unit owner whether improperly stated in such estoppel certificate or not.

LEASING OF UNITS

50. a) In the event that any owner desires to lease or rent his unit, the term of such tenancy shall not be less than six (6) months, it being the object of the Corporation to prevent short term rentals for less than a normal summer season. The owner shall furnish to the Corporation an undertaking, in form satisfactory to the Corporation, signed by the proposed lessee or occupant, that the proposed lessee or occupant of the unit will comply with the provisions of the Act and of the Bylaws of the Corporation. The owner shall not be released of any of his obligations and shall be jointly and severally liable with the proposed lessee or occupant with respect to such obligations.
- b) The Corporation IS HEREBY AUTHORIZED TO:
- i) impose and collect deposits under Section 53 of the Act;
 - ii) give notices to give up possession of residential units under Section 54 of the Act; and
 - iii) make applications to the Court under Sections 55 and 56 of the Act.
- c) No tenant shall be liable for the payment of contributions or assessments or common expenses under these Bylaws unless notified by the Corporation that the owner from whom he rents the unit is in arrears of payment of contributions, in which case the tenant shall deduct from the rent payable to the owner, such arrears contributions and shall pay the same to the Corporation

for the purpose of applying that rent against the monthly contributions that are in arrears. Any such payment by the tenant shall be deemed to be a rental payment made to the owner.

SEVERABILITY

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

NOTICES

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

NOTICE OF DEFAULT TO MORTGAGEES

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

DEBT RETIREMENT ON TERMINATION

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

COMPANY WHICH IS MEMBER OF BOARD

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

ALTERNATE BOARD REPRESENTATIVE

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

EXCLUSIVE USE AREAS

57. a) The Board may, in addition to other restrictions set out in these Bylaws, specify and limit the nature and extent of the use or uses of any exclusive use area assigned or designated by it hereunder.
- b) While any such exclusive use area is not included in the condominium plan as part of a condominium unit, and shall not be deemed to be an area leased pursuant to Section 50 of the Act, any such exclusive use area shall be maintained in a neat, clean and slightly condition at the sole expense of the owner to whom it has been assigned;
- c) If the owner shall fail to properly maintain any such exclusive use area assigned to him or them after ten (10) days' notice to him or them to correct any maintenance problem set forth in said notice from the Board, then the Board or its representative may order the maintenance corrected and the owner affected shall reimburse the Board for all monies expended and all costs incurred in order to rectify said maintenance problem and pay interest thereon at the Interest Rate after demand for payment.

- d) The term exclusive use area does not include any fence, rail or similar structure bordering any designated exclusive use area or any hard surface, curbs or retaining wall;
- e) The Corporation and its servants and agents shall, notwithstanding the grant of any right, licence or privilege of exclusive use of any area to any owner, have and enjoy free and uninterrupted right at any and all times and from time to time to enter upon, pass and repass over, and occupy any and all parts of such exclusive use area for the purpose of carrying out any of the duties or functions of the Corporation.

REALTY TAXES

58. The realty taxes and other municipal and governmental levies or assessments against land, including improvements, comprising all or any part of the units and the common property comprising the condominium project shall be assessed and imposed in accordance with provisions of the Act.

INDEMNIFICATION OF OFFICERS AND MANAGERS

59. The Corporation shall indemnify every member of the Board, manager, officer, authorized volunteer or employee and his or her heirs, executors and administrators against all loss, costs and expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Board member, manager or officer of the Corporation, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for fines or penalties imposed in a criminal suit or action or for unjustified profit or advantage or for any illegal act done or attempted in bad faith or dishonesty or for failing to discharge the duties of the office of a member of the Board honestly and in good faith. All liability, loss, damage, costs and expenses incurred or suffered by the Corporation by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Corporation as common expenses. The Corporation may by ordinary resolution, require that all members of the Board be bonded by a recognized bonding institution in an amount not less than the total amount of the Capital Replacement Reserve Fund, the cost of such bonding to constitute a common expense of the Corporation.

NON-PROFIT CORPORATION

60. The Corporation is not organized for profit. No owner, member of the Board or person from whom the Corporation may receive any property or funds or shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof. The foregoing, however, shall neither prevent nor restrict the following:

- a) reasonable compensation may be paid to any member of the Board or owner while acting as an agent or employee of the Corporation for services rendered in effecting one or more of the purposes of the Corporation; and
- b) any member of the Board or owner may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation;
- c) members of the Board may receive an annual honorarium, stipend or salary established pursuant to Bylaw 5(k).

USE AND OCCUPANCY RESTRICTIONS

61. a) An owner SHALL NOT:
- i) use his residential unit or any part thereof, for any commercial, professional or other business purpose or for a purpose involving the attendance of the public at such unit unless such use constitutes an authorized, permitted or discretionary use or approved "home occupation" as defined in the relevant County of Vulcan Municipal Bylaw or for any purpose which may be illegal or injurious to the reputation of the project;
 - ii) make or permit noise within or about any unit or the common property which in the opinion of the Board constitutes a nuisance or unreasonably interferes with the use and enjoyment of a unit or the common property by any other owner or occupant. No instrument or other device shall be used within a unit which in the opinion of the Board causes a disturbance or interferes with the comfort of other owners;
 - iii) keep or allow any animal, livestock, fowl or pet of any kind, at any time to be within his unit or on the common property without the specific approval in writing of the Board, which approval the Board may arbitrarily withhold and may, if given, be withdrawn at any time on reasonable grounds on seven (7) days' notice to that effect. All dogs and cats approved must be hand leashed on common property and kept under control and in the custody of a responsible person at all times who shall not allow the animal to defecate on any landscaped area of the project. Any municipal Bylaws in effect in Vulcan County with regard to pets at any point in time shall have effect within the common property and municipal officers are hereby authorized and are permitted to enforce municipal Bylaws on the units and common property. An owner agrees to pay to the Corporation the cost of any repairs or damage (including the cost of replacement of

urination patches) to the common property necessitated by and caused by an approved pet. An owner shall clean up any animal defecation immediately from either the common property or the unit;

- iv) permit his unit to be occupied by more than seven (7) persons (whether adult or minor) at any given time without the consent in writing of the Board;
- v) permit, erect or hang over or cause to be erected on the unit or on the common property or on the real property of the Corporation, any clotheslines, garbage disposal equipment, recreational or athletic equipment, fences, hedges, barriers, partitions, awnings, hose reels, shades or screens, tarpaulins (for covering wood stacks or any other exposed objects) or any other matter or thing without the prior written consent of the Board. No satellite dish larger than 24 inches in diameter or television or mobile telephone or radio antenna, tower or similar structure or appurtenances thereto shall be erected on or fastened to any unit or recreational vehicle or the common property;
- vi) add additional plugs to any electrical post or overload existing electrical circuits or store any combustible, flammable or offensive goods, provisions or materials on his unit or on the common property, normal cleaning products, barbeques, and related household goods excepted;
- vii) do anything or permit anything to be done by any occupier of his unit within his unit, or the common property that is contrary to any statute, ordinance, bylaw or regulation of any government authority whether Federal, Provincial, Municipal or otherwise;
- viii) do or permit anything to be done that may cause damage to trees, plants, bushes, flowers and shall not place chairs, tables, children's play things, devices or toys or other objects on the lawns and grounds of the common property so as to damage them or to prevent growth or to interfere with the maintenance of the grounds generally;
- ix) deposit customary household refuse and garbage outside his Building other than in a manner prescribed by the Board;
- x) permit any member of his household, guests, visitors or pets to trespass on the unit of another owner;
- xi) (A) allow a visitor to park anywhere except on an owner's unit or on the common property roadway adjacent to the owner's unit;

- (B) wash cars anywhere on the project;
 - (C) carry out any repairs or adjustments to motor vehicles on the project except in garages;
 - (D) bring onto the project any motor vehicles other than recreational vehicles as permitted in Bylaw 3. c), private passenger automobiles, light trucks up to one (1) ton in size or sports utility vehicles without the written consent of the Board or the Manager or duly authorized nominee thereof. A maximum of four (4) such vehicles may be parked on any unit;
 - (E) allow recreational vehicles or trailers (except as permitted in Bylaw 3. c), campers, horse trailers , snowmobiles, trail bikes, all terrain vehicles, or buses to be parked or stored outside a Building or on the common property;
 - (F) keep on the parcel any vehicle which is not currently licensed or not in operating condition without the prior written consent of the Board;
 - (G) drive any motor vehicle on the parcel at a speed in excess of 25 kilometres per hour;
 - (H) operate snowmobiles, non-street legal motorcycles or off highway and all terrain vehicles on any unit or on the common property;
- xii) obstruct or permit any passage or driveways or parking areas to be obstructed by any occupant, his family, guests or visitors or their vehicles;
 - xiii) allow his unit to become untidy, unsanitary or unsightly. The Board shall be at liberty to remove any rubbish or clean up a unit or the common property in close proximity to an owner's unit to its satisfaction and charge the expense to the owner;
 - xiv) subject to keeping tables, chairs, benches, potted plants and barbeque equipment on patio or deck during his seasonal occupancy, allow or cause any household or personal effects or articles belonging to him to be kept anywhere on his unit when not in actual use which are visible to other owners and passers-by, whether open or covered, and each owner will comply with all requests of the Board or its representatives that all household or personal effects or articles, including refrigerators, freezers, bicycles, toys and like things

belonging to an owner's household be put away inside when not in actual use;

- xv) without the prior written approval of the Board, have any right of access to those portions of the common property used from time to time for utilities areas, maintenance, storage areas, operating machinery or any other parts of the common property used for the care, maintenance or operation of the project generally;
 - xvi) erect, place, allow, keep or display signs, billboards, advertising matter or other notices or displays of any kind on the common property or on or about any unit without the prior approval of the Board, except notices not exceeding twelve (12") inches by eight (8") inches (30 cm by 20 cm) in size placed upon notice boards provided by direction of the Board for the placement of notices;
 - xvii) have open fires anywhere on the project except in properly constructed fire pits;
 - xviii) shoot at, hunt or kill wildlife or use firearms, bows, arrows, slingshots or airguns in or on the project;
- b) An owner shall ensure that his occupants comply with those requirements that the owner must comply with under Subsection (a) hereof and, upon request of the Corporation, obtain from the tenants or have the Manager who leases the units on behalf of the owners obtain from the tenants an undertaking, in writing, to the following effect:

"I, _____, covenant and agree that I, the members of my household and my guests from time to time will, in using the unit rented by me, any exclusive areas relating to the unit and all the common property, comply with the *CONDOMINIUM PROPERTY ACT*, the Bylaws and all rules and regulations of the Corporation during the term of my tenancy."

AMENDMENT OF BYLAWS

62. These Bylaws, or any of them, may be added to, amended or repealed by special resolution of the Corporation and not otherwise and the Corporation shall cause to be prepared and distributed to each mortgagee who has notified its interest to the Corporation, a notice or memorandum of any proposed amendments, additions or repeal at least fourteen (14) days prior to the date of any such special resolution.

CHANGE OF LEGISLATION

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

ARBITRATION AND MEDIATION

64. Any dispute respecting any matter arising under these Bylaws may, with the agreement of the parties to the dispute, be dealt with by means of mediation, conciliation or similar techniques to encourage settlement of the dispute or be arbitrated under *THE ARBITRATION ACT*.

DEVELOPER'S RIGHTS

65. During such time as the Developer is the owner of one or more units:

- (a) it shall have the right to maintain a reasonable number of units, whether owned or leased, as display units and to carry on all sales functions it considers necessary from such units; and
- (b) it shall have the right to such access and egress to the units, the common property and the common facilities as it considers necessary or desirable for the development of the parcel and any lands contained in the Phasing Agreement entered into by the Condominium Corporation and the Developer; and the rights of the Developer in this Bylaw may not be altered in any way without the written consent of the Developer.

BARE LAND EASEMENT RIGHTS

66. a) There is hereby created in respect of each unit shown in the bare land condominium plan in favour of the owner of that unit, and as appurtenant thereto, easements for the provision of water (INCLUDING irrigation water), sewerage and sanitary disposal, drainage, gas, electricity, garbage, artificially heated or cooled air and other service including telephone, radio and television through or by means of any pipes, wires, cables or ducts for the time being existing in the parcel to the extent to which those pipes, wires, cables or ducts are capable of being used in connection with the enjoyment of the unit.
- b) There is created in respect of each unit shown in the bare land condominium plan as against the owner of that unit, easements to which the unit is subject for the passage or provisions of water (INCLUDING irrigation water), sewerage and sanitary disposal, drainage, gas, electricity, garbage, artificially heated or cooled air and other services including telephone, radio and

television services through or by means of any pipes, wires, cables or ducts appurtenant to the common property and also to every other unit capable of enjoying those easements.

- c) The local authority and owner of any utility service who is providing services to the parcel or to any unit on it and the Corporation, is entitled to benefit of these easements that are appropriate to the proper provision of service provided but not to the exclusion of any other utility service.
- d) All ancillary rights and obligations which are reasonably necessary to make this easement effective, apply in respect of the easements created herein, including the right of an owner of a dominant tenement to enter a servient tenement to install, maintain, replace, renew or restore anything from which the dominant tenement is entitled to benefit.
- e) Any owner, the Corporation or the local authority shall, in carrying out any operations pursuant to sub-clause (d) hereof, do so in a good and workmanlike manner and will cause or do as little damage and inconvenience to the owner or occupier of an unit as is reasonably possible and any excavations or workings made or done in connection therewith shall, so far as is reasonably practicable, be restored to its former condition.
- f) This easement does not affect the ownership or the maintenance obligations of any utility services located within the parcel. In other words, all utilities are to be treated as if the parcel was the subject of a conventional condominium development.
- g) The benefit and the burden of this easement shall run with the land;
- h) As each of the units is both a dominant and servient tenement, this utility easement shall be construed so that each owner shall have granted this easement in respect of each unit to the benefit of each owner in respect of the parcel save for that unit.
- i) This easement cannot be changed without the express written consent of any utility owner, including but not limited to Vulcan County, Telus Communications Inc. and the Gas Company.

ROADWAY EASEMENT

67. a) The unit owner of each unit and the Condominium Corporation hereby grants to every other unit owner, the non-exclusive right, privilege and easement of a right-of-way, in through and over and rights to pass and re-pass across, on and through and to remain on and use the common project roadway (located on all of the units) in common with all of the unit owners;

- b) Every unit owner agrees that the benefit and burden of this roadway easement shall run with the land;
- c) Every unit is a dominant tenement and each of the units is a servient tenement in this easement;
- d) This roadway easement cannot be changed without the express written consent of every unit owner.

BOAT SHEDS

- 68.
- a) The Corporation will prepare and maintain the Boat Shed Registry, a copy of which will be made available to any owner upon written request. The Boat Shed Registry will list each storage area and the owner who has the rights to use the storage area. The Boat Shed Registry will accurately reflect the owners who have contracted with the Developer, or other party who may develop future boat sheds, including the Corporation, for each boat shed built or to be built and paid for a proportionate share of each boat shed;
 - b) The Boat Shed Registry will only contain names of owners of units. No non-owners will be granted rights to use the boat sheds;
 - c) In the event an owner sells his unit and no longer owns any unit, the owner must notify the Corporation of the name of an owner to whom the rights will be transferred. The Corporation will update the Boat Shed Registry and provide written confirmation to both the owner being struck from the Boat Shed Registry and the owner who was added to the Boat Shed Registry. The Corporation shall have the right to impose a nominal fee to an owner who is added to the Boat Shed Registry to recover the Corporation's administrative costs;
 - d) Each owner listed on the Boat Shed Registry shall have the exclusive use of the corresponding storage area noted on the Boat Shed Registry. The granting of the right to use each storage area within the boat sheds is provided by the Corporation. Boat sheds are to be used for storage only, and can not be used as a garage or shop, and can not be used in conjunction with any enterprise;
 - e) Each boat shed owner will be allowed to make improvements to the interior of the boat shed and the adjacent ground area in front of the overhead door (e.g. paved or concrete pad), for the corresponding storage area noted on the Boat Shed Registry. The boat shed owner will be solely responsible for all repairs to the interior of the boat shed, including any interior and exterior ground improvements, and the overhead door and all its parts, for the corresponding storage area noted on the Boat Shed Registry;

- f) The Board will prepare a separate annual budget for all costs specifically identified as relating to the ongoing costs of the boat sheds, including property taxes, insurance, maintaining a reserve fund, road maintenance, landscaping, etc. consistent with Bylaw 46. The obligation to prepare the boat shed budget will be the same as for the annual budget as described in Bylaw 46. The annual boat shed budget will be prepared and presented to owners concurrently with the annual budget as per Bylaw 46. The annual boat shed budget will be prepared to ensure that the owners listed on the Boat Shed Registry pay for all costs associated with the boat sheds and that the owners who are not listed on the Boat Shed Registry are not allocated any costs associated with the boat sheds;
- g) The Board will establish and maintain a separate reserve fund for the sole purpose of ensuring adequate funds are available for anticipated maintenance of the boat sheds;
- h) The Corporation's right to levy assessments and charge interest on unpaid assessments related to the boat sheds will be the same as for other assessments as per Bylaw 46 and 48, including interest on overdue contributions;
- i) Section 46 and 48 of the Bylaws supersede the arrangements between the Developer and the Corporation and owners for the collection of costs related to the boat sheds;
- j) After the transfer of unit 5 from the Developer to the Corporation, the Corporation may develop additional boat sheds with sufficient financial security from owners under such conditions as the Board deems reasonable.