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LAND TITLES OFFICE**

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Form 3

Condominium Property Act
Section 26

NOTICE OF CHANGE OF BY-LAWS

CONDOMINIUM CORPORATION NO. 0512667 hereby certifies that by a special resolution passed effective August 23, 2006, the by-laws of the Corporation are added to, amended or repealed as follows:

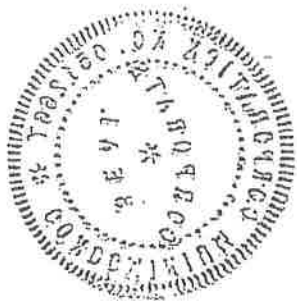
"The form of By-Laws entitled "By-Laws of Condominium Corporation No. 0512667", dated August 23, 2006, be the By-Laws of the Corporation in total substitution and replacement for all the By-Laws set forth in Appendix 1 of The Condominium Property Act, and that such By-Laws be registered at the Land Titles Office for the South Alberta Land Registration District."

The seal of Condominium Corporation No. 0512667 was affixed on this 23 day of August, 2006.

CONDOMINIUM CORPORATION
NO. 0512667

Per. 

Abed Itani, Board Member



Condominium By-laws

WESTGATE PARK
BY-LAWS OF CONDOMINIUM CORPORATION NO. 0512667

SUMMARY OF CONTENTS

IN SUBSTITUTION FOR APPENDIX 1 BY-LAWS OF
THE CONDOMINIUM PROPERTY ACT

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BY-LAWS OF CONDOMINIUM CORPORATION NO. 0512667

DEFINITIONS AND INTERPRETATION

- I. In these By-laws unless the context or subject matter requires a different meaning:
- (a) "Act" means the *CONDOMINIUM PROPERTY ACT*, Revised Statutes of Alberta, 2000, chapter C-22, as amended from time to time or any statute or statutes passed in substitution therefor;
 - (b) "amenities building" means the building comprising part of the common property which contains a swimming pool, recreational equipment and meeting rooms;
 - (c) "bareland condominium plan" means the bareland condominium plan registered in respect of the parcel as plan no. 0512667;
 - (d) "Board" means the board of directors of the Corporation;
 - (e) "By-laws" means these by-laws of the Corporation, as amended, modified, replaced or supplemented from time to time and "By-law" means any one of such By-laws;
 - (f) "common expenses" mean any and all expenses incurred in the performance of the objects, powers and duties of the Corporation and any expenses otherwise specified as common expenses in these By-laws, including without limitation, in By-law 49 and, for greater certainty but without limiting the generality of the foregoing includes:
 - i) any obligations of the Corporation arising out of any lease, licence, easement, right of way or other use or ownership of property, whether within the bareland condominium plan or otherwise;
 - ii) amounts for anticipated expenses, including reasonable reserves for contingencies;
 - iii) amounts for any deficiencies from prior years;
 - iv) any amounts directly or indirectly relating to the common property; and
 - v) taxes on the common property;
 - (g) "common property" means all portions and elements of, and all improvements constructed on, the project that are not comprised in a residence or in a parking unit;
 - (h) "Corporation" means the corporation constituted under the Act by the registration of the bareland condominium plan whose legal name is Condominium Corporation No. 0512667 and which shall generally be known as Westgate Park Condominium Corporation;
 - (i) "Developer" means Intergulf-Cidex Développement (VII) Corp.;

- (j) "high-rises" means the three high-rise buildings that are proposed to form part of the project and "high-rise" means any one of such buildings;
- (k) "Insurance Trustee" means an entity authorized to carry on the business of a trust company under the laws of Alberta, selected from time to time on ordinary resolution of the Board, whose duties include the receiving, holding and disbursing of proceeds of policies of insurance pursuant to these By-laws and the Act. If no Insurance Trustee is appointed, then the Insurance Trustee shall be the Board;
- (l) "interest rate" means that rate of interest per annum which may be or shall become payable hereunder by an owner in respect of monies owing by him to the Corporation and shall be eighteen (18%) percent per annum compounded annually on the earliest date on which any portion of the said monies become due and payable by an owner, or such lesser amount as approved from time to time by the Board or by Regulation under the Act;
- (m) "managed property" means those portions of a residence that the Corporation has elected to maintain, repair and replace pursuant to By-law 6(o);
- (n) "Manager" means any property manager contractually appointed by the Board;
- (o) "ordinary resolution" means a resolution:
- (i) passed at a properly convened meeting of the Corporation by a majority of all the persons present or represented by proxy at the meeting entitled to exercise the power of voting conferred under the Act or these By-laws; or
 - (ii) in writing signed by a majority of all the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by the Act or these By-laws and representing not less than 50% of the unit factors for all of the units;
- (p) "owners" means the registered owners from time to time of the units within the project and "owner" means any one of such owners;
- (q) "parcel" means the lands legally described as Plan 357JK, Blocks 1 and 2;
- (r) "parkade" means the underground parking facility forming a part of the project;
- (s) "parking units" means those units located within the parkade which are designated by the Developer or the Corporation as parking spaces and "parking unit" means any one of such parking units;
- (t) "project" means the parcel and all improvements constructed thereon from time to time and any personal property acquired by the Corporation from time to time;
- (u) "residence" means a unit that is residential unit within the meaning of the Act;

- (v) "special resolution" means a resolution:
- (i) passed at a properly convened meeting of the Corporation, by a majority of not less than 75% of all the persons entitled to exercise the powers of voting conferred under the Act or these By-laws and representing not less than 75% of the total 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 By-laws and representing not less than 75% of the total unit factors for all the units;
- (w) "spouse" includes a person who holds that position usually enjoyed by a spouse whether or not he or she is legally married;
- (x) "townhouses" means those single family townhouse residences that are proposed to form part of the project and "townhouse" means any one of such townhouses";
- (y) "unit" means an area designated as a unit by the bareland condominium plan or by a plan of re-division of the units created by the bareland condominium plan;
- (z) "unit factor" means the unit factor for each unit as more particularly specified in and set forth on the bareland condominium plan or on a plan of re-division of the units created by the bareland condominium plan.

Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these By-laws and other expressions used in these By-laws and not defined in the Act or in these By-laws have the same meaning as may be assigned to them in the *LAND TITLES ACT* of Alberta or the *LAW OF PROPERTY ACT* of Alberta, as amended from time to time or in any statute or statutes passed in substitution therefor. Words importing the singular number also include the plural, and vice versa, 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 By-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of any By-law.

(b) RIGHTS OF OWNERS

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

(c) CONFLICT WITH ACT

If there is any conflict between the By-laws and the Act, the Act prevails.

(d) SEVERABILITY

The provisions of these By-laws shall be deemed independent and severable and the invalidity, in whole or in part, of any section, part or provision herein, shall not affect the validity of the whole or remaining sections, parts or provisions herein contained, which shall continue in full force and effect as if the invalid portion had never been included herein.

(e) EXTENDED MEANINGS

If and whenever reference hereunder is made to "repair" it is hereby implied and extended to include in its meaning the making of improvements or betterments or the enhancement or replacement with a better thing of or for anything to which such repair could be made.

If and whenever reference hereunder is made to "legal expenses", it is hereby extended and deemed to mean legal expenses on a full indemnity basis as between solicitor/client, together with disbursements and all applicable taxes.

USE AND OCCUPANCY RESTRICTIONS

3. (a) In this By-law:-

- (i) "residence" includes, where the context permits, a parking unit, together with any portion of the common property that is the subject of a lease or license in favour of or is otherwise assigned to an owner or with respect to which such owner has been granted exclusive possession;
- (ii) "occupant" means a person present in or in possession of a residence or upon the common property with the permission of the owner and includes a tenant, family member, guest, agent, licensee and invitee of the owner or of an occupant.

(b) An owner shall not:

- (i) use his residence or any part thereof for any commercial, professional or other business purposes or for any purpose involving the attendance of the public at such residence unless the Board first approves such use (which approval may have conditions attached) and such use constitutes an authorized, permitted or discretionary use or approved "home occupation" as defined in the relevant City of Calgary Municipal by-law. Upon such approval, the owner shall provide the Board with satisfactory proof of such liability insurance as the Board may reasonably require and a copy of any license related to such use. Notwithstanding the foregoing, no owner or occupant shall use a residence as a day-care centre or to provide a commercial babysitting service without the prior written consent of the Board;
- (ii) use his residence, the common property or any part of either, for any purpose which may be illegal or injurious to the reputation of the project or is likely to cause a nuisance or annoyance to other owners;

- (iii) make or permit noise in or about his residence or the common property except in accordance with the City of Calgary Municipal by-laws or allow any odour to emanate or escape from his residence which, in the sole and unfettered opinion of the Board, constitutes a nuisance or unreasonably interferes with the use and enjoyment of a residence or the common property by any other owner or occupant. No workmen or contractor shall be permitted to do any work in any residence that would disturb any other owner between the hours of 9:00 p.m. and 8:00 a.m. on weekdays, or on Saturdays, Sundays or legal holidays without the prior consent of the Board;
- (iv) keep or allow any animal to be in his residence or on common property except in accordance with any policies, rules and regulations adopted by the Board from time to time and in accordance with all applicable laws, regulations, by-laws and other statutory instruments. All dogs and cats must be hand leashed and kept under control at all times. Any City of Calgary Municipal by-laws in effect in the City of Calgary with regard to animals at any point in time shall have effect within the project and municipal officers are hereby authorized and permitted to enforce such City of Calgary Municipal By-laws on the common property. An owner agrees to pay to the Corporation the cost of any repairs or damage to the common property necessitated or caused by any pet, including all legal expenses and management expenses incurred to enforce this By-law;
- (v) use or permit the use of his residence other than as a single family dwelling or for a purpose other than for residential purposes, and for the purposes of this By-law:
 - (A) "single family dwelling" means a residence occupied or intended to be occupied as a residence containing one kitchen and in which no roomers, boarders, or short term tenants are allowed regardless of their length of stay;
 - (B) "boarder" means a person to whom room and board is regularly supplied for consideration;
 - (C) "roomer" means a person to whom a room is regularly supplied for consideration; and
 - (D) "short term tenant" means a person who is renting, leasing or otherwise occupying the residence for consideration for a period of less than one (1) month;
- (vi) permit the number of persons occupying a residence to exceed the lesser of seven (7) persons or the maximum number permitted by any Municipal or Provincial law or regulation or by-law;
- (vii) do any act or permit any act to be done, or alter his residence or permit his residence to be altered in any manner, which will alter the exterior appearance or the structure comprising his or any other residence or the common property, without the prior written approval of the Board which approval may be arbitrarily withheld;

- (viii) permit laundry, towels, sleeping bags, rugs or blankets to be hung other than inside his residence;
- (ix) permit, erect or hang over or cause to be erected or to remain outside any window, door or any other part of his residence or on the common property any clothes-lines, garbage disposal equipment, recreational or athletic equipment, fences, hedges, barriers, partitions, solariums, sunrooms, balcony enclosures, awnings, shades, screens or any other matter or thing without the prior written approval of the Board; PROVIDED HOWEVER an owner may put up Christmas lights and similar decorations on his balcony or patio from the first day of November to and including the first the day March, at his sole expense, provided however the owner shall be required to restore or refurbish any property damaged by him as a result of such installation;
- (x) erect on or fasten to the exterior of any residence or on the common property any air conditioner, television, mobile telephone or radio antenna, or any tower, satellite dish or similar structure or appurtenances thereto without the written approval of the Board and then only in accordance with any regulations which may be established by the Board;
- (xi) overload existing electrical circuits or store any combustible, inflammable or offensive goods, provisions or materials in his residence or on the common property, normal cleaning products and related household goods excepted;
- (xii) do anything or permit anything to be done in his residence or upon the common property or fail to do any act or thing which will or would tend to increase the risk of fire or the rate of fire insurance premiums with respect thereto or which would render invalid any insurance maintained by the Corporation;
- (xiii) do anything or permit anything to be done by any occupant of his residence that is contrary to any statute, ordinance, by-law or regulation of any government authority whether Federal, Provincial, Municipal or otherwise;
- (xiv) do or permit anything to be done that may cause damage to trees, plants, bushes, flowers or lawns on the common property and shall not place chairs, tables, children's playthings, devices, toys or other objects on the lawns and grounds so as to damage them, prevent growth to or interfere with the cutting of lawns or the maintenance of the grounds generally;
- (xv) deposit customary household refuse and garbage outside his residence other than in proper secure garbage bags placed in the designated garbage containers and all bulk waste items such as discarded household furnishings, shall be removed from the project by the owner at his sole cost and expense;
- (xvi) erect, place, allow, keep or display signs, political signs, for sale signs, billboards, advertising matter or other notices, pictures or displays of any kind in or about his unit or the common property in any manner which may make the same visible from the outside of his residence or any unit without the prior written approval of the Board;

- (xvii) alter, remove or replace any blinds on the exterior windows of his residence except to repair such blinds or, if repairing the blinds is impractical or too costly, the owner shall replace such blinds with replacement blinds which are materially the same as the original blinds and which are neutral, off white or ivory when viewed from the exterior of the residence, including, without limitation, colour;
- (xviii) permit any member of his household, guests or visitors to trespass on any part of the common property which is owned by or leased, licensed or assigned to another owner or to which another owner has been granted exclusive possession;
- (xix) wash motor vehicles anywhere on the project;
- (xx) carry out any repairs or adjustments to motor vehicles on his parking unit or in other areas of the parkade or elsewhere on the project;
- (xxi) allow trailers, campers, boats, snowmobiles, trail bikes, all terrain vehicles, or any type of motor home, recreational vehicle or similar vehicles and equipment to be parked or stored on the project;
- (xxii) keep anywhere on the project any vehicle which is not currently licensed, or not in operating condition;
- (xxiii) obstruct any walkway, passage, driveway or parking area;
- (xxiv) shake mops or dusters out of any windows nor throw anything out any windows in his residence, nor permit anything of this kind to be done;
- (xxv) allow his residence to become unsanitary or unsightly in appearance. The Board shall be at liberty to remove any rubbish or clean up the owner's residence to its satisfaction and charge the expense to the owner;
- (xxvi) make or cause to be made any structural, mechanical, plumbing, drainage, gas system or electrical changes, alterations or additions to his residence or any structural alterations to be made to the outer boundary of his residence (including load bearing walls, ceilings or floors) without first having the design and specifications of such alteration or addition approved in writing by the Board and thereafter obtaining the proper building permit from the City of Calgary. The owner requesting such approval agrees to pay the cost of any engineer or architect engaged by the Board to review the design and specifications. Any alteration or addition made by an owner without such approval may be restored or removed by the Board or its duly authorized representative and any costs incurred by the Corporation as a result thereof shall forthwith be paid by such owner to the Corporation, shall be deemed an assessment with respect to such owner's residence and shall bear interest at the interest rate from the time such costs are incurred until paid;
- (xxvii) use a toilet, sink, tub, drain or other plumbing fixture for a purpose other than that for which it is constructed;

- (xxviii) use areas outside of his residence (other than an assigned storage locker) for the storage of personal belongings or other goods and chattels or allow or cause any household, personal effects or articles belonging to him to be kept anywhere except inside his residence or in his storage locker when not in actual use other than a barbecue or deck furniture which may be stored in accordance with the rules and regulations established by the Board from time to time, provided always that parking units may be used only in accordance with By-law 3(b)(xlii);
- (xxix) subject to By-law 3(b)(xvii), place foil, flags or any other material other than the Developer's approved blinds on any exterior window;
- (xxx) use or permit another to use any recreational facilities, amenities or any other portion of the common property except in strict accordance with any rules and regulations therefor which may be established by the Board from time to time and any violation of such rules and regulations may result in the loss of use privileges of such recreational facilities or amenities for a period as decided by the Board;
- (xxx i) render his residence unfit for human habitation;
- (xxxii) subject to By-law 3(b)(ix), paint, decorate or otherwise alter any portion of his residence required to be maintained by the Corporation without the express, prior, written consent of the Board;
- (xxxiii) cook on the balcony or patio associated with his residence except as allowed by Fire Code regulations, using approved barbecues and in accordance with proper safety precautions;
- (xxxiv) leave his residence vacant or unattended in excess of 48 hours without inspection by the owner or his agent;
- (xxxv) lease, rent, let or provide a license to occupy his residence except in accordance with By-law 53;
- (xxxvi) restrict, impair, impede, alter or otherwise interfere with any underground sprinkler systems, including the zoning and operation of any sprinkler system installed on or under the parcel at any time;
- (xxxvii) drive any motor vehicle on the parcel except on such portions of the common property that are designated for such use and not in excess of 15 kilometres per hour;
- (xxxviii) allow his parking unit to become or remain in an untidy or unsightly condition. The Board shall be at liberty to remove any rubbish or debris and to clean up the parking unit to its satisfaction and to charge the expense to the owner. PROVIDED HOWEVER the Corporation shall be responsible for structurally maintaining such parking unit at a standard considered reasonable by the Corporation and the Corporation shall have the right of entry and access to any such parking unit as may be necessary or desirable to permit repairs or maintenance thereof or to give access to any portions of the common property;
- (xxxix) shovel snow or run water onto another owner's balcony or patio;

- (xl) smoke on any balcony or patio unless such owner disposes of smoking material into a fire retardant receptacle placed on such balcony or patio, which receptacle shall be filled with either sand or water and, without in way limiting the generality of the foregoing, an owner shall not throw cigarette butts, matches or other smoking or combustible materials out of the windows or over a balcony or off a patio;
 - (xli) use a skateboard, scooter or trick bicycle or play street hockey anywhere on the parcel; or
 - (xlii) use his parking unit for any purpose other than parking licensed and operational motor vehicles and no structures, gates, blockades, or fences, except for curbing that may be installed by the Developer or the Corporation, shall be permitted on or around any parking unit;
- (c) An owner shall ensure that his occupants comply with those requirements that the owner must comply with under Subsections (a) and (b) hereof.
- (d) The Corporation shall not unreasonably restrict access by the owners to the common property; PROVIDED HOWEVER that portions of the common property shall, in certain cases, have a specific and limited or restrictive purpose or use and without limiting the generality of the foregoing, notwithstanding anything to the contrary in these By-laws:
- (i) those portions of the common property which contain mechanical, electrical, plumbing, HVAC and other related equipment and services shall only be accessed or entered by individuals or groups authorized by the Corporation or the Manager;
 - (ii) the Corporation may, from time to time and at any time, directly or indirectly license, lease, assign or otherwise provide exclusive possession of a portion of the common property, including without limitation, lockers, balconies and patios, to one or more of the owners to the exclusion of all other owners;
 - (iii) the Corporation may, from time to time and at any time, restrict access to certain portions of the common property by some or all of the owners, their families and invitees if the Corporation reasonably believes such restrictions are necessary:
 - (A) for the health and safety of any individual;
 - (B) to protect the common property or any other assets of the Corporation from damage;
 - (C) pursuant to any rules and regulations passed by the Corporation; or
 - (D) pursuant to By-law 45.
- (e) The Corporation may from time to time establish rules and regulations to promote the safe and orderly use of the residences, the parking units and the common property, provided such rules and regulations are consistent with the By-laws.

DUTIES OF THE OWNERS

4. An owner SHALL:

- (a) subject always to the Act, permit the Corporation and its agents, at all reasonable times on a minimum of forty-eight (48) hours notice (except in case of emergency in which case no notice is required), to enter his residence for the purpose of:
- (i) cleaning, inspecting, maintaining, operating, repairing, restoring or replacing pipes, wires, cables, ducts, conduits, plumbing, sewers and other property, machinery, equipment, fixtures or chattels whether part of the residence or the common property which the Corporation is required to clean, maintain, operate, repair, restore, replace or renew;
 - (ii) maintaining, repairing or replacing any managed property;
 - (iii) ensuring that the By-laws are being observed;
 - (iv) doing any work for the benefit of the Corporation generally; or
 - (v) gaining access to meters monitoring the use of any utility.

In the event the Corporation must gain access for any of the aforesaid purposes by using a locksmith, the cost of such locksmith shall be incurred by the Corporation and charged to the appropriate party;

- (b) forthwith:
- (i) carry out all work that may be ordered by any municipality or public authority in respect of his residence; and
 - (ii) pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his residence;
- (c) duly and properly clean, wash, repair, maintain and, when required, replace:
- (i) his residence and all improvements and additions thereto;
 - (ii) any light fixture (and their bulbs) located on any balcony or patio which is accessible through his residence;
 - (iii) the appliances in the residence; and
 - (iv) any furnace or hot water tank contained within his residence unless such furnace or hot water tank is managed property;

BUT EXCLUDING the repair of such damage as is insured against by the Corporation to the extent the Corporation receives proceeds of insurance with respect to such damage or for which the Corporation is responsible pursuant to these By-laws;

- (d) keep any portion of the common property in respect of which such owner has been granted a license, lease or assignment or has been otherwise provided exclusive possession in strict compliance with all rules and regulations and in a neat, clean and sightly condition.
- (e) notify the Corporation and the Manager forthwith upon any sale, mortgage, lease or other dealing in connection with his residence or parking unit;
- (f) not lease the owner's parking unit to any party that is not an owner and shall not sell the owner's parking unit other than in conjunction with a sale of the owner's residence. Notwithstanding the foregoing, if an owner owns more than one (1) parking unit, the owner may sell such extra parking unit other than in conjunction with a sale of such owner's residence, provided that the transferee is an owner;
- (g) comply strictly with these By-laws and with such rules and regulations as may be adopted pursuant hereto from time to time and cause all occupiers of and visitors to his residence to similarly comply;
- (h) pay to the Corporation (or if requested to the Manager) when due all contributions levied or assessed against his residence and his parking unit(s) together with interest on any arrears thereof at the interest rate calculated from the due date;
- (i) pay to the Corporation all legal expenses and additional administrative and management costs incurred as a result of having to take proceedings to collect from the owner any expense whatsoever levied or assessed against his residence and his parking unit(s), or to enforce these By-laws or the Act;
- (j) deposit with the Corporation, if requested, twelve (12) duly executed post-dated cheques or arrange monthly bank debit for duly assessed condominium common expenses; and
- (k) carry such additional insurance coverage with respect to his residence or his parking unit as may be required by the Corporation from time to time.

DUTIES OF THE CORPORATION

5. In addition to the duties of the Corporation set forth in the Act, the Corporation, through its Board, SHALL:
 - (a) manage, maintain, repair, replace and administer the common property (except as hereinbefore and hereinafter set forth) and all other real property, chattels, personal property or other property owned by the Corporation for the benefit of the owners or for the benefit of the project;
 - (b) do all things required of it by the Act, these By-laws and any other rules and regulations in force from time to time and shall take all necessary steps that it sees fit to uphold these By-laws;
 - (c) provide and maintain in force all such insurance as is required by the Act and by the provisions of these By-laws, 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 residence, 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 for the last premium in respect thereof;

- (d) maintain, repair or replace all utility services and systems and related equipment within, on, in, under or through the residences, the parking units and common property, including any zone valves and underground sprinkler system;
- (e) collect or cause to be collected and receive or cause to be received all contributions towards the common expenses and deposit same in a separate account with a chartered bank, trust company, Alberta Treasury Branch or credit union;
- (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 a capital replacement reserve fund to be used to provide sufficient funds that can reasonably be expected to provide for major repairs and replacements of the common property and any other real and personal property owned by the Corporation and the managed property, where the repair or replacement is of a nature that does not occur annually. Funds shall not be taken from a capital replacement reserve fund for the purposes of making capital improvements unless such improvements are authorized by special resolution. The capital replacement reserve fund shall be an asset of the Corporation and no part of that money shall be refunded or distributed to any owner of a unit except where the project ceases to be governed by the Act;
- (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 the Board may deem justifiable in the management or administration of the project;
- (h) make reasonable efforts to clear all ice, snow, slush and debris from and keep and maintain in good order and condition all areas of the project designated for vehicular or pedestrian traffic and keep and maintain in good order and condition all grassed or landscaped areas of the project;
- (i) pay all legal expenses incurred by the Corporation to collect any expense whatsoever levied or assessed against a residence or a parking unit, or to enforce these By-laws or the Act, and, at its sole and unfettered discretion, levy or assess one or more residences or parking units with all or any portion of such legal expense, provided however no such assessment may be levied or assessed against any residence or parking unit in respect of which the Developer is or would be exempted from paying its proportionate share of the common expenses pursuant to By-law 55(a);
- (j) establish and maintain lawns, trees and shrubs and other landscaping on the parcel; and
- (k) facilitate the transportation of garbage and recycling containers to and from storage rooms and designated staging areas on scheduled days of collection, ensuring compliance with the Alberta *OCCUPATIONAL HEALTH AND SAFETY ACT, REGULATION AND CODE* and any regulations under this Act.

POWERS OF THE CORPORATION

6. In addition to the powers of the Corporation set forth in the Act, the Corporation through its Board, MAY and is hereby authorized to:
- (a) purchase, lease or otherwise acquire personal property (including shares in any corporation) for use in connection with the management, maintenance, repair, replacement or enjoyment of the common property and of any other real or personal property 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 15% of the current year's common expenses budget shall be approved by special resolution;
 - (c) secure the repayment of monies borrowed by it, and the payment of interest thereon, by negotiable instrument, mortgage of unpaid contributions (whether levied or not), or mortgage of any property owned by it, or by any combination of those means;
 - (d) invest as it may determine any contributions towards the common expenses SUBJECT TO any restrictions set forth in the Act;
 - (e) 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 project and do all things reasonably necessary for the enforcement of these By-laws and for the control, management and administration of the project generally, including the commencement of an action under Section 36 or Section 39(9) of the Act and all subsequent proceedings relating thereto;
 - (f) determine from time to time the amounts to be raised and collected for the purposes hereinbefore mentioned;
 - (g) raise the amounts of money so determined by levying contributions on the owners in proportion to the unit factors for their respective residences and parking units or on a basis other than in proportion to the unit factors of the owners;
 - (h) charge interest under Section 40 of the Act on any contribution or common expenses owing to it by an owner at the interest rate;
 - (i) 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;
 - (j) join any organization serving the interests of the Corporation and assess the membership fee in such organization as part of the common expenses;
 - (k) do all things which are, either or both, incidental or conducive to the exercise of its powers granted under the Act and the By-laws;
 - (l) subject to any limitations and prohibitions contained in the Act, these By-laws and otherwise by law, have such powers and do all such things which any body corporate shall be empowered and authorized to do under the *BUSINESS CORPORATIONS ACT* of Alberta (as amended and replaced from time to time) and do all things and have all rights, powers and privileges of a natural person;

- (m) impose monetary or other sanctions pursuant to these By-laws, or commence such other proceedings as may be available, for the contravention of any By-laws;
- (n) lease or otherwise grant to any owner or occupant the right (exclusive or otherwise) to use and possess a portion of the common property on such terms and conditions as the Corporation, acting reasonably and in accordance with these By-laws, may determine;
- (o) elect to maintain, repair and replace any mechanical, electrical, HVAC or other related equipment and services located within a residence to such extent as the Board may in its discretion determine, subject always to any special resolution of the owners;
- (p) make an approval conditional upon certain conditions being met or policies, rules or regulations being followed and subsequently withdraw its approval if such conditions are not met; and
- (q) acquire any units which contain or comprise common property as and when offered by the Developer without approval of the owners.

THE CORPORATION AND THE BOARD

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

NUMBER ON BOARD

8. Subject to By-law 55(b), the Board shall consist of not fewer than three (3) nor more than nine (9) owners or representatives or mortgagees who have notified their interests to the Corporation. Where a residence has more than one (1) owner, only one (1) owner in respect of that residence may sit on the Board at any point in time.

RETIREMENT FROM BOARD

9. At each annual general meeting of the Corporation each member of the Board whose term has expired shall retire from office and the Corporation shall elect new Board members as required. A member of the Board shall be elected at an annual general meeting for a term expiring at the conclusion of the annual general meeting convened in the second (2nd) year following the year in which he was elected to the Board; PROVIDED HOWEVER that at least one-half of the Board shall be elected each year and if at a particular annual general meeting less than one-half of the positions of the Board are to be elected, sufficient additional members of the Board shall be chosen by lot to retire and the Corporation shall elect new Board members accordingly.

ELIGIBILITY FOR ELECTION TO BOARD

10. A retiring member of the Board shall be eligible for re-election. Each member of the Board shall make full disclosure of any real or apparent conflict of interest and any direct or indirect relationships he may have with the Corporation either contractual, financial or employment related.

REMOVAL FROM BOARD

11. Except where the Board consists of the Developer or its representative, the owners 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 FROM BOARD

12. Where a vacancy occurs on the Board under By-law 21, the Board may appoint a person to fill that office for the remainder of the former member's term provided such person qualifies for membership pursuant to By-law 8.

QUORUM FOR BOARD

13. 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, four (4) where it consists of seven (7) members and five (5) where it consists of eight (8) or nine (9) members. Any member of the Board may waive notice of a meeting before, during or after the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting.

OFFICERS OF THE CORPORATION

14. 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 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 offices.

CHAIRMAN OF BOARD MEETINGS

15. 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 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, to hold the meeting in another location.

DUTIES OF THE OFFICERS

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

VOTES OF THE BOARD

17. At meetings of the Board all matters shall be determined by simple majority vote. A resolution of the Board in writing signed by all of the members shall have the same effect as a resolution passed at a meeting of the Board duly convened and held. All meetings of the Board shall be conducted according to the rules of procedure adopted by the Board and in the absence of any adopted rules of procedure, the procedures set forth in ROBERT'S RULES OF ORDER shall be followed.

FURTHER POWERS OF BOARD

18. 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 reasonable 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 project and the exercise and performance of the powers and duties of the Corporation;
- (c) subject to any valid restriction imposed or directive 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 to perform the services of a Manager, any professional real property management firm, professional real property manager or agent for such purposes (including but not so as to limit the generality of the foregoing the supervision, management and performance of any or all of the duties of the Corporation) and upon such terms as the Board may from time to time decide SUBJECT ALWAYS to the control and direction of the Corporation and the Board. Such Manager shall 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 the sum of:
 - (i) the total amount of any capital replacement reserve funds in the hands of or controlled by the Manager;
 - (ii) one month's total condominium contributions of the Corporation or 1/12th of the total annual condominium contributions for all units in the project (excluding any special contributions) whichever is greater; and
 - (iii) a sum representing the average monthly amount of cash in the control of the Manager;

- (e) enter into an insurance trust agreement in a form and on terms as required by any Insurance Trustee;
- (f) set and charge for and on behalf of the Corporation reasonable fees to compensate the Corporation for expenses it incurs in producing and providing any documents or copies required to be issued by it under the Act or pursuant to these By-laws; and
- (g) provided that the Corporation owns a unit, including a unit consisting of common property, vote at any meeting of the Corporation.

ADDITIONAL DUTIES OF THE BOARD

19. The Board SHALL:

- (a) subject to any valid restrictions or directions given at a general meeting of the owners, carry on the day-to-day business and affairs of the Corporation;
- (b) keep minutes of its proceedings and, upon written request at the expense of the person requesting, provide copies thereof to owners and to mortgagees who have notified their interests to the Corporation;
- (c) cause minutes to be kept of general meetings of the owners and, upon written request at the expense of the person requesting, provide copies thereof to owners and to mortgagees who have notified their interests to the Corporation;
- (d) cause proper books of account to be kept in respect of all sums of money received and expended by it and the matters in respect of which receipt and expenditure shall take place;
- (e) prepare proper accounts relating to all monies of the Corporation, and the income and expenditure thereof, for each annual general meeting;
- (f) maintain financial records of all the assets, liabilities and equity of the Corporation;
- (g) on written application of an owner or mortgagee, or any person authorized in writing by him, and at the expense of the person requesting, within twenty-eight (28) days make the books of account available for inspection at a time convenient to the Board and its agents;
- (h) at least once a year, cause the books and accounts of the Corporation to be audited by an independent chartered accountant to be selected at each annual general meeting of the Corporation and cause to be prepared and distributed to each owner and to each mortgagee who has, in writing, notified its interest to the Corporation, a copy of the audited financial statement of the receipts of contributions of all owners towards the common expenses and disbursements made by the Corporation and a copy of the auditor's report within ninety (90) days of the end of the fiscal year of the Corporation. The report of the auditor shall be submitted to each annual general meeting of the Corporation. Any obligations under this paragraph may be waived upon the passing of an ordinary resolution to that effect;
- (i) keep a register noting the names and addresses of all owners and any mortgagees who have given notice of their interests to the Corporation;

- (j) at all times, keep and maintain in force, all insurance required hereunder and by the Act to be maintained by the Corporation;
- (k) within thirty (30) days from the conclusion of the Corporation's annual general meeting, file or cause to be filed at the Land Titles Office a notice in the prescribed form stating the name and address of the person and the day that the person became or ceased to be, as the case may be, a member of the Board;
- (l) file or cause to be filed at the Land Titles Office a notice in the prescribed form of any change in the address for service of the Corporation; and
- (m) appoint any committee for any purpose it sees fit. Each committee shall appoint a Chairman and each Chairman shall report to the Board on each committee's activities. Any committee of the Board shall have only that authority to deal with the owners of units, the occupants of units, or others, as the Board may expressly confer on each committee.

DEFECTS IN ELECTION TO BOARD

20. All acts done in good faith by the Board are, notwithstanding it is later discovered that there was some defect in the election or continuance in office of any member of the Board, valid as if the member had been duly elected or had duly continued in office.

VACATING OFFICE OF BOARD MEMBER

21. The office of a member of the Board shall be vacated if the member:
- (a) by notice in writing to the Corporation resigns his office;
 - (b) dies;
 - (c) is in arrears more than sixty (60) days of any contribution, levy or assessment required to be made by him as an owner;
 - (d) becomes bankrupt;
 - (e) is found lunatic or becomes of unsound mind, or is the subject of a Certificate of Incapacity issued under the *MENTAL HEALTH ACT*;
 - (f) is convicted of an indictable offence;
 - (g) is absent from meetings of the Board for a continuous period of three (3) months or three (3) consecutive meetings without the consent of the remaining members of the Board and a majority of the remaining members of the Board resolve at the next subsequent meeting of the Board that his office be vacated;
 - (h) ceases to qualify for membership pursuant to By-law 8;
 - (i) in the case of a company which is a member of the Board, if the company shall become bankrupt, 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;

- (j) is refused bonding, at a reasonable premium, by a recognized bonding institution;
- (k) commences any legal proceedings against the Board or the Corporation; or
- (l) is chosen by lot to retire pursuant to By-law 9.

SIGNING AUTHORITIES

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

CORPORATE SEAL

23. The Corporation shall have a common seal, which seal 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 two members of the Board or by the persons as may be authorized from time to time by resolution of the Board, except that where there is only one member of the Corporation his signature shall be sufficient for the purposes of this By-law, and if the only member is a company the signature of its appointed representative on the Board shall be sufficient for the purpose of this By-law.

ANNUAL GENERAL MEETINGS

24. 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 in which the residences are located unless the owners agree, by ordinary resolution, to hold the meetings in another location.

EXTRAORDINARY GENERAL MEETINGS

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

CONVENING EXTRAORDINARY GENERAL MEETINGS

26. The Board may, whenever it thinks fit, and shall, upon a requisition in writing by owners representing not less than twenty-five (25%) percent of the total unit factors for all the residences or upon the request in writing from mortgagees holding registered mortgages (and who have notified their interests to the Corporation) against residences in respect of which corresponding unit factors represent not less than twenty-five (25%) percent of the total unit factors for all the residences or a combination of such owners or mortgagees entitled to vote with respect to twenty-five (25%) percent of the total unit factors for all the residences, 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 items specified by the requisitioners in the form of resolutions as set out in writing in the requisition.

NOTICE OF GENERAL MEETING

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

PROCEEDINGS AT GENERAL MEETINGS

28. All business that is transacted at an annual general meeting, with the exception of the consideration of accounts and election of members to the Board, or at any extraordinary general meeting, shall be deemed special.

QUORUM FOR GENERAL MEETINGS

29. Except as these By-laws otherwise provide, 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. One-quarter ($\frac{1}{4}$) of the persons entitled to vote, representing not less than 2500 of the unit factors, present in person or by proxy, shall constitute a quorum and for the purposes of calculating the quorum, the Corporation shall be deemed to be one person regardless of the number of units it owns. The unit factors of units owned by the Corporation shall be counted in determining whether a quorum is achieved.

ADJOURNMENT FOR LACK OF QUORUM

30. Provided proper notice of the meeting has been given in accordance with By-law 27, if within fifteen (15) minutes from the time appointed for a general meeting a quorum is not present, the meeting shall stand adjourned for thirty (30) minutes at the same place and time and if at the adjourned meeting a quorum is not present within five (5) minutes from the time the meeting is reconvened, the persons present who are entitled to vote, shall be deemed to constitute a quorum.

CHAIRMAN FOR GENERAL MEETINGS

31. The President of the Board shall be the Chairman of all general meetings. 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

32. The order of business at general meetings shall be:
- (a) if the President and Vice-President of the Board shall be absent or elect to vacate the Chair or refuse to act, the election of the Chairman of the meeting;

- (b) call to order by the Chairman and establish quorum;
- (c) proof of notice of meeting or waiver of notice;
- (d) reading and disposal of any unapproved minutes;
- (e) reports of officers;
- (f) reports of committees;
- (g) financial report;
- (h) appointment of auditors or audit committee;
- (i) resignation of Board members whose terms have expired;
- (j) election of Board Members;
- (k) unfinished business;
- (l) new business; and
- (m) adjournment.

VOTING BY SHOW OF HANDS

33. 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 an owner or registered mortgagee present in person or proxy. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour or against the resolution. Except for matters requiring a special resolution or unanimous resolution, all matters shall be determined by ordinary resolution.

POLL VOTES

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

VOTING CALCULATION

35. On a show of hands, each person entitled to vote for any unit shall have one vote for that unit. On a poll, the votes of persons entitled to vote for such unit shall correspond with the number of unit factors for the respective units owned or mortgaged to them. The units owned by the Corporation shall only be counted in the case of a poll.

VOTES PERSONALLY OR BY PROXY

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

PROXIES

37. 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

38. Except in cases where by or under the Act or these By-laws a unanimous resolution or special resolution is required, no owner is entitled to vote at any general meeting unless all assessments payable in respect of his unit have been duly paid to the date thirty (30) days prior to the date of such meeting but the presence of any such defaulting owner shall be included in the count for quorum constitution purposes pursuant to By-law 29.

VOTE BY CO-OWNERS

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

RESOLUTION OF THE OWNERS

40. 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

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

TRUSTEE VOTE

42. 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

43. Notwithstanding the provisions of these By-laws with respect to appointment of a proxy, where the owner's interest is subject to a registered mortgage and where the mortgage or these By-laws or any statute provides that the power of 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 subject to the limitations set forth in the Act resulting from the owner's failure to pay contributions.

VIOLATIONS OF BY-LAWS

44. (a) Any infraction, violation of, default or failure to comply under these By-laws or any rules and regulations established pursuant to these By-laws on the part of an owner, his servants, agents, licensees, invitees or tenants that has not been corrected, remedied or cured within ten (10) days of the owner having received written notification from the Corporation to do so, may be corrected, remedied or cured by the Corporation and any costs or legal expenses incurred or expended by the Corporation and additional administrative and management costs, incurred 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 in an action for debt in any court of competent jurisdiction any sum of money owing to the Corporation for which ten (10) days prior written notice has been given by the Corporation and there shall be added to any judgment, all costs and disbursements of such action including legal expenses. The granting of solicitor and client costs shall be absolute and not subject to the discretion of any court of competent jurisdiction, excepting the amounts which may be taxed in accordance with the prevailing rules for taxation of solicitor/client costs. Any amount owing together with legal expenses may be collected pursuant to Section 39 of *THE LAND TITLES ACT*, by foreclosure.

SANCTIONS FOR FAILURE TO COMPLY WITH BY-LAWS

45. (a) If the Board determines that an infraction, violation, default or failure to comply with any By-law is occurring, 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 that the notice is delivered to the owner alleged in breach. Upon resolution, the Board may:
- (i) impose a reasonable penalty by monetary sanction, the minimum monetary sanction to be Fifty (\$50.00) Dollars to a maximum monetary sanction of Ten Thousand (\$10,000.00) Dollars plus all related administrative and management costs and expenses together with legal expenses. The notice alleging the breach shall also specify the monetary sanction to be levied if the breach is not rectified. If a tenant of an owner is 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 By-law and result in the fine being levied; and
- (ii) prohibit and enjoin the owner, tenants and invitees of the owner or tenants from the use and enjoyment of the common property.

- (b) If an owner has received a notice pursuant to By-law 45(a):
- (i) an owner aggrieved by a notice given by the Board, or by a monetary sanction leviable or levied, may appeal the resolutions of the Board to the Board at its next meeting;
 - (ii) the Board may rescind, amend or confirm the resolution of the Board, and in so doing may inquire into all the circumstances of the alleged breach, its rectification, any monetary sanction levied or leviable, the collection or forgiveness of any monetary sanction and, generally, to act in their discretion to uphold the By-laws; and
 - (iii) the appeal shall be conducted according to rules of natural justice. The owner or his representative shall be given the opportunity to make submissions. The rules of evidence shall not apply. No error in proceedings shall operate so as to nullify the proceedings unless the error is sufficiently grave as to prejudice the rights of all or any one of the owners.
- (c) An owner may further appeal to an extraordinary general meeting, requisitioned in accordance with the requirements of these By-laws by the owner.
- (d) Where a person fails to abide by a 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 or add the amount to the owner's contribution account and collect the sum as a contribution pursuant to Section 39(8) and 39(9) of the Act. By-law 44(b) shall apply with respect to such enforcement or collection.
- (e) A sanction may not be imposed that has the effect of prohibiting or restricting the devolution of residences or any transfer, lease, mortgage or other dealing with the residences or destroying or modifying any easement implied or created by the Act.

AMENDMENT OF BY-LAWS

46. These By-laws, or any of them, may be added to, amended or repealed by special resolution of the Corporation and not otherwise. The Corporation shall cause to be prepared and distributed to each owner and mortgagee who has notified its interest to the Corporation, a notice or memorandum of any proposed amendments, additions or repeal thirty (30) days prior to the date of any such special resolution and thereafter provide each such owner and mortgagee with a copy of any registered amendment, addition or repeal.

DAMAGE OR DESTRUCTION

47. (a) In the event of destruction as a result of fire or other casualty, the Board shall determine within thirty (30) days of the occurrence whether there has been substantial damage. For the purpose of this paragraph, substantial damage shall mean damage to the extent of twenty-five (25%) percent or more of the replacement value of all residences, parking units and common property immediately prior to the occurrence. Prior to making any determination under this subparagraph the Board shall obtain the opinion of an independent insurance appraiser to the effect that substantial damage has or has not occurred. If there has been substantial damage the Board shall convene an extraordinary general meeting and give at least ten (10) days' notice by registered mail to all registered mortgagees.

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

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

- (i) any liens or charges affecting any of the units shall be deemed to be transferred in accordance with their existing priorities to the interests of the respective owners in the parcel; and
 - (ii) the proceeds of insurance shall be paid to the Insurance Trustee, if any, the owners and mortgagees, as their respective interests may appear, in proportion to their respective interests in the parcel in accordance with the terms of any insurance trust agreement in effect.
- (b) The Corporation is not responsible for any damage or loss of any nature or kind in or upon a residence or a parking unit whatsoever caused to any property or contents of an owner or an occupant (as that latter term is defined in By-law 3) of a residence.
 - (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 By-laws, whichever is the greater.
 - (d) Where the Corporation is required to enter a residence or a parking unit for the purpose of maintaining, repairing or renewing pipes, wires, cables and ducts existing in the residence or the parking unit, the Corporation and its servants, employees and agents shall in carrying out any work or repairs do so in a proper and workmanlike manner and shall make good any damage to the residence or the parking unit occasioned by such work and restore the residence or the parking unit to its former condition, leaving the same clean and free from debris.
 - (e) An owner shall indemnify and save harmless the Corporation from damage or loss to the common property or to any residence or parking unit by his act, omission or negligence or that of any member of his family or his or their guests, servants, agents, invitees, licensees or tenants. Such amount shall be recoverable by the Corporation as a contribution in the manner as allowed by these By-laws.

INSURANCE

48. (a) The Board, on behalf of the Corporation, shall obtain and maintain, subject always to the Act, and in particular, Section 47 thereof and Part 6 of the Regulations thereto, and to the extent available the following insurance:
- (i) Fire insurance with extended coverage endorsement for such perils as required by the Act and such other perils as the Board shall deem appropriate (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 managed property, (B) all of the insurable common property, (C) all other insurable property of the Corporation, both real and personal of any nature whatsoever, (D) and all of the residences, inclusive of all improvements and betterments of which the Corporation has written notice, but not including furnishings, window coverings, drapes, blinds and other personal property of each owner, whether or not installed in the residences; for the full replacement cost thereof, without deduction for depreciation; and insuring the interests of and naming as insureds; all owners from time to time, all mortgagees who have given written notice to the Corporation, the Corporation, and the Board of Directors (hereinafter collectively called the "Insureds") as their respective interests may appear;
 - (ii) Boiler, vessel and machinery (including elevator) insurance, if required;
 - (iii) Public liability insurance insuring the Insureds against any liability to the public and/or to the owners and their invitees, licensees or tenants, incidental to the ownership and/or use of the common property and residences and the parking units and such insurance shall have limits of liability in an amount not less than \$2,000,000.00 inclusive for bodily injury and/or property damage per occurrence;
 - (iv) Liability insurance, including errors and omissions coverage, in such amounts and with such deductible as the Board may determine, insuring the Board and every member thereof from time to time and all employees of the Corporation from and against all loss, costs, and expenses, including legal 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, 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; and
 - (vii) Such other insurance and coverage for such other risks or causes as the Board may determine or as may be determined by ordinary 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 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 By-law are met) or of invalidity arising from the conduct of or any omission or act or breach of a statutory condition by any insured;
 - (vi) that the Corporation or the Insurance Trustee (as the case may be) shall have the right, at its sole option, to obtain a cash settlement in the event of substantial damage to the property insured and 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;
 - (vii) a cross liability endorsement wherein the rights of any insured shall not be prejudiced with respect to another insured and the insurance indemnifies each Insured as if a separate policy had been issued to each insured; and
 - (viii) for a reasonable deductible.
- (c) A certificate or memorandum of all insurance policies and endorsements thereto shall be issued by the Board, or by the Manager on its behalf, as soon as practicable to each of the Insureds immediately upon written request therefor, and a duplicate original or certified copy of each such policy shall be forwarded as aforesaid to each mortgagee who has in writing notified the Board of its interest. Further, a renewal certificate or memorandum of new insurance policies shall be furnished to each Insured. The master policy of all insurance coverage shall be retained by the Corporation in its offices, and shall be available for inspection by any and all of the Insureds upon reasonable request.
- (d) Notwithstanding anything aforesaid, all proceeds of insurance on loss or claim shall be paid to the Insurance Trustee (if any), and exclusive authority to adjust losses and settle proceeds under all insurance policies shall be vested in the Board or its authorized representative, and the Insurance Trustee (if any) and any expenses of the Insurance Trustee shall be treated as common expenses of the Corporation.

- (e) The owners may, and upon written request of any mortgagee shall, carry insurance on their own residences and parking units as permitted by the Act provided that the liability of the insurers issuing insurance obtained by the Board hereunder shall not be affected or diminished by reason of insurance so carried by any unit owner AND PROVIDED FURTHER that neither the Corporation nor the Board shall be required or have any duty to insure the interests of tenants against liability or the interests of tenants or owners for their belongings, contents or other property. The insuring of any contents within an owner's residence or parking unit is the sole responsibility of the owner, tenant or occupier of such residence or parking unit and they shall not require the Corporation or the Board to repair any damage to any contents or personal property within or to the residence or parking unit however caused.
- (f) In the event an owner incurs or suffers damage or loss to any interior finishing or improvements of his residence 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, such damage or loss was caused by or arose out of any act, omission or negligence by such owner, his family members or his or their guests, servants, agents, licensees, invitees or tenants and such amount shall 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.

CONTRIBUTIONS FOR COMMON EXPENSES AND BUDGETS

49. (a) Subject to By-laws 49(b) and 55(a)(iii), the common expenses of the Corporation shall be paid by the owners in proportion to the unit factors for their respective residences and parking units unless the Board directs that any common expense shall be paid on a basis other than in proportion to the unit factors of the owners for their respective residences and parking units and, without limiting the generality hereof, shall include, without limitation, the following:
- (i) all levies or charges on account of garbage removal, electricity, water, sewer, gas and fuel services and television antenna or cable services (if any) supplied to the Corporation for the project and for the benefit of all owners and not charged directly to 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 cleaning or sweeping, lawn maintenance and landscaping and for ice and snow clearing and debris removal not designated to be maintained by an owner;
 - (iv) all charges on account of lighting fixtures situated on managed and common property;
 - (v) all charges on account of maintenance for those portions of managed property and common property for which the Corporation is responsible under these By-laws;

- (vi) all costs of furnishings, tools and equipment for use in and about the project facilities or amenities including the repair, maintenance or replacement thereof;
- (vii) all insurance costs in respect of the insurance for which the Corporation is responsible under these By-laws and/or the Act;
- (viii) 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;
- (ix) all reserves for repairs and replacement of common property and portions of managed property or buildings the repair or replacement of which is the responsibility of the Corporation;
- (x) maintenance of the building envelope (including without limitation windows, exterior finish, balconies, exterior doors, exterior windows, the roof and all roofing materials), the exterior walls and other structural costs associated with the high-rises and townhouses;
- (xi) the cost of maintaining fidelity bonds as provided in these By-laws;
- (xii) the cost of borrowing money for the purpose of carrying out the duties and objects of the Corporation; and
- (xiii) the allocated or pro rata portion of the cost of any electricity taken from any exterior plug which is billed directly to an owner by the provider of such electricity and which is used by the Corporation for purposes of operating or maintaining the parcel;

and, for greater clarity, but without limiting the generality of the foregoing, any unit that is common property shall not be responsible for paying common expenses and any unit that does not contain a completed residence (as the term "completed" is defined in By-law 55) shall pay common expenses in accordance with By-law 55.

- (b) Notwithstanding By-law 49 (a), should the Board, acting reasonably, determine that a single owner or group of owners are responsible for certain items of common expense to the exclusion of the balance of the owners, the Board may assess such owners for such common expenses and exclude such common expense from the assessment of the balance of the owners. Prior to doing so, the Board shall advise the owners in writing of such reallocation of the common expenses. The Board, acting reasonably, shall determine how it shall adjust for such reallocation of common expenses.
- (c) 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 residence:
 - (i) a copy of the budget for the next fiscal year; and
 - (ii) a notice of the assessment for his contribution towards the common expenses for the next fiscal year.

- (d) The budget shall be determined on a reasonable economic basis, in accordance with generally accepted accounting principles consistently applied and 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 capital placement reserve fund.
- (e) The capital replacement reserve fund may be used for the repair or replacement of the common property, the managed property and any other real and personal property owned by the Corporation 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.
- (f) The common expenses set forth in each annual budget 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, in twelve (12) equal consecutive monthly installments payable, in advance on the first day of each month, the first installment to be made on the 1st day of the month immediately following receipt of such notice of assessment, or such other time as may be prescribed by the Corporation.
- (g) All payments of whatsoever nature required to be made by each owner and not paid on or before 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, then to all costs and legal expenses incurred for collection, and then to the assessment payment first due.
- (h) The Corporation shall, on the application of an owner, purchaser or mortgagee or solicitor for an owner, purchaser or mortgagee 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;
- in favour of any person dealing with that owner the certificate is conclusive proof of the matters certified therein.
- (i) 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 any action commenced against the Corporation and served on the Corporation;
 - (iii) the particulars of any unsatisfied judgment or order for which the Corporation is liable; and any written demand made on 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;

- (iv) the particulars of or a copy of any subsisting management agreement;
 - (v) the particulars of or a copy of any subsisting recreational agreement;
 - (vi) a copy of the most current budget of the Corporation;
 - (vii) a copy of the most recent financial statements, if any, of the Corporation;
 - (viii) a copy of the By-laws of the Corporation;
 - (ix) a copy of any meetings of proceedings of a general meeting of the Corporation or of the Board;
 - (x) a statement setting forth the amount of the capital replacement reserve fund;
 - (xi) a statement setting forth the amount of the monthly contributions and the basis on which that amount was determined;
 - (xii) a statement setting forth 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 buildings that are included in the condominium plan; and
 - (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.
- (j) 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 By-laws or release of any owner from his obligation to pay the contributions or special assessments, or any installments thereof for any year or period, but the assessments for the proceeding fiscal period shall continue until new assessments 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 residence.
- (k) The Board or the Manager supplying any document required to be provided in these By-laws or under Section 44 of the Act, shall be entitled to charge a reasonable fee for the production thereof.

SPECIAL ASSESSMENTS

50. Subject to By-law 55, 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 upon sixty (60) days notice, collect a special contribution or assessment against each residence and parking unit, or any of them, 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. All such special assessments, if not paid when due, shall bear interest at the interest rate from the due date until paid.

DEFAULT IN PAYMENT OF ASSESSMENTS

51.

- (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. The Corporation shall have the right to register a caveat or encumbrance against the residence and parking unit titles 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 to maintain such registration 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 give to the Corporation a mortgage or encumbrance for the full amount thereof and interest thereon at the interest rate from the due date 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 legal expenses 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 residence or parking 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 provision;
- (c) Notwithstanding anything else in these By-laws, expressed or implied, each unpaid contribution, assessment, installment or payment shall be deemed to be a separate, distinct and personal debt and obligation of the owner against whom it is assessed. Any action, suit or proceeding to recover such debt or to realize on the judgment arising from such debt shall be maintainable as a separate action, suit or proceeding without foreclosing upon or waiving the lien, charges or security, deemed or otherwise, securing such debt.
- (d) In the event of any assessment against or installment or payment due from an owner remaining due and unpaid for a period of thirty (30) days, the Board, at its election, may accelerate the remaining monthly contributions, assessments, installments and payments for the then current fiscal year upon notice to the owner 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 legal expenses incurred by the Corporation which either the Manager or the Corporation incurs as a result of any act or omission of an owner, his servants, agents, licensees, invitees or tenants which violates these By-laws or any rules or regulations established pursuant thereto, or in the cause of securing or enforcing its interests hereunder or taking any remedies to cure any default hereunder or

registering or discharging a caveat or collecting any amount owing to the Corporation, shall constitute a payment due the Corporation.

- (f) The Corporation may collect unpaid contributions, assessments, installments or other payments (including, without limitation, legal expenses) by requiring a tenant to pay rent owing to the owner to the Corporation pursuant to Section 39(4) of the Act.

ESTOPPEL CERTIFICATE

52. Any certificate as to an owner's position with regard to contributions, expenses 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 owner, but this shall not prevent the enforcement of all obligations of such owner, whether improperly stated in such estoppel certificate or not.

LEASING OF UNITS

53. (a) In the event that any owner desires to lease, rent, let or provide a license to occupy his residence and his parking unit he 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 will comply with the provisions of the Act and of the By-laws of the Corporation to the following effect:

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

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 authorized to:
- (i) impose and collect deposits under Section 53 of the Act. If any deposit is used in accordance with the Act or these By-laws, the owner shall replace that portion of the deposit used within ten (10) days of being notified, in writing, by the Board of its use;
 - (ii) give notices to give up possession of a residence or parking unit under Section 54 of the Act;
 - (iii) make applications to the Court under Sections 55 and 56 of the Act; and
 - (iv) exercise its rights to collect rent pursuant to Section 39(4) of the Act.

- (c) No lessee or occupant shall be liable for the payment of contributions or assessments or common expenses under these By-laws unless notified by the Corporation that the owner from whom he rents the residence and parking unit is in default of payment of contributions, in which case the lessee or occupant shall deduct from the rent payable to the owner, such default contributions and shall pay the same to the Corporation. Any such payment by the lessee or occupant shall be deemed to be a rental payment made to the owner.

EXCLUSIVE POSSESSION OF COMMON PROPERTY

54. (a) Each owner of a residence shall be entitled to be granted, by lease or otherwise, exclusive possession of at least one (1) storage locker subject to such rules and regulations as may be established by the Corporation.
- (b) Each owner of any residence in a high-rise shall be entitled to be granted, by lease or otherwise, exclusive possession of any balcony attached or connected to such residence.
- (c) Each owner of any townhouse shall be entitled to be granted, by lease or otherwise, exclusive possession of any balcony or rooftop patio attached or connected to such townhouse.
- (d) The Corporation may grant to any owner, by lease or otherwise, the exclusive possession or usage of any other portion of the common property as is designated by the Corporation as being available for exclusive use (including an additional storage locker), on such terms and conditions as the Corporation may deem appropriate, acting reasonably. However, no such rights shall be inconsistent with By-law 54(a), (b) and (c).
- (e) Without limiting the generality of By-law 5 or any other By-law, the Corporation shall be responsible for the maintenance of the parkade, including any parking spaces designated by it as visitor parking, and the associated common area providing access to and from the parkade, together with all chattels, fixtures and appurtenances to the parkade.
- (f) All areas of exclusive possession or usage shall only be used in accordance with the By-laws and such rules and regulations established by the Board from time to time.
- (g) The areas of exclusive possession or usage may, by special resolution of the Corporation, be changed, adjusted and amended from time to time, provided that the Corporation shall not, directly or indirectly, confiscate or otherwise take away the rights associated with any area of exclusive possession or usage leased, licensed or assigned to any owner pursuant to By-law 54(a), (b) and (c).
- (h) In addition to the exclusive use areas designated for use of any owner or owners generally, the Board may, from time to time, acting reasonably, grant on behalf of the Corporation to any one or more owners, on such terms and conditions as the Board deems appropriate, acting reasonably, a right of use to portions of the common property, either exclusively or jointly with any other owners, provided that such rights of use shall not, in the opinion of the Board, be prejudicial to the interest of the owners of any residences immediately adjacent to such portions of the common property or be prejudicial to the interest of all the owners.

STARTUP OF THE PROJECT

55. (a) Notwithstanding anything contained in these By-laws, during such time as any residence in, or undeveloped portion of, the project is owned by the Developer:
- (i) The Developer shall be entitled to use one or more residences in the project as show suites and shall be entitled to grant access to the public to such show suites during such business hours as determined by the Developer from time to time, acting reasonably;
 - (ii) The Developer may take such actions that are reasonably necessary to develop, construct or market the project and all of the unsold residences and parking units in the project and, without limiting the generality of the foregoing, may put "for sale" and "open house" signs on the project and show the residences as and when the Developer reasonably determines shall be prudent or expedient;
 - (iii) The Developer shall be exempted from paying its proportionate share of certain assessments for the common expenses on a reasonable basis and, without limiting the generality of the foregoing:
 - (A) until after construction of any residence is completed, the Developer shall be solely responsible for the care, cleaning, repair, maintenance, operation and control of such residence and all costs relating thereto and the Corporation shall be relieved of all responsibility and costs in connection therewith, with the exception only of costs relating to insurance of the project generally, security costs respecting the project generally and such residence's share of the cost of any utilities or other common expenses which cannot be individually metered to a residence;
 - (B) until after construction of any residence is completed, the Developer shall be relieved and shall not be liable for any condominium fees or assessments whatsoever in respect of such uncompleted residence with the exception only of the cost relating to insurance of the project generally, security costs in respect of the project generally and any utilities or other common expenses which cannot be metered individually, and for greater clarity, but without in any way limiting the generality of the foregoing, the Developer shall not be responsible for any condominium fees or assessments for any undeveloped portions of the project;
 - (C) the Developer shall be relieved and shall not be liable for any condominium fees or assessments whatsoever in respect of any parking units with the exception only of the cost relating to insurance of the project generally, security costs in respect of the project generally and any utilities or other common expenses which cannot be metered individually;
 - (D) should By-laws 55(a)(iii)(A), (B) or (C) be held to be unenforceable by a court of competent jurisdiction, the Developer shall be entitled to set-off all costs of the Developer relating to the uncompleted residences against any condominium fees or assessments owing by or assessed to the Developer by the Corporation; and

- (E) for purposes of this By-law, a residence shall not be considered complete until all finishing (including, without limitation, appliances, lighting fixtures, wall coverings, flooring, trim and cabinetry) have been fully installed and an occupancy permit has been issued by the City of Calgary in respect thereof;
- (iv) the Corporation may enter into further agreements with the Developer for the purposes of clarifying and expanding the rights and responsibilities set out in this By-law 55(a); and
- (b) Prior to the election of a Board pursuant to s. 29 (1) of the Act:
- (i) the Corporation may, by ordinary resolution, delegate and give to the Developer, Manager or an agent of the Developer the full right, power and authority to exercise all of the Corporation's duties, rights and powers conferred under the By-laws or the Act and, on so doing, the Developer, Manager or agent, as the case may be, shall be responsible to carry out and perform the obligations and duties of the Corporation;
- (ii) the Board shall consist of one member, being the nominee of the Developer from time to time who shall serve as the President and sole officer of the Corporation with full power and authority to enter into and execute such agreements, certificates and documents shall be required to be entered into and signed by the Corporation; and
- (iii) the Corporation may enter into agreements with the Developer to limit the Developer's responsibility for expenses of the project related to maintenance, amenity usage or replacements or reserves.
- (c) Any delegation by the Corporation pursuant to By-law 55(b) shall be subject to the prior written approval and consent of any mortgagees.
- (d) During such period as the construction and finishing of any residence in the project is incomplete, an owner shall permit the Developer, its employees, agents, contractors and subcontractors at all reasonable times and on a minimum of twenty-four (24) hours notice (excepting case of emergency, in which case no notice is required), to enter his residence for the purpose of building, completing, inspecting, maintaining, operating, repairing, restoring or renewing any and all walls, structures, pipes, wires, cables, ducts, conduits, plumbing, sewer and other structures, constructions, property, machinery, equipment, fixtures or chattels whether part of the residence, another residence or the common property. The Developer shall not be restricted by the By-laws from completing the construction and development of the Project in such fashion as the Developer, in its sole discretion, seems advisable.
- (e) The development of the residences and parking units, including but not limited to design and construction, shall be within the sole control and discretion of the Developer without interference from the Corporation or any of the owners. Neither the Corporation nor the owners shall make any objections or take any steps to prevent, hinder or delay construction and completion of any of the residences, parking units and buildings or their amenities. The Corporation and the owners shall, at the expense of the Developer, provide all consents to and execute all plans, leases, easements, licenses, deeds, documents or assurances required by the Developer to permit or assist development until

the completion of construction of all residences, parking units and related improvements. A member of the Board or officer of the Corporation shall have the power on behalf of the Corporation, with or without resolution of the Board authorizing the same, to execute and deliver on behalf of the Corporation and, if required, under its seal, any such consent, plans, leases, easements, licenses, deeds, documents or assurances required by the Developer and such member or officer so executing and delivering such instrument shall be fully exonerated and released by the Corporation and the owners from any claim for so doing.

NOTICES

56. Unless otherwise expressly provided in these By-laws, service of any notice required to be given under the Act or under these By-laws shall be well and sufficiently given if sent by prepaid mail to the owner at the address of his residence or other known address supplied in writing to the Corporation or if left with him or some adult person at the said address or to the Corporation at its address for service shown on the condominium plan, or to a mortgagee at its address supplied to the Corporation. Any notice given by 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 By-laws.

NOTICE OF DEFAULT TO MORTGAGEES

57. 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 if such default continues for a period of ninety (90) days.

DEBT RETIREMENT ON TERMINATION

58. 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 any 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

59. 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 By-law next following shall be deemed to be a resolution of the Board.

ALTERNATE BOARD REPRESENTATIVE

60. A representative of a company on the Board may appoint any person whether another owner or not and whether a member of the Board or not to serve as his alternate representative on the Board and as such to attend and vote in his stead at meetings of the Board and to do anything specifically provided for in these By-laws. Such alternate shall, if present, be included in the count for quorum and if he is a member of the Board he shall be entitled to two (2) 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 By-law shall be made in writing under the hand of the representative making the same.

REALTY TAXES

61. The realty taxes and other municipal and governmental levies or assessments against land, including improvements, comprising all or any part of the residences, parking units and the common property comprising the project shall be assessed and imposed in accordance with provisions of the Act, but until such time as the assessing authority assesses each residence and parking unit and the share in the common property appurtenant thereto pursuant to the Act such realty taxes and other municipal and governmental levies or assessments shall be apportioned and adjusted amongst all the owners according to their respective unit factors.

INDEMNIFICATION OF OFFICERS AND MANAGERS

62. The Corporation shall indemnify every member of the Board, Manager, officer or employee and his or her heirs, executors and administrators against all losses, costs and expenses, including legal fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a part 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, for unjustified profit or advantage or for any illegal act done or attempted in bad faith or dishonesty. 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 Ten Thousand (\$10,000.00) Dollars, the cost of such bonding to constitute a common expense to the Corporation.

NON-PROFIT CORPORATION

63. 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;

- (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; and
- (c) members of the Board may receive an annual honorarium, stipend or salary established pursuant to By-law 6(i).

CHANGE OF LEGISLATION

64. Should the Act be amended and changed in the future, then these By-laws 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 times with the full powers of the Act and to use all remedies available to it under the Act.

MEDIATION

65. Excepting the collection by the Corporation of amounts owing by an owner and the enforcement of all of its rights and remedies, including foreclosure and sanctions, any dispute respecting any other matter arising under these By-laws may be dealt with by means of mediation, conciliation and arbitration.

ENACTED this 23 day of AUGUST, 2006.

CONDOMINIUM CORPORATION NO. 0512667

Per: _____





061385774

061385774 REGISTERED 2006 09 19

CCBL - CHANGE OF BY-LAWS

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