

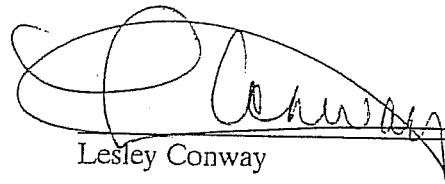
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NOTICE OF CHANGE OF BY-LAWS

Condominium Corporation No. 0111080 (the "Corporation") hereby certifies that by special resolution made on May 22, 2001, the by-laws of the Corporation, being the by-laws set forth in Appendix I of the *Condominium Property Act of Alberta*, R.S.A. 1980 c. C-22 as amended (hereinafter referred to as the "Act") be and are hereby amended effective as of May 22, 2001 as follows:

the said by-laws are replaced in their entirety with the by-laws attached hereto

The seal of Condominium Corporation No. 0111080 was hereunto affixed in the presence of:


_____.c/s
Lesley Conway

Tanglewood

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BYLAWS OF
CONDOMINIUM CORPORATION NO. 0111080

1. DEFINITIONS AND APPLICATION

These Bylaws have been enacted by the members of Condominium Corporation No. 0111080 to replace all statutory bylaws. The following definitions shall apply to all parts of these Bylaws:

- (a) "Act" means the *Condominium Property Act*, being Chapter C-22 of the Revised Statutes of Alberta, 1980, as amended, and any statute or statutes which may be passed in substitution for or replacement of such Act;
- (b) "Board" means the board of directors elected pursuant to these Bylaws and as provided for in Section 23 of the Act or any section passed in substitution therefor;
- (c) "Bylaws" means the bylaws of the Corporation, as amended from time to time;
- (d) "Capital Replacement Reserve Fund" means the fund created for the purposes as outlined in Bylaw 14(j);
- (e) "Common Expenses" means all expenses incurred in the performance of the objects and duties of the Corporation and in the exercise of the Corporation's powers under the Bylaws and the Act and all other expenses specified as common expenses in these Bylaws;
- (f) "Common Property" means that part, if any, of the Parcel that does not form part of any Unit, which area is sometimes referred to as common property of the Corporation, together with Unit 1 and any other Unit in the future registered in the name of the Corporation;
- (g) "Condominium Plan" means the bare land condominium plan registered at the South Alberta Land Registration District and referred to as condominium plan 0111080 and includes any redivision plans for Units 71, 72 and 73;
- (h) "Corporation" means the corporation constituted under the Act by the registration of the Condominium Plan;
- (i) "Developer" means Hopewell Tanglewood Inc.;
- (j) "Manager" means a person, firm or corporation appointed as manager pursuant to Bylaw 15(g) hereof;
- (k) "Mortgagee" means the holder of a mortgage registered against the title to one or more Units;
- (l) "Municipality" means the municipality within which the Parcel is located;
- (m) "Ordinary Resolution" means a resolution:
 - (i) passed at a properly convened meeting of the Owners by a simple majority of all the persons present entitled to exercise the powers of voting conferred by the Act or by the Bylaws; or

- (ii) agreed to in writing by more than fifty (50%) percent of all of the persons who, at a properly convened meeting of the Owners, would be entitled to exercise the powers of voting conferred by the Act or by the Bylaws and representing more than fifty (50%) percent of the total Unit Factors for all of the Units;
- (n) "**Owner**" means the registered owner or owners, and each of them, of a Unit;
- (o) "**Parcel**" means the land comprised in the Condominium Plan;
- (p) "**Residence**" means the dwelling and any other ancillary building constructed on any Unit and includes any garage whether or not attached to the dwelling;
- (q) "**Special Resolution**" means a resolution:
 - (i) passed at a properly convened meeting of the Owners by a majority of not less than seventy-five (75%) percent of all the persons entitled to exercise the powers of voting conferred by the Act or by the Bylaws and representing not less than seventy-five (75%) percent of the total Unit Factors for all the Units; or
 - (ii) agreed to in writing by not less than seventy-five (75%) percent of all the persons who, at a properly convened meeting of the Owners, would be entitled to exercise the powers of voting conferred by the Act or by the Bylaws and representing not less than seventy-five (75%) percent of the total Unit Factors for all the Units;
- (r) "**Unimproved Unit**" means a Unit upon which a Residence has not yet been constructed or is not yet ready for occupancy;
- (s) "**Unit**" means an area designated as a unit by the Condominium Plan and includes any building or part of a building situated within such area;
- (t) "**Unit Factor**" means the unit factor for each Unit as more particularly described in the Condominium Plan.

Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these Bylaws and other expressions used in these Bylaws and not defined in the Act or in these Bylaws have the same meaning as may be assigned to them in the *Land Titles Act* of Alberta, as amended from time to time, or in any statute or statutes passed in substitution therefor or replacement thereof, unless the context otherwise requires.

These Bylaws are to be read with all the changes of number and gender as required by the context, and the word "Owner" or "Owners" shall include any tenant or tenants, resident or residents or occupier or occupiers of that Owner's or Owners' Unit and the heirs and legal representatives of an Owner and of any tenant, resident or occupier of an Owner's Unit as the context may require.

The headings in the body of these Bylaws form no part of these Bylaws but shall be deemed to be inserted for the convenience of reference only. In the event of any conflict between these Bylaws and the Act, the Act shall prevail.

2. DUTIES OF OWNERS

An Owner shall:

- (a) subject to section 19 of the Act, permit the Corporation and its agents, at all reasonable times on notice (except in case of emergency when no notice is required), to enter in or on his Unit (but not the Residence thereon) for the purpose of inspecting the Unit and the exterior of any Residence thereon and maintaining, repairing or renewing pipes, wires, cables, ducts, conduits, plumbing and other facilities for the furnishing of utilities or services in, on or under the Unit or for the benefit of the Residence thereon or capable of being used in connection with the enjoyment of any other Unit, or Residence, or for the purpose of maintaining, repairing or replacing the improvements upon the Common Property, or for the purpose of ensuring that the Bylaws are being observed;
- (b) forthwith carry out all work that may be ordered by any municipal or public authority in respect of his Unit;
- (c) repair and maintain the exterior of the Residence and all other improvements upon his Unit (including landscaping) and keep them in a state of good repair, and keep his driveways, walkways, and all landings and steps adjacent to his Residence free and clear of all obstruction, dirt, snow, ice and refuse of any kind;
- (d) not alter the appearance of the exterior of the Residence or any other exterior improvements on his Unit or any other Unit, or do or permit to be done anything which would alter the appearance of his Unit or Residence or any other Unit or Residence, unless such alteration is in compliance with the architectural guidelines prepared Developer;
- (e) use and enjoy the Common Property and any property owned by or registered in the name of the Corporation in such a manner so as to not unreasonably interfere with the use and enjoyment thereof by other Owners or their families or visitors;
- (f) not use or permit his Unit (or any part of it) to be used in any manner or for any purpose which may be illegal or injurious to the regulation of the Parcel, or that will cause nuisance or hazard to any occupier of a Unit (whether an Owner or not) or the family of such an occupier;
- (g) notify the Corporation forthwith, in writing, upon any change of ownership or of any mortgage or other dealing in connection with his Unit;
- (h) comply with and cause all his tenants, family, visitors, servants, agents, contractors, tenants and other occupants of his Unit to comply with the Bylaws, the Act, and the regulations in force;
- (i) pay to the Corporation when due all levies for Common Expenses assessed against his Unit together with interest on any arrears thereof at the rate of five (5%) percent per annum added to the prime rate of the Bank of Nova Scotia (or such other bank designated by the Board from time to time), compounded monthly, or at the rate of interest as may be approved from time to time by Special Resolution, calculated from the due date until payment is made;

- (j) pay to the Corporation all legal expenses incurred as a result of having to take proceedings to enforce his observance of Bylaw 2(h) and to collect any levies for Common Expenses assessed against his Unit, and such legal expenses shall be paid on a solicitor and his own client indemnification basis;
- (k) subject to section 19 of the Act, allow the Corporation to enter upon his Unit (excluding the Residence thereon) in the event of an emergency, for the purposes of protecting the property of other Owners or occupiers and the property of the Corporation, and in the event his Unit is so entered, the Owner shall save harmless and indemnify the Corporation, its agents and employees from any claims arising from such entry; and
- (l) pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his Unit.

3. **BOARD MEMBERS - (ELECTION/QUALIFICATIONS)**

- (a) The Board, for the benefit of the Corporation and all Owners and Mortgagees, shall have vested in it the powers of the Corporation and shall enforce the provisions hereof. The Board shall consist of not less than one (1) nor more than seven (7) persons and shall be elected at each annual general meeting, unless appointed pursuant to Bylaw 5 to fill a vacancy, (although members may also be elected at an extra-ordinary general meeting). If a Unit has more than one (1) Owner, only one such Owner may sit on the Board at one time. Notwithstanding the generality of the foregoing, until the Developer has leased, sold or transferred ownership in ninety percent (90%) of the Units, the majority of the Board shall consist of representatives of the Developer unless the Developer agrees otherwise.
- (b) Notwithstanding the Act, to be eligible for election to and membership on the Board, the person must be an Owner of a Unit or a Mortgagee or, in the event such Owner or Mortgagee is a company, a representative appointed in writing by such an Owner or Mortgagee, or a representative of the Developer. Any Owner or Mortgagee (or representative thereof in the case of a company) who has attained the age of majority shall be eligible for nomination and election to the Board, provided that any Owner who is indebted to the Corporation for an assessment or assessments which are more than thirty (30) days overdue shall not be (nor shall his representative be) eligible for election or membership on the Board.
- (c) At any election of the Board each person entitled to vote shall be entitled to vote for as many nominees as there are vacancies to be filled on the Board.
- (d) All members of the Board shall, as a condition of nomination to the Board, make full disclosure of any direct or indirect relationships to the Corporation including any interest in any private company, public company, partnership or proprietorship employed by the Corporation or any pecuniary interest.

4. **DISQUALIFICATION/REMOVAL FROM THE BOARD**

- (a) After the Developer has leased, sold or transferred ownership in ninety percent (90%) of the Units, the Owners may by Ordinary Resolution remove any member of

the Board before the expiration of his term of office and appoint another eligible person in his place to hold office until the next annual general meeting.

- (b) In addition, the office of a member of the Board shall, *ipso facto*, be vacated if he:
- (i) becomes bankrupt under the *Bankruptcy and Insolvency Act* (Canada) or any legislation passed in substitution therefor;
 - (ii) is more than thirty (30) days in arrears in payment of any contribution or payment required to be made by him as an Owner (or by the corporate Owner to whom he serves as a representative) pursuant to these Bylaws and any such arrears remain unpaid for a period of ten (10) days after written notice from any member of the Board requiring payment of such arrears;
 - (iii) becomes of unsound mind or mentally incompetent, or is the subject of a certificate of incapacity issued under the *Dependent Adults Act* (Alberta), or any legislation passed in substitution therefor;
 - (iv) resigns his office by writing, under his hand, sent to or left at the registered address of the Corporation or delivered to an officer of the Corporation;
 - (v) is convicted of an indictable offence;
 - (vi) is refused bonding, at a reasonable premium, by a recognized bonding institution;
 - (vii) is absent from three (3) consecutive meetings of the Board without permission of the Board and it is resolved at the subsequent meeting of the Board that his office be vacated; or
 - (viii) dies.

5. VACANCY ON THE BOARD

Where a vacancy occurs on the Board pursuant to Bylaw 4(b), the Board may appoint (or if there are no Board members, the Owners may appoint by Ordinary Resolution) an eligible person to fill that vacancy for the remainder of the former member's term.

6. BOARD QUORUM AND VOTING

- (a) A quorum at a meeting of the Board shall be:
- (i) one (1) where there is only one (1) Board member;
 - (ii) two (2) where the Board consists of two (2) to four (4) members;
 - (iii) three (3) where the Board consists of five (5) or six (6) members; and
 - (iv) four (4) where the Board consists of seven (7) members.

- (b) 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 due notice of the meeting.
- (c) At meetings of the Board, all matters shall be determined by majority vote and, in the event of a tie vote, the Chairman is entitled to a casting vote in addition to his original vote.

7. CHAIRMAN OF THE BOARD

The President and in his absence, the Vice-President, shall act as Chairman of the Board meetings. Should both the President and Vice-President be absent, then at the commencement of the meeting the members of the Board present at the meeting shall elect a Chairman for that meeting. If any Chairman vacates the Chair during the course of the meeting, the members of the Board present at that meeting shall elect in his stead another Chairman who shall have the same rights of voting for that meeting.

8. DUTIES OF THE CORPORATION

The Corporation shall:

- (a) control, manage and administer the Common Property and the property, if any, owned by or registered in the name of the Corporation for the benefit of all the Owners and for the benefit of the Corporation, and all fencing constructed by the Developer or required by the Municipality, and any other property which is required by the Municipality to be maintained by the Corporation (including, without limitation, regularly repair and maintain all pipes, wires, cables, ducts, conduits, sprinkler systems, sumps, plumbing, sewers and other facilities used for the furnishing of utilities or services in the Parcel or capable of being used in connection with the enjoyment of more than one Unit, more than one Residence, or the Common Property, reasonably prudent snow and ice and refuse removal from any roadways and parking areas upon the Common Property, regularly maintain and repair all roadways, pathways, curbing, parking areas and outdoor lighting, and regularly maintain grass, trees, shrubs, flowers and other vegetation upon the Common Property);
- (b) do all things required of it by the Act, these Bylaws, and any other resolutions of the Corporation in force from time to time;
- (c) upon written request therefor made by an Owner or Mortgagee or the duly authorized agent of such Owner or Mortgagee, provide such Owner or Mortgagee with either a photocopy or certified copy of any insurance appraisals obtained by the Corporation and any fire and other peril insurance policies and all liability insurance policies and endorsements maintained by the Corporation, as well as all renewal certificates or certified copies of replacing policies or a photocopy of the same;
- (d) call a general meeting of the Owners and those Mortgagees who have notified the Corporation of their interest, once in each calendar year, and in all cases allow no more than fifteen (15) months to elapse between annual general meetings, to be held within the Municipality unless the Owners by Ordinary Resolution passed at an annual general meeting resolve to hold general meetings in a municipality adjoining the Municipality;

- (e) control, manage, administer, maintain and repair all chattels and other property whatsoever owned or leased by or registered in the name of the Corporation;
- (f) indemnify every member of the Board and each employee and officer of the Corporation, and his heirs and legal representatives against all damages, judgements, settlements, costs and expenses, including legal costs, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a member of the Board or an employee 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 and 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 (all liability, loss, damage, costs and expenses incurred or suffered by the Corporation by reason of or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Corporation as Common Expenses);
- (g) do all things reasonably necessary for the enforcement of the Bylaws and the control, management and administration of the Common Property, including without restriction the following:
 - (i) commencement and prosecution of proceedings under Section 29 of the Act (or any provision passed in substitution therefor) and collection of a penalty of up to the maximum permitted by law;
 - (ii) impose, collect and deal with deposits associated with the rental of a Unit under Section 44 of the Act (or any provision passed in substitution therefor), provided that the deposit for the rental of a Unit shall not exceed the maximum allowable under the Act; and
 - (iii) give notice to give up possession of a Unit pursuant to Section 45 of the Act (or any provision passed in substitution therefor) and make application to the Court under Sections 46 or 47 of the Act (or any provisions passed in substitution for the said Sections) provided that such notices and such applications shall be in accordance with the provisions of the Act;
- (h) at all times keep and maintain for the benefit of the Corporation and all Owners copies of all warranties, guarantees, drawings and specifications, plans, written agreements, certificates, approvals and permits provided to the Corporation pursuant to Section 37 of the Act (or any provision passed in substitution therefor); and
- (i) arrange for regular collection of garbage and, if necessary, provide adequate garbage receptacles on the Common Property for use by all of the Owners and provide for regular collection therefrom.

9. POWERS OF THE CORPORATION

The Corporation may:

- (a) purchase, sell, construct, demolish, lease or otherwise acquire or dispose of or deal with personal and real property for use by or which was used by the Corporation or by the Owners in connection with their enjoyment of their Units or any of them,

provided that real property shall only be acquired or disposed of on approval by a Special Resolution of the Corporation;

- (b) enter into contracts regarding the maintenance, use and replacement of the improvements and amenities upon the Common Property (including, without limitation, utility lines and connections);
- (c) enter into contracts regarding the periodic removal of refuse from the Parcel;
- (d) by Ordinary Resolution borrow monies required by it in the performance of its duties or the exercise of its powers provided that the Corporation shall not borrow in excess of one thousand (\$1,000.00) dollars on any occasion or incur aggregate indebtedness at any time exceeding five thousand (\$5,000.00) dollars without such borrowing or incurring of debt being approved by Special Resolution;
- (e) secure the payment 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 legally owned by it, or by combination of those means;
- (f) invest funds in its possession or control as it may determine, to the extent permitted by law for trustees under the *Trustee Act* or any legislation passed in substitution therefor;
- (g) make an agreement with any Owner or occupier of a Unit or Residence or with any owners of lands adjacent to the Parcel or any condominium corporation respecting such other lands for the provision of amenities or services by it to the Unit or Residence or to the Owner or occupier thereof;
- (h) subject to the Act, in the event of fire, gas or water leakage or other emergency situation, force entry upon any Unit (but not the Residence thereon) for the purpose of dealing with such emergency and for the purpose of protecting the property of any of the Owners, occupiers of any Unit and the Corporation, as the case may be (the Owner or occupier of the Unit so entered shall save harmless the Corporation, its agents and employees from any claim or damage arising from such forced entry);
- (i) impose and exact the fees and charges referred to in Bylaw 15(e); and
- (j) exercise all of the rights, powers and duties conferred on the Corporation by the Act and the Bylaws and any restrictive covenant affecting all or any of the Units.

10. OFFICERS

Within fourteen (14) days after each election of the Board, the Board shall elect from its members a President, Vice-President, Secretary and Treasurer of the Corporation. The persons who are elected President and Vice-President shall not be elected as Secretary and Treasurer, unless the Board consists of less than four (4) members. Notwithstanding the foregoing, if the Board consists of only one (1) member, then that member shall hold the offices of President, Secretary and Treasurer. An officer who ceases to be a member of the Board shall also cease to be an officer of the Corporation.

11. DUTIES OF THE OFFICERS

The following duties are assigned to the officers of the Corporation; however, the Board may make other allocations:

- (a) the President, or in the event of his absence or disability, the Vice-President:
 - (i) is responsible for the daily execution of the business of the Corporation;
 - (ii) shall act as Chairman of the meetings of the Board and of the Corporation;
- (b) the Secretary, or in the event of his absence or disability, another member of the Board designated by the Board:
 - (i) shall record and maintain all the minutes of the Board, and all meetings of the Corporation and shall record votes for and against on all decisions;
 - (ii) is responsible for all the correspondence of the Corporation;
 - (iii) shall carry out his duties under the direction of the President and the Board;
- (c) the Treasurer, or, in the event of his absence or disability, another member of the Board designated by the Board:
 - (i) shall receive all monies paid to the Corporation and deposit them as the Board may direct;
 - (ii) properly account for the funds of the Corporation and keep such books as the Board may direct;
 - (iii) present to the Board when required to do so by the Board, a full detailed account of receipts and disbursements of the Corporation;
 - (iv) prepare for submission to the Board and for the information of the Owners at the annual general meeting, a budget for the forthcoming fiscal year of the Corporation, and if required by Ordinary Resolution of the members of the Corporation, an audited statement for the most recently completed fiscal year of the Corporation.

The Secretary and Treasurer may, on resolution of the Board, allow the Manager to carry out their duties provided that the Secretary or Treasurer, as the case may be, supervises those duties of the Manager.

12. SEAL OF CORPORATION

The Corporation shall have a seal which shall be used as authorized by resolution of the Board and in the event no such resolution has been passed then the seal shall be used in the presence of at least two (2) members of the Board (unless there is only one (1) Board member in which case in the presence of the sole Board member only), who shall sign the instrument to which the seal is affixed.

13. SIGNING AUTHORITIES

The Board shall determine, by resolution from time to time, which officers shall sign cheques, drafts and other instruments and documents 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.

14. DUTIES OF BOARD

The Board shall:

- (a) cause minutes to be kept of its proceedings which shall, unless the Board otherwise decides, be kept by the Secretary;
- (b) cause minutes to be kept of general meetings which shall, unless the Board otherwise decides, be kept by the Secretary;
- (c) cause proper books of account to be kept in respect of all sums of money received and expended by the Corporation, and the matters in respect of which such receipts and expenditures take place, the keeping of said books, unless the Board otherwise decides, to be the responsibility of the Treasurer;
- (d) cause to be prepared proper accounts relating to all monies of the Corporation and the income and expenditures therefor, for each annual general meeting, such preparation, unless the Board otherwise decides, to be the responsibility of the Treasurer;
- (e) on application of an Owner or Mortgagee or any person authorized in writing by one of them, make the books of account and all minutes of the meetings of the Corporation and the Board available for inspection at all reasonable times, and further provide to any Owner or Mortgagee who makes specific request thereof, copies of all minutes of all meetings of the Corporation and of the Board and copies of current financial statements and statements of Common Expenses of the Corporation;
- (f) on application of an Owner or Mortgagee, or any person authorized in writing by one of them, give a complete statement in respect of any Unit with regard to assessments for Common Expenses and with regard to fulfilment of all of the Owner's obligations in connection with the Corporation and his Unit;
- (g) if funds are required in order for the Corporation to carry out its duties under these Bylaws, cause to be assessed to each Owner in proper proportion his contribution towards Common Expenses and enforce payment of same, as more particularly set out in these Bylaws;
- (h) upon the written request of an Owner, Mortgagee or purchaser of a Unit, provide the particulars and materials pursuant to Sections 31(3), 36, 36.1 and 39 of the Act (or any provisions passed in substitution for the said Sections);
- (i) at all times keep and maintain in force all insurance required hereunder and by the Act to be maintained by the Corporation and from time to time settle, determine and enter into insurance trust agreements as required by the Corporation;

- (j) if all of the Units are not owned by the same Owner or group of Owners, create and maintain by levies for Common Expenses a Capital Replacement Reserve Fund for the purpose of repair, replacement and refurbishment of the Common Property (including the storm water retention ponds) and of any real or personal property owned by or registered in the name of the Corporation, with the Board applying (subject to compliance with the Act) such funds (whether all or a part) and the proceeds thereof from time to time as it determines for such purposes; and the Board shall cause, from time to time as required by the Act, a qualified person to conduct a study of the Corporation's depreciating property and to issue a reserve fund report, and thereafter the Board shall adopt a reserve fund plan which shall be distributed to the Owners as and when required by the Act;
- (k) cause all monies constituting Capital Replacement Reserve Funds to be deposited in account(s) which do not contain funds which are not Capital Replacement Reserve Funds so that there is no commingling of mixed types of funds; and
- (l) cause all obligations of the Corporation under the Act or these Bylaws or otherwise to be observed and performed.

15. **THE POWERS OF THE BOARD**

The Board may:

- (a) meet together for the conduct of business, adjourn, and otherwise regulate its meetings as it thinks fit, but it shall meet when any member gives to the other members not less than seven (7) days' notice of a meeting proposed by him specifying the reason for calling the meeting and the date, time and place of the meeting;
- (b) establish a fiscal year for the Corporation and in the absence of such a resolution the fiscal year shall be the calendar year;
- (c) employ for and on behalf of the Corporation such other agents and servants as it thinks fit in connection with the control, management and administration of the Common Property and of any property owned by or registered in the name of the Corporation, and the exercise and performance of the powers and duties of the Corporation, and it shall be a term of such agency or employment that the agent or employee, as the case may be, acts in good faith and with honesty and provides full disclosure of all conflicts of interest and of benefits to be derived from contracts with the Corporation;
- (d) subject to any restriction imposed or direction given at a general meeting, delegate to one or more of its members such of its powers and duties as it thinks fit, and at any time revoke such delegation;
- (e) 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 under the Act or pursuant to these Bylaws;
- (f) do all things reasonably necessary for the enforcement of the Bylaws and the control, management and administration of the Common Property and of any property owned

by or registered in the name of the Corporation including without limitation the following:

- (i) commencement and prosecution of proceedings under Section 29 of the Act (or any provision passed in substitution therefor) to collect a penalty of up to the maximum allowed under the Act;
 - (ii) impose, collect and deal with deposits for the rental of a Unit or Residence under Section 44 of the Act (or any provision passed in substitution therefor) provided that the deposit shall not exceed the maximum allowable under the Act (currently one (1) month's rent for the Unit or Residence);
 - (iii) give notice to give up possession of a Unit or Residence pursuant to Section 45 of the Act (or any provision passed in substitution therefor) and make applications to the Court under Sections 46 and 47 of the Act (or any provisions passed in substitution for the said Sections), provided that such notices and such applications shall be in accordance with the provisions of the Act;
- (g) unless and except as otherwise resolved by Special Resolution of the Corporation, employ for and on behalf of the Corporation a manager to supervise, manage, carry out and perform any and all of the duties of the Corporation set out in paragraphs (a), (c), (e), (g) and (h) of Bylaw 8 hereof and such other duties as the Board may determine from time to time, 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. Without limiting the generality of Bylaw 17 hereafter, if any group of persons entitled to vote representing at least twenty-five (25%) percent of the total Unit Factors of the Units shall at any time be dissatisfied with the fitness or suitability of such Manager employed as aforesaid or the adequacy of the work or service performed by him, such group of persons may by requisition addressed to the Corporation require the calling of an extra-ordinary general meeting; and upon such a requisition being made as aforesaid, the Board shall forthwith call an extra-ordinary general meeting of the Corporation to consider the complaint or complaints by such group of persons; the continuance or termination of the employment of such Manager, and the terms thereof, and the employment of a replacement, shall be considered and determined by Ordinary Resolution at such meeting and the Board shall govern itself according to such resolution. The Manager employed by the Board as aforesaid need not devote his full time to the performance of the duties of the Corporation so long as those duties are performed in good and sufficient fashion and may (without limiting the generality of the foregoing) act as rental or leasing agent for all or some of the Owners to the extent that so doing will not interfere with or unreasonably impede the performance of his duties for the Corporation; notwithstanding the generality of the foregoing but subject to the termination provisions in the Act, the Manager approved by the first Board shall not be terminated until the Developer has leased, sold or transferred all of the Units;
- (h) from time to time pass resolutions to regulate, manage, administer and control the use of the Common Property and of any property owned by or registered in the name of the Corporation including but not restricted to deposits, the hours of use, supervision of, reservations for, security of, privacy and access to the same; and

- (i) create and maintain by levies for Common Expenses reserves for future operational expenses as it determines from time to time.

16. **MEETINGS**

- (a) All meetings of the Board and general meetings of the Corporation shall be conducted according to Robert's Rules of Order and shall be conducted at a place, as notified by the Board, in the Municipality unless the Owners by Ordinary Resolution passed at an annual general meeting resolve to hold general meetings in a municipality adjoining the Municipality.
- (b) All general meetings of the Corporation other than annual general meetings shall be called extra-ordinary general meetings.

17. **CONVENING OF MEETINGS**

The Board may, whenever it thinks fit, and shall within twenty-one (21) days, upon a requisition in writing made by persons entitled to vote representing at least two thousand five hundred (2,500) Unit Factors convene an extra-ordinary general meeting. The Board will convene annual general meetings of the Corporation as and whenever required by the provisions of these Bylaws or the Act.

18. **NOTICE OF MEETINGS**

Seven (7) days' notice of every annual or extra-ordinary general meeting of the Corporation specifying the place, the date and the hour of meeting and, in the case of special business, the general nature of that business, shall be given to all Owners and Mortgagees who have notified their interests to the Corporation, but accidental omission to give notice to any Owner or to any Mortgagee or non-receipt of notice by any Owner or any Mortgagee does not invalidate any proceedings at any such meeting. Notice of any meeting may be waived by persons entitled to vote before, at or after the meeting, and a waiver shall cure any defect in the giving of or failure to give notice.

19. **BUSINESS**

Subject to the provisions of the Act, all of the matters described in (a), (b), (c), (d), (e), (f), (g), (h), (i), (k) and (l) of Bylaw 21 shall be deemed ordinary business if transacted at an annual general meeting of the Corporation. All new business transacted at an annual general meeting and all business whatsoever that is transacted at an extra-ordinary general meeting shall be deemed special.

20. **CHAIRMAN OF CORPORATION MEETING**

The President, and in his absence, the Vice-President of the Corporation shall act as Chairman of the meeting of the members of the Corporation. In the absence of both the President and Vice-President, then at the commencement of the meeting, a Chairman of the meeting shall be elected.

21. **ORDER OF BUSINESS AT CORPORATION MEETING**

The order of business at any properly convened annual general meeting of the Corporation, unless altered by a majority of those in attendance who are entitled to vote, shall be as follows:

- (a) call to order by the Chairman;
- (b) call the roll and certify proxies;
- (c) proof of notice of meeting or waiver of notice;
- (d) reading and disposal of any unapproved minutes;
- (e) reports of officers;
- (f) reports of committees;
- (g) financial report/budget and appointment of auditors (if necessary);
- (h) unfinished business;
- (i) ratification of past acts of Board members and officers;
- (j) new business;
- (k) election of members of the Board;
- (l) adjournment.

22. **QUORUM REQUIRED**

Except as otherwise provided in these Bylaws, and in particular Bylaw 23, no business shall be transacted at any general meeting of the Corporation unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to do business. A quorum at any general meeting of the Corporation shall consist of persons entitled to vote present in person or by proxy, representing no less than ten percent (10%) of the total Unit Factors.

23. **ADJOURNMENT FOR LACK OF QUORUM**

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

24. **RESOLUTIONS**

At any general meeting of the Corporation a resolution moved or proposed at a meeting shall be decided on a show of hands unless a poll is demanded by a person entitled to vote present in person or by proxy, and unless a poll is so demanded, a declaration by the Chairman that a resolution has on the show of hands, been carried, is conclusive proof of that fact without proof of the number or proportion of votes recorded in favour of or against such resolution. If a person demands a poll, that person may withdraw that demand and, upon the demand being withdrawn, the vote shall be taken by a show of hands.

25. **METHOD OF TAKING A POLL**

A poll, if demanded, shall be taken in such a manner as the Chairman thinks fair and the result of the poll shall be deemed to be the resolution of the meeting of the Corporation at which the poll was demanded.

26. EQUALITY OF VOTES

In the case of equality in the votes whether on a show of hands or on a poll, the Chairman of the meeting of the Corporation is entitled to a casting vote in addition to his original vote, if any.

27. VOTING

On a show of hands each person entitled to vote shall have one vote. On a poll the votes of persons entitled to vote shall correspond with the Unit Factors for the respective Units owned by or mortgaged in their favour. Except for those matters requiring a Special Resolution, all matters shall be determined by an Ordinary Resolution.

28. MANNER OF VOTING

On a show of hands or on a poll, votes may be given either personally or by proxy, and on a show of hands, the person entitled to vote may indicate that he is showing hands with respect to a number of votes, provided that his proxy is in order if he is voting as proxy, and the votes shall be so counted.

29. PROXIES

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, but the holder of a proxy need not be an Owner or Mortgagee. Provided, however, no person shall be entitled to hold or use more than two (2) proxies for any meeting.

30. ENTITLEMENT TO VOTE

The persons entitled to vote at meetings of the Owners shall be as provided under section 21 of the Act and there are no restrictions or limitations on the right to vote in person or in writing other than the following:

- (a) such restrictions (if any) as are set out in the Act;
- (b) the Corporation shall not be entitled to vote as an Owner even if it is the registered owner of a Unit;
- (c) where an Owner's interest in a Unit is subject to a registered mortgage, notice of which mortgage has been given to the Corporation by the Mortgagee first entitled in priority, a power of voting conferred upon such Owner by the Act or by these Bylaws may be exercised by that Mortgagee (and not the Owner) if that Mortgagee is present personally or by proxy; this provision shall apply only if Section 21 of the Act continues in force or if the said mortgage contains an assignment of the Owner's voting rights in favour of the Mortgagee;
- (d) no Owner and no Mortgagee shall be entitled to vote at any general meeting (annual or extra-ordinary) if on the day for exercising the power of voting, the Owner is more than thirty-one (31) days in arrears in sums payable to the Corporation in respect of his Unit or has remained in default for more than thirty-one (31) days of any other obligation owed to the Corporation in respect to his Unit or the Common Property;

- (e) a second or subsequent Mortgagee shall only be entitled to exercise the power of voting in the circumstances provided in the Act.

31. VOTE BY CO-OWNERS

Where more than one person owns a Unit, those persons may vote by proxy jointly appointed by them, and in the absence of such a proxy only one of those persons is entitled to vote on a show of hands; and any one of those persons may demand a poll, and on any poll each such person is entitled to such part of the vote applicable to a Unit as is proportionate to his interest in the Unit, and the joint proxy, if any, on a poll has a vote proportionate to the interest in the Unit of such of those persons who do not vote personally or by individual proxy.

32. SUCCESSIVE INTEREST

Where Owners are entitled to successive interests in a Unit, the Owner entitled to the first interest (or his Mortgagee, if applicable) is alone entitled to vote, whether on a show of hands or a poll, and this Bylaw is applicable whether or not the Act requires the Special Resolution of Owners.

33. TRUSTEE VOTE

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 the latter may not vote.

34. SIGNED RESOLUTIONS

- (a) A resolution of the Board in writing signed by all of the members of the Board shall be as effective as a resolution passed at a meeting of the Board duly convened and held.
- (b) Subject to the provisions of the Act, any resolution of the Corporation determined upon or made without a meeting and evidenced by writing, signed in person or by proxy as contemplated in these Bylaws, shall be as valid and effectual as a resolution duly passed at a properly convened meeting of the Corporation and shall take effect and be an Ordinary Resolution or a Special Resolution, as the case may be, if signed by the requisite number of Owners in accordance with the requirements of these Bylaws and the Act.

35. OBSERVANCE OF BYLAWS/SEVERANCE

The Corporation, the Board and all Owners, tenants and other occupants of the Units and Residences shall observe and obey all such Bylaws as are applicable to each of them and as amended from time to time whether or not such Bylaws or any parts thereof are registered at the Land Titles Office. If any provision or provisions of these Bylaws are or become illegal or not enforceable, it or they shall be deemed to be and shall be separate and severable from these Bylaws and the remaining provisions of these Bylaws shall remain in full force and effect as if the severable provision or provisions had not been included in these Bylaws.

36. AMENDMENT OF BYLAWS

These Bylaws may be added to, replaced, amended, or repealed by Special Resolution of the Corporation and not otherwise; further, this Bylaw 36 and Bylaws 3(a), 67, 68 and 69 may only be added to, replaced, amended or repealed with the written consent of the Developer.

37. FINANCIAL STATEMENTS

If required by any general meeting, the annual financial statements produced by the Board shall be audited and certified by auditors or certified accountants appointed by the Board. The Board shall cause financial statements to be prepared and distributed to the Owners in the manner and at the times required under the Act.

38. EXPENDITURES BY MANAGER

Any Manager employed by the Board may, by resolution of the Board, from time to time, make non-budgeted expenditures which do not exceed one thousand (\$1,000.00) dollars in aggregate per annum without specific approval of the Board, but any single non-budgeted expenditure in excess of five hundred (\$500.00) dollars must be first approved by the Board unless the Manager was required to incur such expenditure in an emergency in order to preserve the property of the Corporation or the Owners or to protect the safety of the Owners, tenants and other occupants of the Units. The Board may revoke such resolution at any time by a further resolution of the Board.

39. BONDING OF MANAGER/BOARD

- (a) Each Manager shall be bonded for the loss of any money or other property through any fraudulent or dishonest acts of the Manager, its agents or employees for an amount determined by the Board, in its sole discretion.
- (b) On Ordinary Resolution of the Corporation, all members of the Board shall be bonded by a recognized bonding institution in an amount not less than one year's Common Expenses.
- (c) The Board on behalf of the Corporation may obtain a bond from a recognized bonding institution covering loss by fraudulent or dishonest acts by employees and officers of the Corporation and all members of the Board and covering loss of funds or other property of the Corporation in an amount of not less than ten thousand (\$10,000.00) dollars.
- (d) The costs of all bonding shall form part of the Common Expenses of the Corporation.

40. ESTOPPEL CERTIFICATE

Any certificate as to an Owner's position with regard to assessments for Common Expenses or otherwise, issued by the Corporation (whether or not under the corporate seal) signed by at least one member of the Board or by the Manager, shall be deemed an estoppel certificate, and the Corporation and all of the Owners shall be estopped from denying the accuracy of such certificate against any Mortgagee, purchaser or other person dealing with that Owner and who relied upon such certificate; but this shall not prevent the enforcement against the Owner of all obligations of the Owner whether improperly stated in such estoppel certificate or not. The Board or Manager shall be entitled to collect a fee from the person requesting such a certificate, which fee shall be set by the

Board from time to time or shall be as set forth in any agreement between the Corporation and the Manager.

41. NOTICE OF DEFAULT TO MORTGAGEE

Any notice of default sent to an Owner shall also be sent to all those Mortgagees holding registered mortgages of such Owner's Unit who have notified the Corporation of its mortgage.

42. NOTICE

Every notice, demand or request permitted or required to be given or served hereunder shall be deemed to be properly and effectively given or served:

- (a) upon the Corporation if delivered by hand to the office of the Manager of the Corporation, if any, or mailed by depositing the same in a post box, enclosed in a postage-prepaid envelope addressed to the Corporation at its address as filed at the Land Titles Office;
- (b) upon an Owner by delivery by hand to the Owner (and if there is more than one Owner then to any one of such Owners), by leaving same at the Unit, or by mail by depositing the notice in a post box, enclosed in a postage-prepaid envelope addressed to the Owner at the municipal address of his Unit or to an address provided by the Owner pursuant to Bylaw 50(a);
- (c) upon a Mortgagee of a Unit by delivery by hand to the Mortgagee (or if the Mortgagee is a company to a person in authority with such Mortgagee) or by mail by depositing the notice in a post box, enclosed in a postage-prepaid envelope addressed to the Mortgagee at the municipal address of such Mortgagee notified to the Corporation; provided, however, that any notice providing for or contemplating any meeting or any acts or steps that would if approved or taken involve the amendment of the Bylaws or the winding up of the Corporation, shall be given by prepaid registered mail addressed to the Mortgagee as aforesaid.

The Corporation may change its address for service by resolution of the Board and shall cause the change in address to be recorded at the appropriate Land Titles Office. A Mortgagee of a Unit may change its address for service by giving notice, in writing, of the change to the Corporation in the manner aforesaid. Any notices, demands or requests served by mail as aforesaid shall be deemed to have been received seven (7) days after the time of mailing, provided, however, that if there is an interruption of mail service, the notice shall not be deemed to have been received until the seventh (7th) day following restoration of normal mail service.

43. INSURANCE

The Board, on behalf of the Corporation, shall obtain and maintain insurance on all insurable property both real and personal of any nature whatsoever of the Corporation, that provides for settlement to the full replacement value thereof without deduction for depreciation, for such risks or causes and on such terms and conditions as the Board may determine or as may be determined by Ordinary Resolution. Subject to the provisions of the Act, which shall govern in all circumstances, insurance proceeds realized under any such policy of insurance shall be paid to the Corporation which shall apply such proceeds to the repair and restoration of the damage or loss.

The Board, on behalf of the Corporation, may (or shall if required under the Act) also obtain and maintain insurance coverage for liabilities, costs, charges and expenses incurred by the Board and the officers of the Corporation except that a director or officer of the Corporation shall not be covered in respect of and as a result of a failure by that director or officer to act honestly and in good faith.

The Board may also obtain and maintain public liability insurance insuring the Corporation, the Board, the officers of the Corporation and the Owners against any liability for bodily injury, death and damage to property, to third parties or to the Owners and their invitees, licensees or tenants incidental to the ownership, use, control, management and administration of the Common Property and the Corporation's real and personal property. Limits of liability under such insurance shall be in such amounts determined by the Board from time to time. Any such policy of insurance shall include as insureds the Corporation, the Board and the members of the Board and the officers of the Corporation while acting within the scope of their duties as such. Any such liability insurance shall contain a cross liability clause whereby the insurance indemnifies each insured as if a separate policy had been issued to each, subject to the limit of insurance indemnity otherwise applicable not being affected.

The costs for all of the above insurance shall be deemed to form part of the Common Expenses.

44. **DEDUCTIBLE**

In the event that a claim is made under any policy of insurance maintained by the Board on behalf of the Corporation and the cause of the loss for which the claim is made is due to an act or omission of an Owner, occupier or tenant of an Owner or member of their families or the guests, invitees, servants, agents or contractors any of them, then the Owner shall immediately reimburse the Corporation for any insurance deductible paid by the Corporation with respect to the loss for which the claim is made, the amount of same to be recoverable by the Corporation as a contribution against all other costs, charges and liabilities arising out of any loss that may be sustained or incurred by the Corporation. In all other cases, the Corporation shall bear the cost of the insurance deductible and such cost shall be included in Common Expenses. The onus of proof of cause of the loss shall be on the Corporation.

45. **OWNER'S USAGE**

An Owner shall not:

- (a) use (nor allow to be used) his Residence or Unit or deal with his Residence or Unit in a manner which is inconsistent with the terms of any restrictive covenant registered against title to the Unit before or after these Bylaws come into effect;
- (b) make or permit any disturbing smells on the Unit, or make or permit any noise upon the Unit that breaches any noise bylaw of the Municipality, or do or permit anything to be done therein which will interfere with the rights, comfort or convenience of other occupants of the Parcel; no Owner shall play or permit to be played loudly any musical instrument, phonograph, stereo, radio or television, nor shall any Owner practice or allow either vocal or instrumental music at any time in such a manner as to disturb or annoy other members or occupants of the Parcel;

- (c) keep any animals, birds, or reptiles in his Residence, in or on any Unit other than the pets authorized by these Bylaws.

46. FIRE HAZARD

No Owner shall do or permit anything to be done in a Residence or on a Unit or the Parcel or bring or keep anything thereon which will in any way increase the risk of fire or the rate or availability of fire insurance premiums on any building located on the Parcel, or on the property kept therein, or obstruct or interfere with the rights of other Owners or in any way injure or unreasonably annoy them or conflict with the laws relating to fires or with the regulations of any local Fire Department or with the terms or conditions of any insurance policy on any building located on the Parcel or conflict with any of the rules and ordinances of the municipal Health Department or with any statute or municipal bylaw or with any other law whatsoever. Except for normal cleaning products and related household goods, no stores of gasoline or other combustible or inflammable goods or materials and no offensive goods, provisions or materials of any kind shall be kept in any Residence or on any Unit. No stores of gasoline or any other combustible or inflammable goods or materials, and no offensive goods, provisions or materials of any kind shall be kept on any part of the Common Property except as permitted, in writing, by the Board.

47. SIGNS

No signs, billboards, notices or other advertising matter of any kind shall be placed on any part of a Unit or Residence without the prior written consent of the Board. Notwithstanding the foregoing, an Owner may display in a location approved by the Board reasonable "For Sale" signs in respect of the offering of his Unit for sale (the acceptability of such signs to be determined by the Board acting reasonably).

48. PETS

- (a) No animal (except a domestic dog or a domestic cat), bird, or reptile (all of the foregoing, as well as a domestic dog and a domestic cat, are hereinafter referred to as a "pet") of any kind exceeding 10 kilograms shall be kept in any Residence or on the Unit unless approved by the Board, and the Board may, if such approval has been given, withdraw such approval on fifteen (15) days notice in the event of a breach of the Act or the Bylaws by the Owner or his pet. An Owner shall not keep in any Residence or on the Unit more than three (3) pets (excluding fish).
- (b) Notwithstanding the generality of the foregoing, if the Board, in its sole discretion, deems any pet whatsoever to be or be causing an unreasonable disturbance to occupiers of other Residences or Units or to be a hazard or a threat to, or harmful or dangerous to other Owners or occupiers of other Residences or Units, then the Owner of the Residence or Unit or the occupier of the Residence or Unit in which such pet is kept shall forthwith, on notice from the Board, remove or cause to be removed such pet from his Residence or Unit and such pet shall thereafter not be kept in that Residence or Unit at any time.
- (c) Any municipal bylaws in effect in the Municipality shall have effect within the Common Property. Municipal enforcement officers are hereby authorized to enforce the Municipality's bylaws upon the Common Property.

- (d) Any and all permitted pets which may bear a leash will be required to bear one when on the Common Property, unless in any off-leash area of the Common Property designated by the Corporation. No pet shall be kept on or allowed to run at large over any part of the Common Property unless within an enclosed area designated by the Corporation as an "off-leash area". The Owner shall promptly pick up from the Common Property and all Units, and dispose of in a garbage receptacle, all excrement of his pet(s). No Owner shall feed pigeons, gulls, or other birds designated by the Board, from the windows or patios of his Residence or from the Unit without the written approval of the Board.

49. **DEBRIS**

Nothing may be thrown out of the windows or doors of a Residence. Owners shall keep any decks and patios adjacent to their Residence or on the Unit clean and free of debris as required by the Board. Each Owner shall keep the area outside of his Residence and located upon his Unit in a neat and tidy condition.

50. **TENANTS AND OCCUPIERS**

An Owner shall not lease or grant possession of his Unit or Residence to any tenant or occupier:

- (a) until the Owner complies with the deposit requirements (if any) of the Corporation and provides the Corporation with an address for service of any notice that may be served upon him pursuant to the Act or the Bylaws as well as the name of the tenant or occupier;
- (b) unless the tenant or occupier undertakes in writing to the Corporation to be bound by and comply with the Bylaws of the Corporation; and
- (c) until the Owner gives notice in writing to the Corporation of the tenancy or other occupancy accompanied by the written undertaking of the tenant, or occupier to be bound by the Bylaws of the Corporation.

No tenant or occupier shall move into or occupy a Unit or Residence unless paragraphs (a), (b) and (c) above have been complied with. Nothing in these Bylaws shall in any way remove, waive or alter the responsibility of each Owner for the performance of all Bylaws by all persons using or occupying his Unit or Residence.

Each tenant or occupier of a Unit or Residence, upon receiving notice from the Corporation that the Owner of the Unit or Residence is in default of a payment, contribution or assessment levied by the Corporation or an instalment or instalments thereof, shall deduct from the rent payable to the Owner the payment, contribution or assessment levied or the instalment or instalments in arrears and any interest owing thereon and the tenant or occupier shall pay the same to the Corporation and the amount so paid to the Corporation shall be deemed to constitute rent paid to the Owner by the tenant or occupier, as the case may be.

51. **GARBAGE**

Owners shall tightly wrap, tie and containerize their garbage and shall deal with and locate garbage and garbage containers as directed by the Board from time to time and shall observe

all bylaws and regulations of the Municipality in that regard. The following rules must be observed with respect to trash equipment:

- (a) debris shall be completely drip free before it leaves the Unit and carried to the pick-up areas in a careful manner and in a drip proof container;
- (b) cartons, boxes, crates, sticks of wood, bottles or other solid matter shall be placed in a neat manner for collection from the appropriate pick-up area; bulky items must be taken by the Owner to a municipal dump; and
- (c) vacuum cleaner bags must be wrapped in a securely tied bag or package and then placed in the appropriate area for pick-up.

52. OBSTRUCTION

Except for a fence constructed by the Developer or required by the Municipality, no Owner shall erect or plant or cause to be erected or planted, any fence, screen, barrier, awning, shade, partition, tree, shrub or flower on or near the border of his Unit or which overhangs any part of the Unit without the prior written consent of the Board.

53. PARKING AREAS

No Owner nor any of his family members, guests, tenants, occupiers, servants, agents or contractors shall park a motor vehicle or automobile on any part of the Parcel except in the garage upon his Unit and the area in front of such garage, and except that the guests or invitees of an Owner or his tenant may park a motor vehicle or automobile in areas, if any, upon the Common Property designated by the Board for parking and during such times designated by the Board.

54. USE AND ENJOYMENT

Subject to the Condominium Plan or any redivision plan, the Owner of each Unit shall have the right to the exclusive use and enjoyment of such portions of the Common Property as may be designated by the Board and the Board at its sole option may at any time and from time to time withdraw and terminate such right for any or all Units upon giving sixty (60) days' notice to all Owners or Units for which such right is terminated. Owners and their families, guests, tenants, servants, agents and contractors and pets of those persons, shall not harm, mutilate, destroy, waste, alter or litter any part or parts of any Unit, the Common Property or the property (real or personal) of the Corporation, including without limitation, any landscaping works (including trees, grass, shrubs, hedges, flowers, and flower beds).

55. STRUCTURES

No trailer (either with or without living, sleeping, or eating accommodation) and no tent, shed, or portable building shall be placed, located, kept or maintained on the Units except with the prior written approval of the Board which approval may be subsequently withdrawn in which event the item shall be forthwith removed by the Owner who caused the same to be placed, located or kept or maintained on the Unit.

56. **PERSONAL PROPERTY AND INJURY AND INSURANCE**

None of the Corporation, its Board members, officers, agents or employees will be responsible to any Owner, tenant or occupier of a Unit or Residence, for any injury, death, damage or loss whatsoever caused by or to the person or property of any Owner, tenant or occupier of a Residence or Unit or the Owner's family members, guests, servants, agents or contractors including but not limited to:

- (a) injury, death, damage or loss arising out of the use of:
 - (i) parking areas, if any, provided upon the Common Property;
 - (ii) any part of the Common Property designated for the exclusive use and enjoyment of any Owner, tenant or occupier;
- (b) damage to or loss of any contents, personal property, or improvements in or to any Residence or Unit; or
- (c) any personal injury or property damage occurring on the Parcel.

Subject to the Act and the Bylaws, **THE INSURING OF THE RESIDENCE AND ANY CONTENTS OR IMPROVEMENTS WITHIN OR TO A UNIT OR RESIDENCE IS THE SOLE RESPONSIBILITY OF THE OWNER**, tenant or occupier of the Residence or Unit, and an Owner, tenant or occupier of a Residence or Unit shall not require the Corporation nor its Board members, officers, agents or employees to repair any damage to the Residence or any contents, personal property, or improvements within or to the Unit or Residence however caused. No Owner, tenant or occupier of a Unit or Residence shall be entitled to claim or shall 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 to any part of the Parcel or non-residential unit created by any redivision plan.

57. **TRAFFIC SPEED AND DIRECTIONAL CONTROL**

All Owners shall observe and abide by all rules and regulations established from time to time by the Board for the safe and orderly flow of traffic in or on the Parcel including (without limiting the generality of the foregoing) speed limits, restricted parking, pedestrian access rights-of-way, emergency access routes and directional controls.

58. **MAINTENANCE AND THE CORPORATION'S RIGHT OF ENTRY**

- (a) The Corporation and its servants and agents shall, notwithstanding the grant of any right, licence or privilege of exclusive use of any part of the Common Property to an 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 such parts of the Parcel for the purpose of carrying out of any of the duties or functions of the Corporation.
- (b) Should any Owner fail to maintain and/or repair his Residence or Unit, in a manner satisfactory to the Board or its representative, those items for which he is responsible under these Bylaws, after ten (10) days' written notice to do so has been given by the Board or its representative, then the Board or its representative, may do or cause to

be done the maintenance and/or repair and the Owner affected is obliged to and shall reimburse the Corporation for all monies expended for labour, materials, normal overhead and all costs, including indemnification of the Corporation's solicitor and his own client costs, incurred in respect of such maintenance and/or repairs and the Board or its representative may use all or any of the remedies open to it or as hereinafter set out, to recover such monies for the Corporation and such monies shall be a charge upon his Unit.

- (c) Notwithstanding anything to the contrary herein expressed or implied each Owner shall be responsible for damage caused to any Unit or Residence by any wilful, accidental or negligent acts of himself, his pets, members of his family, tenants, invitees, contractors or licensees and should any Owner fail to repair in a manner satisfactory to the Board or its representative, then the Board, or its representative, may do or cause to be done such repair and the Owner affected agrees to and shall reimburse the Corporation for all monies expended for labour, materials, normal overhead and all costs (including indemnification of the Corporation's solicitor and his own client costs) incurred in respect of the doing of such repairs or in collection of the same and the Board or its representative may use all or any of the remedies open to it as hereinafter set out, to recover such monies for the Corporation and such monies shall be a charge upon his Unit to the same extent as they would be if they were unpaid Common Expenses charges assessed upon his Unit.

59. COMMON EXPENSES

The Common Expenses of the Corporation shall, without limiting the generality of the definition thereof, include the following:

- (a) all levies or charges on account of electricity, water, sewer, garbage removal, gas and other utility services supplied or billed to the Corporation;
- (b) the cost of and charges for all management fees, salaries and other benefits for services of any caretakers or maintenance personnel;
- (c) all costs and charges on account of landscaping, maintenance and snow removal undertaken by the Corporation as required under the Act or the Bylaws;
- (d) all reserves (including the Capital Replacement Reserve Fund) for future expenses and future maintenance, repairs and replacements of the Common Property (including roads, utility lines, and storm water retention ponds) or any Unit or property owned by or registered in the name of the Corporation and portions of Units or Residences, the maintenance, repair or replacement of which is the responsibility of the Corporation pursuant to the Act or the Bylaws;
- (e) all costs of and charges for maintenance, repair, and replacement of any of the Common Property or any Unit or other property owned by or registered in the name of or used by the Corporation, and the Units or Residences for which and to the extent the Corporation is responsible pursuant to the Act or the Bylaws;
- (f) all costs of and charges for all consultation, professional and servicing assistance required by the Corporation including without limiting the generality of the foregoing all auditing, accounting, engineering and legal costs;

- (g) the amount of all costs and expenses whatsoever, including (without limitation) all maintenance and repair costs, financing charges, Common Expenses, municipal taxes and all utilities charges, for or in respect of any Unit owned by or registered in the name of the Corporation itself;
- (h) all fees and charges for insurance for which the Corporation is responsible pursuant to the Act or the Bylaws;
- (i) the cost of performing all obligations of the Corporation or the Board created by the Act or these Bylaws;
- (j) all newsletters, memberships, subscriptions, office equipment, supplies, printing and postage costs;
- (k) the cost of operating a bank or trust account and the cost of borrowing money for the purpose of carrying out the objects and duties of the Corporation and the Board; and
- (l) any taxes payable by the Corporation in connection with the foregoing or in performing its obligations under the Act or the Bylaws.

The Treasurer of the Board or the Manager shall keep detailed accurate records in chronological order of the receipts and expenditures affecting the Common Property or any Unit or other property owned by or registered in the name of the Corporation, specifying and itemizing the expenditure incurred. Records and vouchers authorizing the payments involved shall be available for examination by an Owner at convenient business hours on week days.

60. ASSESSMENT FOR COMMON EXPENSES

- (a) At least thirty (30) days prior to the beginning of each fiscal year, the Board, or at its request, the Manager, shall estimate the amount of the Common Expenses that will be incurred or required in such fiscal year (including amounts required, if any, for the Capital Replacement Reserve Fund and reasonable allowance for contingencies and replacements plus any deficiencies from the previous year and less any expected income and any surplus from the fund collected in the previous year). Each year's estimated or actual Common Expenses shall be apportioned, levied and assessed equally to and upon the Owners of Units which are not Unimproved Units. Notwithstanding anything to the contrary contained herein, no assessment shall be levied against any Unit owned by or registered in the name of the Corporation; if assessments must be levied, by law, against such Unit, then the said assessments shall be paid by the Corporation and included in the next levy for Common Expenses. If the amounts estimated prove inadequate for any reason, including non-payment of an Owner's assessment, the Board may at any time, and from time to time, levy a further assessment or such further assessments as are required in equal proportions as hereinbefore provided.
- (b) Each Owner shall be obligated to pay any and all assessments made pursuant to this provision to the Board or to the Manager to the account of the Corporation, as directed by notice, in one single annual assessment or in equal monthly instalments on or before the first day of each month during the fiscal year for which such assessment is made or in such other manner as the Board or the Manager with the consent of the Board (as the case may be) shall designate, and further pay interest on

all assessments or payments in arrears at the rate of five (5%) percent per annum added to the prime rate of the Bank of Nova Scotia (or such other bank designated by the Board from time to time), compounded monthly, calculated from the due date 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, and any legal costs incurred by the Corporation shall be payable by that Owner on a solicitor and his own client basis. Nothing herein shall restrict or abrogate any rights or remedies given to the Corporation by or under the Act.

- (c) In these Bylaws, assessments for Common Expenses may sometimes be referred to as Condominium Fees.
- (d) The omission by the Board before the expiration of any fiscal year, to fix the assessments hereunder for that year or for the next year, 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 obligations to pay the assessments, or any instalments thereof for that or any subsequent year, but the single annual assessment or the monthly instalments for the preceding fiscal year shall continue (on the anniversary of the single assessment, or monthly, in the case of monthly assessments) until a new single annual assessment or new monthly instalments are fixed. No Owner can exempt himself from liability for his contributions toward the Common Expenses by waiver of use or enjoyment of the Common Property or any Unit owned by or registered in the name of the Corporation or by vacating or abandoning his Unit or Residence.

61.

**DEFAULT IN PAYMENT OF ASSESSMENTS AND LIEN
FOR UNPAID ASSESSMENTS, INSTALMENTS AND PAYMENTS**

- (a) The Corporation shall and does have a lien and charge upon and against the estate or interest of the Owner for any unpaid Condominium Fees, instalment or payment (including interest on arrears) due to the Corporation in respect of his Unit or Residence, which lien shall be a first and paramount lien against such estate or interest subject only to the rights of any municipal or local authority in respect of unpaid realty taxes, assessments or levies of any kind against the Unit title or interest of such Owner but subject also to the provisions of the Act, and the *Land Titles Act* of Alberta. The Corporation shall have the right to file a caveat against the Unit title or interest of such Owner in respect of the lien or charge for the amount of such unpaid Condominium Fees, instalment or payment, provided that each such caveat shall not be registered until after the expiration of thirty (30) days following the due date for the first payment in arrears. The defaulting Owner shall pay, on an a full indemnification basis, to the Corporation the Corporation's solicitor and his own client costs incurred in preparing and registering the caveat and in discharging the caveat. The Corporation shall not be obligated to discharge any caveat until all arrears of the Owner, including interest and all such legal costs are fully paid. As further and better security, each Owner responsible for any such unpaid Condominium Fees, instalment or payment which is in arrears for more than thirty (30) days shall, upon demand of and at the sole option of the Corporation, give to the Corporation a mortgage or encumbrance for the full amount thereof providing for their payment on demand with interest thereon at the rate of five (5%) percent per annum added to the prime rate of the Bank of Nova Scotia (or such other bank designated by the Board from time to time), compounded monthly, or such other rate

of interest as may be approved by Special Resolution, calculated from the due date 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, and any legal costs incurred by the Corporation shall be payable by that Owner on a solicitor and his own client indemnification basis. Nothing herein shall restrict or abrogate any rights or remedies given to the Corporation by or under the Act.

- (b) Any other Owner or person, firm or company whatsoever may pay any unpaid Condominium Fees, instalment or payment (plus interest and costs if any) 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 being made, such person, firm or company shall have a first and paramount lien, subject to the estates or interests hereinbefore mentioned, and shall be entitled to file a caveat in respect of the amount so paid on behalf of the Owner in default, and shall be entitled to enforce his lien, thereby created, in accordance with the other terms and conditions of this provision.
- (c) Notwithstanding any other term, condition or provision herein contained or implied, each unpaid Condominium Fee, instalment or payment shall be 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 therefor shall be maintainable as a separate action, suit or proceeding without foreclosing or waiving the lien, charge or security securing the same, and the Corporation shall be entitled to recover its legal costs on a solicitor and his own client indemnification basis.
- (d) The Board may, by resolution, accelerate all payments in the balance of the budgetary year from any Owner in arrears, and all such payments shall become due and payable forthwith and may be collected in the manner as set out in these Bylaws, including all legal costs of the Corporation on a solicitor and his own client indemnification basis.

62. COLLECTION OF CONTRIBUTIONS

The Board, on behalf of the Corporation, may collect the Condominium Fees by a single annual assessment or monthly instalments and may require post-dated cheques. The monthly instalments may be accelerated as provided for in the Bylaws.

63. CONDOMINIUM FEE PRIORITY

Subject to anything to the contrary herein contained, should the Corporation file a caveat for unpaid Condominium Fees, it shall be entitled to maintain and shall maintain a priority over all other claims and the caveat may be enforced as contemplated under Section 31 of the Act (or any Section passed in substitution thereto).

64. VIOLATION OF BYLAWS

Any infraction, violation or default of these Bylaws or any rules and regulations established pursuant to these Bylaws on the part of an Owner, his family members, servants, agents, contractors, licensees, invitees or tenants may be corrected, enjoined, remedied, or cured by the Corporation (including without restriction, by an action for specific performance, damages and/or

injunctive relief) and any fines, costs or expenses expended or incurred by the Corporation in correcting, remedying, enjoining or curing such infraction, violation or default shall be charged to such Owner and shall be added to and become part of that Owner's Condominium Fees and shall bear interest at the rate of five (5%) percent per annum added to the prime rate of the Bank of Nova Scotia (or such other bank designated by the Board from time to time), compounded monthly, until paid.

65. RECOVERY OF COSTS

The Corporation may recover from an Owner by an action for debt in any court of competent jurisdiction any sum of money, including its costs on a solicitor and his own client indemnity basis, which the Corporation is required to expend as a result of any act or omission by an Owner, his family members, servants, agents, contractors, licensees, invitees or tenants which violates these Bylaws or any resolutions established pursuant to these Bylaws and there shall be added to any judgment all costs of such action including full indemnification of the Corporation's legal costs as between solicitor and his own client. Nothing herein shall be deemed to limit any right of any Owner to bring an action or proceeding for the enforcement and protection of his rights and the exercise of his remedies.

66. CHANGE OF LEGISLATION

Should the Act change in the future, then these Bylaws shall, in the future, adopt any and all changes to the Act and specifically adopt those changes to the Act which are required to be adopted to enable the Corporation to operate, at all times, within the full power of the Act and to use all remedies available to it pursuant to the Act.

67. PURPOSE OF RESTRICTING USE OF UNITS

The restrictions in use have the following purposes:

- (a) to provide for the health and safety of occupants on the Parcel;
- (b) to maintain the Units and Residences in such a manner as to preserve property values;
- (c) to provide for the peace, comfort and convenience of the Owners and occupants of the Parcel; and
- (d) to develop a sense of community.

68. NON-PROFIT CORPORATION

The Corporation is not organized for profit.

69. DEVELOPER USE OF UNITS

Notwithstanding anything to the contrary in the Bylaws, during such time as the Developer is an Owner of one or more Units, it shall have:

- (a) the right to carry on all sale functions it considers necessary from such Units or Residences owned or leased by it, including the operation of showhomes by the

Developer or any persons designated by it on Units owned by the Developer or such persons;

- (b) the unfettered right to use any of the Common Property and any Unit owned by or registered in the name of or to be owned by or registered in the name of the Corporation; and
- (c) the right to place signs on the Parcel relating to the sales of Units or Residences within the Parcel.

The Developer shall be entitled to make reference to the project on this Parcel, and its location and amenities in any of its promotional operations in respect to the said project or any other project of the Developer.

The rights of the Developer in this Bylaw may not be altered in any way without the written consent of the Developer.

70. DEVELOPER CONDOMINIUM FEES

While the Developer is an Owner of any Unit or Residence, the Developer will not have to pay Condominium Fees or contribute to the Capital Replacement Reserve Fund for any Units or Residences it owns until the later of:

- (a) the first of the month following the convening of a meeting of the Corporation in accordance with Section 24 of the Act; and
- (b) the date the Developer has leased, sold or transferred ownership in at least ninety percent (90%) of the Units.

71. DEVELOPER EXEMPTION FROM BYLAWS

Bylaws 3(d), 45, 47 and 50 shall not apply to the Developer for three (3) years from the date of registration of the Condominium Plan. Notwithstanding the generality of the foregoing, these Bylaws shall only apply to the Developer and any Residence or Unit owned by it upon the written notice to the Developer by the Board. Where the Developer seeks the enforcement or benefit of any provision of the Bylaws, such right or benefit may be enforced by and through the Corporation as trustee on its behalf and notwithstanding that the Corporation may also be a party to those proceedings in which the Corporation seeks enforcement of such rights.

72. UNIMPROVED UNITS

The Owner of an Unimproved Unit shall be responsible for keeping each such Unit free of debris and weeds and shall keep the Unimproved Unit in a neat and tidy condition.

73. EASEMENTS

Each Owner acknowledges and agrees that they are bound by the provisions of Sections 17, 18 and 19 of the Act (or any Sections passed in substitution therefor) respecting easements. In addition, each Owner further agrees that there is implied in respect of each Unit shown on the Condominium Plan and with respect to each Residence constructed on a Unit or on a Unit created by any redivision plan:

- (a) in favour of the Owner of the Unit and as appurtenant to the Unit, an easement for the subjacent and lateral support of the Residence and Unit by every other Residence and Unit capable of affording support;
- (b) in favour of the Owner of the Unit, and as appurtenant to the Unit, an easement for the shelter of the Residence and Unit by every other Residence or Unit capable of affording shelter;
- (c) in favour of the Owner of the Unit, and as appurtenant to the Unit, easements for the passage or provision of water, sewage, drainage, gas, electricity, garbage removal, artificially heated or cooled air and other services including telephone, radio, sprinklers and television services through or by means of any pipes, wires, cables or ducts now or hereafter in or on 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 Residence or Unit;
- (d) as against the Owner of the Unit, an easement, to which the Unit is subject, for the subjacent and lateral support of every other Residence and Unit capable of enjoying support;
- (e) as against the Owner of the Unit, an easement, to which the Unit is subject, to provide shelter to every other Residence and Unit capable of enjoying the shelter;
- (f) as against the Owner of the Unit, easements, to which the Unit is subject, for the passage or provision of water, sewage, drainage, gas, electricity, garbage removal, artificially heated or cooled air and other services including telephone, radio, sprinklers and television services through or by means of any pipes, wires, cables or ducts now or hereafter in or on the Residence or Unit, as appurtenant to every other Residence and Unit capable of enjoying those easements.

74. **UTILITIES**

The owner of any utility service who is providing its service to the Parcel, or to any Residence or Unit, is entitled to the benefit of any of those easements contained in the immediately preceding Bylaw that are appropriate to the proper provision of that service, but not to the exclusion of the owner of any other utility service.

75. **ANCILLARY EASEMENT RIGHTS**

All ancillary rights and obligations reasonably necessary to make an easement effective apply in respect of easements set out herein, including the right of an Owner of any dominant tenement to enter a servient tenement and replace, renew or restore anything the dominant tenement is entitled to benefit from.

COPY OF INSTRUMENT

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